



Our Ref: 51602

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Dear Sir or Madam

By email

CS Energy & Ors Application for authorisation A91378 - draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by CS Energy, Callide Energy, InterGen and Callide Power Management (the Applicants) on 20 June 2013.

Please see the ACCC's publication *Authorisation process - the basics* on the ACCC website (www.accc.gov.au) for a summary of the authorisation process and how to make a submission to the ACCC.

Power generators CS Energy, Callide Energy, InterGen, and Callide Power Management (the Applicants) have sought authorisation to jointly re-negotiate existing coal supply arrangements with Anglo Coal.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to grant authorisation for five years, but is open to the possibility of granting authorisation for a longer period should this be of benefit to the parties. The ACCC is interested to receive submissions from the Applicant and interested parties on this issue following the draft determination.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **26 September 2013**.

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 **26 September 2013**.

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. Please see the ACCC's publication *Guidelines for excluding information from the public register*.

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.

Indicative date	Stage in assessment process
20 June 2013	Lodgement of application and supporting submission.
26 June 2013	Public consultation process begins.
17 July 2013	ACCC decision regarding interim authorisation.
12 September 2013	Draft determination.
September 2013	Public consultation on draft determination.
October 2013	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 Hannah Ransom on (02) 6243 1255.

Yours sincerely

David Hatfield

Director

Adjudication Branch