

Mr Charles Millsteed Queensland Competition Authority Level 27, 145 Ann Street Brisbane QLD 4001

Aurizon Network - Revised UT5 Draft Amending Access Undertaking

4 December 2019

Dear Charles,

Aurizon Network welcomes the Queensland Competition Authority's (QCA) Final Decision (Final Decision) on Aurizon Network's 2019 Revised Draft Amending Access Undertaking (Revised UT5 DAAU).

Throughout the process to reach a Final Decision, Aurizon Network has consulted with its customers in the Central Queensland Coal Network (**CQCN**). Aurizon Network believes that this engagement has built a stronger relationship which will lead to better outcomes for all stakeholders of the CQCN.

The QCA in its Final Decision made further amendments to the Revised UT5 DAAU that were not proposed by Aurizon Network. As an attachment to this letter, Aurizon Network is submitting a Revised UT5 DAAU and associated documents that complies with that Final Decision. We are however proposing two changes that we believe reflects and further clarifies the QCA's Final Decision. These are outlined below:

1. Standard Access Agreement – cross referencing errors

There are 2 incorrect cross references in the Standard Access Agreement, namely:

- Clause 11.1(c)(i): the cross reference to "clause 0" should be replaced with clause 11.1(a); and
- Definition of "Defaulting Operator" Paragraph (a): the cross reference to "clause 0" should be clause 11.1(a).

2. Clause 7A.4.4(f) of the Revised UT5 DAAU

The reason for the changes to clause 7A.4.4(f) was to make it clear that a non-coal Standard Access Agreement or a non-coal Train Operations Deed does not need to reflect the System Operating Parameters which are developed by the Independent Expert as part of a Capacity Assessment. Accordingly, we have amended Clause 7A.4.4(f) to read as follows:

Aurizon Network and an Access Seeker (and Train Operator as applicable) may, acting reasonably and in good faith, negotiate Access Agreements and Train Operations Deeds for non-coal carrying Train Services that do not reflect the System Operating Parameters, and for the purposes of engaging in such negotiations Aurizon

Network will not be bound by the <u>System Operating Parameters which are developed</u> by the Independent Expert as part of a Capacity Assessment referred to in clause <u>7A.4.4(d)</u> [emphasis added]

In light of the above please see attached the following documents:

- 1. Aurizon Network's revised version of the Revised UT5 DAAU marked up against the QCA's Final Decision version in PDF format;
- 2. Aurizon Network's revised version of the Revised UT5 DAAU clean copy in PDF format;
- 3. Aurizon Network's revised version of the UT5 Standard Access Agreement marked up against the QCA's Final Decision version in PDF format;
- 4. Aurizon Network's revised version of the UT5 Standard Access Agreement clean copy in PDF format; and
- 5. QCA UT5 Final Decision version of the UT5 Standard Train Operations Deed clean copy in PDF format.

Aurizon Network is not proposing any changes to the approved Standard Rail Connection Agreement or Standard Studies Funding Agreement and is therefore not providing those as part of this Revised UT5 DAAU submission.

Considering the ongoing broad level of support for the Revised UT5 DAAU, Aurizon Network believes that a timely approval of the UT5 DAAU can be achieved.

Yours sincerely

Michael Riches

Group Executive Network

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