

19 June 2013

By email

Mr Paul Bilyk
Director – Port and Rail
Queensland Competition Authority
GPO Box 2257
Brisbane, QLD 4001
Email: rail@qca.org.au

Dear Mr Bilyk

GAPE Draft Amending Access Undertaking

1 The Queensland Resources Council

The Queensland Resources Council (**QRC**) provides these submissions on behalf of its members. The QRC is the peak industry association representing the commercial developers of Queensland's mineral and energy resources. The QRC works collaboratively with stakeholders to achieve positive outcomes for QRC members.

The QRC confirms that this submission may be made public.

2 Background to the GAPE Draft Amending Access Undertaking

In September of 2012 Aurizon Network Pty Ltd (**Aurizon**) submitted a draft amending access undertaking (**Original DAAU**) for a new coal system and reference tariff for the Goonyella to Abbot Point expansion (**GAPE**). The QRC provided submissions to the Queensland Competition Authority (**QCA**) on that DAAU in November of 2012.

On 15 April 2013 Aurizon provided a revised Original DAAU, which the QRC and other stakeholders commented on in May of 2013.

On 5 June 2013 Aurizon withdrew the Original DAAU and submitted a new draft amending access undertaking in relation to GAPE and the GAPE reference tariff (**New DAAU**). The significant difference between the Original DAAU and the New DAAU is that a number of amendments proposed by Aurizon in the Original DAAU (to the body of the undertaking) are no longer pressed by Aurizon. Otherwise, the Original DAAU is the same as the New DAAU.

3 Incorporation by reference of QRC submission of May 2013

This submission is provided in relation to the New DAAU.

Other than as described below, the QCA should read this submission in conjunction with the QRC's

submission of May 2013 in relation to the Original DAAU. Other than as described below, the QRC hereby incorporates by reference the QRC's May 2013 submission.

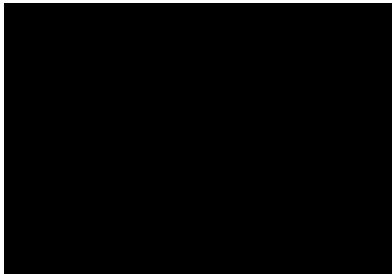
4 Amendments to the undertaking

Item 6 of the QRC's May 2013 submission is replaced by the attachment to this submission. The QCA should review the attachment to this submission in lieu of item 6 of the May 2013 submission.

5 General


As is noted above, the QRC's other comments on pricing (item 4 of QRC May 2013 submission), tariffs (item 5 of QRC May 2013 submission) and transparency (item 7 of May 2013 submission) apply to the New DAAU.


Yours sincerely











David Rynne
Director, Economic and Infrastructure Policy

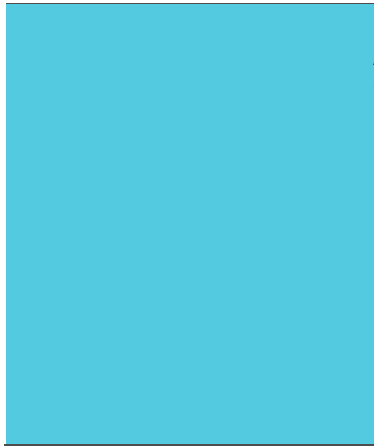
Comparison - Aurizon Network's GAPE DAAUs April 2013 and June 2013 - QRC comments

 indicates QRC supports proposed amendment

 indicates QRC does not support the proposed amendment

Issue	Section	Aurizon Network's GAPE DAAU April 2013	Aurizon Network's GAPE DAAU June 2013	QRC Position on Aurizon Network's GAPE DAAU June 2013
Connecting the Infrastructure	8.3(f)	Aurizon Network (Aurizon) proposed to recover operating and maintenance costs of Connecting Infrastructure from the owner of private infrastructure.	Aurizon has amended section 8.3(f) to include operating and maintenance costs of Connecting Infrastructure in Aurizon's costs for the purpose of developing reference tariffs.	 The QRC supports this change. The QRC considers that the operating and maintenance costs of connections should generally be included in Aurizon's costs for the purpose of developing reference tariffs, rather than being directly recovered from the owner of private infrastructure.
Quarterly Network Performance Reports	9.1(j)	Aurizon proposed that section 9.1(j) would be subject to the requirements of section 9.1(m).	Aurizon has amended section 9.1(j) so that it operates unless otherwise agreed by QR Network and the Queensland Competition Authority (QCA).	 The QRC supports this change.
	9.1(k)	Aurizon proposed that section 9.1(k) would be subject to the requirements	Aurizon has amended section 9.1(k) so that it operates unless otherwise	

		of section 9.1(m).	agreed by QR Network and the QCA.	The QRC supports this change as above.
	9.1(l)	Aurizon proposed that section 9.1(l) would be subject to the requirements of section 9.1(m).	Aurizon has amended section 9.1(l) so that it operates unless otherwise agreed by QR Network and the QCA.	 The QRC supports this change as above.
	9.1 (m)	Aurizon proposed that for the purpose of reporting for sections 9.1(d) to (h) and (j) only, the Northern Missing Link would be deemed to form part of the Newlands System.	Aurizon has amended section 9.1(m) so that there will now be separate reporting on the GAPE system.	 The QRC supports this change.
Maintenance Cost Report	9.2.3(d)	Aurizon proposed that the Northern Missing Link be deemed part of the Newlands System for the purposes of maintenance reporting.	Aurizon has amended section 9.2.3(d) to provide for separate maintenance reporting for each Individual Coal System and other sections of Rail Infrastructure for which Reference Tariffs apply and the QCA has accepted relevant forecast and scope material.	 The QRC supports this change. The QRC considers that as a new asset, the maintenance requirements of the Northern Missing Link will differ substantially from the Newlands System.
Maintenance Cost Report to the QCA	9.2.4(e)	Aurizon proposed that the Northern Missing Link be deemed part of the Newlands System for the purposes of maintenance reporting.	Aurizon has amended section 9.2.4(e) as above.	 The QRC supports this change. Refer to the comments for 9.2.3(d) above.
Definitions	12.1 Goonyella to	Aurizon proposed that the definition of "Goonyella to Abbot Point System"	Aurizon has not amended the definition of "Goonyella to Abbot	



Abbot Point System

include components of the Goonyella and Newlands systems that existed prior to the completion of the GAPE project. The definition also overlaps with the definitions of “Goonyella System” and “Newlands System”.

Point System”.

This definition as drafted includes components of the Goonyella and Newlands systems that existed prior to the completion of the GAPE project (which we understand to be considered the Goonyella and Newlands Systems). The definition would also overlap with the definition of Goonyella and Newlands systems. The QRC wonders whether this definition should only include those components of the Goonyella system and Newlands system that were upgraded as a part of GAPE.

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