



3 February 2017

Mr Matthew Schroder
General Manager
Infrastructure & Transport – Access & Pricing Branch
Australian Competition and Consumer Commission
GPO Box 520
Melbourne VIC 2001
Email: transport@accc.gov.au

Dear Mr Schroder,

Centennial Submission on the 2017 HVAU – Per Path Pricing

Centennial Coal transports all of its railed coal through the Sydney Trains network. In the Sydney Trains network there are restrictions to ‘head end power’ and thereby tonnage that can be moved by train. In the majority of the Sydney Trains network there is also an axle load limit of 25t due to infrastructure limitations such as bridges and viaducts. This limits Centennial to 3500t of coal in each train.

In the Hunter Valley these restrictions do not apply and they use 120t wagons with 30t axle load limits. This means with the current infrastructure configuration an efficient train is capable of carrying at least 7000t of coal.

If Centennial was forced to be governed by the proposed rail access pricing regime then the price per tonne to access the terminals at Newcastle Port for Centennial could double.

Centennial is soon to enter into discussions with ARTC about mitigating this proposal.

Regardless, it is important to Centennial that the HVAU formally recognises the restrictions of the adjoining networks and ensures that no disadvantage in the pricing of access will result from any pricing mechanism in the proposed HVAU.

Yours sincerely

Nerida Slee
Manager Contracts,
Marketing Sales and Logistics