



AUSTRALIAN ENERGY
REGULATOR

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Our Ref: M2005/281-02
Your Ref:
Contact Officer: Nick Innes
Contact Phone: 03 9290 1486

18 March 2008

Mr Mitch Jakeman
Director
Brisbane Corporate Office
Anglo Coal Australia Pty Ltd
GPO Box 1410
BRISBANE QUEENSLAND 4001

Dear Mr Jakeman

**Full Exemption - Anglo Coal (Moranbah North Management) Pty Ltd on behalf of the
Moranbah North Joint Venture**

Thank you for your correspondence requesting full exemptions for the Moranbah North Joint Venture partners, the owners of the Moranbah North Coal Network Service Assets, from the requirement to register as a network service provider and the operation of Chapter 5 of the National Electricity Rules.

On 17 March 2008, the Australian Energy Regulator decided to grant an exemption under clause 2.5.1 of the National Electricity Rules in accordance with the further provisions contained in clause 2.9.3, subject to conditions for the Moranbah North Joint Venture. Please note the exemption is personal to the Moranbah North Joint Venture partners named in the application 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 decisions are set out at Attachment A to G to this letter.

Should you have any queries in relation to this letter, please contact Mr Nick Innes on (03) 9290 1486.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Pattas', is written over a horizontal line.

Chris Pattas
General Manager
Network Regulation South

ATTACHMENT A

NETWORK SERVICE PROVIDER EXEMPTION

MORANBAH NORTH COAL PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant Moranbah North Coal Pty Ltd (ABN 99 007 083 249) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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 17 March 2008.
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 8.
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: 17 March 2008

ATTACHMENT B

NETWORK SERVICE PROVIDER EXEMPTION

MORANBAH NORTH COAL (No. 2) PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant Moranbah North Coal (No. 2) Pty Ltd (ABN 41 009 871 425) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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 17 March 2008.
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 8.
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.

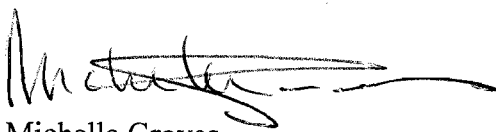
Note: For example, the AER may decide to repeal the Exemption in the event that condition 2, 3 or 6 to the Exemption is not satisfied, or if there is a material change to the persons connected to the Distribution System.

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: 17 March 2008

ATTACHMENT C

NETWORK SERVICE PROVIDER EXEMPTION

JFE MINERAL (AUSTRALIA) PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant JFE Mineral (Australia) Pty Ltd (ABN 72 007 294 117) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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

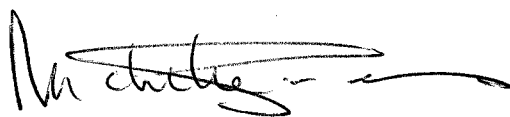
5. The Exemption takes effect on and from 17 March 2008.
6. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within one month) notify the AER.
7. The Exemption terminates on the date that:
 - (a) the Applicant is dissolved;
 - (b) the Applicant fails to satisfy condition 2 and/or 3;
 - (c) the AER decides to repeal the Exemption in accordance with condition 8.
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: 17 March 2008

ATTACHMENT D

NETWORK SERVICE PROVIDER EXEMPTION

mitsui moranbah north investment Pty LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant Mitsui Moranbah North Investment Pty Ltd (ABN 11 106 018 268) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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 17 March 2008.
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 8.
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.

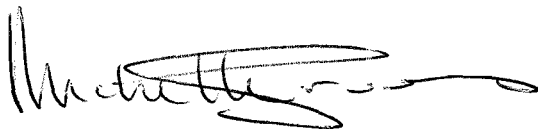
Note: For example, the AER may decide to repeal the Exemption in the event that condition 2, 3 or 6 to the Exemption is not satisfied, or if there is a material change to the persons connected to the Distribution System.

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: 17 March 2008

ATTACHMENT E

NETWORK SERVICE PROVIDER EXEMPTION

SHINSHO AUSTRALIA PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant Shinsho Australia Pty Ltd (ABN 63 076 566 562) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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

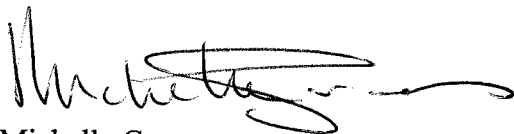
5. The Exemption takes effect on and from 17 March 2008.
6. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within one month) notify the AER.
7. The Exemption terminates on the date that:
 - (d) the Applicant is dissolved;
 - (e) the Applicant fails to satisfy condition 2 and/or 3;
 - (f) the AER decides to repeal the Exemption in accordance with condition 8.
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: 17 March 2008

ATTACHMENT F

NETWORK SERVICE PROVIDER EXEMPTION

NS RESOURCES AUSTRALIA PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant NS Resources Australia Pty Ltd (ABN 88 082 160 432) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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

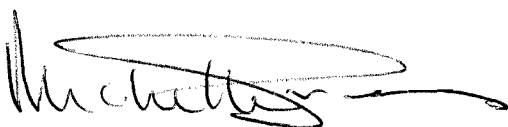
5. The Exemption takes effect on and from 17 March 2008.
6. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within one month) notify the AER.
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 - (a) the Applicant 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 8.
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

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 - (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: 17 March 2008

ATTACHMENT G

NETWORK SERVICE PROVIDER EXEMPTION

NIPPON STEEL AUSTRALIA PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER'), on 17 March 2008, 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") in accordance with the further provisions contained in clause 2.9.3.

to grant Nippon Steel Australia Pty Ltd (ABN 64 001 445 049) ("Applicant") an exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) 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 1 February 2008. The Application has appointed Anglo Coal (Moranbah North Management, ABN 14 069 603 587) as the intermediary within the meaning of clause 2.9.3.

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 13 km in length, from the Ergon Energy Corporation Limited Moranbah Substation to Anglo Coal's Moranbah North substation.

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 17 March 2008.
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 8.
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: 17 March 2008