



STRICTLY CONFIDENTIAL

BY EMAIL

15 August 2014

Attention: Carbon Coordination

Australian Competition & Consumer Commission

23 Marcus Clarke Street

Canberra ACT 2601

Email: carbonco-ordination@accg.gov.au

Dear Sir or Madam,

RE: Carbon Tax Removal Substantiation Statement

Callide Power Trading Pty Limited (**CPT**) is the registered generator under the National Electricity Rules (**NER**) for the Callide C Power Station (**Callide C**). Callide C is an 850MW supercritical black coal fired power station near Biloela in Central Queensland.

Callide C is owned by IG Power (Callide) Limited (**IGPCL**) and Callide Energy Ptd Limited (**CEPL**), a subsidiary of CS Energy Limited, pursuant to the Callide Power Partners joint venture arrangements. Marketing (both bidding and hedging) of Callide C's electricity output is undertaken separately and independently by each joint venture owner, based upon each owner's 50 percent share of Callide C's available electricity output at any point in time.

CPT is responsible for the dispatch of the electricity output from Callide C, and as a result is involved in the central dispatch process under chapter 3 of the NER.

CPT provides the following information in accordance with section 60FD of the *Competition and Consumer Act 2010* (Cth) (**CCA**):

1. CPT does not expect to have any cost savings as a result of the carbon tax repeal, since it was not itself a liable entity under the *Clean Energy Act 2011*, and did not incur direct or indirect costs attributable to the carbon tax.
2. CPT dispatches electricity into the National Electricity Market (**NEM**) via a central dispatch process facilitated by the Australian Energy Market Operator (**AEMO**). CPT does not have any direct contracts with customers for the sale of electricity.
3. When CPT submits bids to AEMO in respect of electricity output to be dispatched into the **NEM**, those bids (and subsequent sales of electricity) are made as agent for, and on the (separate) instructions of, IGPCL and CEPL respectively.

4. CPT is not involved in setting the bids submitted by either IGPCL or CEPL for electricity to be dispatched from Callide C, does not know what factors are taken into account in setting those bids, and has no right or ability to determine the price for the electricity output (either at the time when the bid is made, or when the overall NEM spot price is identified for electricity to be dispatched).
5. CPT does not have a website, and is therefore unable to satisfy the requirement in section 60FD(4) of the CCA to make a copy of this statement available on its website in a way that is readily accessible by the public.

Please feel free to contact Matthew Kennett on (07) 3854 7894 regarding this statement.

Yours sincerely,



Matthew Kennett (CPT Manager)