

Ms Ann Jones
Queensland Competition Authority
Level 27, 145 Ann Street
Brisbane QLD 4001

24 May 2023

Dear Ms Jones

Rio Tinto response to the GAPE and Newlands Pricing Draft Amending Access Undertaking – Goonyella Abbott Point Expansion (GAPE)/Newlands

Rio Tinto welcomes this opportunity to respond to the GAPE/Newlands Draft Amending Access Undertaking (DAAU) and sees this as an opportunity to close out a number of items that have impacted this system for an extended period. Rio Tinto and other users have previously requested the Queensland Competition Authority (QCA) address a number of the items identified in the proposed DAAU.

Rio Tinto therefore supports acceptance of the DAAU. In doing so, Rio Tinto makes the following observations:

- Rio Tinto has expressed their concern to the QCA to address the impact of the delayed recovery of Newlands Abbott Point Expansion (NAPE) costs on other users, including the risk of double recovery under GAPE Deeds for an extended period. It is recognised that the proposed implementation of the Newlands System Infrastructure Enhancements (NSIE) will address these errors and remove the potential for double recovery in the future.
- The changing of the definition of the Northern Missing Link (NML) to remove the requirement that a GAPE path must utilise the NML removes an impediment that has prevented the efficient utilisation of capacity on the GAPE / Newlands systems. Any GAPE path to Abbot Point has the contracted right to utilise the full length of that journey and therefore that path should be transferable to any point along it as a GAPE path.
- It is not clear why Aurizon Network (AN) should be permitted by the DAAU to refuse users within the GAPE System a right to relinquish paths on the same basis as the Newlands System. To the extent that the unregulated commercial terms of GAPE Deeds expose AN to risks associated with the relinquishment of GAPE Deeds is not a matter that justifies a differentiated approach being taken by the QCA within the regulatory framework between two systems.

Rio Tinto supports approval of the DAAU as a package.

Regards,



John Dumbill
General Manager Closure Delivery APAC