

Our Ref: M2005/281-02  
Your Ref:  
Contact Officer: Paul Dunn  
Contact Phone: 03 9290 1426

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Melbourne Vic 3001  
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25 May 2010

Mr Matthew Halliday  
Director and CFO  
Rio Tinto Coal Australia Pty Limited  
GPO Box 391  
BRISBANE Queensland 4001

Dear Mr Halliday,

**Network Service Provider Exemption – Rio Tinto Coal Australia Pty Ltd and Blair Athol Joint Venture**

Thank you for your correspondence of 17 March 2010 requesting exemption for Rio Tinto Coal Pty Ltd and the Blair Athol Joint Venture from the requirement to register as a network service provider and the operation of Chapter 5 of the National Electricity Rules.

On 24 May 2010, the Australian Energy Regulator decided to grant an exemption to Rio Tinto Coal Pty Ltd and the Blair Athol Joint Venture under clause 2.5.1 of the National Electricity Rules subject to conditions. Please note the exemption is personal to Rio Tinto Coal Pty Ltd and the Blair Athol Joint Venture and does not apply to any other person that owns, controls or operates the distribution system at the time of the decision or in the future.

The decision is set out at Attachment A to this letter.

Should you have any queries in relation to this letter, please contact Mr Paul Dunn on (03) 9290 1426.

Yours sincerely



Chris Pattas  
General Manager  
Network Regulation South

## NETWORK SERVICE PROVIDER EXEMPTION

### DECISION TO GRANT EXEMPTION

#### RIO TINTO COAL AUSTRALIA PTY LIMITED

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (Queensland) Act 1997* (QLD);
- (b) section 13 of the National Electricity (QLD) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant Rio Tinto Coal Australia Pty Limited ('Applicant') an exemption ('Exemption') from:

- (d) the requirement to register as a Network Service Provider under the NER; and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

#### *Specified distribution system*

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
  - (a) is owned, controlled and/or operated by the Applicant; and
  - (b) comprises the Blair Athol Line up to the point of connection with the Clermont Line as described in the application for exemption, made on behalf of the Applicant, dated 17 March 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1994* (Qld)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

#### *Maintenance and technical standards*

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.

- (b) For the purposes of condition 2(a), the terms ‘Connection Agreement’ and ‘Local Network Service Provider’ have the meaning assigned to them in the NER.

Note 1: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

### ***Dispute resolution***

- 3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
  - (i) agreed to by the Applicant and the other party; or
  - (ii) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia (‘IAMA’) Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of Queensland from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

### ***Commencement and expiry***

- 4. The Exemption takes effect on and from 20 May 2010.
- 5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
- 6. The Exemption:
  - (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
  - (b) terminates on the date that:
    - (i) the Applicant is dissolved; or

(ii) the AER decides to repeal the Exemption in accordance with condition 7.

7. The AER may decide to amend or repeal the Exemption. The decision to amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

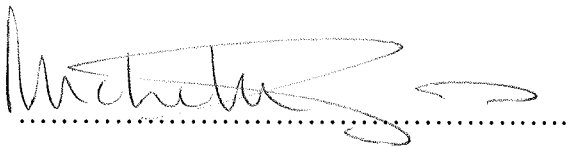
Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

### *Interpretation*

8. In this Exemption, unless the contrary intention appears, a reference to:

- (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
- (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that provision of that agreement;
- (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.



Dated: 24 May 2010

Michelle Groves  
Delegate of the Australian Energy Regulator

# NETWORK SERVICE PROVIDER EXEMPTION

## DECISION TO GRANT EXEMPTION

### QUEENSLAND COAL PTY LTD

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (Queensland) Act 1997* (QLD);
- (b) section 13 of the National Electricity (QLD) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant Queensland Coal Pty Ltd ('Applicant') an exemption ('Exemption') from:

- (d) the requirement to register as a Network Service Provider under the NER; and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

#### ***Specified distribution system***

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
  - (a) is owned, controlled and/or operated by the Applicant; and
  - (b) comprises the Blair Athol Line up to the point of connection with the Clermont Line as described in the application for exemption, made on behalf of the Applicant, dated 17 March 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1994* (Qld)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

#### ***Maintenance and technical standards***

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.

- (b) For the purposes of condition 2(a), the terms ‘Connection Agreement’ and ‘Local Network Service Provider’ have the meaning assigned to them in the NER.

Note 1: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

### ***Dispute resolution***

- 3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
  - (iii) agreed to by the Applicant and the other party; or
  - (iv) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia (‘IAMA’) Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of Queensland from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

### ***Commencement and expiry***

- 4. The Exemption takes effect on and from 20 May 2010.
- 5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
- 6. The Exemption:
  - (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
  - (b) terminates on the date that:
    - (i) the Applicant is dissolved; or

(ii) the AER decides to repeal the Exemption in accordance with condition 7.

7. The AER may decide to amend or repeal the Exemption. The decision to amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

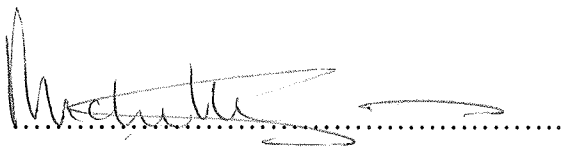
Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

### *Interpretation*

8. In this Exemption, unless the contrary intention appears, a reference to:

- (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
- (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that provision of that agreement;
- (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.



Dated: 24 May 2010

Michelle Groves  
Delegate of the Australian Energy Regulator

# NETWORK SERVICE PROVIDER EXEMPTION

## DECISION TO GRANT EXEMPTION

### LEICHHARDT COAL PTY LIMITED

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (Queensland) Act 1997* (QLD);
- (b) section 13 of the National Electricity (QLD) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant Leichhardt Coal Pty Limited ('Applicant') an exemption ('Exemption') from:

- (d) the requirement to register as a Network Service Provider under the NER; and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

#### ***Specified distribution system***

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
  - (a) is owned, controlled and/or operated by the Applicant; and
  - (b) comprises the Blair Athol Line up to the point of connection with the Clermont Line as described in the application for exemption, made on behalf of the Applicant, dated 17 March 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1994* (Qld)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

#### ***Maintenance and technical standards***

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.
- (b) For the purposes of condition 2(a), the terms 'Connection Agreement' and 'Local Network Service Provider' have the meaning assigned to them in the NER.



Note 1: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

### ***Dispute resolution***

3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
  - (v) agreed to by the Applicant and the other party; or
  - (vi) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia ('IAMA') Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of Queensland from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

### ***Commencement and expiry***

4. The Exemption takes effect on and from 20 May 2010.
5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
6. The Exemption:
  - (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
  - (b) terminates on the date that:
    - (i) the Applicant is dissolved; or
    - (ii) the AER decides to repeal the Exemption in accordance with condition 7.

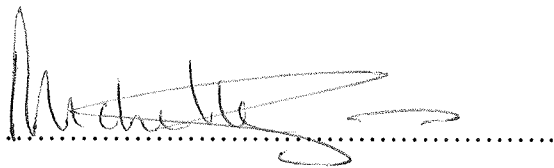
7. The AER may decide to amend or repeal the Exemption. The decision to amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

### *Interpretation*

8. In this Exemption, unless the contrary intention appears, a reference to:
- (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
  - (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that provision of that agreement;
  - (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.



Dated: 24 May 2010

Michelle Groves  
Delegate of the Australian Energy Regulator

# NETWORK SERVICE PROVIDER EXEMPTION

## DECISION TO GRANT EXEMPTION

### J-POWER AUSTRALIA PTY LTD

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (Queensland) Act 1997* (QLD);
- (b) section 13 of the National Electricity (QLD) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant J-Power Australia Pty Ltd ('Applicant') an exemption ('Exemption') from:

- (d) the requirement to register as a Network Service Provider under the NER; and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

#### ***Specified distribution system***

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
  - (a) is owned, controlled and/or operated by the Applicant; and
  - (b) comprises the Blair Athol Line up to the point of connection with the Clermont Line as described in the application for exemption, made on behalf of the Applicant, dated 17 March 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1994* (Qld)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

#### ***Maintenance and technical standards***

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.
- (b) For the purposes of condition 2(a), the terms 'Connection Agreement' and 'Local Network Service Provider' have the meaning assigned to them in the NER.

Note 1: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

### ***Dispute resolution***

3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
  - (vii) agreed to by the Applicant and the other party; or
  - (viii) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia ('IAMA') Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of Queensland from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

### ***Commencement and expiry***

4. The Exemption takes effect on and from 20 May 2010.
5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
6. The Exemption:
  - (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
  - (b) terminates on the date that:
    - (i) the Applicant is dissolved; or
    - (ii) the AER decides to repeal the Exemption in accordance with condition 7.

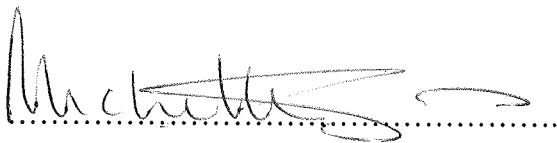
7. The AER may decide to amend or repeal the Exemption. The decision to amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

### *Interpretation*

8. In this Exemption, unless the contrary intention appears, a reference to:
- (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
  - (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that provision of that agreement;
  - (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.



Dated: 24 May 2010

Michelle Groves  
Delegate of the Australian Energy Regulator

# NETWORK SERVICE PROVIDER EXEMPTION

## DECISION TO GRANT EXEMPTION

### JCD AUSTRALIA PTY LTD

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (Queensland) Act 1997* (QLD);
- (b) section 13 of the National Electricity (QLD) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant JCD Australia Pty Ltd ('Applicant') an exemption ('Exemption') from:

- (d) the requirement to register as a Network Service Provider under the NER; and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

#### ***Specified distribution system***

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
  - (a) is owned, controlled and/or operated by the Applicant; and
  - (b) comprises the Blair Athol Line up to the point of connection with the Clermont Line as described in the application for exemption, made on behalf of the Applicant, dated 17 March 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1994* (Qld)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

#### ***Maintenance and technical standards***

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.
- (b) For the purposes of condition 2(a), the terms 'Connection Agreement' and 'Local Network Service Provider' have the meaning assigned to them in the NER.

Note 1: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

### ***Dispute resolution***

3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
  - (ix) agreed to by the Applicant and the other party; or
  - (x) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia ('IAMA') Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of Queensland from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

### ***Commencement and expiry***

4. The Exemption takes effect on and from 20 May 2010.
5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
6. The Exemption:
  - (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
  - (b) terminates on the date that:
    - (i) the Applicant is dissolved; or
    - (ii) the AER decides to repeal the Exemption in accordance with condition 7.

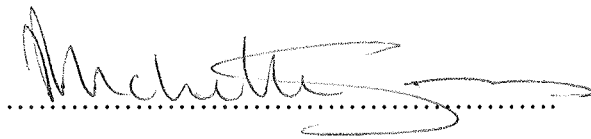
7. The AER may decide to amend or repeal the Exemption. The decision to amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

### *Interpretation*

8. In this Exemption, unless the contrary intention appears, a reference to:
- (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
  - (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that provision of that agreement;
  - (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.

A handwritten signature in black ink, appearing to read 'Michelle Groves', written over a horizontal dotted line.

Dated: 24 May 2010

Michelle Groves  
Delegate of the Australian Energy Regulator