



George Passmore
Director Business Performance
Queensland Competition Authority
Level 27
145 Ann Street
BRISBANE QLD 4000

21 March 2018

Dear George,

Aurizon Network Pty Ltd (Aurizon Network) – Review Event – 2017 Tropical Cyclone Debbie

Aurizon Network made a submission to the Queensland Competition Authority (QCA) on 22 September 2017 regarding the 2017 Tropical Cyclone Debbie Review Event (**Review Event**), which is currently being reviewed by the QCA and its engineering consultant AECOM. The submission detailed operating costs of repairs to damaged infrastructure of \$16,930,953 (pre-escalation).

Claim amendment

During the process of the QCA and AECOM's review, Aurizon Network has identified minor misallocations of operating expenditure between individual activities, and to operating expenditure rather than capital expenditure. As a result, Aurizon Network is amending the total contained within the Review Event submission to \$16,904,434 (pre-escalation).

Aurizon Network has provided the QCA and AECOM with the reallocated amounts for each activity. The overall impact is a reduction to the claim of \$26,519 (pre-escalation) which is capital expenditure, and minor changes of operating expenditure totals at a system level, as detailed below:

| System | Costs (pre-escalation) |
|--------------|------------------------|
| Blackwater | \$2,438,620 |
| Goonyella | \$11,848,849 |
| Moura | \$1,015,893 |
| Newlands | \$1,601,072 |
| Total | \$16,904,434 |

Electrical Infrastructure Costs

Aurizon Network made a further Review Event submission on 7 November 2017 which sought to provide clarity on specific points raised by stakeholders, and provided an estimate of flood related electric costs. Aurizon Network has reviewed these costs and can confirm the portion of the costs above for recovery of electrical infrastructure is \$244,382, which relates to ten activities in the Goonyella system only. The original estimate provided included a component of ordinary time, which is excluded from the claim.

Aurizon Network confirms that there is no confidential information within this letter.

If you have any questions in relation to this correspondence, please contact Kathryn Hogan on 07 3019 2513 or via email Kathryn.Hogan@aurizon.com.au.

Yours faithfully,



David Collins
Head of Finance and Regulation
Aurizon Network