



**Australian
Competition &
Consumer
Commission**

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Our Ref: A91205-A91207
Contact Officer: Teresa Nowak
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*This letter was sent to
the attached list of interested
parties by e-mail on 22 April 2010.
TN.*

22 April 2010

Dear Sir/Madam

**Rio Tinto Aluminium Limited applications for authorisation A91205-A91207
- draft determination**

The ACCC has issued a draft determination in respect of the above mentioned application for authorisation lodged with the Australian Competition and Consumer Commission (the ACCC) on 24 December 2009. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

Rio Tinto Aluminium Limited is seeking authorisation on behalf of itself and the participants in the Gladstone Power Station Joint Venture (the applicants) for amendments to agreements in relation to electricity generated by the Gladstone Power Station and supplied to the Boyne Island Smelter and the National Electricity Market.

Earlier agreements relating to the Gladstone Power Station were previously authorised by the ACCC in 1994. The applicants have amended the GPS Agreements to accommodate certain changes to commercial arrangements which have occurred against the background of the introduction and operation of the National Electricity Market.

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 conditional authorisation for the specified amendments to the GPS agreements until 29 March 2029. The ACCC's assessment is set out in Chapter 4 of the draft determination.

Next steps

Once the ACCC issues a draft determination, the Applicants or any interested party may request that the ACCC convene a 'pre-decision 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 **6 May 2010**.

Alternatively, you are invited to make a written submission in response to the ACCC's draft determination. Submissions should be lodged by **7 May 2010**.

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 (guidelines for seeking exclusion from the public register are attached).

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.

24 December 2009	Lodgement of applications and supporting submission.
8 January 2010	Public consultation process begins.
29 January 2010	Closing date for submissions from interested parties.
3 February 2010	Applicants provide supplementary submission in support of the period for which authorisation is sought.
9, 19 February 2010	Applicants provide requested information.
9, 16 April 2010	Applicants provide requested information.
22 April 2010	Draft determination.
May/June	Public consultation on draft determination including any conference if called.
June	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 Teresa Nowak on (02) 6243 1239.

Yours sincerely

A handwritten signature in black ink, appearing to be 'R Chadwick', written on a light-colored rectangular background.

Dr Richard Chadwick
General Manager
Adjudication Branch

Interested Parties consulted - applications for authorisations A91205–A91207

- Queensland Competition Authority
- Australian Aluminium Council
- Australian Energy Market Commission
- Australian Energy Market Operator
- Department of Resources, Energy and Tourism (Cth)

