

File Ref: 1199605

1 September 2016

Mr Michael Fraser  
Chairman  
Aurizon Network Pty Ltd  
GPO Box 456  
Brisbane QLD 4001

Dear Mr Fraser

**Section 133 initial undertaking notice—Extension of period**

I refer to the letter of Mr Alex Kummant, dated 25 August 2016, which requested an extension to the period set out in the QCA's initial undertaking notice issued on 11 May 2016 for Aurizon Network to provide the QCA with a draft access undertaking (DAU) for the service declared under section 250(1)(a) of the *Queensland Competition Authority Act 1997* (the QCA Act). Specifically, the request was to extend the relevant time period to:

- the date that is 45 days after the date of the QCA's final decision on Aurizon Network's Amended 2014 DAU; or, if the QCA is not minded to grant an extension on those terms,
- 30 November 2016.

As indicated in the QCA's Statement of Reasons for issuing the initial undertaking notice (dated 15 June 2016), the QCA formed the view that it is desirable for an approved access undertaking for the declared service to be in place for the period commencing 1 July 2017 (for what will become the UT5 period). The QCA's reasons for forming this view are set out in its Statement of Reasons.

The QCA remains mindful of the need to ensure that the approval process for a new access undertaking is finalised in as timely a manner as possible, noting there is limited time before the date this undertaking is intended to commence. The QCA commenced the regulatory process to enable an approved undertaking to be in place as soon as possible.

The QCA agrees to extend the lodgement date to 30 November 2016, on the basis this will provide Aurizon Network with further time to consult and engage with stakeholders and prepare the 2016 DAU for lodgement. The QCA considers that a fixed date is important to provide certainty and promote the timely commencement of the UT5 process.

For these reasons, the period within which Aurizon Network is required to provide us with a DAU now ends at 5pm on 30 November 2016. Please see the attached notice to that effect.

Unfortunately, the extension Aurizon Network has requested makes it difficult for an approved undertaking to be in place for its scheduled commencement date. Nevertheless, the QCA remains committed to ensuring an approved undertaking is in place as soon as possible.

In light of this, I wish to advise you that the QCA is unlikely to entertain any additional extension of the period under section 133 of the QCA Act. Therefore, if Aurizon Network does not comply with the initial undertaking notice within the extended period, the QCA is minded to commence a process under section 135 of the QCA Act to prepare its own DAU for the declared service.

We will publish this letter, and attached notice, on our website for the information of all stakeholders. Should you have any queries regarding this matter, please contact Russell Silver-Thomas on 07 3222 0579.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Roy Green', with a stylized flourish at the end.

Professor Roy Green  
Chair