



Professor Roy Green
Chairman
Queensland Competition Authority
Level 27
145 Ann Street
BRISBANE QLD 4000

7 July 2016

Dear Professor Green

Aurizon Network's Amended 2014 Draft Access Undertaking

Aurizon Network Pty Ltd (**Aurizon Network**) acknowledges the Queensland Competition Authority's (**QCA**) Final Decision dated 28 April 2016 in respect of the 2014 Draft Access Undertaking (**Final Decision**).

Aurizon Network is reluctantly submitting a revised undertaking under section 136 of the Queensland Competition Authority Act 1997 which – save for minor and inconsequential changes – adopts those amendments proposed by the QCA in its Final Decision (**Aurizon Network's Amended 2014 DAU**). Aurizon Network's Amended 2014 DAU has been submitted not because Aurizon Network agrees with the Final Decision, nor with all of the amendments that the QCA has required in the Undertaking. Rather, and in circumstances where there has already been considerable delay in the finalisation of the Undertaking, Aurizon Network is concerned to ensure revenue and regulatory certainty for it and its customers for the remainder of the UT4 period.

Aurizon Network remains concerned that a number of the QCA's proposed amendments to the 2014 DAU, when tested and applied, may be found to be impractical and unworkable, and consequently, may adversely affect the stability, clarity and certainty of the regulatory framework and/or may otherwise be found to be inconsistent with the QCA Act. Such intrusions have the potential to create inefficiencies and complexity for both Aurizon Network and its customers.

Nevertheless, Aurizon Network is prepared to trial the QCA's proposed amendments on an interim basis, in part to determine the extent to which workability and/or practicability issues arise.

Aurizon Network intends to deal with its concerns either through the Undertaking it submits in response to the QCA's Initial Undertaking Notice on UT5, or through Draft Amending Access Undertakings that it may submit to the QCA for approval within UT4. Aurizon Network will continue to consult with industry and stakeholders throughout this process.

Aurizon Network has made minor adjustments to the maximum allowable revenue in the Final Decision and to the tariffs. The changes to revenue reflect the correction of modelling inconsistencies to align revenue calculations to the Final Decision, as well as incorporation of regulated price changes received from electricity and transmission providers following the Final Decision. The changes to tariffs reflect the incorporation of the UT4 final reconciliation into FY17 (consistent with Aurizon Network's approved 2016 Extension DAAU), as well as the adjustments to revenue. All changes have been discussed with QCA personnel who have been provided with comprehensive workings and models.

In finalising Aurizon Network's Amended 2014 DAU, Aurizon Network has held extensive and constructive discussions with QCA staff to ensure the changes Aurizon Network has made to the undertaking (which are intended to ensure drafting clarity and workability) are aligned with the policy position set by the QCA in its Final Decision. It has also undertaken a limited consultation with the Queensland Resources Council (**QRC**). Aurizon Network would like to acknowledge and thank both the QCA and the QRC for their participation in this process.

Aurizon Network's submission comprises:

1. this cover letter;
2. the Aurizon Network's Amended 2014 DAU (clean and mark-up);
3. associated agreements and deeds (clean and mark-up), i.e.:
 - a. Standard Access Agreement Coal;
 - b. Standard Train Operations Deed – Coal;
 - c. Standard Rail Connection Agreement; and
 - d. Standard User Funding Agreement
4. associated financial models; and
5. explanatory material.

With the exception of the financial models which are confidential and may not be disclosed, the Aurizon Network's Amended 2014 DAU and accompanying materials do not contain confidential information and may be disclosed by the QCA.

Yours sincerely

Alex Kummant
Executive Vice President Network

Aurizon Network's Amended 2014 DAU (submitted in response to QCA

Final Decision on Aurizon Network's 2014 DAU) – Explanatory Notes

7 July 2016

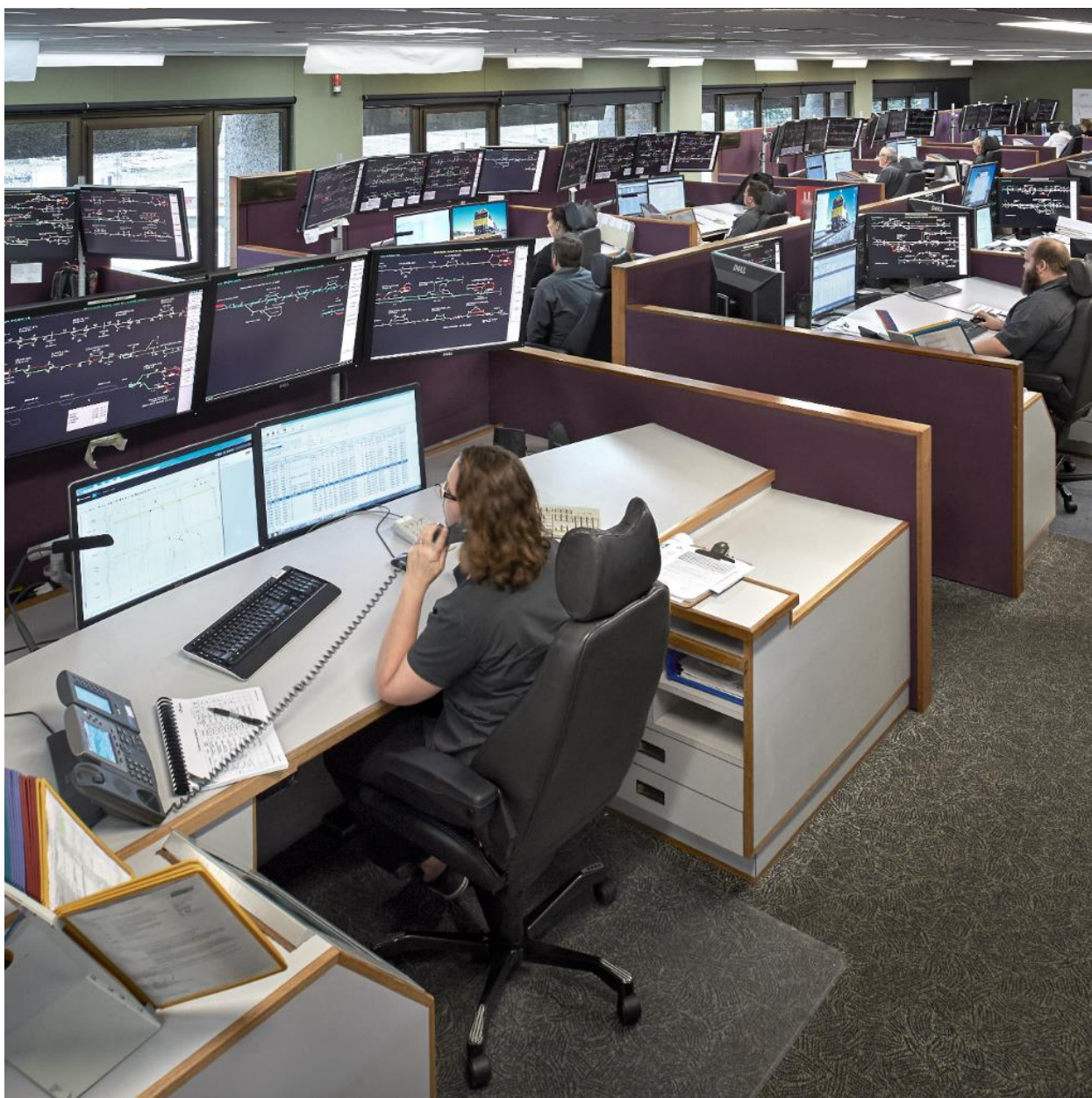


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Introduction

Aurizon Network Pty Limited (**Aurizon Network**) acknowledges the Queensland Competition Authority's (**QCA**) Final Decision dated 28 April 2016 in respect of the 2014 Draft Access Undertaking (**Final Decision**).

In response, Aurizon Network is reluctantly submitting under s136 of the QCA Act an Amended 2014 DAU which – save for minor and inconsequential changes – adopts those amendments proposed by the QCA in its Final Decision (**Amended 2014 DAU**). Aurizon Network's Amended 2014 DAU has been submitted not because it agrees with the Final Decision, nor with all of the amendments that the QCA has required in the Undertaking. Rather, and in circumstances where there has already been considerable delay in the finalisation of its undertaking, Aurizon Network is concerned to ensure revenue and regulatory certainty for itself and its customers for the remainder of the UT4 period.

Aurizon Network believes that a number of the QCA's proposed amendments to the 2014 Draft Access Undertaking (**2014 DAU**), when tested and applied, may be found to be impractical and unworkable, and so may adversely affect the stability, clarity and certainty of the regulatory framework and/or may otherwise be found to be inconsistent with the QCA Act. Such intrusions have the potential to create inefficiencies and complexity for both Aurizon Network and its customers.

Aurizon Network is prepared to trial the QCA's proposed amendments on an interim basis, in part to determine the extent to which workability and/or practicability issues arise.

Aurizon Network intends to deal with its concerns either through the Undertaking it submits in response to the QCA's Initial Undertaking Notice (**UT5**), or through Draft Amended Access Undertakings (**DAAU**) that it may submit to the QCA for approval within UT4. Aurizon Network will continue to consult with industry and stakeholders throughout this process.

In finalising its Amended 2014 DAU, Aurizon Network has held extensive and constructive discussions with QCA staff to ensure the changes Aurizon Network has made to the Amended 2014 DAU (which are intended to ensure drafting clarity and workability) are aligned with the policy position set by the QCA in its Final Decision. It has also undertaken a limited consultation with the Queensland Resources Council (**QRC**). Aurizon Network would like to acknowledge and thank both the QCA and the QRC for their participation in this process.

The submission is divided into two parts:

- > Revenue/Tariffs – a short explanation of the minor changes relative to the QCA's Final Decision. These result, in the case of Maximum Allowable Revenue (**MAR**), primarily from the incorporation of revised electrical charges and the correction of minor modelling inconsistencies within the Final Decision. The former is the result of regulated price changes from Transmission Network Service Providers and electricity retailers; and
- > Drafting – a brief description of the drafting changes that have been made to the Undertaking to address clarity and workability issues while ensuring alignment with the QCA's Final Decision. **Appendix A** includes a detailed description of each of the drafting changes.

Explanation of Revenue and Tariff Changes

Summary

There has been an uplift in MAR relative to the QCA's Final Decision of \$7.9 million reflecting predominantly increases in electrical charges post Final Decision and correction of modelling inconsistencies in the QCA's Final Decision.

There has been no change to tariffs for FY2014, FY2015 and FY2016, relative to those approved by the QCA in the 2016 Extension DAAU on 24 June 2016. There have been minor changes to the transitional FY2017 tariffs published in the 2016 Extension DAAU reflecting the changes to MAR.

Consistent with the 2016 Extension DAAU, the revenue reconciliation between transitional and final System Allowable Revenue (**SAR**) for FY2014, FY2015 and FY2016 has been incorporated into the proposed final SAR and Reference Tariffs for FY2017. All changes have been discussed with QCA personnel who have been provided with comprehensive workings and models.

Adjustments to MAR

In its assessment of the QCA's Final Decision, Aurizon Network has identified a number of adjustments to its allowable revenue, which are necessary to reflect the intent of the Final Decision, and facilitate the development of an Amended 2014 DAU. The QCA has been provided with full details and comprehensive workings of all amendments.

While the majority of amendments have been made to ensure consistency with the QCA Final Decision, Aurizon Network has also updated the FY2017 forecasts for Transmission and Connection Charges and Electric Energy Charges in accordance with pricing updates received from service providers since the publication of the Final Decision. A comparison of the MAR outlined in the QCA's Final Decision and Aurizon Network's proposed final MAR is provided in **Table 1**.

Table 1: Comparison of MAR QCA – Final Decision v Amended 2014 DAU

Reconciliation of Total MAR for UT4	QCA Final Decision (\$m)	Amended 2014 DAU (\$m)
Total MAR for UT4	4,054.1	4,061.7
Capital Carryover Adjustment	(129.3)	(129.0)
Total MAR after Capital Carryover	3,924.8	3,932.7
Adjustment to Headline MAR¹		
Impact of WIRP revenue smoothing	0.9	0.9
Impact of WIRP Moura revenue deferral	(11.5)	(11.5)
Reconciled MAR	3,914.3	3,922.1
Variance to QCA Final Decision		7.9

¹ While these adjustments were excluded from the headline MAR published in the QCA's Final Decision, they had been accounted for in the relevant SAR.

Explanation of changes to MAR

As indicated in the table above, Aurizon Network's proposed final MAR for the UT4 regulatory period is \$7.9 million greater than the MAR in the QCA's final decision. This is primarily due to changes in forecast Transmission and Connection charges for FY2017², which increased by \$9.8m.³ Aurizon Network was notified of these regulated price changes after publication of the QCA's Final Decision.

Further changes result from the treatment of the Bauhinia electrification project and associated Rolleston AT5 access charges. As a result of QCA Final Decision 26.1(8), which defers the capital expenditure associated with the Bauhinia electrification project from FY2015 to FY2016, the QCA has provided an additional interest allowance which is to be capitalised into the asset value. In FY2015, Aurizon Network received AT5 access charges from Rolleston electric train services. These access charges were not included in the FY2015 Revenue Cap submission because the transitional arrangements for that year did not provide an associated revenue allowance for the Bauhinia electrification project. Aurizon Network proposes to deduct the AT5 access charges received from the capitalised asset value. This has the effect of reducing both the FY2016 capital indicator for the Bauhinia electrification project and Aurizon Network's MAR.

Aurizon Network has also made corrections to a number of minor items identified during its review of the QCA's financial models. These corrections have been made to ensure consistency with the intent of the QCA's final decision.

No impact on Reference Tariffs for FY2014, FY 2015 and FY2016

Consistent with the 2016 Extension DAAU, and the approach agreed with the majority of its customers, Aurizon Network confirms that the pricing impact of the above changes will not result in revised final Reference Tariffs for FY2014, FY2015 or FY2016. The revenue reconciliation between transitional and final SAR for these years have been incorporated into the proposed final SAR and Reference Tariffs for FY2017. For clarity, the UT4 reconciliation is calculated to maintain NPV neutrality of Aurizon Network's allowable revenue over the UT4 regulatory period.

Proposed Final SARs and Reference Tariffs for FY2017

The inputs used to calculate the FY2017 transitional arrangements for the 2016 Extension DAAU were consistent with the QCA's Final Decision. In line with the approach adopted in the Extension DAAU approved by the QCA on 24 June 2016 and agreed with the majority of its customers, Aurizon Network proposes to recover the full UT4 reconciliation in FY2017.

As a result of the adjustments to MAR described above, Aurizon Network's proposed final SAR and Reference Tariffs for FY2017 differ from the FY2017 transitional arrangements published in the 2016 Extension DAAU.

In its submission on Aurizon Network's 2016 Extension DAAU, stakeholders questioned Aurizon Network's proposal to adjust FY2017 SAR for "the over recovery of EC revenue in FY2014 and FY2015". Aurizon Network proposed this adjustment to correct an error in the QCA's modelling when quantifying the UT4 revenue reconciliation. The effect of this error was to provide Aurizon Network with additional revenue that it was not entitled to receive.

² These changes result from regulated price changes from third part Transmission Network Service Providers and electricity retailers notified to Aurizon Network following the QCA's Final Decision.

³ For clarity, any difference between forecast Transmission and Connection charges and actual costs incurred will be reconciled as part of the Revenue Cap process

For clarity, the over recovery of EC revenue for FY2014 and FY2015 was incorporated into each year's respective revenue cap submission and treated in accordance with the applicable undertaking, i.e. through an adjustment to future AT5 Reference Tariffs as required by Aurizon Network's 2010 Access Undertaking. Both revenue cap submissions have since been approved by the QCA. Aurizon Network's Amended 2014 DAU reflects the over recovery of FY2016 EC revenue through an adjustment to the FY2017 EC charge.

A comparison of proposed SARs and Reference Tariffs in the Amended 2014 DAU against the QCA's Final Decision and FY2017 transitional arrangements is set out below.

Table 2: Comparison of FY2017 SARs

System	QCA Final Decision		FY2017 Transitional SAR (2016 Extension DAAU)		FY2017 proposed final SAR (Amended 2014 DAU)	
	AT ₂₋₄ (\$m)	AT ₅ (\$m)	AT ₂₋₄ (\$m)	AT ₅ (\$m)	AT ₂₋₄ (\$m)	AT ₅ (\$m)
Blackwater	377.9	82.9	421.1	96.7	421.5	97.8
GAPE	133.1	--	132.1	--	131.8	--
Goonyella	289.8	87.8	322.1	58.4	322.1	65.3
Moura	36.8	--	34.5	--	35.0	--
Newlands	21.9	--	14.5	--	15.2	--
Total	859.5	170.7	924.4	155.1	925.6	163.1

Table 3: Proposed Final FY2017 Reference Tariffs

Reference Tariff Input	Blackwater	GAPE	Goonyella	Moura	Newlands
AT1	0.92	1.43	0.63	1.70	1.77
AT2	2,161.22	13,436.76	1,369.26	647.37	289.45
AT3	8.13	1.24	6.17	8.28	5.35
AT4	2.88	3.39	1.27	1.31	0.80
AT5	3.31	--	1.78	--	--
EC	0.74	--	0.74	--	--

Table 4: Variance relative to FY2017 Reference Tariffs⁴

Reference Tariff Input	Blackwater	GAPE	Goonyella	Moura	Newlands
AT1	--	--	--	--	--
AT2	--	--	--	--	--
AT3	--	(0.02)	--	0.10	0.27
AT4	0.01	(0.01)	--	0.01	0.04
AT5	0.04	--	0.19	--	--
EC	0.05	--	0.05	--	--

The variance between FY2017 final and transitional tariffs are attributable to the following:

- > Moura system – variation is the result of timing differences between FY2016 and FY2017. While final Reference Tariffs for FY2017 are higher than the transitional tariffs, Access Holders in the Moura system will realise the benefit of this through reduced FY2016 adjustment amounts.⁵
- > Newlands system – variation is due to the correction of a capital carryover account error and timing differences between FY2016 and FY2017. Regarding the timing difference, final Reference Tariffs for FY2017 will be higher than the transitional tariffs, however, Access Holders in the Newlands system will realise the benefit of this through lower FY2016 adjustment amounts.⁶
- > Variance in the AT5 reference tariffs for the Blackwater and Goonyella systems are attributable to the forecast increase Transmission and Connection charges.

No changes have been proposed to the volume forecasts specified in the Final Decision. For reference, these forecasts are restated in **Table 5**.

Table 5: Proposed Final FY2017 Volume Forecasts (net tonnes)

System	Final Decision Net Tonnes	Transitional Net Tonnes [^]	Proposed Amended 2014 DAU SARs
Blackwater	67.8	67.8	67.8
GAPE	17.0	17.0	17.0
Goonyella	115.6	115.6	115.6
Moura	12.0	12.5	12.5
Newlands	9.0	9.0	9.0
Total	221.5	221.9	221.9

[^] The QCA's published volumes omitted WIRP_NCL forecasts.

⁴ The QCA approved Aurizon Network's May 2016 extension DAAU on 24 June 2016. This approval extends the 2010 Access Undertaking and sets transitional tariffs for FY2017 from 1 July 2016 to 30 September 2016.

⁵ Adjustment amounts will be calculated to reconcile the difference between 'final' and 'transitional' Reference Tariffs for FY2016. This will take place through a separate regulatory submission process.

⁶ Adjustment amounts will be calculated to reconcile the difference between 'final' and 'transitional' Reference Tariffs for FY2016. This will take place through a separate regulatory submission process.

Explanation of Drafting Changes

Aurizon Network has made minor amendments to the text of the Undertaking and the Standard Agreements which the QCA published with its Final Decision. These changes have been made to address issues of drafting, clarity, workability and alignment with the text of the QCA's Final Decision. In making these changes, Aurizon Network has been careful to ensure that it has not departed from the policy position set out in the QCA's Final Decision.

These changes have been the subject of extensive discussion with the QCA and have also been the subject of limited consultation with the QRC.

The table below briefly explains the nature of the changes made to each section. A more detailed table is provided in **Appendix A**, which sets out the detail and rationale of each change that has been made to the Undertaking.

Table 6: Proposed Changes to the Undertaking

Nature of Change	Part
Changes to improve workability, drafting and clarity	Part 3 – Ring fencing Part 4 – Negotiation Framework Part 6 – Pricing Part 7 – Capacity Allocation Part 8 – Extensions Part 11 – Disputes Schedule B – Access Application Information Requirements Schedule E – Regulatory Asset Base Schedule H – Explanatory diagrams and flowcharts Standard Access Agreement Standard Train Operations Deed Standard Rail Connection Agreement Standard Studies Funding Agreement
Changes to improve workability, drafting and clarity	Part 7A – Baseline Capacity Part 10 – Reporting
Changes to protect Access Holder, Customer and Train Operator confidential information	Schedule G – Network Management Principles
Changes to update Reference Tariffs, Allowable Revenues and volume forecasts, relative to Final Decision	Schedule F – Reference Tariff
No change	Part 5 – Access Agreements Part 9 – Connecting Infrastructure Schedule A – Preliminary, Additional and Capacity Information Schedule C – Operating and other plan requirements Schedule D – Ultimate Holding Company Deed Schedule I – Confidentiality Agreement Schedule J – Coal Loss Mitigation Provisions

Appendix A

Part 3: Ringfencing

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
3.3(b)&(d)	Defines “Other Officer” and clarifies clause 10.7.3 will apply to them	Clarifies drafting to align with the QCA’s 2014 DAU Final Decision.	4.10.2 p164-167	4.18	Clarification
3.6(f)	Clarifies prohibition on assigning or delegating regulatory functions to Related Operator	Clarifies drafting to align with the QCA’s 2014 DAU Final Decision and remove conflict with the shared services roles contemplated in clause 3.5(a)(v).	4.7.2-4.7.6 p149	4.14	Clarification
3.12(b)	Clarifies application of “grouping” concept as applying to each of clauses 3.12, 3.13 and 3.14	Clarifies drafting to align with the QCA’s 2014 DAU Final Decision and ensures a consistent approach to the handling of Confidential Information in terms of collection, disclosure and Confidential Information Register.	4.5.2	-	Clarification
3.12(d)	Clarifies application of clause 3.13 and 3.14 to individuals and entities	Clarifies drafting to align with the QCA’s 2014 DAU Final Decision and ensures a consistent approach to the handling of Confidential Information in terms of collection, disclosure and Confidential Information Register.	4.5.2	-	Clarification
3.13(c)(i)&(ii)	Remove term “ <i>enforceable by</i> ” in confidential obligation with RIM and infrastructure provider; replace with obligation for Aurizon Network to enforce obligations upon request	Corrects error in original Aurizon Network 2013 DAU and amends drafting to align with practical reality that confidentiality obligations are owed to Aurizon Network, but must be enforced by Aurizon Network upon request by ultimate owner of information.	-	-	Correction and clarification
3.13(f)	Clarifies application of disclosure regime for compliance with ASX Listing Rules	Recognises that Commonwealth law will, at times, require ‘immediate’ disclosure of information.	4.5.2 p103	4.5	Alignment
3.13(g)	Clarifies prohibition on assigning or delegating regulatory functions to Related Operator	Clarifies drafting to align with the QCA’s 2014 DAU Final Decision and remove conflict with the shared services roles contemplated in clause 3.5(a)(v).	4.7.2-4.7.6 p149	4.14	Clarification

Part 4: Negotiation Framework

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
4.4(b)	<p>Amend introductory language to say “<i>Subject to the Access Seeker providing a notification of intent in accordance with clause 4.7(a)</i>”</p> <p>Move clause 4.4(b)(ii) to a new clause 4.4(c) and replicate the existing clauses 4.4(b)(iii) and 4.4(b)(iv) under both 4.4(b) and 4.4(c)</p> <p>As a result of the above amendments, a consequential amendment to a cross reference in clause 7.5.2(b) has been made (refer to clause 4.4(c))</p>	<p>Current drafting refers to an access seeker being deemed to have joined the queue in respect of access rights sought, subject to confirmation in the Acknowledgment Notice.</p> <p>However, this confirmation can never be given in the Acknowledgment Notice as Aurizon Network needs to have received the Access Seeker’s notification of intent before the access seeker joins the queue.</p>	7.4.4 p244-246	7.2	Clarification
4.8(e)	Amend “ <i>when Aurizon Network suspends...</i> ” to “ <i>when the negotiation process is suspended in accordance with clause 4.8(d)(ii), Aurizon Network...</i> ”	Clarifies that the negotiation process may be suspended by either Aurizon Network or the relevant Access Seeker under clause 4.8(d)(ii).	-	-	Clarification
4.9	<p>Include a new:</p> <ul style="list-style-type: none"> > clause 4.9(d)(ii) which cross refers to clause 7.5.2(c); > clause 7.5.2(c) in Part 7 which is based on clause 7.3.4(b) of the UT3 Access Undertaking; and > definition of Competing Applications in Part 12 	Clarifies drafting to reflect the need to build in the concept of competing applications for the same access being collectively positioned in the queue as if they were a single application.	7.3.4 p231-235	7.1	Clarification
4.11.1(c)	Include drafting to reflect the fact that the negotiation process under Part 4 will be suspended if the Access Seeker, or Train Operator as applicable, and Aurizon Network are	<p>Clarifies drafting to make it consistent with the QCA’s inclusion of an approval process in clause 6.13 where any Access Conditions are intended to be negotiated.</p> <p>It is important to suspend the negotiation process under Part 4 while the QCA is considering the relevant Access Conditions as Aurizon</p>	-	-	Clarification

	required to comply with the Access Conditions provisions in clause 6.13 Negotiations will recommence following resolution of the process under clause 6.13	Network does not have visibility on how long the QCA approval process may take.			
4.11.1(d)(iv)(B)	Amend drafting to correct a clause reference and to include reference to any suspensions under clause 4.11.1(c)	The cross reference in this clause is incorrectly stated.	-	-	Clarification

Part 6: Pricing Principles

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
6.2.1 (b)	Include term, <i>“Except as permitted by this Part 6,”</i> to the beginning of clause	Clarifies that Aurizon Network can price differentiate (including to a related operator/party) based on changes or differences in cost or risk relevant to Aurizon Network providing access. This is consistent with the intent and purpose of the clauses on price differentiation where: <ul style="list-style-type: none"> > a reference tariff applies (clause 6.2.3); and > no reference tariff applies (clause 6.2.4), contained within Appendix A of the QCA’s 2014 DAU Final Decision.	16.3.1 p13-17 16.3.2 p17-23 16.3.3 p23-27	16.1 16.2 16.3	Clarification
6.2.2	Insert term, <i>“calculated in accordance with”</i> between <i>“Access Charge...for an access seeker will be”</i> and <i>“the Reference Tariff”</i>	Clarifies that access charges are calculated in accordance with Reference Tariffs.	-	-	Clarification
6.2.3(a) 6.2.4(a) & (c)	In clause 6.23(a), <ul style="list-style-type: none"> > replace the words <i>“material increase”</i> and replace with <i>“difference”</i> immediately in front of the words <i>“in cost or risk”</i>; and > delete word, <i>“substantially”</i> that appears before <i>“different characteristics”</i> In clauses 6.2.4(a) and (c), delete the word, <i>“material”</i>	Permits the QCA to consider an application to approve price discrimination where it is consistent with the QCA Act, whether the price discrimination results from an increase or decrease in cost or risk relative to the Reference Train. Removes materiality threshold to clarify that all price discrimination is subject to QCA approval.	16.3.3 p23-26	16.3(1)	Clarification
6.2.5(c)(iii)(A)	Delete term, <i>“the same Access Charge”</i> and replace with term, <i>“an Access Charge calculated on the same basis as the relevant like Train Service”</i>	Clarifies that a QCA requirement to have Aurizon Network offer the Aggrieved Access Holder an Access Charge (as a result of a contravention of Part 6) should either be: <ul style="list-style-type: none"> > an Access Charge calculated on the same basis as the relevant like Train Service Access Charge; or 	-	-	Clarification

		<p>> if the QCA considers appropriate, a particular Access Charge that in the QCA's view neutralises the effect of the contravention.</p> <p>The current drafting of clause 6.2.5(c)(iii)(A) requires Aurizon Network to offer the same Access Charge, which may not be feasible in practice due to differences in volumes and haulage distance as a result of different mine loadout locations.</p>			
6.4.1(d)(ii)	Amend term, "Access Charges" to "Reference Tariffs"	Aligns with the QCA's 2014 DAU Final Decision to approve Aurizon Network's proposed pricing principle that existing users should not experience a material increase in Reference Tariffs due to an expansion triggers by access seekers.	16.5.2 p43	16.6	Alignment
6.4.5(e)(ii)	Insert term, " , unless otherwise agreed by the QCA" after "the Expansion Costs of the New Expansion."	<p>Aligns with the QCA's 2014 DAU Final Decision as follows:</p> <p><i>"We note that our final decision (see final decision 16.8) considers it appropriate to exercise discretion in limited circumstances to consider an expansion pricing approach that differs from the requirements of the endorsed pricing approach for an expansion with no substitutable train services"</i></p> <p>and</p> <p><i>"If socialisation leads to an increase in the highest expansion tariff, the QCA will consider on a case-by-case basis whether to socialise or to establish a separate expansion tariff for this new expansion".</i></p>	16.5.4 p74 16.5.4 p79	16.9 16.10	Alignment
6.4.8(b)	Amend term, "for the purposes of calculating the Expansion Tariff to be approved by the QCA" to "subject to any applicable Cost Allocation Proposal accepted by the QCA under clause 6.4.3 "	<p>Clarifies that any necessary Asset Replacement and Renewal Expenditure for an Expansion to which an Expansion Tariff applies or will apply, will be treated as part of the cost of that Expansion unless as proposed by Aurizon Network and subject to the QCA's approval.</p> <p>This aligns with the QCA's 2014 DAU Final Decision as follows:</p> <p><i>"(1) Our final decision is to approve Aurizon Network's proposal that:</i></p> <p>...</p> <p><i>(d) an allocation of expansion costs to existing users may be appropriate where an expansion has clear benefits to those users..."</i></p>	16.5.2 p43	16.6	Alignment
6.13.2(g)	Remove:	Clarifies drafting to:	-	-	Clarification

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- | | |
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| <ul style="list-style-type: none">> “not” between “Aurizon Network will” and “proceed to negotiate Access”; and> “with that Access Seeker and must explain the rationale for that notification. If notice is not given within thirty (30) days, Aurizon Network must proceed to negotiate Access Conditions with that Access Seeker on the basis of the Access Condition” | <ul style="list-style-type: none">> enable Aurizon Network to opt into the acceptance of the QCA-determined access conditions; and> require Aurizon Network and the relevant access seeker to recommence negotiations on the terms of the Standard Agreement post the QCA’s determination on access conditions. |
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Insert the following term as 6.13.2(g)(iii):

*“Unless Aurizon Network provides the notice in **clause 6.13.2(g)(ii)**, Aurizon Network will be deemed to have rejected the Access Conditions (if any) proposed by the QCA and the parties must recommence negotiations on the terms of the Standard Agreement, subject to **clause 8.2.1**”*

Part 7: Available Capacity Allocation and Management

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
7.1(a)(v)	Amend cross reference from “ clause 7.4.2(i) ” to “ clause 7.4.2(h) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.2.1(a)	Amend clause to include whether the Access Seeker has been actively participating in the negotiation process as a factor that Aurizon Network may take into account in refusing to allocate Available Capacity in respect of an Access Application	The access seeker may meet all the other requirements in clause 7.2.1(a), however may still choose to sit in the queue rather than execute an access agreement. Aligns with the QCA’s Initial Draft Decision (see page 221).	11.3.1 p86	11.1	Clarification
7.4.2(b)(i)(A)(1)	Amend clause to include reference to the Train Services being an even number of Train Services (each service being a one way Train Service)	Clarifies the way in which Train Services are contracted.	-	-	Clarification
7.4.2(b)(i)(C)	Amend draft: <ul style="list-style-type: none"> > to split the timing of what constitutes the Transfer Date into two parts based on whether a transfer takes place under (i) clause 7.4.2(f) (no additional access rights required), or (ii) clause 7.4.2(g) (additional access rights and rapid capacity assessment required); and > for a transfer under clause 7.4.2(f), the Transfer of the Nominated Access Rights will take effect on the date which is: <ul style="list-style-type: none"> – where the Notice of Intention to Transfer is received at least five (5) Business Days prior to close of Train Orders for the first day of the proposed Short Term 	Aligns the Transfer Date with the timeframe that Aurizon Network has to assess the notice of intention to transfer. Also ensures that transfers which take effect outside of the ITP period for the next Relevant Period (being the 7 day period commencing from 12:00 am on Monday and ending immediately prior to 12:00 am on the following Monday) do not result in having to redo the ITP to give these services relevant priority. This makes the process practical to implement. Addresses a concern raised by the QRC that the Transferor should also have the ability to specify a later Transfer Date.	-	11.13	Workability

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- Transfer Period, the first day of the Relevant Period for those Train Orders; and
 - where a Notice of Intention to Transfer is received less than five (5) Business Days prior to close of Train Orders for the first day of the proposed Short Term Transfer Period, no earlier than the first day of the next Relevant Period
 - > for a transfer under clause 7.4.2(g) the Transfer of the Nominated Access Rights will take effect on the date which is:
 - where the Notice of Intention to Transfer is received at least seven (7) Business Days prior to close of Train Orders for the first day of the proposed Short Term Transfer Period, no earlier than the first day of the Relevant Period for those Train Orders; or
 - where a Notice of Intention to Transfer is received less than seven (7) Business Days prior to close of Train Orders for the first day of the proposed Short Term Transfer Period, no earlier than the first day of the next Relevant Period

7.4.2(b)(ii)	<p>Include drafting to provide that:</p> <ul style="list-style-type: none"> > if it is a Transfer under clauses 7.4.2(f) or 7.4.2(g), the Notice of Intention to Transfer must be accompanied by a notice from the Transferee that provides the details 	<p>Requiring the Transferee to submit an Access Application for a Transfer under clause 7.4.2(f) or clause 7.4.2(g) creates confusion in relation to the timeframes and the procedure for processing of the Access Application under Part 4.</p> <p>An Access Application should only be required where either of these provisions do not apply.</p>	-	-	Workability
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	as set out in clauses 7.4.2(b)(ii)(A) to (D); and > if it is not a Transfer under clauses 7.4.2(f) or 7.4.2(g), the Notice of Intention to Transfer must be accompanied by an Access Application completed by the transferee with must, as a minimum, contain the information listed in Schedule B, clause 6 [as new clause 7.4.2(b)(iii)]				
7.4.2(c)	Amend cross reference to new clause 7.4.2(b)(iii)	Update cross reference to link to new clause 7.4.2(b)(iii)	-	-	Drafting
7.4.2(e)(ii)(E)	Delete clause	The clause is unnecessary as there are no rail haulage agreements that were signed before 1 March 2002 still on foot.	11.6.9 p118-120	11.7	Drafting
7.4.2(f)	Amend cross references as follows: > from “ clause 7.4.2(n) ” to “ clause 7.4.2(m) ”; and > from “ clause 7.4.2(l) ” to “ clause 7.4.2(k) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(f)(i) 7.4.2(g)(iii)	Include term, “ <i>which has Transfer provisions which are consistent with Part 7.4.2</i> ” at the end of each clause	For access holders that hold pre-UT4 Access Agreements, access holders need to agree to amend the transfer provisions in accordance with clause 7.4.2(o) to permit the transfer of access rights in accordance with clause 7.4.2 of the UT4 Access Undertaking.	-	-	Clarification
7.4.2(g)(i)	Amend cross reference from “ clause 7.4.2(n) ” to “ clause 7.4.2(m) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(g)(x)-(xii)	Amend clause to clarify that the notice under clause 7.4.2(g)(x) will also include details of the calculation of the Transfer Fee (if any) that is payable the outcome of the Rapid Capacity	Simplifies the notification process and avoids the need to give a separate notice about the Transfer Fee.	-	-	Workability

Assessment under either clause 7.4.2(g)(xi) or clause 7.4.2(g)(xii)					
7.4.2(h)	Delete entire clause	Transfers which are not made under either clause 7.4.2(f) or (g) should be managed through the Access Application process and the timeframes under Part 4 apply. Part 4 timeframes are better for the Transferee as it will receive notice of whether the transfer can occur on receipt of the IAP (which is earlier than the proposal of 3 months after receipt of the Notice of Intention to Transfer in clause 7.4.2(h)).	-	-	Workability
7.4.2(i)(i)	Delete reference to clause 7.4.2(h) and amend cross referencing in this clause accordingly	A drafting update given the deletion of that clause 7.4.2(h).	-	-	Drafting
7.4.2(i)(ii)	Move the words, “(subject to clause 7.4.2(r))” to just after the words “(Short Term Transfer) then, for the Short Term Transfer Period”	Ensures that the intent of the anti-gaming provision in clause 7.4.2(r)(ii) is captured.	-	-	Drafting
7.4.2(i)(vi) 7.4.2(i)(viii)(A) 7.4.2(i)(viii)(B) 7.4.2(i)(viii)(C) 7.4.2(i)(viii)(D)	Amend each clause to include the words “(or the corresponding clause in a Pre-Approval Date Coal Access Agreement)” after the relevant reference to the clause in the Transferee’s Access Agreement	A drafting update to reflect that schedule references are different in pre-UT4 access agreements.	-	-	Drafting
7.4.2(i)(vii)	Amend cross reference from “ clause 7.4.2(l)(iv) ” to “ clause 7.4.2(k)(iv) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(j)	Amend to include term, “(or the corresponding Schedule in a Pre-Approval Date Coal Access Agreement)” after reference to Schedule 4 of the Transferee’s Access Agreement	Ensures that the Transferee is already subject to the same Reference Tariff as the Transferor before the transfer takes effect. Also updates clause to reflect that Schedule references in pre-UT4 access agreements are different to UT4 access agreements.	11.7.10 11.7.11 11.7.12	11.10 11.11 11.12	Clarification
7.4.2(k)	Amend to include term, “(or for a Pre-Approval Date Coal Access Agreement, the Train Operations	Train Operations Deed did not exist pre-UT4.	-	-	Drafting

	<i>Agreement) (if any)" after "Train Operations Deeds"</i>				
7.4.2(l)	Delete "or (h)" as clause 7.4.2(h) has been deleted	A drafting update given the deletion of that clause 7.4.2(h).	-	-	Drafting
7.4.2(l)(ii)	Amend cross reference from " clause 7.4.2(m) " to " clause 7.4.2(l) "	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(m)	Delete "or (h)" and insert term, "a Transfer where clause 7.4.2(d) applies" Include a new clause 7.4.2(m)(v) as follows: "(v) payment of a Transfer Fee (if applicable)."	A drafting update given the deletion of that clause 7.4.2(h). Also, the completion of a Transfer should be conditional on the payment of a Transfer Fee.	-	-	Clarification
7.4.2(n)	Delete "or (h)" as clause 7.4.2(h) has been deleted	A drafting update given the deletion of that clause 7.4.2(h).	-	-	Drafting
7.4.2(p)	Amend "Commencing Date" with "Approval Date"	Aurizon Network will be in breach of this clause if the Commencing Date is applied given the due date for this requirement has long passed. Therefore, Approval Date would be relevant for application in this clause.	-	-	Drafting
7.4.2(p)(vi)	Amend cross reference as follows: > from " clause 7.4.2(p)(iii) " to " clause 7.4.2(o)(iii) ", and > from " clause 7.4.2(p)(iii)(B) " to " clause 7.4.2(o)(iii)(B) "	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(q)	Amend cross reference from " clause 7.4.2(p) " to " clause 7.4.2(o) "	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(r)	Amend cross reference as follows: > from " clause 7.4.2(u) " to " clause 7.4.2(t) "; and > from " clause 7.4.2(r)(i) " to " clause 7.4.2(q)(i) "	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.2(s)(iv)	Delete the words " <i>not less than five (5) Business Days before the Transfer</i> "	Clarifies the period in which details of the calculation of the Transfer Fee will be provided by Aurizon Network.	11.6.7 p112-115	11.6	Workability

	<p><i>Date</i>” and insert “under clause 7.4.2(f), provide details of the calculation of the Transfer Fee two (2) Business Days after receiving the Notice of Intention to Transfer”</p> <p>Include a new clause 7.4.2(s)(v) which provides that “if the Transferor has given a notice under clause 7.4.2(g), will provide details of the calculation of the Transfer Fee in accordance with clause 7.4.2(g)(x).”</p>				
7.4.2(u)(ii)	Amend cross reference from “ clause 7.4.2(s)(ii) ” to “ clause 7.4.2(r)(iii) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.3(e)(i)	Include a new clause 7.4.3(e)(i) as follows: “for coal carrying Train Services included in a Pre-Approval Date Coal Access Agreement, in accordance with that Pre-Approval Date Coal Access Agreement”	To clarify that the calculation of the Relinquishment Fee under the UT4 Access Undertaking should not override existing contracts with access holders. This is because the methodology for the calculation of the Relinquishment Fee under UT2 and UT3 access agreements is different.	-	11.5	Drafting
7.4.4(b)	Amend cross reference from “ clause 7.4.2(s)(ii) ” to “ clause 7.4.2(r)(ii) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.4.4(b)(ii)(B)	Amend to include the words “or set it off against the next invoice (if any) payable by the Payor to Aurizon Network.”	Includes an ability for set off against future invoices (if there are any) for access charges if the Relinquishment Fee is overpaid.	-	-	Workability
7.4.4(d)	Amend TOPA and TOPB calculations to include the following: “or for a Transfer, the take or pay amount that would have been payable for the Transfer Period,” after the words “(Remainder of the Original Term)”	This is to align the Reduction Factor calculation with the Transfer Fee calculation under clause 7.4.2(t).	11.6.7 p112-115	11.6	Drafting

7.4.4(e)	Amend cross referencing by deleting reference to “ clause 7.4.2(d) ” and replace it with “ clause 7.4.4(d) ”	Corrects incorrect cross reference.	-	-	Drafting
7.4.4(g)	Amend cross reference from “ clause 7.4.2(s)(ii) ” to “ clause 7.4.2(r)(ii) ”	Reflects the deletion of clause 7.4.2(h), which resulted in an update of cross references from clause 7.4.2(i) onwards.	-	-	Drafting
7.5.2	Include a new clause 7.5.2(c) which is based on clause 7.3.4(b) of the UT3 Access Undertaking	Provides for the concept of competing applications for the same access being collectively positioned in the queue as if they were a single application which is relevant to clause 4.9 (Multiple Applications for the same Access).	-	-	Workability
7.5.2(b)	Amend cross reference to link to clause 4.4(c)	A consequential amendment as a result of amendments to clause 4.4(b).	-	-	Drafting
7.5.3(b)	Include words, “ <i>that the offer is subject to the Access Seeker executing an Access Agreement within 20 Business Days of it accepting the offer in accordance with clause 7.5.3(b)(ii).</i> ”	Without being required to sign an access agreement, a person at the top of the queue could still continue to hold up all other Access Seekers wanting Access Rights by meeting the requirements under clause 7.2.1 but delay finalising negotiations.	11.3.1 p89	11.1	Workability

Part 7A: Baseline Capacity

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
7A.3(d)	Include the word “ <i>Group</i> ” after “ <i>Supply Chain</i> ” and delete the word “ <i>identified</i> ” and replace it with “ <i>determined</i> ”	To better align with the QCA’s 2014 DAU Final Decision. In particular, it should be Supply Chain Groups and not just Supply Chains which trigger the relevant operational change. In addition, the trigger should not be for any change which is identified by a Supply Chain Group. It should be a direction or an outcome of a Supply Chain Group meeting.	10.3.6 p9	10.1	Clarification
7A.3(e)(i) 7A.3(e)(ii)	Amend clause to reflect that Aurizon Network will not be obliged to undertake any activity referred to in: > clause 7A.3(a) or clause 7A.3(b) unless the reasonable cost of undertaking that activity is recoverable by Aurizon Network on the terms of the Undertaking; and > clause 7A.3(d) unless and until the reasonable cost of undertaking that activity is recovered by AN on the terms of the Undertaking	Reflects the principle that Aurizon Network should not be obliged to comply with clauses 7A.3(a), (b) and (d) unless (and in the case of clause 7A.3(d) until) it can recover the costs of doing so. This position is consistent with the QCA’s Final Decision that costs of participation in Supply Chain groups should be recoverable. In the case of operational changes, it is reasonable that those costs be recovered up-front.	10.3.6 p9	10.1(2)(a)	Clarification
7A.4.1(a)(i) 7A.4.1(b)(iv)(B)(2) 7A.4.1(e)(i) 7A.4.1(f)(ii)(C)(2) 7A.4.2(b)(ii) 7A.4.2(c) 7A.4.2(d) 7A.4.2(d)(iii) 7A.4.2(f)(ii)(C)(2)	Include references to either: > “ <i>which includes the STP for any Coal System</i> ”; > “ <i>which includes the STP for each Coal System</i> ”; > “ <i>include the STP for each Coal System</i> ”; > “ <i>the STP for each Coal System</i> ”; or > “ <i>including the STP</i> ”	Given the link between the STP and the Baseline and Annual Capacity Assessments (the STP is an output of these assessments), a reference to the STP for each Coal System is appropriate throughout clauses 7A.4.1 and 7A.4.2 and remove the slightly different review mechanism in Schedule G.	13.5.6 p280	13.2(2)(f)	Clarification

7A.4.2(g)(i)					
7A.4.2(h)					
7A.4.1(b)(iv)(B)(1) 7A.4.2(a)	Delete the word “and” and replace with “or” in the phrase “a static and dynamic (as appropriate) waterfall analysis”	This clause should refer to static or dynamic modelling, not both, as it may not in each instance be appropriate to adopt both forms of analysis.	10.4.1 p33	10.2(2)(a)	Clarification
7A.4.1(e)(ii)(B)	Delete reference to acting reasonably and include the word “to” before the words “the Baseline Capacity Assessment Report”	<p>Aurizon Network should have the discretion to make requested amendments to the Baseline Capacity Assessment Report. The consequence of the QCA not agreeing with Aurizon Network’s view is to develop an Alternative Baseline Capacity Assessment Report rather than require Aurizon Network to vary its report.</p> <p>This aligns with the QCA’s 2014 DAU Final Decision that where there is disagreement, it is reasonable for the QCA to publish its assessment (or amendments proposed to Aurizon Network’s assessment) alongside Aurizon Network’s assessment – i.e. the QCA can publish its own assessment rather than requiring Aurizon Network to adopt it.</p> <p>Consistent with the QCA’s 2014 DAU Final Decision, the QCA’s assessment is the trigger for considering capacity deficit.</p>	10.4 p24-39	-	Drafting
7A.4.1(h)-(j)	<p>In respect of the Baseline Capacity Report,</p> <ul style="list-style-type: none"> > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that: <ul style="list-style-type: none"> – do not prevent the disclosure of the information contained in 	<p>Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking contract information (e.g. contracted paths and tonnages) on its website as part of the Baseline Capacity Report.</p> <p>Now, Aurizon Network can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.</p>	10.4.5 p44-45	10.2(2)(f)	Workability

	the Baseline Capacity Assessment Report; and				
	– permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with clauses 7A.4.1(j)(i) and 7A.4.1(j)(ii), whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement				
7A.4.2(b)(v)	Include the words “by Aurizon Network” after the words “methodology utilised” and replace the word “and” with “or”	Aligns with the QCA’s 2014 DAU Final Decision which states that Aurizon Network must utilise the same modelling methodology utilised in its previous capacity assessment.	10.2(2)(h) p46	10.2(2)(h)	Clarification
7A.4.2(d)	Insert word “reasonable” before first use of word “recommendation”	Aligns with the balance of the clause which requires Aurizon Network to amend the Preliminary Capacity Report to take into account reasonable recommendations.	10.4 p24-39	10.2	Clarification
7A.4.2(d)(iv)	Inset word “and” at the end of clause	Clarifies that clauses 7A.4.2(d)(iii)-(v) apply if Aurizon Network receives a notification by the QCA or the Access Holders (or Customers) to have a Capacity Assessment (including the STP) reviewed by an independent expert.	-	-	Clarification
7A.4.2(h)&(i)	In respect of the Capacity Assessment Report, > amend clause to distinguish between confidentiality	Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking contract information (e.g. contracted paths and tonnages) on its website as part of the Capacity Report.	10.4.5 p44-45	10.2(2)(j)	Workability

	<p>obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and</p> <p>> include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that:</p> <ul style="list-style-type: none"> – do not prevent the disclosure of the information contained in the Capacity Assessment Report; and – permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with clauses 7A.4.2(i)(i) and 7A.4.2(i)(ii), whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement 	Now, it can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.			
7A.4.3(a)	<p>Insert:</p> <p>> bullet point to “<i>Capacity Assessment Report</i>”, and</p> <p>> the words, “<i>or the</i>” before “<i>Capacity Assessment Report</i>”</p>	Clarifies the scenarios for applying clause 7A.4.3.	-	-	Clarification
7A.4.3(e)&(f)	In respect of an information or report in respect of a Capacity Deficit,	Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward	10.5 p53	10.3(2)(a)(v)	Workability

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- > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and
 - > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that:
 - do not prevent the disclosure of the information contained in respect of a Capacity Deficit; and
 - permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with clauses 7A.4.3(f)(i) and 7A.4.3(f)(ii), whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement
- looking contract information (e.g. contracted paths and tonnages) on its website as part of the System Operating Parameters.
- Now, Aurizon Network can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.

7A.5(g)	In respect of System Operating Parameters, amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements	Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking contract information (e.g. contracted paths and tonnages) on its website as part of the System Operating Parameters.	10.6.6 p67	10.4(2)(h)	Workability
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	and post Approval Date Access Agreements	Now, Aurizon Network can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.			
7A.5(j)	Include words, “ <i>in a form that does not disclose any confidential information regarding individual Access Holders, Customers or Train Operators, to avoid disclosing any information that is commercially sensitive to an Access Holder, Customer or Train Operator</i> ” at the end of the clause.	Protects confidential information regarding individual Access Holders, Customers or Train Operators being disclosed as part of the System Operating Parameters.	-	-	Workability
7A.6(b)(i)	Delete term, “ <i>any Train Paths that may arise from an Expansion</i> ” and re-number the clause	Aligns with the QCA’s 2014 DAU Final Decision that it is appropriate for Aurizon Network to undertake dynamic capacity modelling for expansions expected to occur within five years, subject to: <ul style="list-style-type: none"> > access seekers having properly completed their access applications; > access seekers populating the key information, as set out in clause 4 of Schedule B of the undertaking, in their access applications; and > those expansions being at least at the pre-feasibility level. 	10.7.6 p78	10.5(2)(c)	Clarification

Part 8: Network Development and Expansions

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
8.2.1(e)	Remove term, “or this Undertaking”	Aligns with the QCA’s 2014 DAU Final Decision to exclude an express obligation for Aurizon Network to maintain the Rail Infrastructure in a condition that is fit for purpose in the provision of train service entitlements to access holders. In particular, the QCA said: <i>“[The QCA] consider[s] that there are adequate provisions drafted in the 2014 DAU, and within the TOD, to ensure Aurizon Network meets its obligation to maintain the rail infrastructure to a fit-for-purpose standard...”</i>	14.4.6 p345	14.2	Alignment
8.2.2(a)	Amend clause to clarify that a dispute under Part 8 excludes an Aurizon Network decision to not fund an Expansion	Aligns with the QCA’s 2014 DAU Final Decision that the QCA can make binding determinations about matters that relate to an expansion regime in the 2014 Undertaking, subject to the QCA not compelling Aurizon Network to pay for an Expansion.	12.3.5 p192	12.4	Alignment
8.6(a)(i)(B)	Amend commencement date for failure to commence study trigger within twenty (20) Business Days to: <i>“after the Studies Funding Agreement for the relevant study becomes unconditional”</i>	Aligns with the QCA’s 2014 DAU Final Decision to link trigger events to a study funding agreement becoming unconditional. For example, clause 8.7(c) obliges Aurizon Network to notify Funders of its willingness to fund an Expansion after the relevant Studies Funding Agreements become unconditional.	-	12.8(2)(b)	Alignment and consistency
8.9.4(a)	Amend definition of Earlier Expansion to: <i>“where an Expansion (Shortfall Expansion) is required as a result of a Capacity Shortfall arising in respect of an earlier Expansion commenced after the Approval Date”</i>	Clarifies that rectification of a Shortfall Expansion only relates to an Earlier Expansion after the Approval Date. This is consistent with intent and purpose of Part 8, which sets out provisions relating to the creation of new Rail Infrastructure moving forward.	-	12.13(2)(a)	Clarification
8.9.4(a)(i)	Amend reference in clauses 8.9.4(a)(i)(A), (B) & (C) from: <i>“Aurizon Network elected to fund”</i>	Clarifies that the requirement for Aurizon Network to rectify Shortfall Expansion only covers circumstances where Aurizon Network had funded the Expansion.	-	-	Clarification

to
“Aurizon Network funded”

This is consistent with the operation of clause 8.7.1(f), which allows an access seeker (instead of Aurizon Network) to fund the Expansion.

If clause 8.9.4(a)(i) remains unchanged, it would inadvertently require Aurizon Network to rectify a Shortfall Expansion even though the earlier Expansion was not funded by Aurizon Network (and in which the scope of that earlier Expansion was not agreed by Aurizon Network).

Part 10: Reporting, Compliance and Audits

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
10.4.3(a)(i)	Amend term from: <i>"no later than six (6) Months prior to the Terminating Date"</i> to <i>"no later than 31 March 2017"</i>	Aligns with the milestone for completion of the End of Period Assessment agreed with the QCA in the "CQC Condition Based Assessment Initial Assessment Aurizon 2010 Access Undertaking (UT3) August 2013".	-	-	Alignment
10.4.3(j)	<p>In respect of the report on the findings of the Condition Based Assessment,</p> <ul style="list-style-type: none"> > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that: <ul style="list-style-type: none"> – do not prevent the disclosure of the information contained in the report; and – permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to 	<p>Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking contract information (i.e. individual access holder's forward-looking contracted paths) on its website as part of the report.</p> <p>Now, Aurizon Network can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.</p>	5.5.6 p187-188	5.3(2)(b)	Workability

	confidentiality obligations in accordance with this clause, whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement				
10.5.2(e)	<p>Remove requirement for Aurizon Network to publish the identity of the parties to a transfer of access rights within the Annual Compliance Report</p> <p>Clarify that Annual Compliance Report must also include information in relation to transfers occurring under the process in Part 4</p> <p>Clarify clause 10.5.2(e)(v) by:</p> <ul style="list-style-type: none"> > replacing the term “existing Access Agreement” with “Access Agreement executed prior to the Approval Date”; and > replacing “new Access Agreement” with “Access Agreement executed after the Approval Date” 	<p>The removal of requirement is made in response to concerns raised by access holders with the QCA to ensure that confidential information is not published.</p> <p>Note that under clause 10.5.2(b), the QCA receives a supplementary version of the Annual Compliance Report that presents information included in the public report in respect of (i) Third Party Access Holders; and (ii) Aurizon Party Access Holders.</p> <p>The QCA requested a clarification to this clause to ensure it includes data on all transfers including those which occur under the Process in Part 4.</p> <p>The amendment to clause 10.5.2(e)(v) clarifies the intent of the drafting – i.e. the report should indicate whether the Transferred Access Rights have been granted under a UT4 access agreement or an earlier form of access agreement.</p>	-	-	Workability
10.5.3(c)	Amend “Commencing Date” to “Approval Date”	<p>This clause requires Aurizon Network to maintain an Issues Register in respect of breaches of the Undertaking.</p> <p>As Aurizon Network was operating under the QCA-approved 2010 AU while the 2014 DAU was being assessed, Approval Date (instead of Commencing Date) is relevant.</p>	-	-	Clarification
10.7.3	<p>Replace “in accordance with the requirements of” with “under”</p> <p>Delete “the requirements for the provision of”</p>	<p>Clarifies drafting to align with the QCA’s 2014 DAU Final Decision. Enshrines “due diligence” approach to provision of all certifications.</p>	4.10.2 p164-167	4.18	Clarification

Part 11: Disputes

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
11.1.5	<p>Amend 11.1.5 to:</p> <ul style="list-style-type: none"> > clarify the process for determining process for non- Division 5, Part 5 disputes, utilising the existing UT3 mechanism; and > require parties to agree to be bound to the outcome of the dispute 	<p>Amendments required in order to align with QCA Final Decision: in particular to ensure parties to the dispute must first agree to be bound (noting the multilateral nature of potential disputes under Clause 8.2.2) and to ensure the QCA's decision to incorporate Section 208 by reference (see 6.3.6, Vol 1, p209) is binding on all parties and therefore allows the QCA to award costs in relation to vexatious disputes.</p>	6.3.6	6.1	Clarification and alignment

Part 12: Definitions and Interpretation

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
Definition of "Approved WACC"	<p>Amend the definition of Approved WACC from:</p> <p><i>"The post-tax nominal (vanilla) weighted average cost of capital as determined by the QCA for the period specified by the QCA for the purposes of this Access Undertaking."</i></p> <p>to</p> <p><i>"the post-tax nominal (vanilla) weighted average cost of capital of 7.17%."</i></p>	<p>The 'Approved WACC' definition in the 2014 Undertaking does not specify the QCA's determined WACC of 7.17%.</p> <p>Specifying the WACC rate within the 2014 Undertaking would facilitate the identification of the approved WACC rate used for the purposes of the 2014 Undertaking.</p>	-	-	Clarification
Definition of "Aurizon Network Cause"	<p>Include an exclusion from the definition where a matter is attributable to the Access Holder (or its nominated Train Operator)</p>	<p>This amendment means that access holders will receive relief from their Take or Pay obligations when the failure by Aurizon Network to make Rail Infrastructure available for the operation of Train Services is attributable to another railway operator or access holder, but will not be excused when the inability to make Rail Infrastructure available is attributable to the relevant Access Holder itself or its nominated operator.</p> <p>This is consistent with the policy position stated in the QCA's Initial Draft Decision namely "that for reasons of accountability and to incentivise efficient infrastructure investments, it is important that the cause of Train Service Entitlement not being made available rests with the party that has responsibility or control over the matters at hand" (see page 455 of the QCA's Initial Draft Decision on the 2014 DAU).</p> <p>It should be noted that the term Railway Operator is defined under UT3 to include (a) any party that holds rights of access to all or any part of the Infrastructure, whether or not that party is an Accredited railway operator; and (b) any Accredited railway operator and including, but not limited to, the Operator. The effect of this is that</p>	-	-	Alignment

			under UT3 (as was also the case under previous regulatory periods) both the access holder and the Accredited operator operating the train services which form part of the Access Rights are already covered under the definition of Aurizon Network Cause.			
Definition of "Capacity Analysis"	of	Include term, "as the context requires" after the words "to determine"	<p>The definition is very broad and is used for the purpose of Part 4, Part 7A and Part 8 in different contexts. Some parts of the definitions are only relevant to Part 4 (e.g. paragraphs (e) and (f) of the definition) whereas others are only relevant to Part 7A (e.g. paragraphs (a) and (b) of the definition).</p> <p>Leaving it as is creates a concern about the scope of capacity assessment that is required. While our proposed amendment is not ideal, we did not want to over complicate the definition by splitting it out into different sections.</p>	10.4.1 p25	-	Clarification
Definition of "Competing Applications"	of	New definition	Provides for the concept of competing applications for the same access being collectively positioned in the queue as if they were a single application which is relevant to clause 4.9 (Multiple Applications for the same Access).	-	-	Workability
Definition of "Confidential Information"	of	Amends definition of "Confidential Information" to exclude non-access related information provided by a Related Operator or Related Competitor	Ensures Part 3 does not inadvertently regulate information which is provided by Related Operators to Aurizon Network, and which relates generally to the provision of the Declared Service (for example, general HR or finance information) but which does not relate to the seeking of access by a Related Operator or Related Competitor or provision of access to them.	4.5.1 p94	4.4	Clarification
Definition of "Expansion"	of	<p>Amend the definition of Expansion to include the following exclusions (in summary):</p> <ul style="list-style-type: none"> > "any extension, enhancement, expansion, augmentation, duplication or replacement of all or part of the Rail Infrastructure delivered as part of a project the primary objective of which is the improvement of operational safety or performance"; and > in respect of operational performance, that project has a 	<p>Clarifies that an Expansion excludes any Expenditure that achieves better operational outcomes with no increase in capacity, which aligns with the QCA's Consolidated Draft Decision (refer to page 167 of the QCA's Consolidated Draft Decision on Aurizon Network 2014 draft access undertaking Volume II–Capacity and expansions).</p> <p>Although the QCA, in its 2014 DAU Final Decision, stated that the definition of Asset Replacement and Renewal already captures the concept of expenditure to achieve better operational outcomes with no increase in capacity, Aurizon Network considers its proposal would better reflect the concept for the following reasons:</p>	12.4.3 p209	-	Clarification

	<p><i>de minimis</i> impact on capacity and involves a total capital expenditure of either:</p> <ul style="list-style-type: none"> – in respect of a single Operational Performance Project, under \$10 million; or – where there has been more than one Operational Performance Project within the same Coal System within a Year, the cumulative total capital expenditure of all Operational Performance Projects within that Coal System within that Year is under \$20 million; or – has otherwise been approved by the QCA in writing as a project which is not an Expansion for the purposes of this Undertaking 	<ul style="list-style-type: none"> > the definition of Asset Replacement and Renewal is limited in that it only captures capital projects that are required to maintain capacity and meet obligations under access agreements; and > certain capital projects (that would achieve better operational outcomes without increasing capacity) are not required to maintain capacity and meet obligations under access agreements (for clarity, this means achieving either requirement but not both requirements). 			
Definition of “Gross Tonnes”	Delete clause	Definition has been moved back into the Standard Access Agreements to align with Schedule F of the Undertaking	-	-	Clarification and Workability
Definition of “gth”	Amend “Gross Tonnes” to “gross tonnes”	Reflects the proposed deletion of “Gross Tonnes” definition.	-	-	Clarification
Definition of “Initial Capacity Assessment”	Include term in paragraph (a) of the definition, “(provided that where the Access Application relates to a Transfer, the Nominated Access Rights in the Transfer Notice are deemed to be Available Capacity)”	<p>Addresses a concern raised by the QRC that, given the deletion of clause 7.4.2(h), a mechanism is needed for Nominated Access Rights which are the subject of a Transfer to be deemed to be Available Capacity when undertaking a capacity assessment following an Access Application.</p> <p>The amendment has been included for clarity even though Aurizon Network would, in practice, take this into account when carrying out a capacity assessment.</p>	-	-	Clarification

Definition of “Intermediate Train Plan or ITP”	Amend “relevant period” to “Relevant Period”	Reflects “Relevant Period” as a defined term.	-	-	Clarification
Definition of “Loading Efficiency Factor”	Delete clause	Definition has been moved back into the Standard Access Agreements to align with Schedule F of the Undertaking	-	-	Clarification and Workability
Definition of “Mainline Path”	Delete term, “that relates to the Mainline Train Path Track for that Coal System”	The reference to Mainline Train Path Track does not exist in the Preliminary Information in Schedule A.	-	-	Drafting
Definition of “Net Tonnes”	Delete clause	Definition has been moved back into the Standard Access Agreements to align with Schedule F of the Undertaking	-	-	Clarification and Workability
Definition of “nsk”	Delete clause	Definition erroneously referred to nsk instead of ntk, in which ntk is separately defined.	-	-	Drafting
Definition of “PV Amount”	Amend cross reference from “ clause 7.4.2(t) ” to “ clause 7.4.2(s) ”	Reflects a change in cross reference due to the clause 7.4.2(h)	-	-	Drafting
Definition of “Relevant Period”	Insert term, “ending” between “and” and “immediately”	To clarify the definition of “Relevant Period”	-	-	Clarification
Definition of “Short Term Transfer”	Amend cross reference from “ clause 7.4.2(i) ” to “ clause 7.4.2(h) ”	Reflects a change in cross reference due to the clause 7.4.2(h)	-	-	Drafting
Definition of “Short Term Transfer Period”	Amend cross reference from “ clause 7.4.2(i)(ii)(A) ” to “ clause 7.4.2(h)(ii)(A) ”	Reflects a change in cross reference due to the clause 7.4.2(h)	-	-	Drafting
Definition of “Transfer Fee”	Amend cross reference from “ clause 7.4.2(r) ” to “ clause 7.4.2(s) ”	Reflects a change in cross reference due to the clause 7.4.2(h)	-	-	Drafting
[Old] 12.4(f)	Delete clause	Clause is no longer required given the changes that have been made to clauses 7.4.2(a)(ii) and 7.4.2(e), which include Customer Initiated Transfers.	-	-	Drafting
[New] 12.4(f)	Insert new clause as follows: “If a transitional matter is not otherwise dealt with under clauses 12.4(a) – (f) , the QCA and Aurizon	Effectively manages the transition between UT3 and UT4.	-	-	Workability

Network may agree in writing the arrangements that apply to manage the transition between the undertaking in place on the day immediately prior to the Approval Date and this Undertaking.”

Schedule B: Access Application Information Requirements

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
6(a)	Include new subclause (iv) as follows: <i>“the relevant Access Agreement (if applicable) held by the Transferee”</i>	Ensures that the information provided with a notice of intention to transfer includes the relevant access agreement of the Transferee that the Transfer relates to. This amendment relates to the inclusion of a new clause 7.4.2(b)(iii).	-	-	Drafting

Schedule E: Regulatory Asset Base

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
1.1(a)(i) footnote	Remove clause	Not required as the RAB roll-forwards relating to UT4 do not impact on the calculation of UT4 reference tariffs.	-	-	Removal
1.1(c)	Include definition for 'disposals'	Aligns with the QCA's 2014 DAU Final Decision to include a definition for 'disposals'.	14.3.6 p329-335	14.1(2)(a)(iii)	Alignment
1.2(a)(i)	Include clarification of test for RAB re-inclusion of asset values that were previously removed from the RAB by the QCA	Clarifies that there may be non-demand based triggers for RAB re-inclusion of asset values that were previously removed from the RAB.	-	14.1(2)(b)(iii)	Clarification
1.2(c)(i)	Amend structure of clause 1.2(c)(i) to clarify that it allows Aurizon Network to submit a proposal to address a deterioration in demand	Clarifies and reflects the QCA's intent to provide Aurizon Network the opportunity to submit a proposal (that addresses a deterioration in demand) to the QCA where the QCA requires the value of assets in the RAB to be reduced.	14.3.6 p329-333	14.1(2)(b)(ii)	Clarification
1.2(c)(iii)	Insert term as clause 1.2(c)(iii)(E): <i>"may consider asset removal only if it determines, acting reasonably, that no other alternative mechanism which is appropriate having regard to the factors in s138(2) of the Act will be effective in addressing the circumstances set out in clause 2.3(b)"</i>	Aligns with the QCA's 2014 DAU Final Decision that the process of reducing the RAB is a last resort scenario.	14.3.6 p331	-	Alignment
1.3(e)	Amend "may" to "must"	Aligns with the QCA's 2014 DAU Final Decision that the QCA will approve the roll-forward of the RAB submitted by Aurizon Network conducted in accordance with the roll-forward principles.	14.3.6 p333	14.1(2)(c)(v)	Alignment
1.4	Amend clause to allow Aurizon Network to submit equity raising costs from an efficient benchmark perspective	Aligns with the QCA's 2014 DAU Final Decision, Vol IV, MAR to allow Aurizon Network to submit equity raising costs from an efficient benchmark perspective.	25.2.7 p173-175 14.3.6 p334	25.2 14.1(1)	Alignment

2.2(a)	Amend “may” to “must”	Provides certainty to user funders and Aurizon Network that capital expenditure that is considered prudent and efficient by the QCA will be approved for inclusion in the RAB and to align with the final decision.	14.4.6 p341	14.2	Clarification
2.2(b)(i)(C)	Delete word, “that”	Deleted word is not required to understand the intent and purpose of the clause.	-	-	Drafting
2.2(c)	Insert the following words, “as is reasonably relevant to the submission” at the end of the clause	Clarifies intent of clause, which is a requirement for Aurizon Network to submit all information relevant to any applicable factor in addressing any of the CAPEX prudency requirements.	-	-	Clarification
2.2(f)(ii)	Clarify drafting to confirm the QCA must approve incurred pre-approved capex if pre-approval conditions as set by the QCA have been met by the QCA	Aligns with the QCA’s 2014 DAU Final Decision to approve incurred pre-approved capital expenditure if the QCA confirms that Aurizon Network has satisfied the conditions required by the QCA as part of its pre-approval of the capital expenditure.	14.4.6 p342-343	14.2	Alignment
2.2(g)	Amend clause (for the purposes of assessing capital expenditure) to: <ul style="list-style-type: none"> > clarify that the QCA will only consider the circumstances relevant at the time of making the decision to incur the capital expenditure (or in relation to assessing prudency of costs, at the time when the costs were incurred or the capital expenditure project was undertaken, as applicable); and > enable the QCA to take advice from independent advisors and consult with relevant stakeholders 	Aligns with the QCA’s 2014 DAU Final Decision that the QCA must assess prudent and efficient CAPEX based on information available or reasonably available (otherwise known as circumstances) at the time of the investment decision.	14.4.6 p343	14.2	Alignment
4.1 & 4.1(a)	Include purpose statement for clause 4 of Schedule E	Clarifies the purpose of the clause – in particular the advisory nature of the voting process does not in any way change clause 4 itself. This is consistent with the QCA’s 2014 DAU Final Decision.	-	-	Clarification
4.1(g)(i)(B)	Insert the following words, “after construction of the proposed	Clarifies that the definition of ‘affected train path’ includes impact by the proposed capital expenditure project <u>after</u> construction of the	14.6 p351	-	Clarification

<i>Expansion is completed</i> " at the end of the clause	proposed Expansion is completed, consistent with clause 4.2(a)(ii) (Identification of Interested Participants).
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Schedule F: Reference Tariff

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
2.2(a)	Amend “ <i>Commencing Date</i> ” to “ <i>Approval Date</i> ”	As Aurizon Network was operating under the QCA-approved 2010 AU while the 2014 DAU was being assessed, Approval Date (instead of Commencing Date) would be relevant for application.	-	-	Clarification
7.2 8.2 9.2 10.2 11.2	Update reference tariff inputs	Refer to section on ‘Explanation of Revenue and Tariff Changes’.	-	-	Drafting
7.3 8.3 9.3 10.3 11.3	Update gtk forecast and Allowable Revenues	Refer to section on ‘Explanation of Revenue and Tariff Changes’.	-	-	Drafting
12	Update system gtk	Refer to section on ‘Explanation of Revenue and Tariff Changes’.	-	-	Drafting

Schedule G: Network Management Principles

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
2(d)&(e)	Delete existing clauses and replace with <i>“Aurizon Network must comply with the obligations in clause 7A.4.2(i) when providing the STP to the QCA, Access Holders and Access Seekers.”</i>	<p>Given there is duplication between these clauses and clause 7A.4.2(i), and Aurizon Network has now included the STP as part of the Capacity Assessment Reports in clause 7A.4, these clauses can be deleted.</p> <p>This ensures a consistent approach between each capacity assessment within the Undertaking (noting that the STP in Schedule G is an output of the Baseline and Capacity Assessments in Part 7).</p>	-	-	Drafting
2(j)&(k)	Delete existing clauses 2(j) and 2(k) and include a new clause 2(i) which provides that <i>“Any review by the QCA of the STP prepared by Aurizon Network must be conducted in accordance with the relevant provisions of clause 7A.4.1 and clause 7A.4.2, insofar as those clauses refer to the STP”</i>	<p>Given the link between the STP and Capacity Assessment Reports, the review mechanism for the STP should mirror the review mechanism for the Baseline Capacity Assessment Report in clause 7A.4.1 and the Capacity Assessment Report in clause 7A.4.2.</p>	-	-	Drafting
3.1(d),(f)&(g)	<p>In respect of the Master Train Plan (MTP),</p> <ul style="list-style-type: none"> > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that: 	<p>Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking information i.e. individual access holder's forward-looking contracted paths) on its website as part of the MTP.</p> <p>Now, it can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.</p>	13.3-4 p267-275	13.1(2)	Workability

	<ul style="list-style-type: none"> – do not prevent the disclosure of the information contained in the MTP; and – permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with this clause, whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement 				
3.2(a)(iii)	Insert word “ <i>varied</i> ” between words “ <i>new</i> ” and “ <i>or</i> ”	Clarifies that TSEs varied as a result of a transfer can be included in the MTP.	-	-	Workability
4(a)	Include reference to Short Term Transfers	When developing the ITP, Aurizon Network needs to consider any Short Term Transfers which relate to the Relevant Period. This is consistent with changes to clause 7.4.2(b)(i)(C).	-	-	Workability
4(e)	Require Aurizon Network to provide information to Access Holders in respect of matters known to Aurizon Network that affect the availability or performance of the rail infrastructure or mine load out and port unloading facilities, to enable them make an informed assessment of available System Paths	Aligns with the QCA’s 2014 DAU Final Decision and ensures the information published with the ITP enables Access Holders to identify available pathing.	13.7.4 p290	13.4(2)	Workability
4(e)&(f)	In respect of the Intermediate Train Plan (ITP),	Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward	13.3, 13.4, p267-275	13.1(2)	Workability

	<ul style="list-style-type: none"> > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that: <ul style="list-style-type: none"> – do not prevent the disclosure of the information contained in the ITP; and – permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with this clause, whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement 	<p>looking information i.e. individual access holder's forward-looking contracted paths) on its website as part of the ITP.</p> <p>Now, it can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.</p>			
5.2	<p>In respect of the Daily Train Plan (DTP),</p> <ul style="list-style-type: none"> > amend clause to distinguish between confidentiality obligations agreed to in Pre-Approval Date Access Agreements and post Approval Date Access Agreements; and 	<p>Without this amendment, Aurizon Network would be obliged to publish potentially commercially sensitive Access Holders forward looking contract information (i.e. individual access holder's forward-looking contracted paths) on its website as part of the DTP.</p> <p>Now, it can only do so where a post Approval Date executed Access Agreement permits disclosure where required by the Undertaking.</p>	13.3, 13.4, p267-275	13.1(2)	Workability

- > include a requirement for Aurizon Network to use reasonable endeavours to agree to confidentiality obligations that:
 - do not prevent the disclosure of the information contained in the DTP; and
 - permit disclosure of information required by this Undertaking provided that Aurizon Network will be deemed to have complied with its obligations under this clause if it has requested during the negotiation of an Access Agreement that the Access Seeker agrees to confidentiality obligations in accordance with this clause, whether or not the Access Seeker actually agrees to the inclusion of such obligations in the Access Agreement.

8.2(d)(i)&(e)(i)	For the purposes of the weekly TSE Reconciliation Report, the remaining balance of a TSE will be calculated against the contracted TSE, rather than the TSEs set out in the MTP	The contract should be the reference point for the calculation of TSE balances, as TSEs are determined by contract not by the MTP. TSEs set out within the MTP will not always fully align to contract within a relevant period, because the MTP allocates paths unevenly across weeks to accommodate known supply chain outages.	-	-	Workability
8.3(a)(i)	Amend to include reference to any Short Term Transfers which have been effected in accordance with clause 7.4.2(i)	When determining the Contested Train Path process for the purpose of developing the ITP, Aurizon Network needs to consider any Short Term Transfers which relate to the Relevant Period. This is consistent with the proposed changes to clause 7.4.2(b)(i)(C).	-	-	Workability
8.3(a)(iii)-(vi)	The contested train paths process should not reference the TSE as set out in the MTP. The UT3	The contract should be the reference point for the calculation of TSE balances for the Contested Train Path process, as TSEs are determined by contract not by the MTP. TSEs set out within the	-	-	Workability

requirement (which references contracted TSEs) should be carried over to UT4	MTP will not always fully align to contract within a relevant period, because the MTP allocates paths unevenly across weeks to accommodate known supply chain outages.
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Schedule H: Explanatory Diagrams and Flowcharts

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
-	Insert diagrams for Part 4 processes	Aligns with the QCA's 2014 DAU Final Decision to include diagrams that clearly and accurately reflects the Part 4 processes (and showing relevant linkages to other parts of the Undertaking) in Schedule H of the Undertaking.	-	-	Alignment

Standard Access Agreement

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
1.1	<p>Amendment of the definition of Consequential Loss to include <i>“loss or damage suffered or incurred by a Party arising out of a Claim against that Party by a Third Party, to the extent that the loss or damage would not be recoverable by the Third Party if the Party was not liable to the Third Party for “Consequential Loss” (as defined in this definition) in respect of the Claim by the Third Party”</i></p> <p>Amend term, <i>“third party”</i> to <i>“Third Party”</i> in paragraph (b) of the definition as Third Party is a defined term</p>	This language ensures that the exclusions for Consequential Loss that each party has the benefit of under the Access Agreement extends to claims from Third Parties to the extent that the loss or damage suffered would fall within the definition of Consequential Loss.	-	-	Clarification
1.1	Delete definition of Capacity Assessment and include a definition of Capacity Assessment Notice	<p>The term Capacity Assessment is no longer used.</p> <p>The term Capacity Assessment Notice is used in clause 9.3, and has the meaning given to that term in the Access Undertaking.</p>	-	-	Drafting
6.2(a)(i)	Include words, <i>“where there is no due date for payment”</i> after <i>“by the due date for payment or”</i>	Clarifies that the time period within which an Access Holder must deliver Security to Aurizon Network under this clause is linked to either the due date for payment or, where there is no due date for payment, within five Business Days after Aurizon Network gives written notice to the Access Holder requiring payment.	Part 5 Access Agreements	-	Clarification
6.5	Include new clause 6.5(b)	<p>This clause applies where the Security provided by an Access Holder is a bank guarantee that has an expiry date. It allows the Access Holder to provide replacement Security, but if it does not do so, Aurizon Network may draw on the existing bank guarantee and hold it as a cash deposit delivered by or on behalf of the Access Holder as Security in place of the relevant bank guarantee.</p> <p>If requested by the Access Holder at any time, Aurizon Network must return the cash deposit to the Access Holder in exchange for</p>	Part 5 Access Agreements	-	Workability

		the Access Holder delivering to Aurizon Network replacement Security. In practice, Access Holders may prefer to have this flexibility rather than pay the costs of putting a new bank guarantee in place at the relevant time.			
6.6	Include words, “ <i>or in connection with</i> ” after “ <i>any amount which the Access Holder fails to pay under</i> ”	<p>Clarifies that Aurizon Network can have recourse to Security in respect of amount payable under, and in connection with, this Agreement.</p> <p>This is consistent with the position in UT3 where security can be called upon by Aurizon Network in any circumstances where Aurizon Network suffers direct loss or damage as a result of a default by the access holder under the Agreement and is entitled to be compensated for such loss or damage.</p>	Part 5 Access Agreement s	-	Clarification
31.1(b)(i)	Delete defined term “ <i>Capacity Assessment</i> ” and replace with the words “ <i>capacity assessment and capacity modelling</i> ”	<p>The definition of Capacity Assessment in Part 12 of the Access Undertaking only refers to a capacity assessment undertaken in accordance with clause 7A.4.2(A) of the Access Undertaking which relates to the annual Capacity Assessment Report.</p> <p>Given that Aurizon Network will need to use Confidential Information for all capacity assessments and modelling (for example following receipt of an Access Application under Part 4), which is broader than this definition, we have made the term “capacity assessment” lower case and included capacity modelling to reflect the intention of clause 31.1(b)(i).</p>	-	-	Clarification and Drafting
Sch 4 (Access Charge provisions)	<p>Include definitions for the following terms: egtk, Gross Tonnes, Loading Efficiency Factor, Maximum Gross Mass, Net Tonnes and Tare Weight</p> <p>Amend the definitions within table in clause 2</p> <p>Delete clause 3.3(c)</p> <p>Delete words, “<i>Type</i>” after each reference to “<i>Train Service Type</i>” in clause 4.1</p> <p>Amend clause 4.2(h) by deleting words, “<i>for a Train Service Type</i>” and “<i>for the relevant Train Service</i>”</p>	<p>Closely aligns with the provisions of Schedule F of the Undertaking in that the provisions have been moved back into the Standard Access Agreements from the Undertaking.</p> <p>The amendment in paragraph (b) aligns with the amendments to the definitions in clause 1.1 and the formula in clause 3.2 of Schedule 4.</p> <p>Clause 3.3(c) has been deleted as the language in relation to the verification of weighbridges is now provided for in the definition of Gross Tonnes.</p> <p>The reference to Tran Service Type in clause 4.1 has been deleted as the trigger test for Take or Pay is for all Train Services in the relevant coal system (not a specified origin-destination pair). This aligns with Schedule F of the Access Undertaking.</p>	Part 5 Access Agreement s	-	Clarification and Workability

	Type” in each case where they appear	Clause 4.2(h) has been amended to align with Schedule F of the Access Undertaking in order to take account of all Train Services set by the relevant Reference Tariff (rather than capping by origin/destination groupings).			
Sch 7 (Pro Forma Access Interface Deed)	<p>Delete words, “the date of this Deed” and replace with “[insert]” in the definition of “Access Agreement” in clause 1.1</p> <p>Amend definition of Consequential Loss to include “loss or damage suffered or incurred by a Party arising out of a Claim against that Party by a Third Party, to the extent that the loss or damage would not be recoverable by the Third Party if the Party was not liable to the Third Party for “Consequential Loss” (as defined in this definition) in respect of the Claim by the Third Party”</p> <p>Amend term “third party” to “Third Party” in paragraph (b) of the definition as Third Party is a defined term</p> <p>Include a new definition of Product in clause 1.1</p> <p>Include a new definition of Train Operations Deed in clause 1.1</p> <p>Include words, “act or omission (unless that act or omission is permitted under the Access Agreement or Train Operations Deed)” in clause 2.2(a)(iv)</p> <p>Include the following as a new clause 2.2(a)(vi): “Access Holder (where the indemnifying Party is the Customer), if the default or act or omission is caused by, or (to the</p>	<p>The definition of Access Agreement has been amended as the AID will not always be entered into on or around the same time as the Access Agreement.</p> <p>The amendment to the definition of Consequential Loss ensures that the exclusions for Consequential Loss that each party has the benefit of under the AID extends to claims from Third Parties to the extent that the loss or damage suffered would fall within the definition of Consequential Loss.</p> <p>The term Product is now used in the new clause 3.1(a).</p> <p>The term Train Operations Deed is used in paragraph B of the Background of the AID.</p> <p>Clause 2.2(a)(iv) has been amended as the indemnity in this clause should not extend to deliberate acts or omissions by Aurizon Network that are permitted under the Access Agreement or Train Operations Deed. For example, under clause 23.2(e) of the Train Operations Deed, Aurizon Network is entitled to remove coal from an overloaded wagon if the Access Holder fails to do so. If Aurizon Network exercises that right and that results in the some of the Customer’s coal being lost or contaminated, Aurizon Network should not be liable to indemnify the Customer under the indemnity in this clause for any loss suffered by it.</p> <p>A new clause 2.2(a)(vi) has been included because the QCA’s 2014 DAU draft decision refers to a breach of the Access Agreement by the Customer which is not possible because it is not a party to the Access Agreement. Therefore, the indemnity in this clause should apply to breaches by the Access Holder which are caused, or contributed to, by acts or omissions of the Customer.</p> <p>Clause 2.4(a)(ii) has been amended because Aurizon Network should have the benefit of the Access Agreement Liability Provisions in respect of any claim by the Customer in connection with the Access Rights and the Infrastructure. This clause should</p>	Part 5 Access Agreements	-	Clarification and Drafting

extent of the contribution contributed to by, an act or omission of the Customer"

Amend the word "*Consequent*" in the heading to be "*Consequential*" in clause 2.3

Include words, "*the Access Rights or the Infrastructure*" in clause 2.4(a)(ii)

Delete words, "*(solely or partly)*" in clause 2.4(c)(ii) and include word, "partly" before "relates"

Include warranties to be provided by the Customer who signs the AID as a new clause 3

align with the Consequential Loss exclusion in clause 2.1(a) which also refers to the Access Rights and the Infrastructure.

Clause 2.4(c)(ii) has been amended because clause 2.4(b) already deals with a claim which solely relates to the Customer, therefore clause 2.4(c) should deal with a claim which only partly relates to a Customer.

Customer warranties (as a new clause 3) has been included because Aurizon Network requires the Customer to warrant to it that it is the owner of the relevant mine and the coal produced from the mine and is entitled to the proceeds of sale of that coal. In the absence of this warranty, Aurizon Network cannot be certain that it has obtained the benefit of the Consequential Loss exclusion under the AID from the appropriate entity (which is the reason for having the AID executed).

Standard Train Operations Deed

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
1.1	<p>Amend definition of Consequential Loss to include “<i>loss or damage suffered or incurred by a Party arising out of a Claim against that Party by a Third Party, to the extent that the loss or damage would not be recoverable by the Third Party if the Party was not liable to the Third Party for “Consequential Loss” (as defined in this definition) in respect of the Claim by the Third Party</i>”</p> <p>Amend term “<i>third party</i>” to “<i>Third Party</i>” in paragraph (b) of the definition as Third Party is a defined term</p>	Ensures that the exclusions for Consequential Loss that each party has the benefit of under the Train Operations Deed extends to claims from Third Parties to the extent that the loss or damage suffered would fall within the definition of Consequential Loss.	-	-	Clarification
1.1	Define Tare Weight as the tare weight for a Wagon or other Rollingstock as specified in Schedule 5 .	The Access Agreement defines Tare Weight as having the meaning given in the applicable Train Operations Deed as the Tare Weight specified in Schedule 5 of the Train Operations Deed is used in the calculation of Access Charges under Schedule 4 of the Access Agreement	Part 5 Access Agreements	N/A	Clarification
34.1(b)(i)	Delete defined term “ <i>Capacity Assessment</i> ” and replace with “ <i>capacity assessment and capacity modelling</i> ”	<p>The definition of Capacity Assessment in Part 12 of the Access Undertaking only refers to a capacity assessment undertaken in accordance with clause 7A.4.2(A) of the Access Undertaking which relates to the annual Capacity Assessment Report.</p> <p>Given that Aurizon Network will need to use Confidential Information for all capacity assessments and modelling (for example following receipt of an Access Application under Part 4), which is broader than this definition, we have made the term “capacity assessment” lower case and included capacity modelling to reflect the intention of clause 34.1(b)(i).</p>	-	-	Clarification and drafting

Standard Rail Connection Agreement

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
1.1	<p>Amend definition of Consequential Loss to include <i>“loss or damage suffered or incurred by a Party arising out of a Claim against that Party by a Third Party, to the extent that the loss or damage would not be recoverable by the Third Party if the Party was not liable to the Third Party for “Consequential Loss” (as defined in this definition) in respect of the Claim by the Third Party”</i></p> <p>Amend term <i>“third party”</i> to <i>“Third Party”</i> in paragraph (b) of the definition as Third Party is a defined term.</p> <p>Include a definition of Third Party meaning <i>“a person other than the Private Infrastructure Owner or Aurizon Network”</i> and amending all references in the document to <i>“third party”</i> to <i>“Third Party”</i></p>	<p>Ensures that the exclusions for Consequential Loss that each party has the benefit of under the Rail Connection Agreement extends to claims from Third Parties to the extent that the loss or damage suffered would fall within the definition of Consequential Loss.</p> <p>Given the amendment to the definition of Consequential Loss, a new definition of Third Party is required.</p>	-	-	Clarification

Standard Studies Funding Agreement

Clause	Amendment	Rationale	Final Decision Reference	Final Decision Number	Change Type
1.1	<p>Amend definition of Consequential Loss to include <i>“loss or damage suffered or incurred by a Party arising out of a Claim against that Party by a Third Party, to the extent that the loss or damage would not be recoverable by the Third Party if the Party was not liable to the Third Party for “Consequential Loss” (as defined in this definition) in respect of the Claim by the Third Party”</i></p> <p>Amend term <i>“third party”</i> to <i>“Third Party”</i> in paragraph (b) of the definition as Third Party is a defined term</p>	<p>Ensures that the exclusions for Consequential Loss that each party has the benefit of under the Studies Funding Agreement extends to claims from Third Parties to the extent that the loss or damage suffered would fall within the definition of Consequential Loss.</p> <p>Given the amendment to the definition of Consequential Loss, a new definition of Third Party is required.</p>	-	-	Clarification