



Catherine Barker  
Director Business Performance  
Queensland Competition Authority  
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BRISBANE QLD 4000

**Aurizon Network Pty Ltd (Aurizon Network) – Draft System Rules for the Central Queensland Coal Network (CQCN)**

11 April 2017

Dear Catherine

Please find attached the Draft System Rules for the CQCN (**System Rules**). The System Rules have been developed in alignment with the Network Management Principles and accordance with the requirements of clause 7A.2.3 of Aurizon Network's Access Undertaking 2016 (**Access Undertaking**).

Aurizon Network has proposed a single set of System Rules, incorporating the Goonyella, Blackwater, Newlands and Moura Systems. The simplified rules reflect the consolidation of the planning and scheduling function of Aurizon Network into a single area responsible for both the Northern Bowen Basin and the Southern Capricornia systems, and the subsequent standardisation of these processes across the CQCN.

The System Rules have been developed in consultation with CQCN stakeholders, and a full list of interactions is **attached** to this letter. Consultation has identified differing views, with some stakeholders seeking more certainty from the scheduling process, and other stakeholders requesting greater flexibility in using their Train Service Entitlements (**TSEs**).

In balancing the needs of all stakeholders, Aurizon Network has sought to make a number of key changes from the QCA approved Capricornia rules, as follows;

- Rolling development of the Daily Train Plan out to 96 hours in advance of the day of operation. Extending this service to a 96 hour horizon provides Stakeholders with further visibility of agreed services to allow greater certainty to efficiently allocate rolling stock, train crew and other resources.
- 24 hour schedule finalisation for the purposes of TSE consumption. Changes to the schedule requested within the 48 hour period currently incurs TSE consumption. Our proposal to reduce this period to 24 hours is aimed at providing greater flexibility for customers (and in particular those customers aligned with the cargo-assembly mode of operation) by reducing their exposure to TSE consumption, potentially leading to better outcomes in a future contested path allocation.

- A broadened diversion rule proposed to be extended to any coal service railed by the same rail operator, regardless if the access holder is an end user. This initiative is aimed at providing greater flexibility for supply chain groups to manage their members train orders.

As we have discussed with you, the Access Undertaking now includes significantly greater detail about the planning and scheduling function which has limited the scope of system rules. Aurizon Network is not proposing to change any other planning timeframe and processes from those prescribed by the Access Undertaking.

Should you have any questions on the System Rules, please contact me or Luke Martin at [Luke.Martin@aurizon.com.au](mailto:Luke.Martin@aurizon.com.au).

Kind regards,



Prue Mackenzie  
Vice President Regulation  
Aurizon Network

**Attachment: Stakeholder consultation meetings**

Date	Stakeholder
22/12/16	Abbot Point Coal Terminal
10/01/17	Gladstone Ports Corporation
03/02/17	Dalrymple Bay Coal Terminal PL ( <b>DBCT</b> ) / DBCTM
03/02/17	Wiggins Island Coal Export Terminal
31/01/17	Queensland Resources Council Rail Working Group ( <b>QRC</b> ) - Glencore - BMA - Rio Tinto - QCoal - Jellinbah
31/01/17	BMA / BMA Rail / Hay Point Coal Terminal
08/02/17	Pacific National
09/02/17	Aurizon Operations
20/02/17	Fitzroy Resources
01/03/17	QRC - Anglo American - Rio Tinto - QCoal - Transcoal - Peabody - Glencore Aurizon Operations Pacific National DBCT Queensland Competition Authority