



Ref.: TML/JD

12 March 2012

Michelle Groves
Chief Executive Officer
Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

97-99 Adelaide Street
Maryborough QLD 4650
PO Box 163
Maryborough QLD 4650
Telephone 13 10 46
Facsimile 07 4123 1124
Website www.ergon.com.au

AERInquiry@aer.gov.au

Dear Ms Groves

Ergon Energy Distribution Loss Factors for 2012-13

On 7 December 2011, the Australian Energy Regulator (AER) wrote to Ergon Energy Corporation Limited (Ergon Energy) requesting that Ergon Energy calculate Distribution Loss Factors (DLFs) for 2012-13 in accordance with its published methodology and submit them to the AER for approval by 16 March 2012. The AER also requested that Ergon Energy provide:

- the DLFs in a format fit for editing and publication by AEMO;
- a copy of its published methodology (in electronic form); and
- an independent assurance/certification that the DLFs have been calculated by the application of the relevant published methodology.

In accordance with this request and clause 3.6.3(i) of the National Electricity Rules (the Rules), please find attached:

- Ergon Energy's DLFs for 2012-13 at Attachment 1. An electronic copy fit for editing and publication by AEMO has been provided to the AER with this submission.
- A copy of Ergon Energy's approved Distribution Loss Factor Calculation Methodology at Attachment 2. This methodology is also published on the Ergon Energy web page and can be found via the following link: <http://www.ergon.com.au/contractors--suppliers--and--developers/electricity-distribution-pricing-methodologies/distribution-loss-factor-calculation-methodology>
- An independent verification by Intelligent Energy Systems (IES) that the DLFs have been calculated in accordance with Ergon Energy's published methodology, at Attachment 3.

In accordance with requirements of the Queensland *Electricity Act 1994*, Ergon Energy has also calculated DLFs for the Mount Isa region. As Ergon Energy's Mount Isa-Cloncurry network is not part of the National Electricity Market, this is not a requirement of the Rules. However, they are included in this submission for completeness and have been referenced in the IES letter.

Should you have any questions or issues relating to this submission, please contact the Acting Manager Regulatory Affairs – Tariff Strategy, Troy McKay-Lowndes, on (07) 4122 5312.

Yours sincerely



Jenny Doyle
Acting Group Manager Regulatory Affairs

Telephone: (07) 4092 9813
Email: jenny.doyle@ergon.com.au
Copy to: troy-mckay-lowndes@ergon.com.au

Table A3: Ergon Energy's Standard DLFs

NETWORK LEVEL	DLF APPLIED IN 2011/12			DLF TO APPLY IN 2012/13		
	East	West	MI	East	West	MI
Sub-Trans. Bus	1.007	1.019	1.001	1.007	1.044	1.001
Sub-Trans. Line	1.018	1.072	1.007	1.016	1.091	1.005
22/11kV Bus	1.019	1.077	1.010	1.018	1.097	1.008
22/11kV Line	1.038	1.118	1.038	1.038	1.133	1.036
LV Bus	1.070	1.157	1.057	1.077	1.185	1.057
LV Line	1.072	1.302	1.073	1.078	1.357	1.079

NETWORK LEVEL	DLF CODES		
	East	West	MI
Sub-Trans. Bus	GESB	GWSB	GMSB
Sub-Trans. Line	GESL	GWSL	GMSL
22/11kV Bus	GEHB	GWHB	GMHB
22/11kV Line	GEHL	GWHL	GMHL
LV Bus	GELB	GWLB	GMLB
LV Line	GELL	GWLL	GMLL

Table A4: Ergon Energy's Site Specific DLFs

NMI	DLF CODE	DLF APPLIED IN 2011/12	DLF TO APPLY IN 2012/13
QDDD000005	GBSB	1.000	1.000
QAAALV0001	GBSB	1.000	1.000
QAAAMR0000	GBSB	1.000	1.000
QDDD000002	GBSB	1.000	1.000
QDDD000004	GS22	1.005	1.017
QAAABW0000	GBSB	1.000	1.000
QAAABW0002	GS02	1.000	1.005
3051526875	GBSB	1.000	1.000
3051526867	GBSB	1.000	1.000
3051526859	GBSB	1.000	1.000
3051526841	GBSB	1.000	1.000
3051526883	GBSB	1.000	1.000
3051526891	GBSB	1.000	1.000
QDDD0003345	GS77	1.010	1.007
QCCC000004	GS19	1.044	1.054
QCCC001004	GS60	1.044	1.046
QCCC000014	GS73	1.001	1.001
QCCC000002	GS18	1.003	1.004
QWAGW00033	GS66	1.010	1.010
QWAGW00066	GS65	1.010	1.010
QAAABW0001	GS51	1.005	1.003

NMI	DLF CODE	DLF APPLIED IN 2011/12	DLF TO APPLY IN 2012/13
QDDD000003	GS21	1.002	1.002
QAAALV0000	GBSB	1.000	1.000
QGGG000394	GS40	1.154	1.151
QAAABX0014	GS69	1.007	1.007
QEMS000001	GS64	1.009	1.008
QAAALV0002	GBSB	1.000	1.000
QCCC000003	GBSB	1.000	1.000
QAAALV0004	GBSB	1.000	1.000
QAAABX0012	GS70	1.001	1.001
QAAABX0002	GS06	1.013	1.012
QAAARG0000	GS14	1.004	1.006
QCCC700300	GBSB	1.000	1.000
QAAAMR0001	GS13	1.000	1.005
QAAABW0042	GS63	1.033	1.034
QAAABW0041	GS62	1.015	1.016
QAAALX0000	GS12	1.014	1.015
QAAABL0000	GBSB	1.000	1.000
QAAABX0001	GS05	1.008	1.008

Table A5: Ergon Energy's DLFs Embedded Generators

NMI	DLF Code	DLF APPLIED IN 2011/12	DLF TO APPLY IN 2012/13
QEEE000547	GS26	0.997	0.996
QEEE000026	GS55	0.977	0.982
QCQPW00076	GS49	0.956	0.894
QFFF000010	GS29	0.958	0.973
QFFF00000Z	GS30	0.958	0.973
QCCC001041/3	GS67	0.973	0.974
QDDD003206	GS71	0.999	0.999
QDDD003340	GBSB	1.000	1.000
QCCC001036	GS56	0.987	0.989
QMKYW00147	GBSB	1.000	1.000
QGGG000418	GS74	1.002	1.005
3051393689	GS76	0.950	0.929
QEEE000050	GS79	0.980	0.991
3051745577	GS80		0.989
3051532166	GS81		0.986