



EAST WEST LINE PARKS PTY LTD

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7 May 2010

Queensland Competition Authority

GPO Box 2257

BRISBANE QLD 4001

AUSTRALIA

Dear Sir / Madam,

RE: QR NETWORK PTY LTD'S 2010 DRAFT ACCESS UNDERTAKING

East West Line Park Pty Ltd (EWLP) refer to the Queensland Competition Authority's (QCA) recent Notice of Investigation dated 15 April 2010 (NOI) into QR Network Pty Ltd's (QR Network) 2010 Draft Access Undertaking (DAU) and submit this letter as interested party.

1. EWLP is the developer of Project Iron Boomerang (PIB). PIB is proposed as a heavy-haul (40t/axle) standard gauge continental railroad for the transport of coal (east to west) and iron ore (west to east) across the width of the Australia. The railroad is both compatible with and proposed to connect to those railroads of the Pilbara, WA. The purpose of the railroad (rail transport infrastructure of PIB) is to service Smelter Parks located at each end of the railroad. The Smelter Parks will contain blast furnaces for first stage steel production and other common services by a number of companies. A Coal Hub directly on the railroad would be located near Moranbah to facilitate transfer, distribution and blending of coal before transport to the QLD & WA Smelter Parks. The estimated CAPEX cost of PIB is approximately US\$12.45 billion (2007 prices) (excluding blast furnaces). The estimated additional CAPEX that steelmakers will expend at the Smelter Parks is approximately US\$15 billion (2007 prices). Additional directly related infrastructure and service industries and inland mining development opportunities leveraging from PIB across Australia are expected to realise Total Investments to approximately US\$70 billion.
2. The rail transport infrastructure of PIB identified in the Pre-Feasibility Study (PFS) of PIB follows the existing rail corridor land of QR, particularly the Newlands system and proposed extension of this line to North Goonyella (the Northern Missing Link), from

Moranbah to the port of Abbot Point. The rail transport infrastructure of PIB provides maximum selection of coal from the Bowen Basin and offers both larger (standard vs narrow gauges) and more efficient (40t versus 20t axle loads) transport capabilities than the existing rail infrastructure of QR, whilst encouraging both new and expansion of existing mining opportunities.

3. EWLP is interested in the DAU, as PIB proposes a number of interfaces with QR Network (both above and below rail). Interfaces include but are not limited to:
 - access of rail transport infrastructure of PIB within rail corridor land of QR Network;
 - access of Coal Hub within and/or adjacent to rail corridor land of QR Network;
 - connection to and railway crossing of rail transport infrastructure of PIB and rail transport infrastructure of QR Network (at Smelter Park, Coal Hub and other locations); and
 - all railway works supporting the above.
4. The current 2008 Access Undertaking and proposed DAU both provide limited or no provisions to facilitate the development of PIB, and in particular the interfaces with QR Network (both above and below rail). EWLP requests that the QCA ensure suitable provisions are made available in the DAU (and any subsequent approved access undertaking) to allow unobstructed development of PIB and the competitive transport of coal from both new and expanding mining opportunities.
5. PIB welcomes the full development / completion of QR Network's proposed Northern Missing Link (NML) and Southern Missing Link (SML) projects. Both the NML and SML would enable future PIB steelmakers the maximum "competitive" choice and access to the full suite of coal suppliers via rail transport infrastructure of both QR Network and PIB.

Should QCA have any queries or require additional information to support this submission, please do hesitate to contact the undersigned by telephone +61 7 3221 6966 or email daniel.dezentje@ewlp.com.au.

Yours faithfully,



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Daniel Dezentje
EWLP Project Manager

CC: Shane Condon CEO, Jerry Bowman – Finance Div/Dir