

10 May 2017

Mr Charles Millsteed Chief Executive Officer Queensland Competition Authority

Dear Mr Millsteed,

DBCT 2017 AU — Withdrawal of Incremental Expansion Study DAAU

DBCTM refers to the draft amending access undertaking submitted to the QCA on 14 March 2017, seeking approval to amend the 2016-17 regulated asset base, revenues and tariffs based on \$8.3m in incremental expansion study costs (the **DAAU**).

In particular, the DAAU noted that a one-off adjustment would apply for the relevant revenue owing from 1 July 2016 to the date of approval of the DAAU. However, following consultation with QCA staff, DBCTM understands that the drafting of the DAAU in its current form may not provide for full recovery of the relevant revenue. Therefore, as the DAAU was submitted on a voluntary basis pursuant to s.142(1) of the QCA Act, DBCTM advises that it withdraws the DAAU.

DBCTM expects to submit a revised DAAU in the future relating to this matter.

Please contact me on 3002 3113 if you require any further information.

Yours sincerely

Jonathan Blakey

General Manager - Commercial & Regulatory

DBCT Management