

File ref: 2071106

10 June 2026

Mr Dan Kearney  
Head of Finance & Regulation  
Aurizon Network  
900 Ann Street  
FORTITUDE VALLEY QLD 4006

Dear Mr Kearney

### **Moranbah North Rail Realignment**

On 31 March 2026, Aurizon Network advised that it had been engaged by Anglo American to undertake a project to partially realign the Goonyella system mainline, to facilitate the Moranbah North Joint Venture participants meeting relevant obligations under their mining leases. Aurizon Network therefore sought approval from the Queensland Competition Authority (QCA) that:

- the Moranbah North Rail Realignment project is not an Expansion for the purposes of its 2017 access undertaking (UT5)<sup>1,2</sup>
- to the extent that existing assets are disposed as a result of the project, the residual value of the assets will not be removed from the regulatory asset base (RAB).<sup>3</sup>

On 23 April, I informed you that the QCA saw merit in the proposed approach but would seek confirmation of stakeholders' views. No submissions were received by the due date.<sup>4</sup>

On 10 June, the QCA confirmed its previously stated views on the Moranbah North Rail Realignment project, namely that:

- the project is not an Expansion for the purposes of UT5<sup>5</sup>
- the proposed treatment of the residual value of assets has merit in principle, but any formal approval and associated RAB adjustments will be determined at the relevant roll-forward assessment following disposal of the assets.

The QCA considers Aurizon Network's position as reasonable and accepts that the project and the proposed treatment of costs will create an overall net benefit, having regard to its assessment of the likely operational and financial impacts. The QCA sees merit in Aurizon Network's proposal as a package of arrangements.

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<sup>1</sup> Pursuant to paragraph (e) of the definition of 'Expansion' in Part 12 of UT5.

<sup>2</sup> With the consequence that Aurizon Network will not seek QCA approval to include any costs associated with the project in the RAB.

<sup>3</sup> Pursuant to clause 1.1(c) of Schedule E to UT5.

<sup>4</sup> 21 May 2026.

<sup>5</sup> This letter serves as approval by the QCA pursuant to subsection (e)(iii) of the definition of 'Expansion' in Part 12 of UT5.

In forming its view, the QCA had regard to the absence of any indication that stakeholders would be disadvantaged by the project.

This letter will be published on the QCA's website on 10 June 2026 along with Aurizon Network's request for approval of 31 March and the QCA's preliminary views that were published on 23 April.

Please let me know if you have any queries regarding this matter. Alternatively, you may contact Tom Cunningham on 3222 0523.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C. Millstead'.

Charles Millstead  
Chief Executive Officer

cc: Jon Windle, Manager Regulation – Network  
Mike Bray, Undertaking Development Lead – Network