



PORT WARATAH

COAL SERVICES

18 March 2020

Mr James Martin
Assistant Director, Adjudication
Australian Competition & Consumer Commission

Via email: adjudication@acc.gov.au

Dear Mr Martin

New South Wales Minerals Council – Interim authorisation application (AA1000473)

Port Waratah Coal Services Limited (Port Waratah) welcomes the opportunity to provide a letter in support of the application for interim authorisation by the Mineral Council of New South Wales and the parties listed in Schedule 1 of the Application for Authorisation dated 5 March 2020 (Applicants) to conduct collective negotiations with Port of Newcastle Operations Pty Limited (PON).

Port Waratah

As the ACCC is aware, Port Waratah is one of Australia's largest bulk cargo terminal operators. We own and operate the Kooragang and Carrington coal terminals, with a combined capacity of 145 million tonnes per annum. We have approximately 330 employees operating our terminals 24 hours per day, seven days a week. We work with more than 25 producers and other service providers in the Hunter Valley Coal Chain, one of the largest and most collaborative coal supply chains in the world.

Interim application for authorisation

Port Waratah supports the Applicants' application for interim authorisation to collectively negotiate with PON on all terms and conditions of access relating to the export of coal from the Port of Newcastle.

As set out in the Applicants' submission to the ACCC, we consider that the proposed collective negotiations are likely to result in substantial public benefits, including:

- certainty for investment in the Hunter Valley, increasing economic growth and employment in the region;
- access to better terms for miners contracting with PON;
- addressing certain issues, such as capital expenditure in the Port of Newcastle, that are appropriate to discuss at an industry-wide level; and
- increasing transparency of expenditure and cost allocation, leading to more efficient investment and pricing.

We consider that the proposed collective negotiations would result in few, if any, public detriments.

Further, if the ACCC ultimately decides not to grant a final authorisation in respect of the Applicants' application, we consider that the granting of interim authorisation will not result in any material harm to competition. The arrangements between the Applicants and PON can readily return substantially to the same position they were in prior to the interim authorisation being granted.

If the ACCC has any further questions, we would be please to assist.

Yours sincerely



HENNIE DU PLOOY
CHIEF EXECUTIVE OFFICER

