July 28, 2004

NEA MEMORANDUM No. 2004-010

TO: **ALL ELECTRIC COOPERATIVES**

SUBJECT: Computation of Total Distribution System Loss

■■■

It is observed with varying degree that some ECs still do not adhere to the computation on system loss as required in the EPIRA. In view of this, we would like to reiterate the formula to be used in calculating your total distribution system losses.

Total Distribution System Loss = ENERGY INPUT – ENERGY OUTPUT

Total DSL

$$= \Sigma[\text{Energy delivered by the Transmission System}]$$
$$+ \Sigma [\text{Energy delivered by the Embedded Generating Plants}]$$
$$+ \Sigma [\text{Energy delivered by Other Distribution Systems}]$$
$$+ \Sigma [\text{Energy delivered by User Systems with Generating Units}]$$
$$- \Sigma [\text{Energy delivered to the Users of the Distribution System}]$$

Energy delivered to the Users of the Distribution System shall include the Energy Sales, Energy Recovered and the Energy used by the Distribution Utility.

All other considerations like primary voltage discount, prompt payment discount, power factor discount, interruption discount, etc. shall no longer be included in the computation.

For your strict compliance.

EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION
IN REPLYING. PLS. CITE: #OA005305

NEA-OA005305