

Our ref: MCR-15-337

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

Dear Dr Roberts,

Queensland Rail's Draft Access Undertaking 1

On 5 May 2015, Queensland Rail Limited (Queensland Rail) submitted a draft access undertaking (2015 DAU) with the Queensland Competition Authority (QCA), in response to an initial undertaking notice issued by the QCA under section 133 of the Queensland Competition Authority Act 1997.

On 6 May 2015, the QCA notified Queensland Rail that it was commencing an investigation in relation to the 2015 DAU.

Also on 6 May 2015, the QCA released a report dated 8 April 2015 by Professor Flavio Menezes, entitled "A preliminary view: Regulatory economics assessment of the proposed Western System asset valuation approaches" (Menezes Report) and invited interested parties to make submissions on that report and the 2015 DAU.

On 15 May 2015, QCA staff published a Request for Comments Paper relating principally to the issue of the retrospective application of reference tariffs for coal carrying services. The paper refers to services on the West Moreton and Metropolitan Networks and is seeking stakeholder responses as part of the submission process for Queensland Rail's 2015 DAU. The QCA provided a deadline for responding to the Menezes Report and the Request for Comments Paper of 5 June 2015.

Accordingly, Queensland Rail has attached the following documents to this letter in response to the Menezes Report and the Request for Comments Paper:

- Submission - Queensland Rail's Draft Access Undertaking 1 (2015) – Submissions on "A preliminary view: Regulatory economics assessment of the proposed Western System asset valuation approaches" by Professor Flavio Menezes; and
- Submission - Queensland Rail's Draft Access Undertaking 1 (2015) – Response to request for comments.

Queensland Rail looks forward to continuing to work with the QCA and key industry stakeholders in order to seek an expeditious approval of Queensland Rail's 2015 DAU.

If you have any questions in relation to the 2015 DAU please do not hesitate to contact Douglas Jasch, Queensland Rail's Manager Policy and Regulation, on (07) 3072 0544.

Yours sincerely



Helen Gfuer
Chief Executive Officer

5 June 2015