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QLD COMPETITION AUTHORITY

20 DEC 2012

DATE RECEIVED



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BY HAND DELIVERY

Mr John Hall
Chief Executive Officer
Queensland Competition Authority
Level 19, 12 Creek Street
BRISBANE QLD 4000

Standard User Funding Agreement (SUFA)

Dear John

Please find attached Aurizon Network's voluntary draft amending access undertaking to the 2010 Access Undertaking in relation to the Standard User Funding Agreement (SUFA) documentation.

The documentation is contained in four volumes:

- Volume 1 contains explanatory notes providing a guide to SUFA
- Volume 2 consists of the 8 agreements forming SUFA
- Volume 3 addresses the matters relevant to the approval of the DAAU;
- Volume 4 is a mark-up of Aurizon Network's 2010 Access Undertaking showing the proposed amendments to effect SUFA

Enclosed is a complete copy of the proposed submission, together with a disc containing the same information. The documentation also has been provided to customer representatives and the Queensland Resources Council (QRC)

The documents to which the State is a party (i.e., the Extension Infrastructure Agreement and Integrated Network Deed) remain subject to the further review of Queensland Treasury Holdings (QTH). They are substantially progressed and provide a clear picture of how they interface with the suite of SUFA documents. Following submission, Aurizon Network will work with QTH and representatives of the customer working group to finalise these agreements.

Over the past 18 months, Aurizon Network has progressed the development of the SUFA documentation in close consultation with customer representatives and the QRC. The extensive consultation has helped to identify and clarify perspectives as well as to evolve the documents to address the majority of issues and concerns.

There remain some key outstanding issues where the parties have different views. I am proposing to customers that a small series of meetings of the customer working group and Aurizon Network representatives be scheduled for focused discussions on these issues. The aim will be to explore the potential to resolve the outstanding issues quickly and in parallel with the process undertaken by the QCA.

We believe that the submission on SUFA and the related draft amendments to the Access Undertaking will allow SUFA to be used. The SUFA documentation will be available to customers and it can be used on expansion projects, as appropriate.

Aurizon Network remains committed to an effective and workable SUFA arrangement as an available option for customers. To that end, I look forward to continuing our work with you and your team on the development of SUFA. Please contact Colin Keel or me if you have any questions.

Sincerely



Michael Carter
Aurizon Network Pty Ltd

20 December 2012

Enclosures

Copy to:

Paul Bilyk
Director
Queensland Competition Authority
Level 19, 12 Creek Street
BRISBANE QLD 4000

Michael Roche
Chief Executive Officer
Queensland Resources Council
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VP Commercial Development
Aurizon Network
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