

5 January 2018

Professor Roy Green
Chair
Queensland Competition Authority
Level 27
145 Ann Street
Brisbane QLD 4001

Dear Professor Green

2017–18 Queensland Competition Authority (QCA) Levy Submission

Clause 3.7 of the Queensland Rail's Access Undertaking 1 (AU1) allows Queensland Rail to include a QCA Levy component in its Access Charges. Specifically, Clause 3.7 (AU1) states that:

An Access Charge for a Train Service may include a QCA Levy component to be collected for the QCA by Queensland Rail. This component will, where applicable, be determined from year to year based on the QCA Levy levied by the QCA to Queensland Rail and allocated amongst Train Service types in a manner approved by the QCA.

Please find attached for the QCA's consideration, Queensland Rail's 2017–18 QCA Levy Submission (**Attachment 1** and an Excel Spreadsheet).

Queensland Rail notes that the QCA has not approved an amendment to the QCA Levy since 2013–14. Queensland Rail has been collecting the QCA Levy from Access Holders at the rate approved by the QCA in 2013–14, escalated by the Consumer Price Index.

Accordingly, Queensland Rail is proposing a number of changes to the levy to address issues of under-recovery of past QCA fees and is also proposing revisions to the methodology for allocating costs between Train Services to better reflect the 'beneficiary pays' principle.

If your officers have any questions in relation to this matter, they can contact Ms Tania Homan on (07) 3072 1173 or tania.homan@qr.com.au.

Yours sincerely



Ben Clark
A/CFO and EGM Commercial and Strategy
Queensland Rail