



25th February 2010

Mr Chris Pattas
General Manager
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Sir,

**Re: OneSteel Limited Exempt Network - Application for
Approval of Distribution Loss Factors on OneSteel's Mayfield site.**

This letter seeks approval from AER to update the 11kV DLF for Donhad Pty Ltd **NMI 7102000008**, Hunter Development Corporation **NMI 7102000009** and Koppers **NMI 7102000010**.

Theiss (acting for BHPBilliton) **NMI 7102000011** will be an additional 11kV customer with an anticipated connection during late March 2010.

Note that Delta EMD **NMI 7102000007** is no longer connected to our network, and as we do not anticipate any new 33kV customers, we are not registering a NMI for 33kV.

The new DLF is;

- 11kV DLF = 1.02709

If you have any queries in relation to this request, please phone Gary Elsley on 02 49354910

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter Hansen'.

Peter Hansen

General Manager – Commercial

OneSteel network DLF calculations for 11kV Sites

OneSteel 11KV network DLF calculation

date	OneSteel 11KV @ NMI	OneSteel 11KV consumer site metered	DLF	monthly adjusted by set DLF	metered set DLF
Jan-09	10759.02449	10552.57199	1.0196	10838.42841	
Feb-09	11459.39507	11109.8054	1.0315	11410.7566	
Mar-09	11661.77961	11207.98957	1.0405	11511.60045	
Apr-09	10707.23836	10308.31854	1.0387	10587.55843	
May-09	10729.11246	10338.45608	1.0378	10618.51236	
Jun-09	11909.53269	11783.63165	1.0107	12102.83598	
Jul-09	13065.17538	12804.64783	1.0203	13151.51025	
Aug-09	11880.90532	11430.37778	1.0394	11740.01289	
Sep-09	12971.36782	12693.93092	1.0219	13037.79417	
Oct-09	14313.39103	14091.11692	1.0158	14472.82825	
Nov-09	12525.1235	12409.31187	1.0093	12745.46513	
Dec-09	11483.58263	10951.65826	1.0486	11248.32545	
	143465.6284	139681.8168	1.02709	143465.6284	

Note - OneSteel includes all internal consumers, Donhad, Koppers, HDC,

The Distribution Loss Factor DLF is calculated from the sum of the 12 monthly MWhs metered at the NMI, divided by the sum of the OneSteel consumer site metered MWh.

ASSESSMENT OF DLFS

In determining the DLF, the following points have been considered;

- *DNSPs must assign customers to the appropriate DLF categories based on their connection characteristics;*

Comply with clause 3.6.3 – connections are at 11KV

- *DNSPs must identify the appropriate generators and consumers who require site-specific DLFs and determine their site-specific DLFs based on the required data;*

Not Applicable

- *DNSPs must undertake a reconciliation between the actual and forecast losses in the previous financial year,*

Comply with clause 3.6.3 – see tables attached

- *DNSPs must use the most recent actual load and generation data available for a consecutive 12 month period but may adjust this data by projected load growth in the financial year in which the proposed DLFs are to apply.*

Comply with clause 3.6.3 (see note 1)

- *The levels of losses are consistent with that of a well managed network;*

Comply with clause 3.6.3

- *DNSPs' calculation methodologies are uniform and consistent with the methodologies used previously;*

Comply with clause 3.6.3

- *DNSPs have made appropriate allowance for theft and metering inaccuracy.*

Comply with clause 3.6.3

Note

Projected load increases have been assessed. Hunter Development Corporation and the NSW Government have undisclosed plans in the future, to redevelop the site. At that time the load may increase.