

Our ref: MCR-14-832

Dr. Malcolm Roberts
Chairman
Queensland Competition Authority
GPO Box 2257
Brisbane Qld 4001

Dear Dr Roberts 

DRAFT AMENDING ACCESS UNDERTAKING – EXTENSION OF UNDERTAKINGS EFFECTIVE EXPIRY DATE 30 JUNE 2015

'Queensland Rail's Draft Access Undertaking 1' (AU1) was submitted to the Queensland Competition Authority (QCA) for its consideration in March 2013. Once approved, AU1 will replace 'QR Network's (2008) June 2010 Access Undertaking' (2008AU), which is set to expire on 31 December 2014. The 2008AU regulates third party access to Queensland Rail's declared service.

Draft Decision Process

In acknowledging the receipt of the above document, Queensland Rail is seeking clarification of the following matters:

- Queensland Rail notes the comment on page vii:

"...it is important to be clear that this document is not a draft version of a final decision, and it has no force of itself. There should be no expectation that it presents views and recommendations as to how to amend the 2013 DAU which will prevail to the end of the decision making process unless the QCA is persuaded otherwise. This document represents the QCA's preliminary view and is intended to give stakeholders an insight into that view to encourage further contributions."

Queensland Rail is seeking clarification as to whether the document is a "Draft Decision", reflecting the Authority's current thinking on positions in the Final Decision, or whether the intention is to release a Draft Decision at a future time.

- Queensland Rail is additionally seeking clarification on the intended process through to the QCA's Final Decision on AU1 (including likely timeframes).

An example of the basis for this query is that many of the matters in the "Draft Decision" have not been raised with Queensland Rail previously (e.g. investment framework proposal, the approach to the Standard Access Agreement and the valuation methodology to apply to the West Moreton asset base). This raises the question as to whether Queensland Rail will be provided an opportunity to consider and respond to stakeholder comments.

Extension to the 2008AU

While noting that considerable progress has been made in relation to the QCA's approval of AU1, with the 2008AU set to expire on 31 December 2014, this approval is not expected to be finalised prior to the expiry of the 2008AU. As such, to provide continued regulatory certainty for stakeholders, and to allow sufficient time for the completion of the AU1 approval process, Queensland Rail is seeking to extend the 2008AU term to 30 June 2015.

The attached Draft Amending Access Undertaking is being submitted to the QCA under section 142 of the Queensland Competition Authority Act 1997 (Qld) (Act) to extend the 2008AU's termination date to 30 June 2015. Attached is both a marked-up and clean copy of the 2008AU for the QCA's consideration.

If you have any questions please contact Douglas Jasch, Manager Policy and Regulations, on (07) 3072 0544.

Yours sincerely



Helen Gluer
Chief Executive Officer

 November 2014