

	<b>ADJUDICATION – FILE NOTE</b>		
	<b>Date:</b>	19 November 2007	<b>Participants:</b>
<b>ACCC Officers:</b>	David Hatfield Hew Atkin	<b>Time:</b>	3:30pm
<b>Subject:</b>	<b>Dalrymple Bay Coal Terminal – authorisations A91060-A91062</b>		

On 19 November 2007, ACCC staff met with Bruce Martin (Independent Expert) regarding Dalrymple Bay Coal Terminal Pty Ltd's (DBCTPL) application for authorisation of their queue management system (QMS).

ACCC staff explained that no concerns had been raised in submissions responding to DBCTPL's application, but the ACCC was interested to clarify some issues; particularly the nature and extent of any impact the QMS has had and is likely to have on:

- the volume of coal exports through the Terminal
- appropriate investment in coal chain capacity (including investment in above rail) and
- the likelihood of competitive entry in the provision of above rail services.

Bruce Martin provided an overview of his role as the Independent Expert:

- Each month the Independent Expert declares the system capacity of the Goonyella coal chain.
- System capacity is determined in consultation with coal producers, DBCTPL, Babcock & Brown, QR National and QR Network Access.
- Consideration is also given to the previous performance of the coal chain, expansion works and scheduled maintenance.

Bruce Martin also provided the following comments:

- The last 5 years have brought about cultural change in the coal industry.
- A number of extraneous events have reduced the performance of the Goonyella coal chain in 2007.
- There are many operational factors (in addition to port and rail issues) that contribute to the throughput of the Goonyella coal chain.
- Phase One expansion is likely to be completed in April 2008.
- The system capacity forecast for 2008 is down from the previous period and a queue adjustment (as provided for in the Terminal Regulations) has also been recommended for 2008.
- It is important that the underlying issues that give rise to the vessel queue continue to be addressed.
- However, in the interim, without the continued operation of the QMS the vessel queue is likely to increase significantly.