

File Ref: 1242931

24 May 2017

Mr Alex Kummant  
Executive Vice President  
Aurizon Network Pty Ltd  
GPO Box 456  
Brisbane QLD 4001

Dear Mr Kummant

**Decision: 2016 flood review event claim**

I am writing to advise of the QCA's decision on the 2016 flood review event in the Goonyella system associated with flooding in central Queensland in February 2016.

On 24 May 2017, the QCA approved Aurizon Network's application to recover \$1.98 million (pre-escalation) in damage repair costs in the Goonyella system being recovered through tariffs variation, in accordance with clause 5.5(c)(ii) of Schedule F of the 2016 access undertaking (2016 AU). The QCA has accepted Aurizon Network's proposal for this amount to be recovered in 2017–18 through variations to the Goonyella system AT3 and AT4 reference tariffs.

For clarity, the impact of these approved flood costs are not included in the 2017–18 transitional tariffs approved by the QCA on 24 May 2017.

The QCA's decision relates to the 2016 AU and does not limit our consideration of matters in the approval of the replacement undertaking.

This letter and the decision attached to this letter constitutes a notice for the purposes of clause 5.5(d) of Schedule F of the 2016 access undertaking.

We will publish this letter on our website for stakeholder information.

Yours sincerely



Charles Millsteed  
Chief Executive Officer