

# RIO TINTO

COAL AUSTRALIA

4 May 2007

John Hall  
Chief Executive  
Queensland Competition Authority  
Level 19, 12 Creek Street  
Brisbane QLD 4000

By Facsimile: (07) 3222 0599

Dear John,

## **Queensland Rail (QR) Access Undertaking (2006) – QR's Proposed Schedule F Amendment (Form of Regulation)**

I refer to your advice of 19 April 2007 seeking submissions regarding QR's proposed Schedule F Amendments to its Access Undertaking. Rio Tinto Coal Australia (RTCA) has been a regular contributor to QCA consultation processes in the past and appreciates the opportunity to provide the following comments.

RTCA advises that it has been an active participant in extensive industry discussions and negotiations with Queensland Rail Network Access (QRNA) regarding the finalisation of the outstanding issues with QR's 2006 Access Undertaking. RTCA advises that it supports most aspects of the QCA's Draft Decision not to approve QRNA's proposed Schedule F amendments and endorses the QCA's suggested amendments as set out in the Preamble to the Draft Decision.

We also take this opportunity to endorse the Queensland Resources Council (QRC) Submission regarding this matter, in particular:

- the principle that if QRNA is to be exposed to a low level of volume risk/incentive, that the risk/incentive mechanism should apply in both directions;
- reiterating industry's strong opposition to QRNA's proposed revision of system forecasts; and
- preserving the provisions relating to Take or Pay and Relinquishment Fees on access agreements signed prior to the commencement date of QR's 2006 Access Undertaking and on Access Agreements transferred under Clause 7.4.4(f).

For further information regarding this advice please contact me on (07) 3361 4337.

Yours faithfully,



Chris Zioffis  
**Manager, Infrastructure**

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