

Our Ref: M2005/281-02
Your Ref:
Contact Officer: Vani Rao
Contact Phone: 03 9290 1430

3 December 2007

Mr Neville Sneddon
Chief Executive Officer
Anglo Coal Australia Pty Ltd
GPO Box 1410
BRISBANE QUEENSLAND 4001

Dear Mr Sneddon

Specific Exemption - Anglo Coal (Moranbah North Management) Pty Ltd

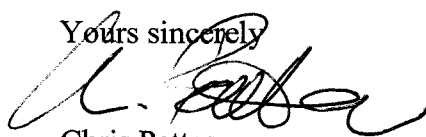
Thank you for your correspondence requesting a partial exemption for Anglo Coal (Moranbah North Management) Pty Ltd from the requirement to register as a network service provider.

On 3 December 2007, the Australian Energy Regulator decided to grant an exemption under clause 2.5.1(d)(2) of the National Electricity Rules subject to conditions for Anglo Coal (Moranbah North Management) Pty Ltd. Please note the exemption is personal to Anglo Coal (Moranbah North Management) Pty Ltd 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 Ms Vani Rao on (03) 9290 1430.

Yours sincerely



Chris Pattas
General Manager
Network Regulation South

NETWORK SERVICE PROVIDER EXEMPTION

ANGLO COAL (MORANBAH NORTH MANAGEMENT) PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 3 December 2007, decided pursuant to:

- (a) section 6 of the *Electricity – National Scheme (Queensland) Act 1997* (Qld);
- (b) section 13 of the National Electricity (Queensland) Law ("NEL"); and
- (c) clause 2.5.1 of the National Electricity Rules ("NER")

to grant Anglo Coal (Moranbah North Management) Pty Ltd (ACN 069 603 587) ("Applicant") a specific exemption ("Exemption") from:

- (d) the operation of Chapter 5 of the NER,

subject to the following conditions.

Specified distribution system

1. The Exemption is limited to the distribution system ("Distribution System") specified in the Applicant's submission made to the AER dated 24 October 2007.

Note: In effect, the Exemption applies to the distribution system that is operated by the Applicant and comprises the overhead 66 kV electric line, approximately 14 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to the Moranbah North coal mine.

Licence

2. The Applicant must comply with any law of the State of Queensland requiring the Applicant to be authorised to own and/or control the Distribution System.

Note: The *Electricity Act 1994* (Qld) provides that a person, other than an electricity entity or special approval holder, must not operate an electric line beyond the person's property other than under a regulation (section 227). The AER understands that the Applicant has been granted a Special Approval by the Queensland Department of Mines and Energy with respect to the Distribution System. The purpose of condition 2 is to require the Applicant to comply with any requirement, which may arise from time to time, for the licensing or exemption from licensing of the Distribution System.

Maintenance and technical standards

3. The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with Ergon Energy Corporation Limited applying to the Distribution System.

Note 1: The AER understands that the Distribution System will be connected to the Ergon Energy Corporation Limited distribution system at the Moranbah Substation.

Note 2: For the avoidance of doubt, conditions 9(b) and 9(c) apply to the interpretation of condition 3.

Connection

4. (a) Subject to condition 4(b), the Applicant must promptly (and, in any event, within one month) notify the AER if there is a change to the persons whose premises are connected to the Distribution System.
 - (b) Condition 4(a) does not apply where the person is:
 - (i) Energy Developments Limited or a related body corporate (as defined in Chapter 10 of the NER) (together, "EDL"); or
 - (ii) a commercial entity whose principal business is the provision of services to the Applicant and/or EDL.

Commencement and expiry

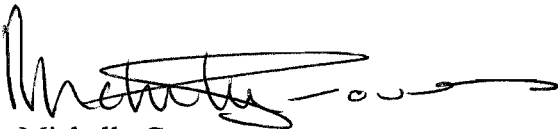
5. The Exemption takes effect on and from 3 December 2007.
6. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within one month) notify the AER.
7. The Exemption terminates on the date that:
 - (a) the Applicant is dissolved;
 - (b) the Applicant fails to satisfy condition 2 and/or 3;
 - (c) the AER decides to repeal the Exemption in accordance with condition 7.
8. The AER may decide to amend or repeal the Exemption. The decision to 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 condition 2, 3 or 6 to the Exemption is not satisfied, or if there is a material change to the persons connected to the Distribution System.

Interpretation

9. 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: The Exemption is personal to the Applicant, 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.



Michelle Groves
Delegate of the Australian Energy Regulator
DATED: 3 December 2007