



**Australian
Competition &
Consumer
Commission**

Our Ref: C2006/1708
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20 December 2006

Mr Michael Hansel
Partner
Hopgood Ganim Lawyers
PO Box 7822
Waterfront Place QLD 4001

Dear Mr Hansel

Applications for authorisation A91009 and A91010 lodged by Tarong Energy Corporation Limited, New Hope Corporation Limited and New Acland Coal Pty Ltd – final determination

The Australian Competition and Consumer Commission (ACCC) has issued a determination granting authorisation in respect of applications for authorisation A91009 and A91010 lodged by Tarong Energy Corporation Limited (**Tarong**) on 25 August 2006. On 20 October 2006, New Hope Corporation Limited (**New Hope**) and New Acland Coal Pty Ltd (**New Acland**) were joined as applicants to the two applications.

The applications for authorisation relate to a coal supply agreement between Tarong, New Hope and New Acland. Under the agreement, Tarong has been granted an option to buy 5.7 million tonnes of coal annually from the New Acland mine for 25 years. The coal will be used by Tarong as a long term source of fuel for its two power stations located in the Kingaroy/Nanango region of Queensland. The agreement limits the quantity of coal that New Acland can sell each year from the New Acland mine to parties other than Tarong, and imposes restrictions on Tarong's ability to on-sell coal purchased under the agreement to third parties (**the restrictions**).

Having considered the applications for authorisation, as well as submissions received from the applicants and interested parties, the ACCC has decided to grant authorisation to the restrictions until 31 December 2035.

A copy of the ACCC's determination is attached. The determination will also be available on the ACCC's website at www.accc.gov.au.

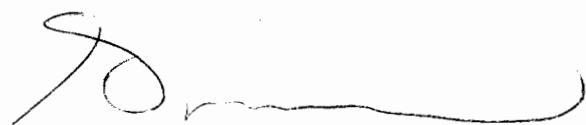


Application for review

Pursuant to section 101 of the *Trade Practices Act 1974*, a person dissatisfied with this determination may apply to the Australian Competition Tribunal for its review. An application for review must be made within 21 days of the date of this determination; that is, on or before 10 January 2007. If no application for review is lodged by this date, the ACCC's determination will come into force on 11 January 2007.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Sarah Chubb on (02) 6243 1088.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a long horizontal flourish extending to the right.

Scott Gregson
General Manager
Adjudication Branch