

Aurizon Network's 2017 Draft Access Undertaking: Draft Access Undertaking Provisions

The QCA has assessed Aurizon Network's 2017 Draft Access Undertaking (2017 DAU) proposed terms and conditions under which it will provide access to its Central Queensland Coal Network.

The QCA considers it is not appropriate to approve the 2017 DAU and requires Aurizon Network to amend the provisions.

Obligation to maintain the network and minimise disruption to train services

The QCA considers amendments must be made to Aurizon Network's 2017 DAU to ensure Aurizon Network minimises disruption to train services when planning and implementing operational constraints on the network. Related changes to the revenue cap adjustment and standard agreements linked to this obligation are also included, as well as requirements for Aurizon Network to provide additional information about train services disrupted by operational constraints it has imposed.

Acceptance of collaborative drafting

The QCA has sought to promote collaboration between stakeholders during the regulatory process.

Stakeholders reached consensus on various matters, including amendments to provisions related to: the transfer and relinquishment of access rights; access conditions; and an assessment of system capacity.

Overwhelmingly, the QCA has considered that the consensus positions submitted as part of the collaborative process are appropriate to approve. While the QCA has identified some instances where further amendments are required, by and large, these maintain the policy objectives advanced in the collaborative process.

User funding arrangements

The QCA no longer requires Aurizon Network to include provisions for the development and review of a standard user funding agreement. This is on the basis that the development of standard agreements to underpin the user funding framework is not required in an access undertaking for the remainder of the UT5 regulatory period. Parties have recourse to binding arbitration by the QCA where the parties cannot agree a user funding agreement.

Dispute resolution

The QCA considers amendments must be made to the dispute resolution framework in Aurizon Network's 2017 DAU to enable disputes that may arise in respect of the undertaking to be dealt with appropriately.

Next steps

The QCA's decision provides the reasons why the QCA considers Aurizon Network's 2017 DAU is not appropriate to approve and sets out the way in which the 2017 DAU be amended in order for it to be approved. Aurizon Network has 60 days to comply with the QCA's decision.

Further information

The QCA's decision on Aurizon Network's 2017 DAU, along with all stakeholder submissions and other relevant materials can be accessed at www.qca.org.au

The contents of Aurizon Network's 2017 DAU include:

Ring-fencing arrangements	Negotiation framework	Pricing principles	Processes for allocation, transfer, relinquishment and resumption of access rights	Capacity and supply chain management
Dispute resolution framework	Standard agreements	Process for expansion of the network	Reporting framework	Reference tariffs and take or pay arrangements