

Hatfield, David

From: Nick Greiner [mailto:nickgreiner.com.au]
Sent: Tuesday, 25 November 2008 4:15 PM
To: Hatfield, David
Subject: Coal company applications re Hunter Valley Coal Chain

David

Since June 30 I am an "interested party" only in the literal sense as I have had no on-going involvement.

My views are I think well known to yourself:

1. The coal companies proposed long-term agreement is in the public interest and the ACCC and, for that matter the respective governments, should be using their various powers to ensure that the prompt expansion of capacity, with the accompanying adoption of rational economic principles to enable the expansion to be self-funded, happen, and happen as soon as practicable.
2. There is no doubt scope to add some provisions regarding access arrangements for additional companies. In practice, if the expansion occurs I do not believe there will be a problem, but coming up with a protocol to cover the situation of real excess demand for port facilities should not be hard.
3. I have always been a supporter of the ACCC's announced position that continuing short-term arrangements should not be made unless there is a sensible long-term proposal such as under 1. and 2. above.

If the ACCC ultimately accepts the need for a short-term authorization which, in my view it probably should, then the basis the companies have agreed on, which is essentially the status quo, is as good as any and in case there is some intrinsic merit in having the coal companies all in agreement.

I would appreciate being kept informed about the progress of the matter and receiving a copy of the ACCC's determinations.

Regards

Nick