



27th February 2012

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** were included in the calculation up until mid July 2011 after which they were no longer connected to our network.

The new DLF is;

- 11kV DLF = 1.02222

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

Yours sincerely,

Peter Hansen

General Manager – Commercial

OneSteel network DLF calculations for 11kV Sites

OneSteel 11KV network DLF calculation 2012-2013

date	OneSteel 11KV @ NMI	OneSteel 11KV consumer site metered	DLF	monthly metered adjusted by set DLF
Jan-10	9786195	9492476.56	1.0309	9703404.724
Feb-10	11405406	11166336.83	1.0214	11414459.11
Mar-10	13072840	12823976.3	1.0194	13108932.26
Apr-10	11806701	11525671.25	1.0244	11781778.15
May-10	12140071	11887179.8	1.0213	12151319.61
Jun-10	12053293	11821434.1	1.0196	12084113.01
Jul-10	12263868	12052510.98	1.0175	12320324.55
Aug-10	13660490	13410484.54	1.0186	13708473.04
Sep-10	12056495	11815585.61	1.0204	12078134.56
Oct-10	11948840	11623880.79	1.0280	11882169.95
Nov-10	12378855	12133730.87	1.0202	12403349.19
Dec-10	8831766	8577759.203	1.0296	8768361.834
	141404820	138331026.8	1.02222	141404820

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

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

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.