

Rio Tinto Coal Australia Pty Limited
GPO Box 391
Brisbane Queensland 4001
Australia
T +61 (0) 7 3361 4200
F +61 (0) 7 3361 4370

14 November 2008

Paul Bilyk
Director, Rail and Ports
Queensland Competition Authority
GPO Box 2257,
Brisbane QLD 4001

Via Electronic mail (rail.submissions@qca.org.au)

Dear Paul

QR Network 2009 Draft Access Undertaking – Response to Queensland Competition Authority’s Issues Paper.

Rio Tinto Coal Australia (RTCA) is one of Australia’s leading mining organisations with a successful record in the development and management of world-class open cut and underground coal operations. In Queensland, RTCA operates the Blair Athol, Hail Creek and Kestrel mines. In New South Wales, RTCA manages Coal & Allied’s operations at Bengalla, Mt Thorley Warkworth and Hunter Valley mines.

RTCA has provided comments in previous undertakings and is a significant stakeholder in the outcome of the QR Network 2009 Draft Access Undertaking. RTCA is keen to see an approved Access Undertaking with acceptable terms in place at the earliest opportunity and is prepared to commit the necessary resources required to support the QCA process going forward.

RTCA is one of Queensland Rail’s larger customers. Within Queensland, RTCA currently has agreements in place with QR National for the haulage of around 25 million tonnes export coal from all of its mine sites.

It is fundamental that RTCA mines be internationally competitive in all aspects of their costs from mine to market. Rail freight costs are a significant element of total costs. These costs must be subject to an unrelenting focus for improvements in efficiency.

RTCA’s priorities with QR Network’s regulatory arrangements since the initial 2001 Access Undertaking remain the same:

- Transparency – there should be sufficient disclosure to enable verification of reference tariffs against all components;
- Lowest sustainable access charges - reflecting efficient costs and a reasonable return on realistically valued assets;
- Meeting customer demand - ensure capital investments and maintenance activities in the network occur in a coordinated, timely, and efficient manner; and

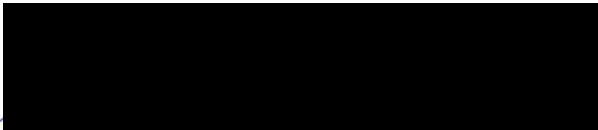
- Maximise contestability - remove actual and potential barriers to entry of above rail operators.

RTCA believes that an appropriate access regime provides one of the essential elements to assure longer-term competitiveness and efficiency in rail freight services.

As an active member of the Queensland Resource Council (QRC), and participant in the QRC's review of the 2009 Draft Access Undertaking and supporting documentation, we take the opportunity to endorse the QRC's submission in response to QR's draft 2009 access undertaking.

We look forward to an early and satisfactory resolution on this important matter.

Yours sincerely,



Graham Walker
General Manager, Coal Chain