

GLENCORE

13 March 2019

Professor Flavio Menezes
Chair, Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

Dear Professor Menezes,

Re: 2020 Declaration Review Draft Recommendations

Thank you for the opportunity to lodge this submission in response to the Queensland Competition Authority (“QCA”) Draft Recommendation dated December 2018, and specifically in relation to the Dalrymple Bay Coal Terminal (“DBCT”) Service. As you may be aware Glencore owns or manages a significant number of coal mines in the Goonyella system, and exports a large amount of metallurgical coal from our Hail Creek and Oaky Creek mines from DBCT (as well as thermal coal from the Clermont coal mine). Many other DBCT Users also rely on the Terminal in a similar way to Glencore.

One significant advantage of using DBCT is the opportunity for co-shipping arrangements from the terminal. The proximity of the terminal to metallurgical coal sources, and the preferences of steel mill customers, enable co-shipping arrangements at the terminal which are not available elsewhere. Co-shipping from DCBT allows these customers to obtain a specific mix of metallurgical coal from different producers from the one terminal onto the one ship and as a result can provide producers with access to sales to customers which otherwise may not be available. As a result, services which are available via other coal export terminals are not substitutable with those provided by DBCT.

Glencore supports the QCA’s draft conclusion that the access criteria for declaration under the Act is satisfied. As such, Glencore supports DCBT remaining a declared service under the Act for the reasons set out above, as well as those in the DCBT User Group Submission to the QCA, which Glencore supports.

Yours sincerely



Frank Coldwell
Coal Assets Australia, Glencore