

Tuesday, 18 September 2012

Queensland Competition Authority
Attention: Mr John Hall
Level 19, 12 Creek Street
Brisbane QLD 4000

Dear Mr Hall

Submission in response to Queensland Rail's 2012 Draft Access Undertaking

Yancoal appreciates the opportunity to respond to the Queensland Rail's Draft Access Undertaking. Yancoal acknowledges the nature of the network and Queensland Rail's passenger client base and that Queensland Rail competes with rail freight operators for network capacity. Queensland Rail is therefore incentivised to minimise the potential for rail freight operators to interfere with Queensland Rail's passenger business.

However Coal producers have significant commercial risks and require certainty and protection on network performance, capacity and costs. With these principles in mind, Yancoal suggests amendments in drafting to:

1. Reflect an approach to promote and maximise the performance of freight services in balance with passenger services, but not secondary too; and
2. Provide certainty on the allocation process; and
3. Provide clarity on 'capped pricing' and the recovery of underutilised reference charges.

Generally we understand these principles are supported by the Western System Users Group.

We confirm there is nothing in our submission that is considered confidential to you or any third party.



General Manager
Procurement and Major Contracts