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Dear Jaime

Anglo Coal Australia understands that PWCS has sought urgent interim authorisation of the proposed Capacity Framework Arrangements to extend the current port allocation arrangements until 31st December 2009.

Anglo Coal Australia supports the application for interim authorisation.

Anglo Coal Australia understands that a number of Coal Producers are in the process of negotiating take or pay contracts with PWCS. Anglo Coal Australia's internal approval processes for the negotiation of these contracts, including its contract with PWCS, can take up to three months. If interim authorisation is not granted, Anglo Coal Australia, and other Coal Producers, may be unable to finalise the negotiation of these contracts, which may in turn hinder progress towards the long term solution.

An extension of the proposed Capacity Framework Arrangements will also enable and Rail and Track Service Providers to align and formalise any contractual agreements with Coal Producers before 31st December 09.

Anglo Coal Australia believes a six month extension period will suffice to ensure all the necessary contracts are signed and aligned before the proposed commencement of any long term contracts from 1st January 2010.

Given that the applicant's have submitted a long term solution for authorisation, Anglo Coal Australia considers that the grant of interim authorisation will result in no detriment to the public. Further, the grant of interim application, at this time, will not prevent the market from returning to the pre-interim state if final authorisation is denied.

Yours Sincerely

Debby Drago