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Our Ref: C2007/1781 Contact Officer: Hew Atkin Contact Phone: (02) 6243 1363

20 December 2007

By email:

Dear Sir/Madam

Dalrymple Bay Coal Terminal Pty Ltd application for revocation and substitution A91060-A91062 – draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for revocation and substitution lodged by Dalrymple Bay Coal Terminal Pty Ltd (DBCTPL) on 26 September 2007.

DBCTPL is seeking re-authorisation of a queue management system (QMS) designed to address the imbalance between the demand for coal loading services at the Terminal and the capacity of the Goonyella coal chain. The imbalance has led to a large queue of vessels forming off the coast at Dalrymple Bay.

Draft determination

A copy of the ACCC's draft determination is attached, including a summary of its reasons. For the reasons set out in its draft determination, the ACCC proposes to grant authorisation for **12 months** as a transition period, to enable a long term solution to the vessel queue to be developed and implemented.

Next steps

Once the ACCC issues a draft determination, DBCTPL or any interested party who may be dissatisfied with the ACCC's draft determination may request that the ACCC convene a 'predecision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by 18 January 2008.

Alternatively, you are invited to make a written submission in response to the ACCC's draft determination. Submissions should be lodged by 25 January 2008.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion.

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

26 September 2007	Lodgement of application and supporting submission
27 September 2007	Public consultation process begins
17 October 2007	ACCC decision regarding interim authorisation
19 December 2007	Draft determination
18 January 2008	Deadline for calling a pre-decision conference
25 January 2008	Closing date for submissions on the draft determination
February 2008	Final determination

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 David Hatfield on (02) 6243 1266 or Hew Atkin on (02) 6243 1363.

Yours sincerely

Scott Gregson General Manager

Adjudication Branch

Encl

Dalrymple Bay Coal Terminal Pty Ltd application for revocation and substitution (A91060-A91062) – interested party list

- Anglo Coal Pty Ltd
- Australian Coal Association
- Australian Government Department Resources Energy & Tourism
- Babcock Brown Infrastructure (BBI)
- BHP Mitsui Coal Pty Ltd
- Companhia Siderurgica Nacional
- CVRD Australia Holdings Pty Ltd
- Foxleigh Mining Pty Ltd
- Gerdau Acominas
- Kobe Steel Ltd
- Macarthur Coal Pty Ltd
- McCullough Robertson
- Pacific National Pty Ltd
- Peabody Energy Australia Coal Pty Ltd
- Ports Corporation of Queensland
- QR National
- OR Network Access
- Queensland Competition Authority
- Queensland Department of Infrastructure
- Queensland Department of Natural Resources & Mines
- Queensland Department of Transport
- Queensland Environmental Protection Agency
- Queensland Resources Council
- Rio Tinto Coal Australia Pty Ltd
- The Institute of Energy Economics Japan
- The Maritime Union of Australia
- Twenty-three Nineteen Pty Ltd
- Xstrata Coal Queensland Pty Limited