



AUSTRALIAN RAIL TRACK CORPORATION LTD

Ref No: 15/005/1-10/41960

6 September 2010

Mr Anthony Wing
General Manager
Transport & General Pricing
Australian Competition & Consumer Commission
GPO Box 520
Melbourne VIC 3001

AUSTRALIAN RAIL TRACK CORPORATION LTD ARTC HUNTER VALLEY COAL NETWORK ACCESS UNDERTAKING APPLICATION TO THE ACCC

Please find enclosed a copy of the application documentation supporting ARTC's Hunter Valley Coal Network Access Undertaking ("2010 HVAU") for your consideration. ARTC submits this voluntary undertaking pursuant to the provisions of Part IIIA of the Trade Practices Act 1974.

This application follows the withdrawal of ARTC's previous application in relation to this undertaking advised to you on 19 April 2010.

This initial documentation is intended for publishing should the ACCC wish to do so, and includes:

- Application;
- 2010 HVAU (clean and mark up compared to the access undertaking originally submitted to the ACCC in April 2009);
- Indicative Access Holder Agreement (clean and mark up compared to the revised indicative access holder agreement in December 2009 forming the basis of the ACCC Draft Decision in March 2010) being Annexure A of the 2010 HVAU;
- Indicative Operator Sub Agreement (clean and mark up compared to the indicative operator sub agreement originally submitted to the ACCC in April 2009) being Annexure A of the Indicative Access Holder Agreement;
- An network map for illustrative purposes only forming part of Annexure 1 to Schedule B of the 2010 HVAU;
- An Explanatory Guide providing detailed descriptions and explanations of changes made to documents forming the basis of the ACCC Draft Decision in March 2010. The Explanatory Guide also includes supporting documents (as attachments) relating to reviews and proposals in regard to:
 - Remaining Mine Life

- Rate of Return
- Contractual and regulatory transitional arrangements
- Pricing Zone 3 Price Cap
- Interim Indicative Access Charges to apply as at the Commencement Date.

Further supporting documentation by way of confidential financial modelling to be provided to the ACCC in support of this application is still being finalised and will be made available in the near future.

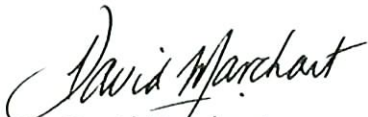
This application is made following further consultation with the ACCC and industry stakeholders (including the HRATF) since the ACCC Draft Decision. ARTC has made many minor and substantive amendments to its earlier proposals in order to address concerns raised by the ACCC and a number of stakeholders during this consultation.

ARTC has now been consulting with industry in developing the 2010 HVAU for nearly two and a half years, during which time many of ARTC's initial proposals have been comprehensively re-engineered in order to accommodate the industry's requirements. ARTC considers that these developments expose ARTC to greater operational and financial risk, which needs to be recognised in determining an appropriate rate of return for the Hunter Valley coal network.

ARTC proposes that the 2010 HVAU now represents a reasonable balance of interests, subject to the determination of an appropriate rate of return, which meets the objectives set out at sections 1.2 and 1.3 of the 2010 HVAU.

For further information regarding the preparation of this application, could you please contact Mr Simon Ormsby, (08) 82174314 (Ph), 08 82174578 (Fax), or sormsby@artc.com.au (Email), or Mr. Glenn Edwards, (08) 82174292 (Ph), (08) 82174578 (Fax), or gedwards@artc.com.au (Email).

Yours sincerely



David Marchant
Chief Executive Officer