

COAL & ALLIED

A Rio Tinto Group Company

15 October 2004

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Attention: Mr Tim Grimwade

Dear Mr Grimwade,

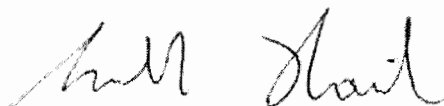
Submission to the ACCC in respect of Proposed medium term capacity distribution system to address the imbalance between the demand for coal loading services at the Port of Newcastle and the capacity of the Hunter Valley coal chain. (Dated 1st October 2004)

Coal & Allied Industries (*CNA*), wish to express our support for all elements of the submission by Port Waratah Coal Services Limited ("PWCS") regarding the proposed medium term capacity distribution system to address the imbalance between the demand for coal loading services at the Port of Newcastle and the Capacity of the Hunter Valley coal chain.

CNA have previously made submissions to the ACCC in support of capacity distribution systems for the Hunter Valley coal chain. Since these earlier submissions, there is clear and un-disputable evidence that demonstrates the success of the capacity distribution system. This proposal is a rational way for exporters to gain certainty as to their ability to export, whilst at the same time ensuring the excessive deadweight cost that demurrage creates is minimised.

As such, CNA requests that the Commission grants the authorisations requested by PWCS under sections 88(1) and 88(7) of the Trade Practices Act, without amendment.

Yours sincerely,



Bill Hart
General Manager – Marketing Development
Coal & Allied Industries Limited