



WHITEHAVEN COAL LIMITED
ABN 68 124 425 396

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MARS/PRISM:	

Graham Samuel
 Chairman
 Australian Competition and Consumer Commission
 GPO Box 3648
 Sydney NSW 2001

By fax 02 62431199

11 December 2007

Dear Mr Samuel

**RE: Submission on behalf of Whitehaven Coal Limited (Whitehaven)
 in support of the Application by Newcastle Ports Corporation(NPC) for authorization –
 A91072-91074.**

Whitehaven is strongly supportive of the NPC application to extend the Capacity Balancing System(CBS) at the Port Waratah Coal Services(PWCS) loaders at Newcastle and strongly opposes the proposed VQMS.

Whitehaven operates three coal mines in the Gunnedah Basin and will start development of another three projects in 2008.

For a number of years, the Company has given forward tonnage estimates to PWCS .These estimates include tonnages from proposed new operations. As the Kooragang lease contains a "common user" clause PWCS must accept coal from all producers. Whitehaven strongly believes it is the responsibility of the shareholders of PWCS to undertake timely expansions to meet the needs of coal producers. Expansion of the loading capacity at PWCS provides minimal risk to the PWCS shareholders as they have a guaranteed return on their equity. All operating and financial costs are covered by the toll imposed on all shippers. Unfortunately the PWCS shareholders have not put in place the necessary expansions to meet the industry's demands.

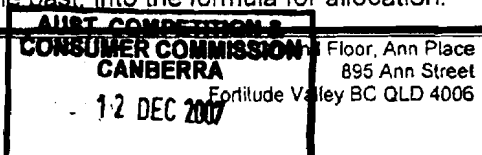
In previous years, where forward shipping nominations have exceeded capacity, all shippers have been scaled back proportionately. It had been expected that this system would continue in 2008, given that binding nominations for 2008 were made in 2006. Use of this system would mean a proportionate scale back from 116 Mt (the binding nominations for 2008) to 95 Mt (the forecast capacity of the coal chain 2008).

Whitehaven believes this existing system is equitable as all producers are subject to the same scale back. It also complies with the common user requirement in the lease and should encourage owners to expand to meet demand.

Whitehaven argues that this system is far more equitable than the alternative proposal before ACCC to introduce a Vessel Queue Management System (VQMS) in 2008. The VQMS arbitrarily introduces rail contracts, in place at a date in the past, into the formula for allocation.

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Under the VQMS many producers would be significantly negatively affected while several large producers would gain substantially.

Whitehaven put a submission to ACCC strongly opposing the introduction of the VQMS. The submission outlines the potential impacts on Whitehaven and its operations if the VQMS was introduced (~~A copy of Whitehaven's submission to the VQMS application is attached to this letter~~). Attachment not received - SC 17.12.07

~~It is requested that this submission remain Commercial-in-Confidence as the attached documentation contains sensitive financial information.~~ SC - 17.12.07

Yours faithfully
Whitehaven Coal Limited



Keith Ross
Managing Director