

25 September 2009

Mr John Hall  
Chief Executive  
Queensland Competition Authority  
Level 19, 12 Creek Street  
Brisbane QLD 4001

**RE: QR Network's Draft Amending Access Undertaking: Addendum – Establishing a new reference tariff for the Lake Vermont mine**

Dear John,

Thank you for the opportunity to provide further comments on QR Network's Draft Amending Access Undertaking (DAAU) which seeks to establish a reference tariff for coal carrying train services operating from the Lake Vermont mine to the Port of Gladstone.

The Queensland Resources Council is pleased that QR Network supports industry's practical suggestion of using actual volumes for the period for which the proposed tariff is to apply (1 January to 30 June 2009). Given the unusual circumstances of this application, this approach removes any uncertainty regarding the impact of revenue-cap adjustments and issues associated with setting demand forecasts for a period that has already passed.

QRC looks forward to reviewing the Authority's decision in relation to this application. In particular, we will be interested in the Authority's approach to ensure that existing Blackwater and Goonyella users benefit from the allocation of common cost contributions generated by Lake Vermont train services and how the level of common cost contributions is determined for a cross system traffic. QRC notes that, due to the adoption of a revenue-cap form of regulation, these matters will not adversely impact on QR Network, although will impact on coal producers.

Should you wish to discuss any of the issues raised in this submission, please do not hesitate to contact Russell Silver-Thomas, Adviser – Industry Policy, on (07) 3295 95060.

Yours sincerely

Michael Roche  
**Chief Executive**