13 June 2017

BY Email

Grant Kari
Director Infrastructure & Transport – Access & Pricing
Australian Competition & Consumer Commission
Level 35/360 Elizabeth St
Melbourne Vic, 3000

Dear Grant

Re: Consultation on proposed variation to the Australian Track Corporation Limited 2011 Hunter Valley Coal Network Access Undertaking

Broadly from what we understand about the ARTC proposal, Centennial agrees with the ARTC proposed variation.

Centennial's chief concerns are firstly, the path based pricing for those shippers who are prevented from having longer trains by restrictions in the adjoining network, and secondly, changes from contacted to actual tonnes as a means of allocating costs.

Centennial have to rail coal across three rail networks to get from the mines in the Lithgow area to the Port of Newcastle. Transport costs are Centennial's second largest expense and any increase would significantly impact Centennial's competitiveness.

Centennial must maintain its access to the contracted number of paths.

ARTC have assured Centennial that they will engage in a consultation process that effectively deals with Centennial's concerns starting as soon as July 2017. Whilst this looks positive, Centennial is determined to achieve its position that it should never be disadvantaged on account of having to travel across an adjoining network.

It is pleasing that ARTC have continued to be available for discussion. These conversations have been open and frank and give the sense that a fair outcome can be reached in these matters in a timely fashion.

Yours sincerely

Dennis Stone Logistics Manager