

11 December 2007

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
GPO Box 3131  
CANBERRA ACT 2601

Dear Mr Gregson

**Applications for authorisation A91072 – A91074**

Thank you for your letter of 4 December 2007 and for the opportunity to comment on the applications for authorisation (A91072 – A91074) submitted by Newcastle Port Corporation (NPC).

Integra Coal Operations Pty Ltd (**Integra Coal**) supports continuation of the current medium term capacity balancing system as modified by NPC in its supporting submission (referred to by NPC as the **Proposed System**), except that Integra Coal supports the Proposed System for the entire calendar year of 2008.

The modifications proposed by NPC between the Proposed System and the currently authorised system will not affect the substantive operation or basis on which the current system allocates and distributes capacity to producers at the port.

Accordingly, introduction of the Proposed System from 1 January 2008, which is effectively a continuation of the current authorised system, will provide certainty to producers and result in minimal disruption to production and scheduling. The transition into the new calendar year will also be more efficient than if an alternate system were to be introduced at this time. Introduction of the Proposed System will minimise the risk that the volume of coal exports from the Port of Newcastle will decrease. Integra Coal agrees with NPC's assessment that the current system has had a positive impact on reducing the vessel queue in the Port of Newcastle and the associated demurrage fees.


Potential adverse effects of the Proposed System compared to the introduction of an uncertain alternate system, such as the Vessel Queue Management System proposed by Port Waratah Coal Services Limited, Pacific National (NSW) Pty Ltd and QR Limited, would be minimal.

Integra Coal notes that the reference to 'Industry Support' in clause 9.2 does not appear to be a **defined term**.

**For the reasons set out above Integra Coal supports the applicant's request for urgent interim authorisation of the Proposed System and authorisation of the Proposed System.**

Please contact Lance Muir if you have any further enquiries.

Yours sincerely

  
**Michael Mapp**  
Executive General Manager  
Integra Coal Operations Pty Ltd