



THE HON. JOE TRIPODI MP
MINISTER FOR FINANCE
MINISTER FOR INFRASTRUCTURE
MINISTER FOR REGULATORY REFORM
MINISTER FOR PORTS AND WATERWAYS

M E D I A R E L E A S E

Hunter coal plan application lodged with ACCC

June 30, 2008

Ports Minister Joe Tripodi today announced an application has been lodged with the ACCC to provide a long term solution for managing Hunter coal exports and to secure growth in the industry for decades to come.

“This is a historic day for the Hunter Valley coal industry. For the first time an Application for Authorisation has been lodged with the Commission to implement a long term framework for coal exports from the Port of Newcastle,” Mr Tripodi said.

The arrangements will replace the CBS (Capacity Balancing System) which has been used to reduce the queue of coal ships but has been criticised by industry for failing to provide certainty for investment.

“If approved, the application will give industry certainty over coal allocations beyond the end of each year.

“This proposal will secure growth in the coal industry well into the future by promoting local and international investment and competition in the Hunter.

“It guarantees access for new entrants and ensures the growth of the coal terminal capacity while satisfying the concerns of existing producers.

“Coal producers have wanted this for 20 years and have been working hard to meet tough milestones set by the ACCC. They are to be commended for their focus and constructive cooperation” said Mr Tripodi.

The ACCC Application follows extensive work over the past six months to refine the detail of the Government’s long term framework proposed in December 2008.

Newcastle Port Corporation and the two terminal operators will finalise lease amendments and legal agreements by August 31 2009 in readiness for the new system to begin operating in January next year.

The plan includes an opportunity for Port Waratah Coal Services to lease additional government land and build a fourth coal terminal on Kooragang Island.

Minister for the Hunter and Newcastle MP Jodi McKay said the proposal is a major step forward for the Hunter coal industry and will help underpin thousands of jobs in the region.

“This will provide for the continued growth of the Hunter coal industry by allowing exports to triple from current levels,” Ms McKay said.

Mr Tripodi said negotiations with industry produced a fair and flexible solution.

“While it would have been easy to just accept the original Industry Agreement, it’s our job to make decisions in the interests of the State.

“This is the world’s largest coal export port. We had to get it right,” Mr Tripodi said.