

File ref: 2082319

23 October 2026

Ms Cat Peppler
Group Executive Network
Aurizon Network Pty Ltd
GPO Box 456
BRISBANE QLD 4001

Dear Ms Peppler

Aurizon Network's review event submission – 2026 Moura system flooding

The QCA has approved Aurizon Network's proposal to vary the 2026–27 Moura system reference tariffs to account for \$4.73 million in costs associated with the recovery from damage caused by heavy flooding in the area during March 2026 (Table 1).

Table 1: Approved increases to 2026–27 Moura system reference tariffs

Reference tariff	Increase
AT3	\$1.07
AT4	\$0.17

In accordance with clauses 5.3 and 5.5 of schedule F of the 2017 access undertaking (UT5), the QCA is satisfied that a review event has occurred and that the proposed variation is consistent with the resulting change in costs and the impact of the review event on Aurizon Network.

In reaching this view, the QCA notes Aurizon Network:

- provided substantial photographic evidence showing the extent of the damage and demonstrating the need for works to restore the Moura system to baseline operation
- adopted a satisfactory approach to identifying relevant costs that go beyond those already planned for the system and that are not otherwise being recovered through current tariffs
- identified costs due to the flooding event that exceeded the \$1 million materiality threshold
- confirmed the recovery works were completed in accordance with its established engineering standards and asset management practices
- appropriately engaged with affected access holders about the nature and scope of the repair works and the proposed recovery approach.¹

¹ The QCA sought stakeholder views on the proposal on 1 September 2026. No submissions were received in response.

The QCA is satisfied that the proposed tariff increases have been developed in line with established practice and are calculated correctly. In particular:

- the claimed costs of the works appear reasonable, particularly given their urgent nature
- escalating costs incurred in 2025-26 by the weighted average cost of capital is reasonable as this accounts for the deferred recovery of these costs
- recovering these costs in 2026-27 is reasonable as it:
 - provides for the customers that currently use the system to contribute to the cost of repairs from which they benefit
 - resolves the matter within the current UT5 regulatory period and separate to the QCA's consideration of the 2025 UT5 draft amending access undertaking
- increasing the AT3 and AT4 reference tariffs is consistent with the approach for previous flood recovery events
- the tariffs have been calculated using the correct Moura system volumes.

The QCA notes that Aurizon Network will begin billing the varied reference tariffs as soon as practicable. It will then submit a proposed adjustment charge for the QCA's approval to recover the difference between the existing and varied reference tariffs for the period from 1 July 2026 until the varied tariffs are implemented.

This letter constitutes a written notice for the purposes of schedule F, clause 5.5(d) of UT5. Accordingly, Aurizon Network must publish details of the review event variation on its website and advise access holders and access seekers of the relevant reference tariff component.

We will also publish this letter for stakeholders' information.

If your staff have any questions about this decision notice, they can contact Adam Liddy on 07 3222 0548 or by email at adam.liddy@qca.org.au.

Yours sincerely



Tom Gole
Chief Executive Officer

cc: Jon Windle, Manager Regulation – Network