



Australian Amalgamated Terminals Pty Ltd

First Independent Price Expert Determination

Schedule 5 of Undertaking to the Australian Competition and
Consumer Commission

4 August 2017

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Address: Level 22, MLC Centre, 19 Martin Place Sydney NSW 2000

Tel: 02 9221 2099 | **Fax:** 02 9223 1762

www.pitcher.com.au

PRIVATE & CONFIDENTIAL

Mr. Antony Perkins
Chief Executive Officer
Australian Amalgamated Terminals Pty Ltd
Unit 61, The Hub 89-97 Jones Street, Ultimo, NSW, 2007

Dear Mr Perkins

**INDEPENDENT PRICE EXPERT DETERMINATION
Price Increase Proposed for Fisherman Islands, Brisbane**

This Determination has been made pursuant to Schedule 5 of the Undertaking to the Australian Competition and Consumer Commission Given under section 87B of the Competition and Consumer Act 2010 (Cth) by Australian Amalgamated Terminals Pty Ltd ACN 098 458 229 and Qube Holdings Limited ACN 149 723. All subsequent references to the Undertaking will be to Schedule 5 only, unless otherwise specified.

On 24 March 2017 AAT notified Terminal Users of proposed maximum tariffs that will apply to AAT terminals at Fisherman Islands in Brisbane, commencing 1 July 2017 ("**proposed price increases**"). In total one (1) written objection was received from Terminal Users within the time period allowed by the Undertaking.

The Undertaking provides as follows:

1. The Independent Price Expert must notify AAT and any party which lodged an objection to the proposed price increase of the Determination made under clause 3.3(a)(ii) as soon as practicable after making the determination;
2. The Independent Price Expert, in making this Determination, is acting as an expert and not an arbitrator;
3. Any determination or decision made by the Independent Price Expert is final and binding on AAT.

Submissions and Consultation

The submissions, assistance and information provided by the following interested parties is acknowledged and appreciated:

- AAT – as required by the Authorisation
- Federal Chamber of Automotive Industries ("**FCAI**")
- Port of Brisbane Pty Ltd ("**PBPL**")

Yours faithfully



Carl Millington
Approved Independent Price Expert

DETERMINATION

Determination by Approved Independent Price Expert

In accordance with Clause 3.5(a)(i) and (ii) of Schedule 5 of the Undertaking I hereby notify you of my Determination in relation to the proposed price increases advised by AAT to be effective from 1 July 2017. The original notification provided by AAT is attached as Annexure 2:

As the only Objection Notice I received related to the proposed increase in Facilities Access Charge (“FAC”) my determination is limited to the FAC.

I have determined that the proposed price increases for FAC at Fisherman Islands as notified by AAT on 24 March 2017 are not reasonable and appropriate and have therefore set new prices as provided for by clause 3(a)(ii) of Schedule 5 of the Undertaking. The new prices as set out in the table below reflect a 0% increase over the existing prices compared to the 16% which was proposed by AAT.

<i>Fisherman Islands Cargo Terminal Berths 1 to 3 Port of Brisbane</i>	Pre 30 June 2017	Post- 30 June 2017	
	Actual	Proposed by AAT 16%	Determination 0%
FAC general cargo \$ per revenue tonne	6.40	7.41	6.40
FAC wheeled vehicles \$ per M ³	2.45	2.84	2.45
FAC RoRo general cargo	2.45	2.84	2.45

Annexure 1 – Independence Declaration

In conducting the Determination I have complied with the independence requirements of the conditions of authorisation and the Australian professional accounting bodies.

In accordance with 2.2.1(b) of the conditions of authorisation we declare that neither Pitcher Partners nor the Independent Price Expert:-

- (i) is a current employee or officer of AAT or its Related Bodies Corporate;
- (ii) is a person who has been an employee or officer of AAT or its Related Bodies Corporate in the past three years;
- (iii) is a person who holds a material interest in AAT or its Related Bodies Corporate;
- (iv) is currently, or has been in the past three years, a professional adviser of AAT or its Related Bodies Corporate;
- (v) is a person who has a contractual relationship, or is an employee or contractor of a firm or company that has a contractual relationship with AAT or its Related Bodies Corporate, but for the terms of this Approved Independent Price Expert agreement with AAT;
- (vi) is a supplier, or a person who is an employee or contractor of a firm or company that is a supplier of AAT or its Related Bodies Corporate; or
- (vii) is a material customer of, or a person who is an employee or contractor of a firm or company that is a material customer of, AAT or its Related Bodies Corporate.



CARL MILLINGTON

Director

PPNSW Services Pty Limited

Sydney, 4 August 2017