



10 May 2007

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

Dear John,

**Re: Dalrymple Bay Coal Terminal - Short Gain Project  
Request for Approval to Amend Annual Revenue Requirement (ARR),  
Revenue Cap & Reference Tariff**

We refer to the access undertaking (**Access Undertaking**) for the Dalrymple Bay Coal Terminal submitted by BBI (DBCT) Management Pty Ltd (**BBI DBCT**) and approved by the Queensland Competition Authority ("QCA") on 15 June 2006.

Schedule C, Part A, Section 4(g) of the Access Undertaking provides that BBI DBCT is to submit amendments to any one or more of the Annual Revenue Requirement ("ARR"), "Revenue Cap" and "Reference Tariff" (each as defined in the Access Undertaking) to the QCA for approval where a "Review Event" occurs. A "Review Event" is defined so as to include the completion and handover to the terminal operator of a "Capacity Expansion" (as defined in the Access Undertaking).

The "Capacity Expansion" project referred to in the Master Plan as the "Short Gain Project" was completed and handed over to the terminal operator on 4 August 2006.

Accordingly, pursuant to Section 11.3 (d), Schedule C Part A Sections 4 (b) & (g) and Sections 12.5(m) and (o) of the Access Undertaking, we hereby request that the QCA approve amendments to the "ARR", "Revenue Cap" and "Reference Tariff" (each as defined in the Access Undertaking) as specified in the attached submission and as summarised below:

- Increase in the "ARR" for the 2006/07 financial year of \$2,199,493;
- Increase in the "Revenue Cap" for the 2006/07 financial year of \$2,163,092; and
- Increase the "Reference Tariff" from \$1.4659 to \$1.5096, effective 1 September 2006, to reflect the increase in the "Revenue Cap".

Further, in accordance with Schedule C, Part A, Section 4(c) of the Access Undertaking, BBI DBCT formally requests that the QCA approve a proposed ARR, as specified in the attached submission, of \$2,673,332 to apply for the 2007/08 financial year in relation to Short Gain assets.

The ARR proposed to apply for existing assets at 1 July 2006 (i.e. excluding the short gain assets) for the 2007/08 financial year is the subject of a separate submission to the QCA dated 10 May 2007. This submission proposes an ARR of \$89,138,229 to apply for existing assets for the 2007/08 financial year.



Assuming the 2007/08 ARR proposal for the short gain assets and the 2007/08 ARR proposal for the existing assets are approved, this would result in total (i.e. existing assets plus short gain assets) ARR, Revenue Cap and Reference Tariff for the 2007/08 financial year (excluding any amounts relating to Phase 1 of the 7X Expansion Project) of:

ARR	\$91,811,561;
Revenue Cap	\$90,313,819; and
Reference Tariff	\$1.4977

In support of our request for approval of the amendments referred to above we enclose:

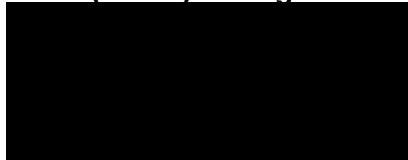
1. Attachment 1 – Short Gain Modelling and assumptions explanatory paper;
2. Attachment 2 – Supporting materials; and
3. Enclosed CD ROM containing electronic copies of modelling and supporting material.

Please note that some of the information included in the attached documents is confidential. We therefore request that the QCA does not disclose the attached documents to third parties without our approval. If the QCA wishes to disclose any of the information included in our submission to third parties (including for public comment) we kindly ask that you contact us so that we can promptly identify the information which will need to be redacted.

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

Yours sincerely

**BBI (DBCT) Management Pty Limited**



**Jeff Pollock**  
Chief Operating Officer

cc: Paul Bilyk – Director Ports & Rail



**ATTACHMENT 1  
SHORT GAIN MODELLING**



**ATTACHMENT 2  
SUPPORTING MATERIALS**