

11 June 2010

Mr Michael Carter
Executive General Manager
QR Network Pty Ltd
GPO Box 1429
Brisbane QLD 4001

Dear Mr Carter

QR Network's June 2010 Extension Draft Amending Access Undertaking (Pricing)

On 11 June 2010, QR Network submitted a voluntary draft amending access undertaking (DAAU) to:

- (a) extend the termination date of the 2008 undertaking from 30 June 2010 to 30 June 2011 (or in respect of the central Queensland coal network until the Authority approves a subsequent access undertaking provided by QR Network);
- (b) introduce transitional arrangements in relation to the division of ownership and responsibility for the network between QR Network Pty Ltd and QR Passenger Pty Ltd during the extended term of the 2008 undertaking; and
- (c) incorporate new reference tariffs and price-setting rules consistent with the Authority's June 2010 draft decision on the 2010 draft access undertaking (DAU) pricing arrangements and incorporate minor consequential changes to the 2008 undertaking to reflect the change.

The Authority intends to conduct an investigation into the proposed amendments to the undertaking.

Section 146 of the *Queensland Competition Authority Act 1997* (the QCA Act) requires the Authority to provide the owner or operator of a service with a formal notice that it proposes to start an investigation and to invite the owner of the service to make a written submission. This is the purpose of this letter.

Notice of Investigation

In accordance with s.146 of the QCA Act, the Authority advises that it proposes to conduct an investigation to decide whether to approve, or refuse to approve, QR Network's DAAU. In accordance with s.143 of the QCA Act, the Authority may approve a DAAU only if, inter alia, it has:

- (a) published the DAAU and invited persons to make submissions on it; and
- (b) considered those submissions.

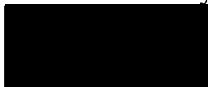
Submissions

The Authority has published QR Network's DAAU on its website (www.qca.org.au) and has sought submissions from interested parties.

The Authority invites a written submission from QR Network. Attached is a summary of the DAAU amendments prepared by the Authority, along with a submissions page, to assist in the preparation and lodgement of your submission. QR Network is welcome to comment on any aspect of the DAAU.

Any inquiries should be directed to Paul Bilyk on (07) 3222 0506. The closing date for submissions is Monday 21 June 2010.

Yours sincerely



EJ Hall
Chief Executive

SUBMISSIONS

Public involvement is an important element of the decision-making processes of the Queensland Competition Authority (the Authority). Submissions are therefore invited from interested parties concerning the voluntary draft amending access undertaking (DAAU) submitted by QR Network to the Authority on 11 June 2010. The DAAU seeks to extend the termination date of the 2008 undertaking to 30 June 2011 (and, in respect of the central Queensland coal network, to earlier approval of a replacement undertaking), introduce transitional arrangements contemplating the division of ownership and responsibility for the network during the extended term of the undertaking and replace the existing pricing arrangements with new ones.

Written submissions should be sent to the address below. While the Authority does not necessarily require submissions in any particular format, it would be appreciated if two printed copies are provided together with an electronic version on disk (Microsoft Word© format) or by e-mail. Submissions, comments or inquiries regarding this paper should be directed to:

Queensland Competition Authority
GPO Box 2257
Brisbane Qld 4001
Telephone: (07) 3222 0506
Fax: (07) 3222 0599
Email: rail.submissions@qca.org.au

The **closing date** for submissions is Monday 21 June 2010.

Confidentiality

In the interests of transparency and to promote informed discussion, the Authority would prefer submissions to be made publicly available wherever this is reasonable. However, if a person making a submission does not want that submission to be public, that person should claim confidentiality in respect of the document (or any part of the document). Claims for confidentiality should be clearly noted on the front page of the submission and the relevant sections of the submission should be marked as confidential, so that the remainder of the document can be made publicly available. It would also be appreciated if two copies of each version of these submissions (i.e. the complete version and another excising confidential information) could be provided. Again, it would be appreciated if each version could be provided on disk. Where it is unclear why a submission has been marked "confidential", the status of the submission will be discussed with the person making the submission.

While the Authority will endeavour to identify and protect material claimed as confidential as well as exempt information and information disclosure of which would be contrary to the public interest (within the meaning of the *Right to Information Act 2009* (RTI)), it cannot guarantee that submissions will not be made publicly available. As stated in s187 of the *Queensland Competition Authority Act 1997* (the QCA Act), the Authority must take all reasonable steps to ensure the information is not disclosed without the person's consent, provided the Authority is satisfied that the person's belief is justified and that the disclosure of the information would not be in the public interest. Notwithstanding this, there is a possibility that the Authority may be required to reveal confidential information as a result of a RTI request.

Public access to submissions

Subject to any confidentiality constraints, submissions will be available for public inspection at the Brisbane office of the Authority, or on its website at www.qca.org.au. If you experience any difficulty gaining access to documents please contact the office on (07) 3222 0555. Information about the role and current activities of the Authority, including copies of reports, papers and submissions can also be found on the Authority's website.