

STAKEHOLDER NOTICE

28 July 2023

Review of the appointment of the independent expert

Aurizon Network's 2017 access undertaking (UT5) provides for the appointment of an independent expert to be responsible for various assessments and duties relating to the capacity of the Central Queensland Coal Network.¹

The Coal Network Capacity Company (CNCC) was appointed as the independent expert in 2020.

The independent expert is intended to be appointed until the end of UT5 (i.e. 30 June 2027), although there is scope for the appointment to be terminated earlier, including following a QCA review of the independent expert's appointment.

As required by UT5², the QCA is in the process of reviewing the appointment of CNCC as the independent expert and invites submissions from stakeholders on CNCC's performance in meeting its responsibilities and obligations under UT5.

Background

The independent expert is a body appointed under UT5 responsible for, amongst other things:

- carrying out annual capacity assessments (including determining whether there are existing capacity deficits in coal systems) and developing and amending the system operating parameters
- making recommendations on transitional arrangements to resolve an existing capacity deficit in particular circumstances
- reviewing and reporting on performance data and maintenance information
- determining any rebate payable to end users by Aurizon Network for shortfalls resulting from performance breaches.

In fulfilling these responsibilities, the independent expert is required to:

- be independent and impartial
- engage personnel with appropriate qualifications and practical experience having regard to the nature of the appointment (including qualifications and experience in modelling the capacity of coal chain infrastructure)
- have no interest or duty which conflicts or may conflict with their function as an independent expert, or where
 it believes it has such an interest or duty, it must fully disclose that interest or duty by notice to the members of
 the Rail Industry Group, Aurizon Network and the QCA prior to its appointment
- manage the confidential nature of all information and matters coming to their knowledge by reason of its
 appointment and performance of duties including in accordance with the terms of any confidentiality
 agreement in favour of Aurizon Network and if requested, any other entity providing information.

Further information on the activities, personnel, and publications of CNCC can be found on its website.

2 UT5, cl. 7A.3.3.

¹ UT5, cl. 7A.3.

Stakeholder submissions invited

We invite submissions from stakeholders on their views on CNCC's performance in meeting the responsibilities and requirements of the independent expert and any other matters the QCA should consider in its review.

Closing date for submissions: 25 August 2023

Submissions, comments or inquiries regarding this paper should be directed to:

Queensland Competition Authority GPO Box 2257 Brisbane Q 4001

Tel (07) 3222 0555

www.qca.org.au/submissions

Confidentiality

If a person making a submission believes that information in the submission is confidential, that person should claim confidentiality in respect of the document (or the relevant part of the document) at the time the submission is given to the QCA and state the basis for the confidentiality claim.

The assessment of confidentiality claims will be made by the QCA in accordance with the *Queensland Competition Authority Act 1997*, including an assessment of whether disclosure of the information would damage the person's commercial activities and considerations of the public interest.

Claims for confidentiality should be clearly noted on the front page of the submission. The relevant sections of the submission should also be marked as confidential, so that the remainder of the document can be made publicly available. It would also be appreciated if two versions of the submission (i.e. a complete version and another excising confidential information) could be provided.

A confidentiality claim template is available on our <u>website</u>. We encourage stakeholders to use this template when making confidentiality claims. The confidentiality claim template provides guidance on the type of information that would assist our assessment of claims for confidentiality.