

David Collins  
T: 07 3046 9353  
F: 07 3235 3930  
E: David.Collins@qrnational.com.au

Mr. John Hall  
Chief Executive  
Queensland Competition Authority  
GPO Box 2257  
Brisbane Qld 4001

Dear John,

### **2012-13 Annual Review of Reference Tariffs**

Please find attached QR Network Pty Ltd's ("QR Network") proposed variations to Reference Tariffs applicable to the Central Queensland Coal Region for the 2012-13 year; and also the associated variations in System Allowable Revenues required under Schedule F, Part A, Clause 2.2.1(b)(ii) of the 2010 Access Undertaking.

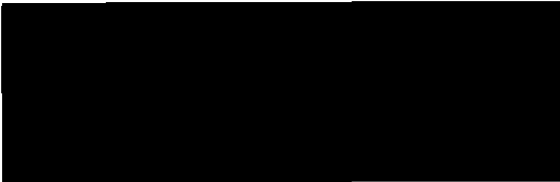
QR Network has prepared the varied Reference Tariffs on aggregate System Volume of 186.0 million tonnes per annum. The proposed tonnage volume for regulatory pricing purposes has been prepared with regard to network utilisation and throughput in the current year. If achieved, the volumes represent record throughput for the Central Queensland Coal Region in a period of global uncertainty regarding demand and ongoing weather related impacts to mine production levels. The attached submission includes further details regarding the methodology and factors considered in arriving at this estimate.

The 2012-13 Reference Tariffs have also been prepared on the basis of the Queensland Competition Authority's (QCA) conditional approval of the 2010-11 revenue cap adjustment amounts on 24 February 2012. In the event these amounts need to be varied, QR Network will submit an addendum to this submission outlining the consequential impacts on the relevant Reference Tariffs.

OR Network's submission contains detailed modelling which supports the revision of System Allowable Revenues and the proposed Reference Tariffs. In line with previous practices, QR Network requests that the QCA not disclose these models.

If you have any questions in regards to the 2012-13 please do not hesitate to contact Dean Gannaway, Manager Regulation and Policy on (07) 3235 2055.

Yours sincerely,



Michael Carter  
Chief Executive Officer  
QR Network Pty Ltd

28 March 2012