

QUEENSLAND  
COMPETITION  
AUTHORITY

File Ref: 256235

30 June 2009

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

Dear Mr Carter

**QR Network's 2007-08 capital expenditure in the central Queensland coal region**

The Authority has approved QR Network's revised application dated 29 June 2009 for the approval of \$250.9 million in capital expenditure in respect of projects commissioned in the central Queensland coal region during 2007-08. **Attachment 1** provides details of the expenditures approved.

I note also your proposal that we agree on the basis for the calculation of interest during construction before the next claim for approval of capital expenditure. I believe that there will be general support for this proposal.

Yours sincerely



Brian Parmenter  
Chairperson

**Attachment 1: QR Network's capital expenditure, 2007-08**

<i>Project</i>	<i>Estimated Cost (\$M)</i>
<b>Capital Expansion Projects:</b>	
DBCT 3rd Loop	97.8
Blackwater to Burngrove Duplication	38.6
Aroona to Duaringa Duplication	34.4
Coppabella Yard Upgrade	24.6
Yan Yan Passing Loop	12.4
Bluff to Blackwater Duplications	8.9
Connors Range Signalling	2.8
Moura Passing Loops	2.0
Other	1.5
<i>Sub-total</i>	<b>223.4</b>
<b>Customer-Specific spur lines</b>	
Sonoma Balloon Loop	5.2
Other	1.2
<i>Sub-total</i>	<b>6.4</b>
<b>Asset Replacement</b>	
Coal Systems – formation strengthening	3.8
Newlands Balloon Loop Upgrade	3.4
Norwich Park: Balloon Loop	3.0
Goonyella System: Rail Upgrade	1.7
Calliope River: Bridge Upgrade	1.3
Other	2.9
<i>Sub-total</i>	<b>16.1</b>
<b>System Wide and Telecommunications</b>	
LED Signal Replacement	0.9
Coal Systems: SAN Replacement	0.6
Other	3.5
<i>Sub-total</i>	<b>5.0</b>
<b>Total</b>	<b>250.9</b>