



15 November 2018

Charles Millstead
Chief Executive Officer
Queensland Competition Authority
Level 27, 145 Ann Street
Brisbane Qld 4000

Dear Mr Millstead

RE: 2017 Draft Access Undertaking – Updated Market Averaging Period Data

Consistent with the matters set out in Aurizon Network's letter to the Queensland Competition Authority (QCA) of 8 May 2018, Aurizon Network maintains that an averaging period of 20 Business Days ending on a date proximate to the QCA's Final Decision on Aurizon Network's 2017 draft access undertaking for the period 1 July 2017 to 30 June 2021 (UT5) should apply to Aurizon Network.

In our 20 September 2018 letter to the QCA, Aurizon Network proposed that any 20 Business Day period between [REDACTED] used in setting the averaging period for UT5.

Aurizon Network maintains that there are strong economic arguments and regulatory precedents that would support the QCA amending the averaging period.

To assist the QCA with its assessment, Aurizon Network has compiled the following data referenced herein in the workbook titled 'Yields and Inflation Swap Rates 141118':

- Reserve Bank of Australia – Table F16 Indicative Mid Rates of Australian Government Securities (4 January 2016 – 9 November 2018);
- Bloomberg – 4-year inflation swap rates (2 January 2017 – 12 November 2018); and
- All Groups Consumer Price Index Australia (June 1999 – September 2018);

Should you have any queries in relation to this submission, please do not hesitate to contact Jon Windle on jon.windle@aurizon.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Riches".

Michael Riches
Group Executive Network