



**Australian
Competition &
Consumer
Commission**

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5 February 2010

[name]
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Dear Sir/Madam

**North West Iron Ore Alliance - application for authorisation
- interested party consultation**

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from the North West Iron Ore Alliance (NWIOA). The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

The NWIOA is seeking authorisation to collectively negotiate with BHP Billiton, Rio Tinto, Fortescue Metals Group (the service providers) and any similar provider in future in relation to the terms and conditions, including price, under which above rail haulage services and/or below rail access will be acquired in the Pilbara region in Western Australia.

The NWIOA has requested the application be considered under the ACCC's streamlined process for authorisation of collective bargaining. Collective bargaining refers to an arrangement under which two or more competitors in an industry come together to negotiate terms and conditions (which can include price) with a supplier or a customer.

A full copy of the application for authorisation is available on the ACCC's website <www.accc.gov.au>.

Interim authorisation

The NWIOA has requested interim authorisation to enable them to commence collective negotiations with the service providers as soon as possible.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. The ACCC will usually consider a range of factors, including harm to the applicant and other parties if

interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submissions

The ACCC invites you to make a submission on:

- the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements
- interim authorisation

The ACCC uses a streamlined process for authorisation of collective bargaining arrangements if requested by the applicant, as the NWIOA have done. Under this process, the ACCC seeks to issue its draft determination within 28 days of receiving the application, which in most circumstances will include its decision on interim authorisation.

Because of these shorter time frames, if you intend to provide a submission in relation to the NWIOA's application for authorisation please do so by **12 February 2010**. While written submissions are greatly appreciated, the ACCC also welcomes oral submission made by telephone should this be more suitable given the short timeframe for submissions. Please also note that parties will have the opportunity to provide comments on the ACCC's draft determination once it is issued.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

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

4 February 2010	Lodgement of application and supporting submission.
5 February 2010	Public consultation process begins.
12 February 2010	Closing date for submissions from interested parties.
12 February 2010	Closing date for submissions on interim authorisation.
19 February 2010	Applicant responds to issues raised in the public consultation process.
March 2010	ACCC decision regarding interim authorisation.

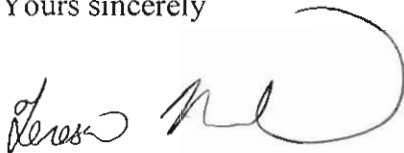
March 2010	Draft determination.
March/April 2010	Public consultation on draft determination including any conference if called.
April/May 2010	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If possible, please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

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 Lauren Roy on (03) 9290 1823.

Yours sincerely



Teresa Nowak
A/g Director
Adjudication Branch

North West Iron Ore Alliance – application for authorisation A91212

Interested parties consulted – 5 February 2010

BHP Billiton Limited
Rio Tinto Limited
Sandfire Resources Ltd
Territory Resources Ltd
Acclaim Exploration NL
Independent Market Operator (WA)
AGR Matthey Pty Ltd
Australian Railway Industry Corporation
Asia Iron Holdings Limited
Primary Resources Limited
Atlas Holdings Group Limited (applicant)
Resolute Mining Limited
Chamber of Commerce and Industry WA
Mount Gibson Iron Ltd
Golden West Resources Ltd
WA Office of Energy
Energy Metals Limited
Equinox Minerals Limited
Murchison Metals
Fortescue Metals Group Ltd
Gindalbie Metals Ltd
Hancock Prospecting
Association of Mining and Exploration Companies
Cape Lambert Iron Ore Ltd
Albidon Limited
BC Iron Ltd
Berkley Resources Ltd
Exco Resources Ltd
Iron Ore Holdings Ltd
Polaris Metals
Royal Resources Limited
Portman Limited
Hazelwood Resources Ltd
HWE Mining
Yilgarn Infrastructure Limited
Zambezi Resources (Australia) Pty Ltd
Australian Railroad Group
Aquila Resources Limited
Department of Premier and Cabinet WA
Jiangsu Shagang Group Co Ltd
Consolidated Minerals Ltd
Department of Planning, Western Australian Planning
Commission
Newmont Mining Corporation
Grange Resources Ltd

Economic Regulation Authority of WA
First Quantum Minerals Ltd
Chamber of Minerals and Energy of Western Australia
Red Hill Iron Ltd
Australian Stainless Steel Development Association
Geraldton Iron Ore Alliance
Sinosteel
OneSteel Ltd
Resource Mining Corporation Ltd
Department of Mines and Petroleum WA
Department of Transport WA
Department of Treasury and Finance WA
Department of Infrastructure, Transport, Regional
Development and Local Government
Department of Innovation, Industry, Science and Research