

10 March 2014

Australian Competition & Consumer Commission
GPO Box 3131
Canberra ACT 2601

Attn: David Hatfield

Dear Mr Hatfield,

Re: Rio Tinto Coal Australia Pty Limited, Peabody Energy Australia Pty Ltd and Pacific National Pty Ltd applications for authorisation A91410 & A91411 – interested party consultation

We refer to your letter of 27 February, advising that the above mentioned organisations have applied for authority to coordinate operational arrangements relating to the transportation of coal for export through DBCT. We have also noted the submission seeks to introduce a DCCC 'Scheduling Coordinator' who would have a scheduling role for members accepting the Charter.

DBCT Management and the terminal Operator applaud any industry or supply chain effort designed to increase the number of arriving trains at the terminal to more closely align to the terminal Operator's rail requirement. To this extent, we are supportive of this initiative.

However, it appears that the summary in the ACCC application forms of the conduct being authorised somewhat overstates what the DBCC Charter actually envisages the 'Scheduling Coordinator' will do in practice. Conversely, some of the detail in the related submission and the Charter itself makes it clearer that the intention is not to alter any existing contractual arrangements, nor ultimately the scheduling roles of terminal Operator (acting as the contractual Rail Coordinator for the Producer) or Aurizon Network Pty Ltd (Aurizon Network).

Our understanding from the applicants is that it is their intention that the terminal Operator will, in advising Aurizon Network of the raiing plan in accordance with the Terminal Regulations, consider the advice of the Scheduling Coordinator's weekly indicative plan. To this extent, clause 4.5 of Schedule 6 expressly recognises that it is for the terminal Operator to finalise the raiing plan (based on its contractual obligations) and submit that plan to Aurizon Network (as is currently the case).

Given that it would be possible to amend the Charter, we have since requested the applicants to make some relatively minor and most likely uncontroversial amendments to the Charter, to clarify the scheduling interactions between Producers, the Scheduling Coordinator and the terminal Operator acting as the Rail Coordinator in respect of DBCT.

Yours faithfully,
DBCT Management Pty Ltd



Greg Smith
General Manager Operations