



20 September 2012

Jemena Electricity
Networks (Vic) Ltd
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Ms Meredith Mayes
AEMC Director
Australian Energy Market Commission
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**National Electricity Amendment (Distribution Losses in Expenditure Forecasts)
Rule 2012—Draft Rule Determination**

Dear Ms Mayes

Jemena Electricity Networks (Vic) (**JEN**) has previously responded to the Australian Energy Market Commission's (**AEMC**) Consultation Paper on the rule change proposal from the Copper Development Centre (**CDC**) relating to the cost of distribution network losses.

We supported the principle that Distribution Network Service Providers (**DNSPs**) should consider the cost of network losses in network planning and investment decisions.

The AEMC has made a draft rule in response to the rule change proposal. The draft rule will require a DNSP to provide an explanation of how distribution losses have been taken into account in developing and implementing its asset management and investment strategy as part of the Distribution Annual Planning Report.

JEN welcomes this draft rule determination. We believe the draft rule adequately addresses the concerns of CDC.

If you have any questions in relation to this submission, please contact me on (03) 8544 9442 or by email siva.moorthy@jemena.com.au.

Yours sincerely

A handwritten signature in black ink that reads "Siva Moorthy".

Siva Moorthy
Manager Network Regulation and Strategy