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23rd March, 2009

2009 RAIL ACCESS REGIME INQUIRY:
ISSUES PAPER
Essential Services Commission of SA
GPO Box 2605
Adelaide SA, 5001

2009 SA RAIL ACCESS REGIME ENQUIRY: ISSUES PAPER

BACKGROUND

ABB Grain welcomes the opportunity to provide comment on South Australia's Rail Access Regime and to contribute towards this enquiry.

Since ABB's last related submission titled: SOUTH AUSTRALIAN RAIL ACCESS REGIME – REVIEW OF REGULATOR COMPONENTS, submitted to the ESCOSA on the 8th June 2005, ABB has further grown and strengthened its working interface with rail. This includes entering into a strategic long-term relationship with rail service provider Genesee & Wyoming Australia (GWA); receiving and handling mineral sands by rail into its Port Adelaide port terminal and; is soon to start operating its newly constructed port terminal at Outer Harbor.

ABB has made significant investment into rail related infrastructure and contractually it is helping to finance rail transport sustainably. Rail transport has, and will continue to be, an important component of ABB's supply chain business, helping the company and ultimately grain growers remain sustainable and competitive into the future.

COMMENT ON ENQUIRY QUESTIONS AND ISSUES

ABB understands that the current regime continues to exclude the rail sidings which service our country storage sites on both the GWA owned branch lines and ARTC owned main interstate lines. ABB believes these sidings should be included in the access regime. Without access to these sidings it is not physically or economically viable for a competing rail operator to load trains. With regard to the

negotiation and the conciliation/arbitration process, ABB considers this could be improved by providing potential access applicants more certainty in both the range of access pricing which may be applied and the time frames required to navigate the arbitration process.

ABB looks forward to The Commissions release of the Draft Inquiry Report, and appreciates the opportunity of further consultation provided.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Krause', with a long horizontal stroke underneath.

TIM KRAUSE
SENIOR MANAGER – LOGISTICS / SUPPLY CHAIN