



3 September 2009

Mr John Hall  
Chief Executive  
Queensland Competition Authority  
Level 19, 12 Creek Street  
Brisbane QLD 4000

Dear John,

**Re: Dalrymple Bay Coal Terminal – Extension of term of Access Undertaking**

The term of the Access Undertaking (AU) for the Dalrymple Bay Coal Terminal is due to expire on the 31 December 2009. Schedule G to the AU describes this as the Terminating Date.

DBCT Management (DBCTM) has been in negotiations with Access Holders, Access Seekers and other interested stakeholders regarding the detail of a new draft Access Undertaking (DAU) for the past 12 months. These negotiations have been productive and have been informed by the work of the LTS project team. The LTS, or Long Term Solution, team consists of representatives from Producers and other Goonyella Coal Chain service providers. The team has developed a high level set of principles for the Goonyella Coal Chain aimed at providing certainty and consistency in the way service providers and Producers interact.

While the initial work of the project team was recently completed, the detailed development of the principles will take some further time. DBCTM is of the view that it would be beneficial to all parties concerned to wait for this further work to be completed prior to submitting the DAU to the QCA for consideration. This is a view we believe to be supported by the Producers.

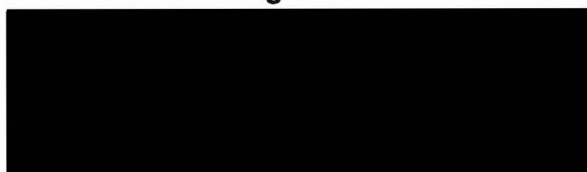
In view of the above, the purpose of this letter and the attached Draft Amending Access Undertaking (DAAU) is to request the QCA's approval to extend the term of the current regulatory period by 12 months to 31 December 2010. The attached DAAU is a consolidated version of the original AU plus approved amendments.

For the avoidance of doubt, DBCTM is proposing to roll forward the existing approved asset bases and revenue models (including the respective WACCs) for a fixed period of 12 months. While we expect that a final decision on the reset DAU will be achieved before the end of the next calendar year, this application requests the QCA's approval to start the next regulatory period from 1 January 2011. This approach has been proposed to ensure DBCTM is able to match its debt hedging profile with the term of the regulatory period.

DBCTM has consulted with the Producers on the detail of this DAAU and has provided a copy of the DAAU to the Producers prior to submission. DBCTM has not received any Producer objections to the content of the proposal.

Please contact us if you have any queries or require more information.

Yours sincerely  
**DBCT Management**



 **Eric Kolatchew**  
Chief Executive Officer