



Professor Flavio Menezes
Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

QCA's Draft Recommendations on Queensland Rail's 2020 Declaration Review

11 March 2019

Dear Professor Menezes,

Aurizon Coal welcomes the opportunity to respond the Queensland Competition Authority's (QCA's) Draft Recommendations made on Queensland Rail's (QR's) 2020 Declaration Review.

Aurizon's above rail operations are conducted in two separate and distinct markets with different factors relevant to consideration of whether declaration or non-declaration should be made. Prior to 1 February 2018, Aurizon Coal was the only access holder in the West Moreton Coal System. Since that time, access holdings and the relevant commercial obligations have transitioned to the South West Producers with Aurizon Coal as their Nominated Rail Operator. Despite this change in commercial arrangements, Aurizon Coal has significant investments and interests in the West Moreton Coal System. As in previous submissions, the focus of this submission by Aurizon Coal relates to coal haulage in the relevant West Moreton and metropolitan systems.

Aurizon Coal is supportive of the draft recommendation that the facility comprising the West Moreton Coal System, including the metropolitan rail corridor from Rosewood to Port of Brisbane should continue to be subject to declaration post-2020 for a period of 15 years. Aurizon Coal maintains that appropriate mechanisms are required to promote competition in up and downstream markets for coal haulage in the West Moreton system and provide the appropriate incentives to QR to provide fair and reasonable terms of access and pricing including obligations to maintain the network to an appropriate standard. Aurizon Coal maintains that there are significant deficiencies in QR's proposal should the service be undeclared.

Should you have any questions in relation to the submission please contact me via phone on (07) 3019 2223 or email at Louisa.Chung@aurizon.com.au.

Kind regards

A handwritten signature in black ink, appearing to read "Louisa", written over a circular scribble.

Louisa Chung
Manager Infrastructure & Implementation
Coal Customers