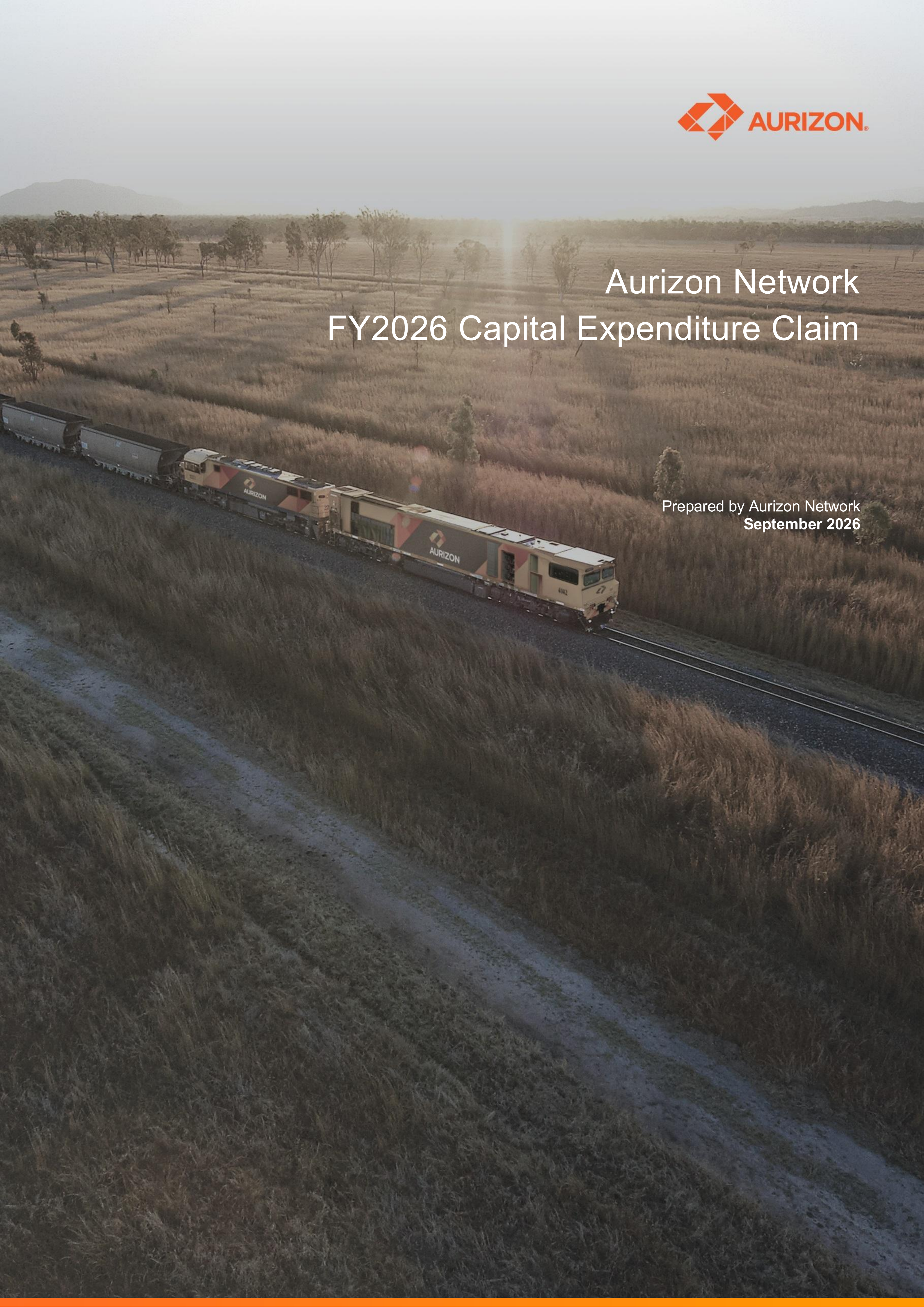

Aurizon Network
FY2026 Capital Expenditure Claim

Prepared by Aurizon Network
September 2026

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1. Executive Summary

Aurizon Network Pty Ltd (**Aurizon Network**) welcomes the opportunity to submit to the Queensland Competition Authority (**QCA**) its capital expenditure claim (**Capex Claim**) for the Financial Year ending 30 June 2026 (**FY26**). This submission provides evidence to support the QCA's prudency and efficiency assessment of the FY26 Capex Claim and the subsequent inclusion of Aurizon Network's capital expenditure into the Regulatory Asset Base (**RAB**).

Capitalised terms in this submission have the meaning given in UT5, unless otherwise defined.

Aurizon Network notes that the FY26 Capex Claim follows the obligations and collaborative requirements of the 2017 Access Undertaking (**UT5**). Aurizon Network's FY26 Renewals Strategy and Budget (**Approved RSB**) was approved by the Rail Industry Group (**RIG**) on 14 February 2025 for all Coal Systems in the Central Queensland Coal Network (**CQCN)**. Throughout FY26, Aurizon Network has sought wherever reasonably possible, to deliver asset replacement and renewals activity in each Coal System in a manner that is consistent with the Approved RSB.

This submission seeks QCA approval of Aurizon Network's FY26 Asset Replacement and Renewal Expenditure (**Renewals Capex Claim**) of $321.0m including Interest During Construction (**IDC**). This submission:

i. demonstrates the extent to which Aurizon Network's capital expenditure and scope of work is consistent with the Approved RSB for each Coal System;

ii. seeks QCA approval of additional costs where the Renewals Capex Claim departs from the Approved RSB for each Coal System in accordance with clause 7A.11.6 (b)(iv)(B); and

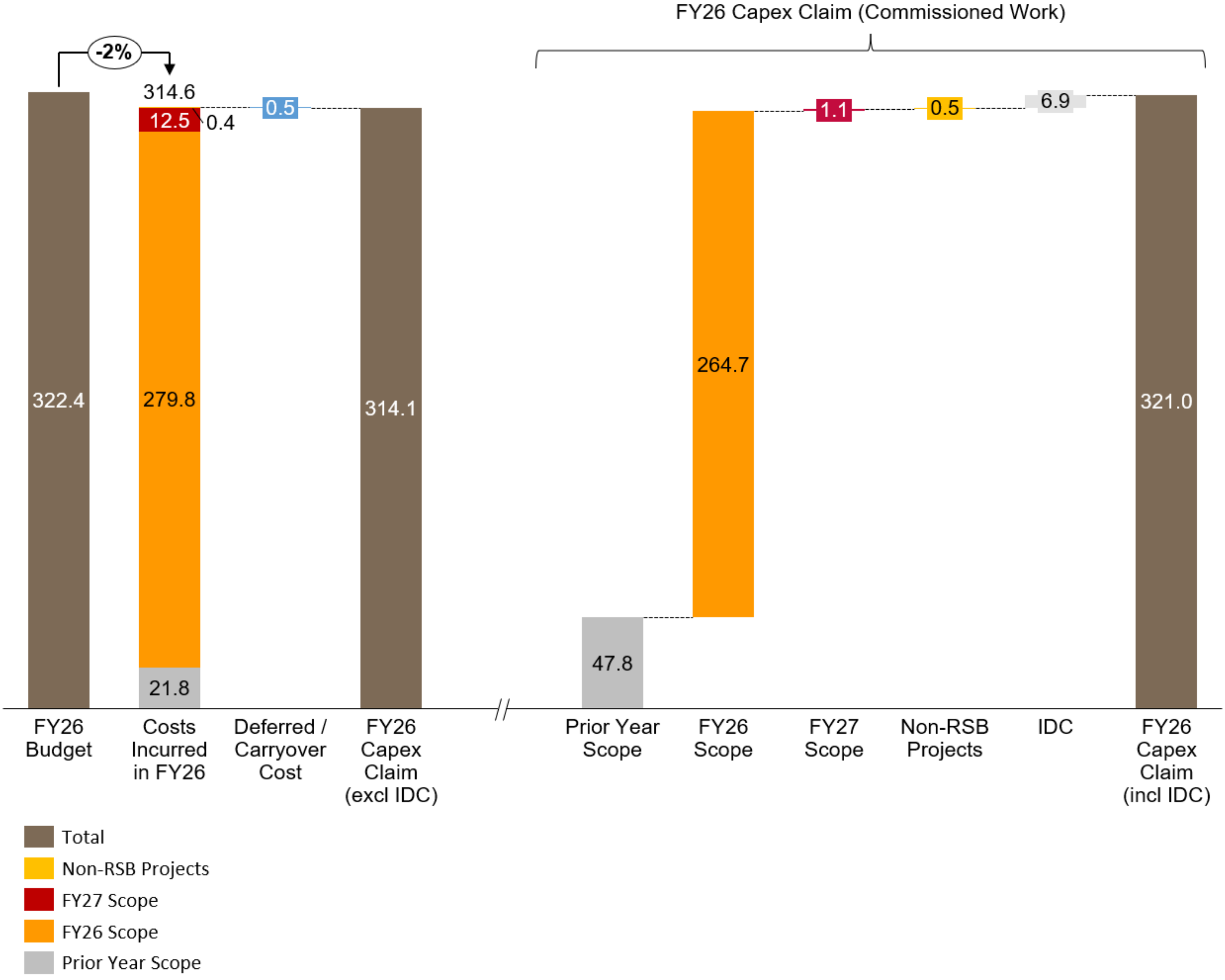
iii. seeks QCA approval for the prudent and efficient value of the applicable assets where Aurizon Network's capital expenditure and scope of work was not included in the Approved RSB for any Coal System in accordance with Clause 2.2 of Schedule E of UT5.

Table 1 Renewals Capex Claim by Coal System

Coal System	Approved RSB ($m)	Costs Incurred ($m)	Variance ($m)	Capex Claim excluding IDC ($m)	Capex Claim including IDC ($m)
Blackwater	127.7	127.7	0.0	122.6	124.6
Goonyella	133.3	131.8	(1.5)	133.6	137.1
Moura	29.6	30.2	0.6	32.8	33.6
Newlands / GAPE	31.8	24.8	(7.0)	25.1	25.6
Total CQCN	**322.4**	**314.6**	**(7.8)**	**314.1**	**321.0**

Figure 1 FY26 Renewals Program provides a comparison between the FY26 Approved RSB and the FY26 Capex Claim including a breakdown of total claimed costs for all Coal Systems.

Figure 1 FY26 Renewals Program



2. Introduction

Aurizon Network is the accredited Rail Infrastructure Manager (**RIM**) of the CQCN, the largest open-access coal rail network in Australia and one of the country's most complex rail freight networks. The CQCN is comprised of over 2,670 kilometres of heavy haul railway track, linking more than forty mines to five coal export terminals across four major Coal Systems and the Goonyella to Abbot Point Expansion (**GAPE**).

On 14 February 2025, the Chair of the RIG advised Aurizon Network that a Special Majority of End Users for each Coal System approved each of the corresponding RSBs.

Aurizon Network has sought to implement the FY26 Approved RSB for each Coal System and has delivered the renewals program in a manner that has had regard to the UT5 Maintenance Objectives in terms of:

- Seeking to ensure that Committed Capacity is delivered;
- Appropriately balancing cost, reliability and performance of the Rail Infrastructure; and
- Coordinating outages with other Supply Chain Participants wherever reasonably possible with a view to maximising throughput.

In doing so, Aurizon Network notes that cost and scope variances do exist for some items when compared to the relevant RSB. Aurizon Network considers that the information included within this submission and within the supporting documentation provided to the QCA, demonstrates that these variations were prudent and efficient and should be approved for inclusion in the RAB.

2.1 Renewals Capex Claim

Aurizon Network submits its Renewals Capex Claim for FY26. This Renewals Capex Claim details the:

- expenditure incurred;
- scope of works undertaken; and
- procurement strategy and methodology used when delivering the renewals program.[1]

The FY26 Approved RSB provided for a forecast spend of $322.4m for the CQCN in aggregate. Aurizon Network incurred total capital expenditure of $314.6m during FY26; $7.8m lower than the aggregated budget. It should be noted that as part of Aurizon Network's stakeholder engagement framework, variances from the Approved RSB are communicated to the RIG throughout the year, including through quarterly stakeholder forums and reports.

The FY26 Renewals Capex Claim reflects the value of assets commissioned during the year. Aurizon Network successfully commissioned a multitude of asset replacement and renewal activities throughout the CQCN, representing a total value of **$314.1m** excluding IDC ($321.0m including IDC). The breakdown for each Coal System is shown in Table 1 above.

The scope of works delivered by Aurizon Network during FY26 is comprised of:

- FY26 scope planned in accordance with the Approved RSB;
- scope originally planned for delivery in prior years, but subsequently rolled forward to FY26 due to operational reasons; and
- additional (or substitute) scope that was identified as requiring prioritisation during FY26.

[1] Clause 7A.11.6 (a) of UT5

During the year, Aurizon Network focused on delivering strong procurement outcomes, improved delivery planning and more effective packaging of works. This contributed to the cost and delivery efficiencies reflected in Aurizon Network's FY26 performance.

Key factors that influenced FY26 performance included:

- Completion of renewal scope that was unable to be completed in prior years.
- Delivery of additional renewal scope in response to emerging asset condition, wet weather impacts and operational requirements.
- Procurement and delivery efficiencies achieved through competitive tendering, bundled work packages, optimised supplier arrangements and alternative delivery methodologies.
- Ongoing resource constraints, resulting in some Control Systems and Electrical renewal scope being partially completed in FY26 or rolled forward to future years.

Additional commentary outlining Aurizon Network's performance against the Approved RSB can be found within the relevant section for each Coal System.

3. Assessment of the Renewals Capex Claim

3.1 UT5 Requirements

This submission provides the QCA with the details of capital expenditure that Aurizon Network considers should be included in the RAB. In circumstances where:

Capital Expenditure is consistent with the Approved RSB:

The QCA must determine the extent to which the Renewals Capex Claim is consistent with the Approved RSB for each Coal System in line with Clause 7A.11.6 (b)(iii). To the extent that the Renewals Capex Claim for a Coal System is consistent with the applicable Approved RSB, the relevant End Users are deemed to support the relevant elements of the Renewals Capex Claim. Accordingly, the QCA will approve the Renewals Capex Claim.

Capital Expenditure departs from the Approved RSB:

The QCA must determine the extent to which the Renewals Capex Claim departs from the Approved RSB for each Coal System in line with clause 7A.11.6 (b)(iv). To the extent that the Renewals Capex Claim for a Coal System departs from the applicable Approved RSB, the QCA will determine whether those additional costs specified are prudent and efficient.

In determining the prudency and efficiency of capital expenditure, the QCA must have regard to the following three matters outlined in Clause 2.2 of Schedule E:

Scope
Scope of works for the project, including whether the requirement for the works is prudent and efficient.

Standard
Standard of works, including whether the standard could be expected to deliver the requirements for the project without it being overdesigned or likely to deliver a capital works project which is beyond the requirements of its scope.

Cost
Costs of the project are prudent and efficient, having regard to the scope and standard of work undertaken or to be undertaken for the project, which must include having regard, where relevant, to a list of factors for each element of scope, standard and cost.

The QCA must assess, in accordance with Clause 2.2(b) of Schedule E, whether the capital expenditure is prudent and efficient and in doing so, must consider only the circumstances relevant at the time of making the decision to incur the capital expenditure (or in relation to assessing prudency of costs, at the time when the costs were incurred, or the capital expenditure project was undertaken, as applicable).

3.2 Demonstrating consistency with the Approved RSB

Aurizon Network has provided a comparison of actual costs incurred and scope delivered against the Approved RSB for each Coal System. This information is presented for each individual Coal System within this submission and is aligned to the information voluntarily provided to the RIG in Quarterly Reports.

Clause 1.3(a)(ii) of Schedule E allows Aurizon Network to submit the costs of assets that were *commissioned* during the year to the QCA for approval within the annual Capex Claim. Aurizon Network has included additional information to clearly outline the capital expenditure that has been *incurred* during the year versus what it is seeking to claim (commissioned assets) and include in the RAB.

To support the QCA's assessment of the Renewals Capex Claim, Aurizon Network has prepared confidential End of Financial Year Status Reports (**EOFY Reports**) for the 6 categories of asset renewal activities identified in the Approved RSB. These EOFY Reports:

- articulate the extent to which scope and cost is consistent with the Approved RSB;
- identify departures from the Approved RSB; and
- provide supporting commentary or evidence to justify the prudency and efficiency of any variations.

The 6 categories of asset renewal activities with EOFY Reports are:

EOFY Report	Activities Included	
1. Permanent Way	• Rail Renewal • Sleeper Renewal • Track Upgrade • Turnout Renewal	• Turnout Components • Turnout Design • Permanent Way Other
2. Ballast Cleaning	• Mainline Undercutting • Mainline Excavator Undercutting • Turnout Undercutting	• Bridge Rollout • Monumenting • Ground Penetrating Radar (**GPR**)
3. Structures	• Bridges Renewal • Bridge Design	• Culvert Renewal • Culvert Design
4. Civil Renewals	• Formation Renewal • Formation Reactive • Formation Other • Slope Stability • Level Crossing Renewal	• Level Crossing Design • Level Crossing Other • Access Points and Access Roads • Corridor Fencing and Security
5. Control Systems Assets	• Safe working – Asset Protection • Safe working – Interlocking • Safe working – Train Detection • Safe working – Minor • Power Resilience	• Telecommunications Assets • Transmission and Data Renewal • UTC/DTC System Upgrades • Other Control System Renewals
6. Electrical Traction Assets	• Overhead Line Equipment • Power Systems	• Goonyella Ports OHLE • Traction Substation

3.3 Demonstrating prudency and efficiency

As per Clause 7A.11.6(b)(iv), to the extent that a Renewals Capex Claim for an individual Coal System departs from the applicable Approved RSB, the QCA must assess any *additional* costs specified within the Renewals Capex Claim. The QCA must approve Aurizon Network's additional costs to the extent they are prudent and efficient.

Aurizon Network has sought to identify for each individual Coal System, capital expenditure that has departed from the Approved RSB within this submission.

3.3.1 Aurizon's Enterprise Investment Framework supports prudent and efficient investments

Aurizon Network adheres to the Aurizon Enterprise Investment Framework (**Framework**). In addition to that Framework, Aurizon Network has its own internal governance requirements which ensures the appropriate review and internal approvals, including the Aurizon Network Group Executive. The overall Framework is a rigorous governance process undertaken prior to the commitment of any capital investments. The purpose of the Framework is to facilitate sound investment decisions and to ensure that:

- Investment proposals are rigorously assessed;
- Investment decisions are made on a consistent basis;
- Capital is optimised; and
- Learnings from past investments are recorded and taken into consideration as part of Aurizon Network's commitment to continuous improvement.

Investment Approval Requests (**IARs**) are provided to the relevant members of the Network Leadership Team and ultimately the Aurizon Investment Committee for review and endorsement as required.

The Framework and supporting documentation are informed by the requirements of UT5 and promote the prudency and efficiency of scope, standard and cost for capital expenditure. To inform and assist the internal governance process, Aurizon Network referred to the Approved RSB for each Coal System and the associated Capital Indicators which were ultimately approved by the QCA in its decision on the FY26 review of Reference Tariffs.

3.3.2 Documentation available to demonstrate prudency and efficiency

Aurizon Network has prepared comprehensive documentation to support the QCA's assessment of prudency and efficiency of the scope, standard and cost for the capital expenditure which departs from the Approved RSB. This documentation is outlined in Table 2 and can be provided to the QCA on request.

Table 2 Supporting documents available to the QCA with this submission

Document	Scope	Standard	Cost
FY26 Approved RSB	✓	✓	✓
End of Financial Year (**EOFY**) Status Reports	✓	✓	✓
Capital Expenditure Workbook			✓
Quarterly Reports FY26 Q1-Q4	✓		✓
FY26 – Detailed Scope Report	✓		

3.4 Identification of Capital and Operating Expenditure

Aurizon Network's approach to identifying capital expenditure is generally aligned to the Australian Accounting Standard AASB 116 Property, Plant and Equipment. This approach ensures that costs categorised as operating expenditure are not included within the Renewals Capex Claim.

Those costs which have been categorised as capital expenditure for work commissioned in FY26 are contained within this submission for inclusion in the RAB. For the FY26 Capex Claim, Aurizon Network has identified commissioned assets as those that were installed and ready for use on or before 30 June 2026.

Clause 1.3(a)(ii) of Schedule E allows Aurizon Network to claim the costs of commissioned assets during the year within the annual Capex Claim. The Approved RSB, however, reflects that renewal spend expected to be incurred during the year. Aurizon Network has included additional information within this submission to reconcile the total costs that have been incurred during the year with the costs that have been included in the Capex Claim (i.e. commissioned assets) for subsequent inclusion in the RAB.

3.5 Interest During Construction (IDC)

Aurizon Network's approach to calculating IDC is consistent with the methodology that has been previously approved by the QCA. The regulatory model assumes that all capital expenditure is included in the RAB in the middle of the relevant financial year (being 31 December). IDC is therefore calculated up to and including the mid-point of the year in which the project was commissioned.

IDC is calculated using an S-curve methodology, whereby monthly cash flow values are multiplied by the applicable interest rate. The monthly cash flows for each project are extracted from Aurizon Network's financial accounting system, SAP. The applicable interest rate is the QCA approved Weighted Average Cost of Capital (**WACC**) for the relevant year within the regulatory period.

3.6 Key Terminology

3.6.1 Costs Incurred

Costs incurred refer to costs that Aurizon Network has incurred when delivering capital expenditure works throughout the Year.

3.6.2 Costs Claimed

Clause 1.3(a)(ii) of Schedule E requires that Aurizon Network claim costs associated with assets that that have been commissioned during the year. Please note that the value of Aurizon Network's Capex Claim may also include costs incurred in a prior year that were unable to be claimed because the asset was not commissioned in the prior year.

3.6.3 Scope Achieved

Scope achieved refers to scope undertaken throughout the Year and is reflective of the costs incurred and costs claimed.

In accordance with Clause 7A.11.6(a)(i)-(iii) of UT5, Aurizon Network has provided a summary of costs incurred and scope achieved within each Coal System, outlining where Aurizon Network has remained consistent with or has departed from the Approved RSB. For further details on the scope of work Aurizon Network completed during FY26 (relating to both FY26 RSB and other scope items), please refer to the supporting documentation provided.

Aurizon Network has also included waterfall graphs in Appendix A to assist with the comparison of actual incurred asset renewals expenditure versus the value of commissioned assets.

Throughout the year, Aurizon Network has communicated changes and variations with the Approved RSB to the RIG through the provision of Quarterly Reports and stakeholder forums. The following sections summarise Aurizon Network's asset replacement and renewals performance for the Year by Coal System. Please note that the totals presented in the tables below may not add due to rounding.

4. Blackwater System

4.1 Cost Incurred and Scope Achieved for the year

Please refer to Table 3 for details of the costs incurred and scope achieved for each item within the Blackwater System. Aurizon Network considers that its performance should be assessed as consistent where costs are in line with or below the Approved RSB and/or the scope delivered is equal to or more than the Approved RSB.

Table 3 Blackwater System Costs Incurred & Scope achieved for the year

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
Permanent Way	**0.1**	**27.4**	**1.9**	**29.4**	**23.2**	**6.2**						
Rail Renewal	0.0	8.4	0.2	8.7	7.7	1.0	-	17.6	-	17.6	15.9	1.7
Sleeper Renewal	(0.0)	1.1	0.0	1.0	1.4	(0.4)	-	1,241.0	-	1,241.0	1,244.0	(3.0)
Track Upgrade	(0.0)	4.8	0.1	4.9	3.9	1.0	-	4.5	-	4.5	4.6	(0.0)
Turnout Renewal	(0.0)	3.4	1.2	4.6	3.2	1.4	-	2.0	-	2.0	2.0	-
Turnout Components	0.0	7.0	0.4	7.4	3.3	4.1						
Turnout Design	0.1	0.3	0.0	0.4	0.3	0.1						
Permanent Way Other	(0.0)	2.5	-	2.5	3.4	(0.9)						
Ballast Cleaning	**0.1**	**47.4**	**1.5**	**49.0**	**51.8**	**(2.9)**						
Mainline Undercutting	0.0	32.0	0.1	32.1	38.7	(6.6)	-	51.0	-	51.0	51.8	(0.8)
Mainline Excavator Undercutting	(0.1)	3.9	0.1	3.9	2.4	1.5	-	4.2	-	4.2	3.1	1.1
Turnout Undercutting	0.2	4.8	0.0	5.0	4.5	0.5	-	20.0	-	20.0	17.0	3.0
Bridge Rollout	(0.0)	5.8	0.5	6.3	4.7	1.5	-	772.0	-	772.0	772.0	-
Monumenting	-	0.2	0.7	1.0	0.6	0.4						
GPR	-	0.6	0.1	0.7	0.9	(0.2)						
Structures	**0.7**	**9.3**	**0.1**	**10.1**	**13.2**	**(3.1)**						
Bridges Renewal	0.8	0.2	-	1.0	0.5	0.5	-	1.0	-	1.0	1.0	-
Bridge Design	0.1	0.0	-	0.2	0.1	0.1						
Culvert Renewal	(0.5)	8.4	0.1	8.0	11.6	(3.6)	1.0	12.0	-	13.0	12.0	1.0
Culvert Design	0.3	0.7	0.0	0.9	1.0	(0.0)						
Civil Renewals	**0.3**	**15.1**	**0.0**	**15.4**	**17.6**	**(2.1)**						
Formation Renewal	(0.1)	4.1	0.0	4.0	5.7	(1.7)	-	1.1	-	1.1	1.1	-
Formation Reactive	0.0	2.9	0.0	2.9	2.4	0.5						
Formation Other	0.0	0.2	-	0.2	0.2	0.0						
Slope Stability	(0.0)	1.9	-	1.9	3.0	(1.1)						
Level Crossing Renewal	0.2	3.2	0.0	3.5	3.3	0.2	-	3.0	-	3.0	3.0	-
Level Crossing Design	0.1	0.1	0.0	0.2	0.2	0.0						
Level Crossing Other	(0.0)	0.5	-	0.5	0.4	0.2						
Access Points & Access Roads	0.1	0.8	-	0.9	0.6	0.3						
Corridor Fencing & Security	0.0	1.3	0.0	1.4	1.8	(0.4)						
Control Systems Assets	**8.9**	**9.1**	**0.6**	**18.5**	**14.8**	**3.7**						
SWS - Asset Protection	3.4	0.1	-	3.4	1.6	1.9	4.0	-	-	4.0	2.0	2.0
SWS - Interlocking	0.2	6.2	0.4	6.7	7.5	(0.8)	1.0	2.0	-	3.0	8.0	(5.0)

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
SWS - Train Detection	0.3	-	0.0	0.3	-	0.3	-	-	-	-	-	-
SWS - Minor	3.8	0.5	-	4.3	1.2	3.0						
Power Resilience	-	0.4	0.0	0.4	-	0.4						
Telecommunication Assets	0.0	-	-	0.0	1.1	(1.1)	-	-	-	-	8,000.0	(8,000.0)
Transmission & Data	0.6	1.6	0.1	2.3	2.0	0.2	2.0	32.0	-	34.0	50.0	(16.0)
UTC/DTC	0.7	0.4	0.0	1.1	1.3	(0.2)	2.0	-	-	2.0	4.0	(2.0)
Other Control Systems	(0.0)	-	-	(0.0)	-	(0.0)						
Electrical Assets	**0.5**	**4.3**	**0.4**	**5.2**	**7.1**	**(1.9)**						
Overhead Line Equipment	0.2	1.9	0.0	2.1	3.0	(1.0)	1.0	8.0	-	9.0	14.0	(5.0)
Power Systems	0.4	1.5	0.4	2.3	2.6	(0.3)	10.0	8.0	-	18.0	19.0	(1.0)
Traction Substation	(0.0)	0.9	-	0.9	1.5	(0.6)						
RSB Total	**10.7**	**112.6**	**4.5**	**127.7**	**127.7**	**0.0**						
Non-RSB Projects	**(0.0)**	**-**	**-**	**(0.0)**	**-**	**-**						
ATIS	(0.0)	-	-	(0.0)	-							
Total	**10.7**	**112.6**	**4.5**	**127.7**	**127.7**	**0.0**						

Variation Commentary:

1. Permanent Way

During FY26, Aurizon Network incurred $29.4m delivering Permanent Way renewal activities in the Blackwater System, which was $6.2m above budget. Key factors that contributed to the variance included:

- Above-budget expenditure for turnout components. The provision for reactive turnout components was assumed to remain steady from FY25; however, the volume of actual sites was approximately 50% higher than in FY25, with many requiring steelwork component replacements.
- Two additional rail renewal sites were delivered in response to emerging asset condition requirements, resulting in a corresponding increase in expenditure.
- $1.9m of expenditure relates to FY27 RSB scope and will be claimed in the year in which the relevant assets are commissioned.

Specific variations to scope and cost against the RSB were due to the following:

- 17.6km of rail renewal scope was completed, which included:
  - An additional 1.4km of scope added in January 2026 to address identified significant Rail Corner Fracture (**RCF**) defects on fatigued rail within a curve between Stanwell and Warren.
  - An additional 0.7km of scope added in August 2025 to replace the rail on the curve between Raglan and Marmor. This rail was originally planned for replacement in FY27, however inspections and wear trends indicated that earlier replacement was required.
- 100% of the planned sleeper renewal scope was delivered $0.4m below budget.
- Costs increased at the Duaringa Track Upgrade site due to operational delays during the planned closure, which required a separate mobilisation and demobilisation to complete the remaining works. The site was also impacted by a change in delivery methodology, with works transitioning from the Track Laying Machine (**TLM**) to manual installation due to plant reliability issues.

2. **Ballast Cleaning:**

During FY26, Aurizon Network incurred $49.0m in delivering Ballast Cleaning activities in the Blackwater System, which was $2.9m below budget. Factors that impacted the overall program include:

- Mainline undercutting performance reflects efficiencies realised through a range of improvement initiatives, including optimised ballast material procurement and ballast delivery arrangements under revised supplier contracts. Multi-year agreements have been established with ballast suppliers, securing fixed unit rates that are lower than the assumptions included in the Approved RSB. Additional savings were achieved through reduced spoil management costs, driven by favourable ballast screenability outcomes that resulted in decreased spoil volumes. Furthermore, at some sites, spoil material was able to be disposed of through agreement on a neighbouring property, reducing haulage distances and associated transport costs.

Specific variations to scope and cost against the RSB were due to the following:

- The equivalent of 98% of the planned mainline undercutting scope was completed, $6.6m below budget.
- 4.2km of mainline excavator undercutting scope was completed, which included:
  - 0.52km of additional scope that was unable to be completed via mainline undercutting due to higher than predicted ballast contamination.
  - 3.08km of reactive scope that was identified due to condition. This was above the budgeted reactive allowance of 2.7km.
- The actual quantity of reactive turnout undercutting scope was more than double the budgeted reactive allowance of four sites, increasing the overall scope and costs.
- Actual spend was above budget for Mackenzie River bridge rollout. Mackenzie River bridge is a complex, 450m long bridge which required additional planning to determine an achievable delivery approach within the access window. During detailed planning it was found several items had not been sufficiently accounted for in the original estimate. These include the temporary installation of handrails required to meet safety requirements, ballast material freight costs, additional support labour, site enabling works and resurfacing.
- The Approved RSB included an allowance for the completion of track monument renewals. Five sites were identified and completed within FY26.

3. **Structures:**

During FY26, Aurizon Network completed Structures renewals equivalent to 108% of the planned scope whilst incurring only 77% of the approved budget. Contributing to this was:

- The simultaneous delivery of multiple culvert renewals, both at Midgee and Boonal, and awarding the works to a single contractor under one mobilisation, resulting in savings and overall delivery efficiencies.
- Procurement savings achieved through strong market competition and competitive tender pricing. In addition, the introduction of a new culvert lining contractor and alternative lining product to the Aurizon panel resulted in cost reductions compared with the budgeted lining methodology.
- An additional culvert renewal that was able to be completed within the available budget, using existing contractor packages to achieve cost and delivery efficiency.
- Completion of a culvert renewal that had been rolled forward from FY25 due to a change in methodology resulting from the steep and restricted outlet, combined with private property access constraints and restrictions on tree removal.
- Completion of an additional two bridge designs, and five culvert designs, that had been rolled forward from prior years due to design resource constraints.

4. **Civil Renewals**

During FY26, Aurizon Network completed Civil renewals equivalent to 100% of the planned scope. In addition, 0.49km of reactive formation scope was delivered to address asset failures that had resulted in Temporary Speed Restrictions (**TSR**). Expenditure on reactive corridor fencing and security was below budget allocation, due to unfavourable weather conditions, land access constraints, and delivery challenges, including the need for additional scope alignment approvals and cadastral surveys.

Formation renewal works was delivered significantly below budget, driven by effective procurement, scope delivery and contract management.

The Rocklands Slope Stability works were suspended in the second half of FY26 following safety incidents during construction. Work is expected to recommence in October 2026 with completion expected in FY27.

5. **Control Systems:**

Aurizon Network incurred $18.5m delivering Control Systems renewals in FY26 which was $3.7m above budget. The availability of key labour resources delayed the completion of some scope. This resulted in several scope items being rolled forward to future years, or only partially completed within FY26.

Specific variations to scope and cost against the RSB were due to the following:

- Asset Protection: Four scope items were completed that had been rolled forward from prior years due to resource availability and material supply constraints. The remaining FY26 scope has been replanned for FY27.
- Interlocking: Three scope items were completed, one of which had been rolled forward from FY24. Of the remaining FY26 scope:
  - Callemondah Stage 2C Build is scheduled for completion at the end of FY27; and
  - the five Front of Post signal mast replacements have been cancelled from the program whilst an engineering solution for the mast foundations is developed.
- Train Detection: Design and planning that had been rolled forward from prior years progressed in FY26.
- SWS Minor: Half of the planned FY26 activities were completed, with the remaining designs expected to be completed in Q1 FY27 due to delays in negotiating the final data design contract. One scope item rolled forward from FY25 was completed, and one is expected to be completed in Q3 FY27.
- Power Resilience: Additional items were completed, being:
  - Controller replacements at three sites, due to a high failure rate.
  - Controller upgrades at two sites, due to previous units no longer being supported by the manufacturer.
- Telecommunications Assets: Due to internal resource constraints the optical fibre scope was rolled forward to future years and will be combined with adjacent works.
- Transmission & Data: 34 sites were delivered against a planned 50, two of which had been rolled forward from FY25. The remaining scope has either been rolled forward to FY27 or is no longer required due to:
  - Changes in the underlying network design (Blackwater dehydrator).
  - A recent asset review that identified no reliability concerns (Wallaroo dehydrator).
- UTC/DTC System Upgrades: Two sites rolled forward from prior years were completed. Due to resource constraints the remaining scope has been rolled forward to future years.

6. **Electrical:**

   During FY26, Aurizon Network incurred $5.2m delivering Electrical renewal activities in the Blackwater System, compared to the approved budget of $7.1m.

   Only 64% of the planned Overhead Line Equipment (**OHLE**) scope was completed. Following a detailed scope review and validation process, the number of FY26 Termination Portal renewals was reduced from 14 to 8. This reduction occurred as two assets were determined to be Mine Specific Infrastructure, while a further four sites required redesign to meet current clearance standards in relation to adjacent mine infrastructure.

   Aurizon Network completed the equivalent of 95% of the planned Power Systems scope, however more than half of this was scope that had been rolled forward from FY24 and FY25 due to internal resource constraints in those years. As a result, a portion of the FY26 scope, predominately design activities, has been rolled forward to FY27.

   The Traction Substation feasibility phase has been extended to allow further assessment of options and prudency prior to progressing to construction. This work is expected to continue for a further 6 to 12 months.

7. **Non-RSB Projects:** Costs incurred as a result of Automated Track Inspection System (**ATIS**) which were not included in the Blackwater RSB are discussed in section 8.

4.2 Cost Incurred versus Claimed Amount

In line with Clause 1.3(a)(ii) of Schedule E of UT5, please refer to Table 4 for details of the costs incurred for the year versus the claimed amount for the Blackwater System.

Table 4 Blackwater System Costs Incurred versus Claimed Amount

Item	Total Costs Incurred in FY26 ($m)	FY26 Scope Claimed in FY26 ($m)	Prior Year Scope Claimed in FY26 ($m)	Future Year Scope Claimed in FY26 ($m)	Total Claimed Expenditure ($m)	IDC ($m)	Total Claimed Amount including IDC ($m)
Permanent Way	29.4	27.6	1.2	–	**28.8**	0.3	**29.1**
Ballast Cleaning	49.0	48.8	1.9	–	**50.7**	0.3	**50.9**
Structures	10.1	8.0	1.5	–	**9.5**	0.1	**9.6**
Civil Renewals	15.4	11.8	2.1	–	**13.8**	0.2	**14.0**
Control Systems Assets	18.5	7.2	8.7	–	**15.9**	1.0	**16.9**
Electrical Assets	5.2	3.5	0.4	–	**3.9**	0.1	**4.0**
Non-RSB Projects	(0.0)	–	(0.0)	–	**(0.0)**	(0.0)	**(0.0)**
Total	**127.7**	**106.8**	**15.8**	**–**	**122.6**	**2.0**	**124.6**

5. Goonyella System

5.1 Cost Incurred and Scope Achieved for the Year

Please refer to Table 5 for details of the costs incurred and scope achieved within the Goonyella System. Aurizon Network considers that its performance should be assessed as consistent where costs are in line with or below the Approved RSB and/or the scope delivered is equal to or more than the Approved RSB.

Table 5 Goonyella System Costs Incurred & Scope achieved for the Year

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
Permanent Way	**0.2**	**27.5**	**4.2**	**31.9**	**33.1**	**(1.2)**						
Rail Renewal	0.0	16.7	1.4	18.1	18.5	(0.4)	-	41.7	2.5	44.2	40.5	3.7
Sleeper Renewal	-	0.1	0.0	0.1	0.1	0.0	-	584.0	-	584.0	584.0	-
Track Upgrade	0.1	2.6	0.2	2.9	3.0	(0.1)	-	2.1	-	2.1	2.0	0.0
Turnout Renewal	-	3.2	2.1	5.3	6.7	(1.4)	-	1.0	-	1.0	6.0	(5.0)
Turnout Components	(0.1)	3.6	0.5	4.0	3.6	0.3						
Turnout Design	0.3	0.3	0.0	0.5	0.3	0.3						
Permanent Way Other	0.0	0.9	0.1	1.0	0.9	0.1						
Ballast Cleaning	**0.6**	**44.9**	**2.1**	**47.6**	**45.2**	**2.3**						
Mainline Undercutting	0.4	33.3	0.7	34.3	34.7	(0.4)	-	43.6	-	43.6	40.0	3.6
Mainline Excavator Undercutting	0.3	6.6	0.0	6.9	5.1	1.8	0.5	6.4	-	6.9	7.5	(0.6)
Turnout Undercutting	(0.0)	3.4	0.4	3.8	3.0	0.8	-	13.0	-	13.0	13.0	-
Bridge Rollout	-	0.9	-	0.9	1.1	(0.2)	-	92.0	-	92.0	92.0	-
Monumenting	-	0.1	0.7	0.8	0.4	0.4						
GPR	-	0.5	0.3	0.8	0.8	0.0						
Structures	**0.4**	**8.9**	**0.0**	**9.3**	**10.9**	**(1.7)**						
Bridges Renewal	-	-	-	-	-	-	-	-	-	-	-	-
Bridge Design	0.0	0.1	-	0.1	0.3	(0.2)						
Culvert Renewal	0.2	8.4	0.0	8.6	10.2	(1.6)	1.0	7.0	-	8.0	7.0	1.0
Culvert Design	0.1	0.4	0.0	0.6	0.5	0.1						
Civil Renewals	**0.2**	**16.8**	**0.2**	**17.2**	**18.3**	**(1.1)**						
Formation Renewal	(0.2)	8.7	0.0	8.6	9.8	(1.2)	-	2.0	-	2.0	2.0	-
Formation Reactive	0.0	3.6	-	3.6	2.4	1.2						
Formation Other	0.0	0.4	-	0.4	0.5	(0.1)						
Slope Stability	0.0	0.3	-	0.3	0.5	(0.2)						
Level Crossing Renewal	0.1	1.1	0.0	1.2	1.5	(0.3)	-	1.0	-	1.0	1.0	-
Level Crossing Design	(0.0)	0.4	0.0	0.4	0.4	0.0						
Level Crossing Other	0.0	0.1	0.2	0.3	0.2	0.0						
Access Points & Access Roads	0.1	0.6	-	0.8	0.7	0.1						
Corridor Fencing & Security	0.1	1.6	0.0	1.8	2.3	(0.6)						
Control Systems Assets	**2.5**	**8.9**	**0.4**	**11.8**	**12.0**	**(0.2)**						
SWS - Asset Protection	0.5	0.2	0.0	0.7	0.1	0.6	2.0	-	-	2.0	1.0	1.0
SWS - Interlocking	0.1	-	0.1	0.2	-	0.2	-	-	-	-	-	-

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
SWS - Train Detection	0.7	5.1	0.2	6.0	5.7	0.2	2.0	14.0	-	16.0	36.0	(20.0)
SWS - Minor	0.2	0.8	0.0	1.0	2.0	(1.0)						
Power Resilience	(0.0)	0.2	-	0.2	-	0.2						
Telecommunication Assets	0.0	-	-	0.0	-	0.0	-	-	-	-	-	-
Transmission & Data	0.5	1.8	0.1	2.4	2.4	0.0	4.0	35.0	-	39.0	36.0	3.0
UTC/DTC	(0.0)	0.9	0.0	0.8	1.7	(0.9)	10.0	-	-	10.0	8.0	2.0
Other Control Systems	0.5	-	-	0.5	-	0.5						
Electrical Assets	**2.5**	**11.0**	**0.6**	**14.1**	**13.8**	**0.3**						
Overhead Line Equipment	0.6	4.4	0.3	5.2	4.4	0.8	5.0	16.0	-	21.0	16.0	5.0
Power Systems	0.8	2.1	0.3	3.2	3.2	(0.0)	7.0	16.0	-	23.0	23.0	-
Goonyella Ports OHLE	1.1	3.5	-	4.6	4.6	0.0	-	-	-	-	-	-
Traction Substation	(0.0)	1.1	-	1.1	1.5	(0.4)						
RSB Total	**6.3**	**118.0**	**7.5**	**131.8**	**133.3**	**(1.5)**						
Non-RSB Projects	**(0.0)**	**-**	**-**	**(0.0)**	**-**							
ATIS	(0.0)	-	-	(0.0)	-	(0.0)						
Total	**6.3**	**118.0**	**7.5**	**131.8**	**133.3**	**(1.5)**						

Variation Commentary:

1. Permanent Way

During FY26, Aurizon Network incurred $31.9m delivering Permanent Way renewal activities in the Goonyella System, which was $1.2m below budget. Key factors that contributed to the variance included:

- Only one of the six budgeted turnout renewals was completed. The renewal of Balook turnout was cancelled as Aurizon Network could not reach agreement with the landowner in respect of access through neighbouring land. Various alternate delivery methodologies were explored to avoid the use of neighbouring land; however no viable option was identified that could be implemented in FY26. In addition, a scope quantity correction was made for four turnouts at Praguelands with the Approved RSB providing for enabling works only, with commissioning works in FY27.
- $4.2m of expenditure relates to FY27 RSB scope and will be claimed in the year in which the relevant assets are commissioned (including $1.1m within this FY26 Capex Claim).

Specific variations to scope and cost against the RSB were due to the following:

- 44.2km of rail renewal scope was completed, which included:
  - An additional 1.53km of scope added in April 2026 to address higher-than-forecast rail wear rates on both the up and down roads between Yukan and Black Mountain.
  - An additional 2.54km of scope added in April 2026 to replace the rail on both tracks between Coppabella and Broadlea. This rail was originally planned for replacement in FY27, however deteriorating asset condition necessitated earlier renewal.

2. Ballast Cleaning:

During FY26, Aurizon Network incurred $47.6m delivering Ballast Cleaning activities in the Goonyella System, which was $2.3m above budget. Factors that impacted the overall program include:

- Mainline Undercutting performance reflects efficiencies realised through a range of improvement initiatives, including optimised ballast material procurement and ballast delivery arrangements under revised supplier contracts. Multi-year agreements have been established with ballast suppliers, securing fixed unit rates that are lower than the assumptions included in the Approved RSB.
- Partially offsetting the cost reduction in ballast materials and delivery, greater than budgeted costs have been incurred in earth works support, site remediation and an increase in required drainage. The earth work support costs have been the most significant contributor to the increased spend, with the budget underestimating the time and the amount of machinery required at some sites.
- Mainline excavator undercutting unit rates were adversely impacted by the delivery of small reactive sites, with eight sites measuring less than 100 metres in length. The reduced economies of scale associated with these smaller scopes resulted in higher unit costs than those assumed in the original estimate.

Specific variations to scope and cost against the RSB were due to the following:

- 109% of the planned mainline undercutting scope was completed, which included:
  - An additional 1.62km at Blair Athol that had originally been rolled forward from FY23 due to wet weather preventing access to the site, making effective use of available resources during an aligned planned closure.
  - An additional 2.65km of scope that had originally been rolled forward from FY25 due to multiple factors including wet weather preventing vehicle access to site, delays in the plant being transported to site by rail, and a machine breakdown during operations. A decision was made to align delivery with planned port outages in October 2025.
- 6.89km of mainline excavator undercutting scope was completed, which included:
  - 0.51km of scope rolled forward from FY25 due to wet weather.
  - 1.51km of reactive scope, which was below the budgeted reactive allowance of 2.7km.
- The Approved RSB included an allowance for the completion of track monument renewals. Six sites were identified and completed within FY26.

3. Structures:

During FY26, Aurizon Network completed Structures renewals equivalent to 114% of the planned scope whilst incurring only 85% of the approved budget. Contributing to this was:

- Procurement savings achieved through strong market competition and competitive tender pricing.
- Efficiencies achieved by awarding scope items in the same proximity (e.g. Hay Point culvert renewal and level crossing) to the same contractor.
- Completion of a culvert renewal that had been rolled forward from FY25 due to a contractor sustaining a minor injury on a separate maintenance site which saw works suspended until the investigation was complete and satisfactory corrective actions undertaken by the contractor.
- Completion of nine additional culvert designs – one due to condition of the asset, and 8 that had been rolled forward from FY25 due to design resource constraints.

4. Civil Renewals

During FY26, Aurizon Network completed Civil Renewals equivalent to 100% of the planned scope. In addition, 1.24km of reactive formation scope was delivered to address accelerated deterioration caused by compounding impacts of ongoing wet weather. Most sites completed were subject to TSRs, with rectification works allowing for the TSRs to be lifted.

Formation renewals were delivered below budget, driven by lower-than-forecast costs for a large site at Winchester that was staged across two closures.

Level crossing expenditure was also below budget, with savings achieved through competitive tendering and delivery efficiencies, obtained by combining sites and awarding to a single contractor (e.g. Hay Point level crossing and culvert renewals).

5. **Control Systems:**

   Aurizon Network incurred $11.8m delivering Control Systems renewals in FY26 which was $0.2m below budget.

   The variations to scope and cost against the RSB were due to the following:

   - Asset Protection: Two scope items were completed that had been rolled forward from prior years. Due to internal design resource constraints, the remaining FY26 scope has been replanned for FY27.
   - Interlocking: Design scope that had been rolled forward from prior years progressed in FY26 and is expected to be completed in FY27.
   - Train Detection: 16 scope items were delivered against a planned 36, two of which had been rolled forward from FY25. The remaining scope will be completed in Q1 FY27.
   - SWS Minor: Eight scope items were completed, with remaining FY26 scope replanned for FY27.
   - Power Resilience: Additional scope (controller upgrades at one site) completed due to previous units no longer being supported by the manufacturer.
   - Transmission & Data: 39 sites were delivered against a planned 36, four of which had been rolled forward from prior years. The remaining scope has either been rolled forward to FY27 or is no longer required.
   - UTC/DTC System Upgrades: 10 scope items rolled forward from prior years were completed. Due to resource constraints the remaining scope has been rolled forward to future years.
   - Other Control Systems: Two scope items rolled forward from prior years were completed.

6. **Electrical:**

   During FY26, Aurizon Network incurred $14.1m delivering Electrical renewal activities in the Goonyella System, compared to the approved budget of $13.8m.

   The equivalent of 131% of the planned OHLE scope was completed. Approximately one quarter of this was scope that had been rolled forward from prior years (due to both resource constraints, and a weather event), along with new scope identified during FY26.

   Aurizon Network completed the equivalent of 100% of the planned Power Systems scope; however nearly half of this was scope that had been rolled forward from FY24 and FY25 due to resource constraints. As a result, a portion of the FY26 scope, predominately design activities, has been rolled forward to FY27.

   The Traction Substation feasibility phase has been extended to allow further assessment of options and prudency prior to progressing to construction. This work is expected to continue for a further 6 to 12 months.

7. **Non-RSB Projects:** Costs incurred due to the implementation of ATIS which were not included in the Goonyella RSB are discussed in section 8.

5.2 Cost Incurred versus Claimed Amount

In line with Clause 1.3(a)(ii) of Schedule E of UT5, please refer to Table 6 for details of the costs incurred for the Year versus the claimed amount for the Goonyella System.

Table 6 Goonyella System Costs Incurred versus Claimed Amount

Item	Total Costs Incurred in FY26 ($m)	FY26 Scope Claimed in FY26 ($m)	Prior Year Scope Claimed in FY26 ($m)	Future Year Scope Claimed in FY26 ($m)	Total Claimed Expenditure ($m)	IDC ($m)	Total Claimed Amount including IDC ($m)
Permanent Way	31.9	27.1	0.7	1.1	**29.0**	0.4	**29.4**
Ballast Cleaning	47.6	44.3	3.7	–	**48.0**	0.6	**48.7**
Structures	9.3	8.8	1.3	–	**10.1**	0.4	**10.5**
Civil Renewals	17.2	14.8	1.8	–	**16.7**	0.3	**17.0**
Control Systems Assets	11.8	6.0	5.7	–	**11.7**	0.6	**12.3**
Electrical Assets	14.1	9.9	8.3	–	**18.2**	1.2	**19.4**
Non-RSB Projects	(0.0)	–	(0.0)	–	**(0.0)**	(0.0)	**(0.0)**
Total	**131.8**	**111.0**	**21.5**	**1.1**	**133.6**	**3.5**	**137.1**

6. Moura System

6.1 Cost Incurred and Scope Achieved for the Year

Please refer to Table 7 for details of the costs incurred and scope achieved within the Moura System. Aurizon Network considers that its performance should be assessed as consistent where costs are in line with or below the Approved RSB and/or the scope delivered is equal to or more than the Approved RSB.

In March 2026 the Moura System was impacted by flooding associated with Tropical Low 29U which constituted a Review Event. No associated costs with the Review Event have been included in the FY26 Capex Claim. Please refer to Aurizon Network's Review Event Submission and FY26 Maintenance Cost Claim for further details.

Table 7 Moura System Costs Incurred & Scope achieved for the Year

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
Permanent Way	**0.0**	**5.7**	**0.1**	**5.8**	**6.1**	**(0.3)**						
Rail Renewal	-	2.8	0.1	2.9	3.1	(0.2)	-	5.7	-	5.7	6.7	(1.0)
Sleeper Renewal	0.0	-	0.0	0.0	-	0.0	-	-	-	-	-	-
Track Upgrade	-	1.0	-	1.0	1.0	0.0	-	0.8	-	0.8	0.6	0.1
Turnout Renewal	-	0.9	0.0	0.9	1.3	(0.4)	-	2.0	-	2.0	2.0	-
Turnout Components	(0.0)	0.7	0.0	0.7	0.7	0.0						
Turnout Design	-	-	-	-	-	-						
Permanent Way Other	-	0.4	-	0.4	0.1	0.2						
Ballast Cleaning	**(0.0)**	**7.8**	**0.1**	**7.9**	**7.3**	**0.6**						
Mainline Undercutting	(0.0)	2.9	-	2.8	4.5	(1.7)	-	5.4	-	5.4	5.4	(0.0)
Mainline Excavator Undercutting	(0.0)	2.6	0.0	2.6	0.2	2.4	-	3.2	-	3.2	0.3	2.9
Turnout Undercutting	0.0	(0.0)	-	(0.0)	0.4	(0.4)	-	-	-	-	2.0	(2.0)
Bridge Rollout	-	2.1	0.0	2.1	1.5	0.7	-	104.0	-	104.0	104.0	-
Monumenting	-	0.1	0.1	0.2	0.6	(0.4)						
GPR	-	0.1	-	0.1	0.2	(0.1)						
Structures	**1.2**	**2.1**	**0.0**	**3.3**	**3.0**	**0.3**						
Bridges Renewal	-	-	-	-	-	-	-	-	-	-	-	-
Bridge Design	-	-	-	-	-	-						
Culvert Renewal	1.2	2.0	0.0	3.2	2.8	0.4	1.0	4.0	-	5.0	4.0	1.0
Culvert Design	0.0	0.1	0.0	0.1	0.3	(0.2)						
Civil Renewals	**0.3**	**9.1**	**0.0**	**9.4**	**9.5**	**(0.1)**						
Formation Renewal	-	-	-	-	-	-	-	-	-	-	-	-
Formation Reactive	0.0	2.6	-	2.6	2.0	0.6						
Formation Other	0.0	0.0	-	0.0	0.1	(0.1)						
Slope Stability	-	0.5	-	0.5	-	0.5						
Level Crossing Renewal	(0.0)	2.9	0.0	2.9	2.8	0.0	-	3.0	-	3.0	3.0	-
Level Crossing Design	0.1	0.1	0.0	0.2	0.1	0.0						
Level Crossing Other	(0.0)	2.6	–	2.5	3.7	(1.1)						
Access Points & Access Roads	(0.0)	0.1	-	0.0	0.4	(0.3)						
Corridor Fencing & Security	0.2	0.4	-	0.5	0.4	0.2						

Renewal Item	FY26 Actual Cost by RSB Year ($m)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
Control Systems Assets	**2.4**	**1.4**	**0.0**	**3.8**	**3.6**	**0.2**						
SWS - Asset Protection	1.3	0.5	0.0	1.8	0.5	1.3	2.0	-	-	2.0	1.0	1.0
SWS - Interlocking	0.2	0.7	0.0	0.8	2.9	(2.0)	1.0	2.0	-	3.0	2.0	1.0
SWS - Train Detection	-	-	-	-	-	-	-	-	-	-	-	-
SWS - Minor	0.3	0.1	-	0.3	0.1	0.2						
Power Resilience	-	0.1	0.0	0.1	-	0.1						
Telecommunication Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transmission & Data	0.6	0.0	0.0	0.6	0.1	0.6	2.0	-	-	2.0	3.0	(1.0)
UTC/DTC	0.0	0.0	0.0	0.1	0.1	(0.1)	1.0	-	-	1.0	1.0	-
Other Control Systems	-	-	-	-	-	-						
RSB Total	**3.9**	**26.1**	**0.2**	**30.2**	**29.6**	**0.6**						
Non-RSB Projects	**(0.0)**	**-**	**-**	**(0.0)**	**-**	**(0.0)**						
ATIS	(0.0)	-	-	(0.0)	-	(0.0)						
Total	**3.9**	**26.1**	**0.2**	**30.2**	**29.6**	**0.6**						

Variation Commentary:

1. Permanent Way:

During FY26, Aurizon Network incurred $5.8m delivering Permanent Way renewal activities in the Moura System, which was $0.3m below budget. Specific variations to scope and cost against the RSB were due to the following:

- 0.86km of rail renewal at Stowe was rolled forward to FY27 to align with an adjacent renewal site approved in the FY27 RSB.
- Additional track upgrade scope was delivered at Callide, where the opportunity to complete additional works initially identified as potential FY27 scope was realised. The additional scope was delivered within the approved FY26 budget.

2. Ballast Cleaning:

During FY26, Aurizon Network incurred $7.9m delivering Ballast Cleaning activities in the Moura System, which was $0.6m above budget.

Mainline undercutting costs were lower than forecast, primarily due to reduced spoil management costs and the implementation of an alternative spoil management approach. While the original estimate included allowances for the removal and relocation of spoil outside the rail corridor, spoil was ultimately able to be retained within the corridor to be used within existing access roads. This reduced both the volume of spoil requiring disposal and the associated management costs. In addition, favourable ballast conditions improved screening performance, reducing ballast consumption and generating further cost savings.

The budget provided for two reactive turnout undercuts however no reactive turnout undercutting scope was identified during FY26.

These savings were offset by the following:

- The budgeted allowance of 0.3 km was insufficient to accommodate the 1.24km of reactive and 1.96km of additional mainline excavator undercutting scope delivered during FY26. This additional scope was required to maintain network reliability and asset performance.
- Actual expenditure for the Bell Creek and Clyde Creek bridge rollouts exceeded budget. The original estimate did not include the cost of kerb raising required to achieve current ballast depth standards, temporary handrail installations required for safe access, and additional freight costs. At Bell Creek, access to neighbouring land was ultimately restricted by the landowner following extensive consultation, requiring the development of alternative material laydown areas and increasing delivery costs.

3. **Structures:**

During FY26, Aurizon Network completed Structures renewals equivalent to 125% of the planned scope whilst incurring only 110% of the approved budget. Contributing to this was:

- Procurement savings achieved through strong market competition and competitive tender pricing.
- Efficiencies achieved by awarding proximate scope items to the same contractor.
- Completion of a culvert renewal that had been rolled forward from FY24 due to the footprint required to take isolation extending past the closure footprint which would have impacted Gladstone yard and Moura / North Coast Line traffic. Enabling works including masts and overhead works were also required to be completed prior to delivery.
- Completion of three additional culvert designs that had been rolled forward from FY25 due to design resource constraints.

4. **Civil Renewal**

During FY26, Aurizon Network completed 100% of the Civil Renewals planned scope. In addition, 0.55km of reactive formation renewals were delivered to address identified accelerated deterioration caused by compounding impacts of ongoing wet weather. Most sites completed were subject to TSRs, with rectification works allowing for the TSRs to be lifted.

Level crossing expenditure was slightly above budget due to the following factors:

- Additional works at Callemondah, including traffic management, temporary access arrangements, spoil removal, signal construction support, and track works.
- The reactive renewal at Potters Road, which required the establishment of a temporary diversion road and additional traffic management measures.

These cost increases were partially offset by funding secured through the Federal Government's Regional Level Crossing Upgrade Fund (**RLCUF**).

5. **Control Systems:**

Aurizon Network incurred $3.8m delivering Control Systems renewals in FY26 which was $0.2m above budget.

Specific variations to scope and cost against the RSB were due to the following:

- Asset Protection: Two scope items were completed that had been rolled forward from prior years. Due to internal design resource constraints, the remaining FY26 scope has been replanned for FY27.
- Interlocking: Three scope items were completed, one of which had been rolled forward from FY25. Due to resource constraints, the remaining scope has been replanned for FY27.

- SWS Minor: FY26 Stowe planning scope was delayed by internal resource constraints and has been replanned for Q2 FY27. The FY25 Dumgree design scope was delayed by several changes to data design and has been replanned for Q3 FY27.
- Power Resilience: Additional scope (controller replacements) completed due to controller units being dated and experiencing a high failure rate
- Transmission & Data: Two sites were delivered against a planned three, both of which had been rolled forward from FY25. The remaining scope has either been rolled forward to FY27 or is no longer required.
- UTC/DTC System Upgrades: One site rolled forward from FY24 was completed. Due to resource constraints, the remaining scope has been rolled forward to future years.

6. **Non-RSB Projects:** Costs incurred due to the implementation of ATIS which were not included in the Moura RSB are discussed in section 8.

6.2 Cost Incurred versus Claimed Amount

In line with Clause 1.3(a)(ii) of Schedule E of UT5, please refer to Table 8 for details of the costs incurred for the Year versus the claimed amount for the Moura System.

Table 8 Moura System Costs Incurred versus Claimed Amount

Item	Total Costs Incurred in FY26 ($m)	FY26 Scope Claimed in FY26 ($m)	Prior Year Scope Claimed in FY26 ($m)	Future Year Scope Claimed in FY26 ($m)	Total Claimed Expenditure ($m)	IDC ($m)	Total Claimed Amount including IDC ($m)
Permanent Way	5.8	5.6	0.1	–	**5.7**	0.1	**5.8**
Ballast Cleaning	7.9	8.1	0.1	–	**8.2**	0.2	**8.4**
Structures	3.3	2.0	2.1	–	**4.1**	0.3	**4.4**
Civil Renewals	9.4	9.0	1.1	–	**10.2**	0.2	**10.4**
Control Systems Assets	3.8	0.7	3.9	–	**4.6**	0.1	**4.7**
Non-RSB Projects	(0.0)	–	(0.0)	–	**(0.0)**	(0.0)	**(0.0)**
Total	**30.2**	**25.3**	**7.4**	**–**	**32.8**	**0.9**	**33.6**

7. Newlands System and Goonyella Abbot Point Expansion Project (GAPE)

7.1 Cost Incurred and Scope Achieved for the Year

Please refer to Table 3 for details of the costs incurred and scope achieved for each item within the Newlands System and GAPE. Aurizon Network considers that its performance should be assessed as consistent where costs are in line with or below the Approved RSB and/or the scope delivered is equal to or more than the Approved RSB.

Table 9 Combined Newlands System and GAPE Costs Incurred & Scope achieved for the Year

Renewal Item	FY26 Actual Cost by RSB Year ($)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
Permanent Way	**0.4**	**6.6**	**0.0**	**7.0**	**8.1**	**(1.1)**						
Rail Renewal	-	4.8	0.0	4.8	5.1	(0.3)	-	12.0	-	12.0	11.9	0.1
Sleeper Renewal	-	0.2	-	0.2	0.2	0.0	-	944.0	-	944.0	876.0	68.0
Track Upgrade	0.4	1.2	0.0	1.6	1.7	(0.1)	0.9	0.9	-	1.8	0.8	1.0
Turnout Renewal	0.0	-	-	0.0	-	0.0	-	-	-	-	-	-
Turnout Components	0.0	0.2	-	0.2	0.6	(0.4)						
Turnout Design	-	0.1	-	0.1	0.1	0.0						
Permanent Way Other	-	0.1	-	0.1	0.5	(0.4)						
Ballast Cleaning	**0.0**	**3.9**	**0.2**	**4.1**	**6.5**	**(2.4)**						
Mainline Undercutting	0.0	3.9	-	3.9	5.8	(1.9)	-	7.2	-	7.2	7.2	-
Mainline Excavator Undercutting	0.0	0.1	0.0	0.1	-	0.1	-	0.0	-	0.0	-	0.0
Turnout Undercutting	0.0	(0.0)	-	(0.0)	0.7	(0.7)	-	-	-	-	2.0	(2.0)
Bridge Rollout	-	-	-	-	-	-	-	-	-	-	-	-
Monumenting	-	-	0.1	0.1	-	0.1						
GPR	-	-	0.1	0.1	-	0.1						
Structures	**0.1**	**7.2**	**0.0**	**7.3**	**8.9**	**(1.6)**						
Bridges Renewal	-	3.9	-	3.9	5.2	(1.3)	-	3.0	-	3.0	3.0	-
Bridge Design	0.0	0.1	-	0.1	0.1	(0.1)						
Culvert Renewal	0.1	3.1	0.0	3.1	3.4	(0.3)	1.0	6.0	-	7.0	5.0	2.0
Culvert Design	0.1	0.1	0.0	0.2	0.2	(0.0)						
Civil Renewals	**0.0**	**3.9**	**0.0**	**3.9**	**5.6**	**(1.7)**						
Formation Renewal	0.0	1.9	0.0	1.9	3.0	(1.1)	-	0.6	-	0.6	0.6	-
Formation Reactive	0.0	(0.0)	-	0.0	0.5	(0.5)						
Formation Other	0.0	0.0	-	0.0	0.1	(0.1)						
Slope Stability	-	-	-	-	-	-						
Level Crossing Renewal	-	1.3	0.0	1.4	1.2	0.1	-	1.0	-	1.0	1.0	-
Level Crossing Design	0.0	0.2	0.0	0.3	0.1	0.2						
Level Crossing Other	0.0	0.2	-	0.2	0.2	0.1						
Access Points & Access Roads	0.0	0.1	-	0.1	0.4	(0.3)						
Corridor Fencing & Security	(0.0)	0.1	-	0.1	0.2	(0.1)						
Control Systems Assets	**0.5**	**1.5**	**0.0**	**2.0**	**2.8**	**(0.7)**						
SWS - Asset Protection	0.1	-	0.0	0.1	-	0.1	1.0	-	-	1.0	-	1.0

Renewal Item	FY26 Actual Cost by RSB Year ($)			Total Cost ($m)	Budget ($m)	Var	FY26 Actual Scope by RSB Year			Actual Scope	Budget Scope	Var
	Prior Years	FY26 RSB	FY27 RSB				Prior Years	FY26 RSB	FY27 RSB			
SWS - Interlocking	-	-	-	-	-	-	-	-	-	-	-	-
SWS - Train Detection	-	-	-	-	-	-	-	-	-	-	-	-
SWS - Minor	0.0	0.0	-	0.0	0.0	(0.0)						
Power Resilience	0.0	0.1	0.0	0.1	-	0.1						
Telecommunication Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transmission & Data	0.1	1.3	0.0	1.5	2.3	(0.8)	2.0	2.0	-	4.0	11.0	(7.0)
UTC/DTC	0.2	0.1	0.0	0.3	0.4	(0.1)	2.0	-	-	2.0	1.0	1.0
Other Control Systems	-	-	-	-	-	-						
RSB Total	**1.0**	**23.1**	**0.3**	**24.4**	**31.8**	**(7.4)**						
Non-RSB Projects	**0.4**	**-**	**-**	**0.4**	**-**	**0.4**						
ATIS	(0.0)	-	-	(0.0)	-	(0.0)						
RCS Newlands	0.4	-	-	0.4	-	0.4						
Total	**1.5**	**23.1**	**0.3**	**24.8**	**31.8**	**(7.0)**						

Variation Commentary:

1. Permanent way

During FY26, Aurizon Network incurred $7.0m delivering Permanent Way renewal activities in the Newlands System, which was $1.1m below budget. Specific variations to scope and cost against the RSB were due to the following:

- The planned renewal of 1.7 km of rail at Armuna was replaced with a rail renewal at Binbee. Inspections confirmed that rail wear trends at Armuna were lower than forecast and had not reached renewal thresholds. In contrast, the rail at Binbee was identified as being in poor condition and approaching wear limits, necessitating the reprioritisation of the renewal scope.
- 222% of the planned track upgrade scope was delivered within the approved FY26 budget, driven by:
  - The Kaili to Durroburra track upgrade being integrated with a level crossing renewal project. This coordinated delivery approach delivered resource efficiencies and reduced overall costs.
  - Completion of an additional 0.87km of track upgrade scope at Aberdeen that had been rolled forward from FY25 due to wet weather.

2. Ballast Cleaning:

During FY26, Aurizon Network incurred $4.1m delivering Ballast Cleaning activities in the Newlands System, which was $2.4m below budget.

The reduction in mainline undercutting costs was largely attributable to lower-than-anticipated spoil management requirements. While the original estimate included allowances for the removal and relocation of spoil outside the rail corridor, site-specific assessments undertaken during delivery confirmed that spoil could be safely retained within the corridor without adversely impacting drainage performance, asset integrity, maintenance access, or operational requirements.

As a result, spoil was re-profiled and retained within designated corridor locations rather than being transported off-site for disposal. This approach was assessed as appropriate for the local conditions and avoided significant spoil haulage, disposal, and environmental management costs.

Specific variations to scope and cost against the RSB were due to the following:

- The mainline undercutting expenditure also reflects efficiencies associated with improvement initiatives for ballast materials and ballast delivery with revised contract agreements now in force with selected suppliers.
- There was no provision made in the Approved RSB for reactive mainline excavator undercutting, as historically this has not been required in the Newlands System. However, one site was completed due to ballast condition and to avoid potential reliability risks that could have impacted performance in the Q1 closure.
- No reactive turnout undercutting scope was identified during FY26.

3. **Structures:**

During FY26, Aurizon Network completed Structures renewals equivalent to 125% of the planned scope whilst incurring only 82% of the approved budget. Contributing to this was:

- Procurement savings achieved through strong market competition and competitive tender pricing.
- Completion of an additional culvert renewal that leveraged an existing work package to realise mobilisation and delivery efficiencies.
- Completion of a culvert renewal that had been rolled forward from FY25 due to pipe size discrepancies found on site, requiring a new liner which had to be sourced internationally.
- Completion of five additional culvert designs that had been rolled forward from FY25 due to design resource constraints.

4. **Civil Renewals:**

During FY26, Aurizon Network completed Civil Renewals equivalent to 100% of the planned scope. No reactive formation renewals were identified during the year, resulting in expenditure below budget.

The Cockool formation renewal was also delivered below budget, Through the tender evaluation process, this site was separated from ‘packaged’ sites, and awarded to a local contractor, resulting in a lower delivery cost.

5. **Control Systems**:

Aurizon Network incurred $2.0m delivering Control Systems renewals in FY26 which was $0.7m below budget.

Specific variations to scope and cost against the RSB were due to the following:

- Asset Protection: One additional scope item was completed that had been rolled forward from FY23.
- Transmission & Data: Four sites were delivered against a planned 11, two of which had been rolled forward from FY25. Due to resource constraints, the remaining scope has either been rolled forward to FY27 or is no longer required, following a recent asset review that identified no reliability concerns.
- UTC/DTC System Upgrades: Two scope items rolled forward from prior years were completed. Due to resource constraints, the remaining scope has been rolled forward to future years.

6. **Non-RSB Projects:** Costs incurred due to the implementation of ATIS and Remote-Control Signalling (**RCS**) which were not included in the Newlands and GAPE RSB are discussed in section 8.

7.1.1 Allocation of Asset Replacement and Renewal Expenditure

The QCA approved Aurizon Network's GAPE and Newlands pricing DAAU in February 2024, which applies a causation-based approach to allocating costs and revenue from asset replacement and renewals expenditure in the shared rail corridor between GAPE and Newlands System users.

The methodology identifies the fixed and variable portions of capital expenditure, with the:

- fixed component being allocated to the relevant Coal System where the replaced asset financially resides; and
- variable component being added to the Newlands RAB, and the associated Allowable Revenues being allocated between Newlands and GAPE Train Services.

Applying the above methodology to the FY26 Capex Claim would see the:

- GAPE RAB include:
    - $4.39m expenditure between North Goonyella Junction and Newlands Mine Junction (the GAPE Link); plus
    - $0.36m, being the fixed portion of the Replacement Capex on GAPE RAB Assets in the Newlands Shared Rail Corridor.
- Newlands RAB include:
    - $9.13m, being the fixed portion of the Replacement Capex on Newlands RAB Assets in the Newlands Shared Rail Corridor; plus
    - $11.71m, being the variable proportion of Replacement Capex.

As noted above, Allowable Revenues associated with the $11.71m variable proportion of Replacement Capex would then be allocated between Newlands and GAPE Train services.

7.2 Cost Incurred versus Claimed Amount

In line with Clause 1.3(a)(ii) of Schedule E of UT5, please refer to Table 10 for detail on the costs incurred for the Year versus the claimed amount for the Newlands System and GAPE.

Table 10 Combined Newlands/GAPE System Costs Incurred versus Claimed Amount

Item	Total Costs Incurred in FY26 ($m)	FY26 Scope Claimed in FY26 ($m)	Prior Year Scope Claimed in FY26 ($m)	Future Year Scope Claimed in FY26 ($m)	Total Claimed Expenditure ($m)	IDC ($m)	Total Claimed Amount including IDC ($m)
Permanent Way	7.0	6.8	1.6	–	**8.4**	0.2	**8.6**
Ballast Cleaning	4.1	4.2	0.1	–	**4.3**	0.1	**4.4**
Structures	7.3	6.8	0.8	–	**7.7**	0.2	**7.8**
Civil Renewals	3.9	3.5	0.2	–	**3.8**	0.0	**3.8**
Control Systems Assets	2.0	0.2	0.3	–	**0.5**	0.0	**0.5**
Non-RSB Projects	0.4	–	0.5	–	**0.5**	0.0	**0.5**
Total	**24.8**	**21.5**	**3.5**	**–**	**25.1**	**0.5**	**25.6**

8. System Wide

8.1 Projects not included in the FY26 RSB

As part of this FY26 capital expenditure claim, Aurizon Network is seeking QCA approval to include capital expenditure of $0.47m (excluding IDC) into the RAB which relates to the following key improvement initiatives:

8.1.1 Automated Track Inspection System

The Automated Track Inspection System (**ATIS**) comprises a suite of measurement systems that replace and extend Aurizon Network's rail corridor condition monitoring capability by using proven technology fitted to revenue rollingstock to monitor infrastructure assets.

Aurizon Network included the majority of the ATIS project costs in its FY25 Capex Claim. The FY26 Capex Claim includes only immaterial residual project costs associated with the completion of this project.

8.1.2 Customer-Specific Rail Infrastructure Connection Deed

Pembroke Resources (**Pembroke**) acquired the Olive Downs project in May 2016. [redacted]

Aurizon Network included the majority of Olive Downs [redacted] project costs in its FY25 Capex Claim. The FY26 Capex Claim includes only immaterial residual project costs associated with completion of the project.

8.1.3 Remote-Control Signalling

On 16 November 2022, the QCA approved Transitional Arrangements for the Newlands and GAPE System. These Transitional Arrangements included an Expansion of Remote-Control Signalling (**RCS**) between Collinsville and Newlands Junction.

Aurizon Network included the majority of the RCS project costs in its FY25 Capex Claim. The FY26 Capex Claim includes $0.47m residual project costs associated with completion of the project.

8.2 Cost Incurred versus Claimed Amount

In line with Clause 1.3(a)(ii) of Schedule E of UT5, please refer to Table 11 for details of the costs incurred for the Year versus the claimed amount for the projects not included in the FY26 RSB. These values have been accounted for in the individual system tables for consistency, however the total amount attributable to these projects has been presented here separately for clarity. Please note the amounts presented in Table 11 are not in addition to what has already been presented.

Table 11 Other Improvement Initiative (Non-RSB) Costs Incurred versus Claimed Amount

Item	Claimed Expenditure ($m)	IDC ($m)	Total Claimed Amount including IDC ($m)
ATIS	(0.00)	(0.00)	(0.00)
Customer-Specific Connection	(0.00)	(0.00)	(0.00)
Remote-Control Signalling	0.47	0.01	0.48
Total	**0.47**	**0.01**	**0.48**

9. Procurement Strategy and Inventory

In completing asset replacement and renewals work for FY26, Aurizon Network has endeavoured to procure resources in an effective and efficient manner, an outcome that was supported through the execution of the procurement strategy and methodology outlined within the Approved RSB. This approach saw Aurizon Network seek to maximise utilisation of its internal delivery teams and where appropriate augment these internal resources with suitably qualified contractor staff and plant where additional resources where required to complete identified scope.

When engaging external resources, Aurizon Network utilised, wherever reasonably possible, a series of engineering and technical service contractor panels, established through its Enterprise Procurement group. These include asset-specific service panels, skilled labour hire, plant hire and plant transportation services. Where scope required a specific skill set or if the required plant was not held within the Aurizon Network group, Aurizon Network sought to engage pre-qualified contractors to perform work either under direct supervision or if approved, as principal contractor for short periods. Aurizon Network applies an assurance program and a performance-based governance framework for external contractors to ensure they meet the required business and safety processes and policies.

Aurizon Network will continue to work with our customers and internal teams across the Aurizon business to assess our existing procurement practices with a view to identifying improvement opportunities that will deliver value to our business and to our customers.

10. Capital Expenditure for inclusion into the RAB by System

This submission provides the QCA with the details of capital expenditure that Aurizon Network considers should be included in the RAB in accordance with Clause 2.2 of Schedule E of UT5. Details for each Coal System are contained within the following tables:

10.1 Blackwater System

Table 12 Blackwater System - Claimed Expenditure excluding IDC ($m)

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.00457	Control Systems Renewal Package 3	Control Systems	0.03
IV.00507	Electrical Overhead Renewal Package 2	Electrical	0.00
IV.00678	Optical Fibre Renewal	Control Systems	0.04
IV.00692	Train Detection Renewal Central Line	Control Systems	0.11
IV.00693	Interlocking Renewal - NCL	Control Systems	2.69
IV.00694	Control Sys Renewal Callemondah	Control Systems	6.18
IV.00803	FY24 Track Renewal	Permanent Way	0.11
IV.00806	FY24 Bridge Ballast Renewal	Ballast Cleaning	0.25
IV.00808	FY23 Formation Renewal	Civil Renewals	0.02
IV.00809	FY24 Formation Renewal	Civil Renewals	0.11
IV.00811	FY23 Level Crossing Renewal	Civil Renewals	0.06
IV.00812	FY24 Level Crossing Renewal	Civil Renewals	0.07
IV.00814	FY23 Turnout Renewal	Permanent Way	0.03
IV.00815	FY24 Turnout Renewal	Permanent Way	0.01
IV.00817	FY23 Structures Renewal	Structures Renewals	0.11
IV.00818	FY24 Structures Renewal	Structures Renewals	0.77
IV.00820	FY22 Control Systems Renewal	Control Systems	0.00
IV.00821	FY23 Control Systems Renewal	Control Systems	0.18
IV.00822	FY24 Control Systems Renewal	Control Systems	3.16
IV.00824	FY23 Power Systems Renewal	Electrical	0.00
IV.00825	FY24 Power Systems Renewal	Electrical	0.27
IV.00827	FY23 Electrical Overhead Renewal	Electrical	0.00
IV.00828	FY24 Electrical Overhead Renewal	Electrical	0.02
IV.00833	FY24 Ballast Renewal	Ballast Cleaning	0.00
IV.00835	FY23 Civil Renewals	Civil Renewals	0.11
IV.01508	FY25 Track Renewal	Permanent Way	0.72
IV.01509	FY26 Track Renewal	Permanent Way	16.12
IV.01511	FY25 Turnout Renewal	Permanent Way	0.37
IV.01514	FY25 Ballast Renewals	Ballast Cleaning	1.61
IV.01517	FY25 Bridge Ballast Renewal	Ballast Cleaning	0.03
IV.01520	FY25 Formation Renewal	Civil Renewals	1.33

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.01523	FY25 Civil Renewals	Ballast Cleaning	0.00
IV.01523	FY25 Civil Renewals	Civil Renewals	0.08
IV.01524	FY26 Civil Renewals	Civil Renewals	0.78
IV.01526	FY25 Level Crossing Renewal	Civil Renewals	0.30
IV.01527	FY26 Level Crossing Renewal	Civil Renewals	3.10
IV.01529	FY25 Structures Renewal	Structures Renewals	0.59
IV.01532	FY25 Control Systems Renewal	Control Systems	1.72
IV.01535	FY25 Power Systems Renewal	Electrical	0.09
IV.01536	FY26 Autotransformer Renewal	Electrical	2.11
IV.01538	FY25 Electrical Overhead Renewal	Electrical	0.03
IV.01764	FY26 Ballast Excav. & Turnout Undercut	Ballast Cleaning	4.19
IV.01765	FY26 Ballast Mainline Undercutting (C01)	Ballast Cleaning	32.18
IV.01766	FY26 Ballast Undercutting Reactive	Ballast Cleaning	5.17
IV.01767	FY26 Ground Penetrating Radar (GPR)	Ballast Cleaning	0.81
IV.01768	FY26 Bridge Roll Out	Ballast Cleaning	5.66
IV.01768	FY26 Bridge Roll Out	Structures Renewals	0.16
IV.01769	FY26 Civil Reactive	Civil Renewals	0.76
IV.01782	FY26 Data Renewal	Control Systems	0.76
IV.01783	FY26 Interlocking	Control Systems	0.06
IV.01788	FY26 Dehydrator Renewal	Control Systems	0.06
IV.01794	FY26 Transmission Renewal	Control Systems	0.06
IV.01795	FY26 Transmission Tele Battery	Control Systems	0.07
IV.01796	FY26 Transmission TETRA Radio	Control Systems	0.47
IV.01799	Feeder Wire Clearance - Rocklands	Electrical	0.62
IV.01802	FY26 Electrical Overhead - Reactive	Electrical	0.36
IV.01803	Overhead Termination Portals	Electrical	0.37
IV.01805	FY26 Power Systems Renewal	Electrical	0.01
IV.01808	FY26 Formation Renewal	Civil Renewals	3.84
IV.01812	FY26 Formation Reactive	Civil Renewals	2.76
IV.01813	FY26 Level Crossing Reactive	Civil Renewals	0.51
IV.01817	FY26 Structure Renewal - Culvert Strength	Structures Renewals	0.39
IV.01819	FY26 Structure Renewal - Culvert Renewal	Structures Renewals	7.44
IV.01820	FY26 Monumenting	Ballast Cleaning	0.77
IV.01821	FY26 Permanent Way Reactive	Permanent Way	0.98
IV.01822	FY26 Turnouts Reactive	Permanent Way	7.26
IV.01826	Turnout Renewal - Callemondah	Permanent Way	3.23
IV.01873	FY26 Power Resilience	Control Systems	0.33
RSB Projects total			**122.59**
IV.00841	ATIS	Non-RSB Project	(0.00)
System Total			**122.59**

10.2 Goonyella System

Table 13 Goonyella System - Claimed Expenditure excluding IDC ($m)

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.00456	Control Systems Renewal Package 2	Control Systems	0.00
IV.00457	Control Systems Renewal Package 3	Control Systems	0.16
IV.00507	Electrical Overhead Renewal Package 2	Electrical	0.69
IV.00678	Optical Fibre Renewal	Control Systems	0.45
IV.00803	FY24 Track Renewal	Permanent Way	0.11
IV.00808	FY23 Formation Renewal	Civil Renewals	0.03
IV.00809	FY24 Formation Renewal	Civil Renewals	0.28
IV.00811	FY23 Level Crossing Renewal	Civil Renewals	0.01
IV.00812	FY24 Level Crossing Renewal	Civil Renewals	0.01
IV.00814	FY23 Turnout Renewal	Permanent Way	0.04
IV.00816	FY22 Culvert Renewal	Structures Renewals	0.06
IV.00818	FY24 Structures Renewal	Structures Renewals	0.33
IV.00820	FY22 Control Systems Renewal	Control Systems	0.04
IV.00821	FY23 Control Systems Renewal	Control Systems	0.23
IV.00822	FY24 Control Systems Renewal	Control Systems	1.15
IV.00824	FY23 Power Systems Renewal	Electrical	0.03
IV.00825	FY24 Power Systems Renewal	Electrical	0.22
IV.00828	FY24 Electrical Overhead Renewal	Electrical	0.24
IV.00829	Goonyella Ports Overhead Renewals	Electrical	8.83
IV.00832	FY23 Ballast Renewal	Ballast Cleaning	0.75
IV.00833	FY24 Ballast Renewal	Ballast Cleaning	0.00
IV.01508	FY25 Track Renewal	Permanent Way	0.46
IV.01509	FY26 Track Renewal	Permanent Way	20.21
IV.01510	FY27 Track Renewal	Permanent Way	1.15
IV.01511	FY25 Turnout Renewal	Permanent Way	0.10
IV.01514	FY25 Ballast Renewals	Ballast Cleaning	2.92
IV.01520	FY25 Formation Renewal	Civil Renewals	0.81
IV.01523	FY25 Civil Renewals	Civil Renewals	0.57
IV.01524	FY26 Civil Renewals	Civil Renewals	1.08
IV.01526	FY25 Level Crossing Renewal	Civil Renewals	0.15
IV.01527	FY26 Level Crossing Renewal	Civil Renewals	1.15
IV.01529	FY25 Structures Renewal	Structures Renewals	0.91
IV.01532	FY25 Control Systems Renewal	Control Systems	2.25
IV.01535	FY25 Power Systems Renewal	Electrical	1.60
IV.01536	FY26 Autotransformer Renewal	Electrical	2.06
IV.01538	FY25 Electrical Overhead Renewal	Electrical	0.42
IV.01582	Goonyella Branch Line Train Detection	Control Systems	1.39

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.01764	FY26 Ballast Excav & Turnout Undercut	Ballast Cleaning	6.12
IV.01765	FY26 Ballast Mainline Undercutting (C01)	Ballast Cleaning	33.02
IV.01766	FY26 Ballast Undercutting Reactive	Ballast Cleaning	3.25
IV.01767	FY26 Ground Penetrating Radar (GPR)	Ballast Cleaning	0.69
IV.01768	FY26 Bridge Roll Out	Ballast Cleaning	1.02
IV.01769	FY26 Civil Reactive	Civil Renewals	0.32
IV.01782	FY26 Data Renewal	Control Systems	0.93
IV.01783	FY26 Interlocking	Control Systems	0.05
IV.01785	FY26 Points Improvement	Control Systems	0.48
IV.01786	Goonyella Train Detection - Millennium	Control Systems	2.84
IV.01787	Goonyella Train Detection - Saraji	Control Systems	1.18
IV.01788	FY26 Dehydrator Renewal	Control Systems	0.03
IV.01794	FY26 Transmission Renewal	Control Systems	0.07
IV.01795	FY26 Transmission Tele Battery	Control Systems	0.09
IV.01796	FY26 Transmission TETRA Radio	Control Systems	0.24
IV.01801	SI Upgrade - Broadlea	Electrical	1.38
IV.01802	FY26 Electrical Overhead - Reactive	Electrical	1.29
IV.01803	Overhead Termination Portals	Electrical	0.47
IV.01805	FY26 Power Systems Renewal	Electrical	0.58
IV.01808	FY26 Formation Renewal	Civil Renewals	8.62
IV.01808	FY26 Formation Renewal	Permanent Way	0.13
IV.01809	FY27 Formation Renewal	Civil Renewals	0.03
IV.01812	FY26 Formation Reactive	Civil Renewals	3.55
IV.01813	FY26 Level Crossing Reactive	Civil Renewals	0.09
IV.01817	FY26 Structure Renewal - Culvert Strength	Structures Renewals	0.31
IV.01819	FY26 Structure Renewal - Culvert Renewal	Structures Renewals	8.48
IV.01820	FY26 Monumenting	Ballast Cleaning	0.23
IV.01821	FY26 Permanent Way Reactive	Permanent Way	0.53
IV.01822	FY26 Turnouts Reactive	Permanent Way	3.90
IV.01835	Turnout Renewal - Wandoo	Permanent Way	2.34
IV.01873	FY26 Power Resilience	Control Systems	0.13
IV.01981	Dysart Leaning Masts	Electrical	0.37
RSB Projects Total			**133.64**
IV.00841	ATIS	Non-RSB Project	(0.00)
IV.00970	Customer-Specific Connection	Non-RSB Project	(0.00)
System Total			**133.64**

10.3 Moura System

Table 14 Moura System - Claimed Expenditure excluding IDC ($m)

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.00448	Structures Renewal Package 3	Structures Renewals	0.13
IV.00457	Control Systems Renewal Package 3	Control Systems	0.00
IV.00803	FY24 Track Renewal	Permanent Way	0.00
IV.00806	FY24 Bridge Ballast Renewal	Ballast Cleaning	0.02
IV.00808	FY23 Formation Renewal	Civil Renewals	0.01
IV.00809	FY24 Formation Renewal	Civil Renewals	0.07
IV.00811	FY23 Level Crossing Renewal	Civil Renewals	0.01
IV.00812	FY24 Level Crossing Renewal	Civil Renewals	0.06
IV.00816	FY22 Culvert Renewal	Structures Renewals	0.18
IV.00817	FY23 Structures Renewal	Structures Renewals	0.01
IV.00818	FY24 Structures Renewal	Structures Renewals	1.82
IV.00820	FY22 Control Systems Renewal	Control Systems	0.00
IV.00821	FY23 Control Systems Renewal	Control Systems	0.05
IV.00822	FY24 Control Systems Renewal	Control Systems	0.82
IV.01508	FY25 Track Renewal	Permanent Way	0.08
IV.01509	FY26 Track Renewal	Permanent Way	3.74
IV.01511	FY25 Turnout Renewal	Permanent Way	0.05
IV.01514	FY25 Ballast Renewals	Ballast Cleaning	0.10
IV.01520	FY25 Formation Renewal	Civil Renewals	0.02
IV.01523	FY25 Civil Renewals	Ballast Cleaning	0.00
IV.01523	FY25 Civil Renewals	Civil Renewals	0.55
IV.01526	FY25 Level Crossing Renewal	Civil Renewals	0.43
IV.01527	FY26 Level Crossing Renewal	Civil Renewals	5.07
IV.01529	FY25 Structures Renewal	Structures Renewals	-0.01
IV.01532	FY25 Control Systems Renewal	Control Systems	3.03
IV.01764	FY26 Ballast Excav & Turnout Undercut	Ballast Cleaning	1.37
IV.01765	FY26 Ballast Mainline Undercutting (C01)	Ballast Cleaning	2.94
IV.01766	FY26 Ballast Undercutting Reactive	Ballast Cleaning	1.27
IV.01767	FY26 Ground Penetrating Radar (GPR)	Ballast Cleaning	0.19
IV.01768	FY26 Bridge Roll Out	Ballast Cleaning	2.11
IV.01769	FY26 Civil Reactive	Civil Renewals	0.26
IV.01776	Moura Interlocking Renewal - Annandale	Control Systems	0.57
IV.01783	FY26 Interlocking	Control Systems	0.00
IV.01812	FY26 Formation Reactive	Civil Renewals	2.61
IV.01813	FY26 Level Crossing Reactive	Civil Renewals	0.60
IV.01817	FY26 Structure Renewal – Culvert Strength	Structures Renewals	0.15
IV.01819	FY26 Structure Renewal - Culvert Renewal	Structures Renewals	1.80

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.01820	FY26 Monumenting	Ballast Cleaning	0.21
IV.01821	FY26 Permanent Way Reactive	Permanent Way	0.35
IV.01822	FY26 Turnouts Reactive	Permanent Way	0.65
IV.01828	Turnout Renewal - Gladstone	Permanent Way	0.86
IV.01873	FY26 Power Resilience	Control Systems	0.11
IV.01885	FY26 South Gladstone Wall	Civil Renewals	0.49
RSB Projects Total			**32.77**
IV.00841	ATIS	Non-RSB Project	(0.00)
System Total			**32.77**

10.4 Newlands System and GAPE

Table 15 Newlands System and GAPE - Claimed Expenditure excluding IDC ($m)

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
IV.00457	Control Systems Renewal Package 3	Control Systems	0.00
IV.00803	FY24 Track Renewal	Permanent Way	0.03
IV.00808	FY23 Formation Renewal	Civil Renewals	0.01
IV.00809	FY24 Formation Renewal	Civil Renewals	0.06
IV.00811	FY23 Level Crossing Renewal	Civil Renewals	0.01
IV.00812	FY24 Level Crossing Renewal	Civil Renewals	0.01
IV.00816	FY22 Culvert Renewal	Structures Renewals	0.03
IV.00818	FY24 Structures Renewal	Structures Renewals	0.32
IV.00820	FY22 Control Systems Renewal	Control Systems	0.00
IV.00821	FY23 Control Systems Renewal	Control Systems	0.01
IV.00822	FY24 Control Systems Renewal	Control Systems	0.17
IV.01508	FY25 Track Renewal	Permanent Way	1.55
IV.01509	FY26 Track Renewal	Civil Renewals	1.31
IV.01509	FY26 Track Renewal	Permanent Way	6.34
IV.01511	FY25 Turnout Renewal	Permanent Way	0.01
IV.01514	FY25 Ballast Renewals	Ballast Cleaning	0.12
IV.01517	FY25 Bridge Ballast Renewal	Ballast Cleaning	0.00
IV.01520	FY25 Formation Renewal	Civil Renewals	0.03
IV.01523	FY25 Civil Renewals	Ballast Cleaning	0.00
IV.01523	FY25 Civil Renewals	Civil Renewals	0.08
IV.01524	FY26 Civil Renewals	Civil Renewals	0.10
IV.01526	FY25 Level Crossing Renewal	Civil Renewals	0.05
IV.01529	FY25 Structures Renewal	Structures Renewals	0.49
IV.01532	FY25 Control Systems Renewal	Control Systems	0.11
IV.01765	FY26 Ballast Mainline Undercutting (C01)	Ballast Cleaning	4.10
IV.01766	FY26 Ballast Undercutting Reactive	Ballast Cleaning	0.07
IV.01783	FY26 Interlocking	Control Systems	0.03
IV.01788	FY26 Dehydrator Renewal	Control Systems	0.05
IV.01808	FY26 Formation Renewal	Civil Renewals	1.90
IV.01808	FY26 Formation Renewal	Permanent Way	0.21
IV.01813	FY26 Level Crossing Reactive	Civil Renewals	0.21
IV.01815	FY26 Bridge Renewal	Structures Renewals	3.76
IV.01817	FY26 Structure Renewal - Culvert Strength	Structures Renewals	0.77
IV.01819	FY26 Structure Renewal - Culvert Renewal	Structures Renewals	2.31
IV.01821	FY26 Permanent Way Reactive	Permanent Way	0.06
IV.01822	FY26 Turnouts Reactive	Permanent Way	0.23
IV.01873	FY26 Power Resilience	Control Systems	0.09

Project Number	Project Name	RIG Category	Claimed Expenditure ($m)
RSB Projects Total			**24.62**
IV.00841	ATIS	Non-RSB Project	(0.00)
IV.01220	RCS Newlands	Non-RSB Project	0.47
System Total			**25.08**

Appendix A: Incurred Renewal Expenditure vs Commissioned Asset System Graphs

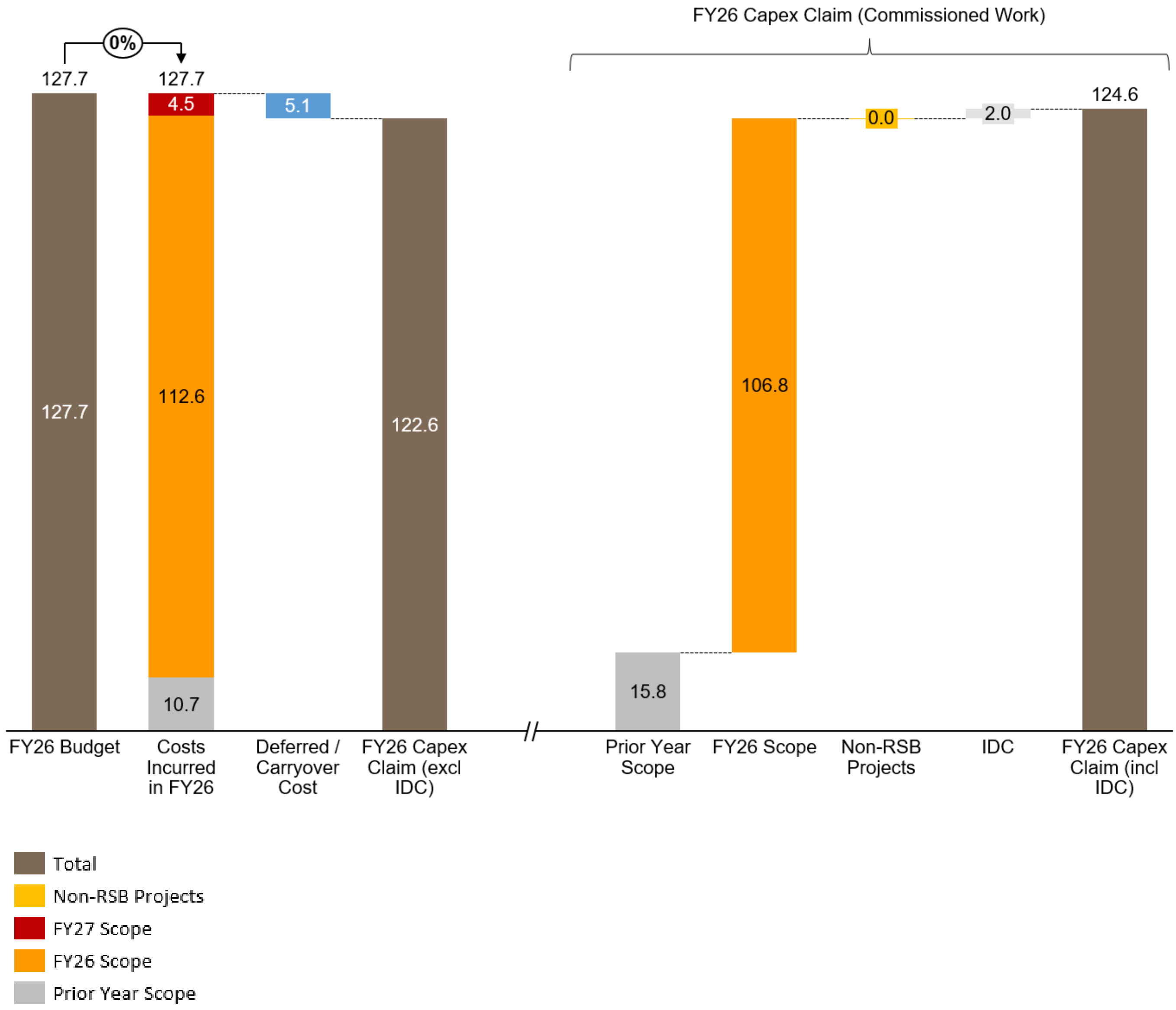
Aurizon Network has included the following waterfall graphs to assist with the comparison of actual incurred Asset Renewals Expenditure to the value of commissioned assets for each program that is included within this submission.

Please note that the following graphs reflect the expenditure that Aurizon Network has incurred while delivering the FY26 Asset Replacement and Renewals program. While incurred expenditure provides an appropriate comparison against the Approved RSB, in some circumstances this may differ from the amounts Aurizon Network is seeking QCA approval of through this Capex Claim (which reflects commissioned assets). Aurizon Network has sought to separately identify incurred versus claimed costs for comparison. Please note that variances between incurred and claimed expenditure can exist where incurred expenditure is awaiting an administrative process (e.g. receipt of a final invoice) before the asset in question can be commissioned and subsequently transferred to Aurizon Network's Fixed Asset Register (**FAR**).

Further waterfall graphs illustrating the above for each renewal category within each Coal System are available upon request.

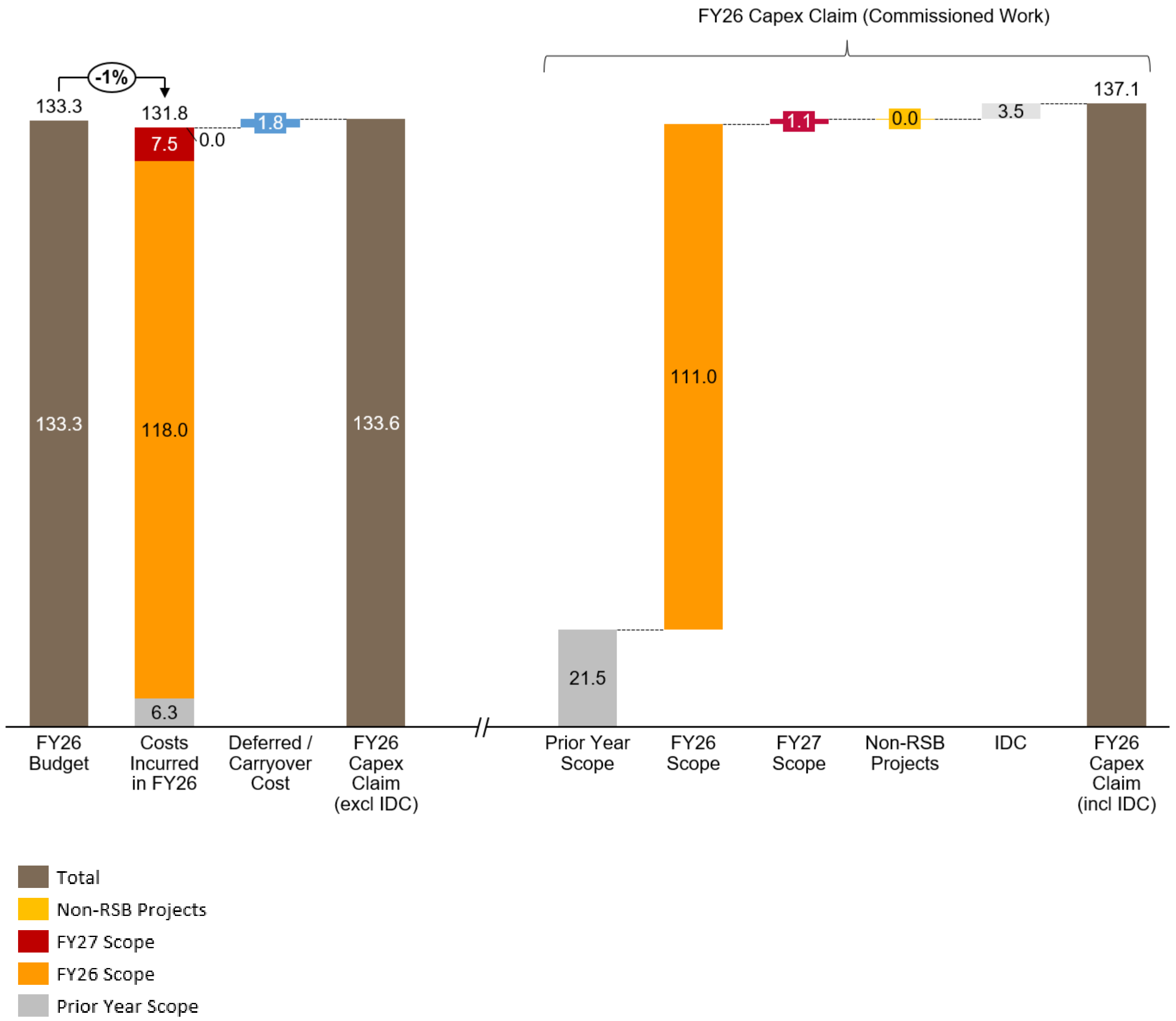
Blackwater

Figure 2 FY26 – Blackwater System



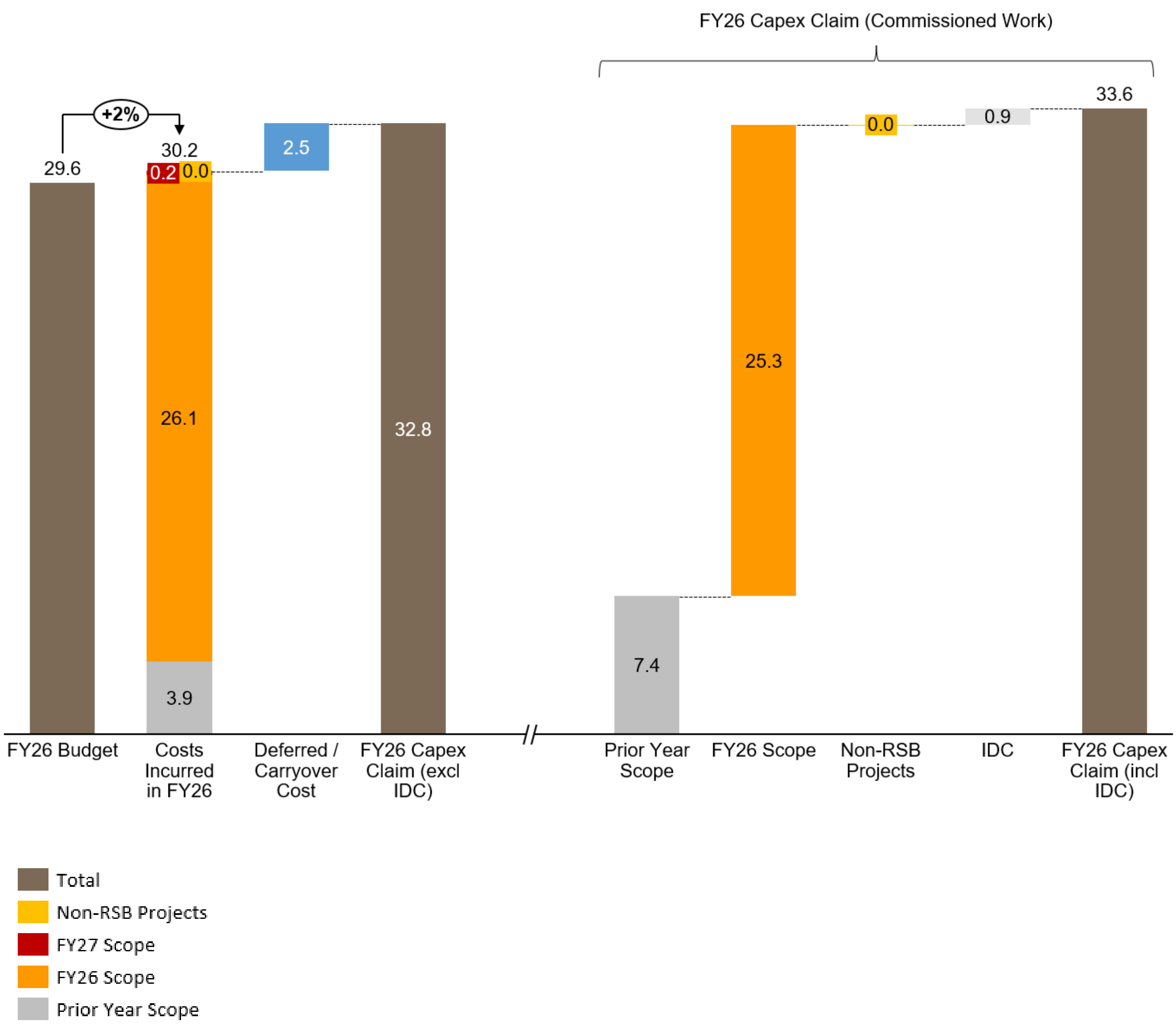
Goonyella

Figure 3 FY26 System - Goonyella



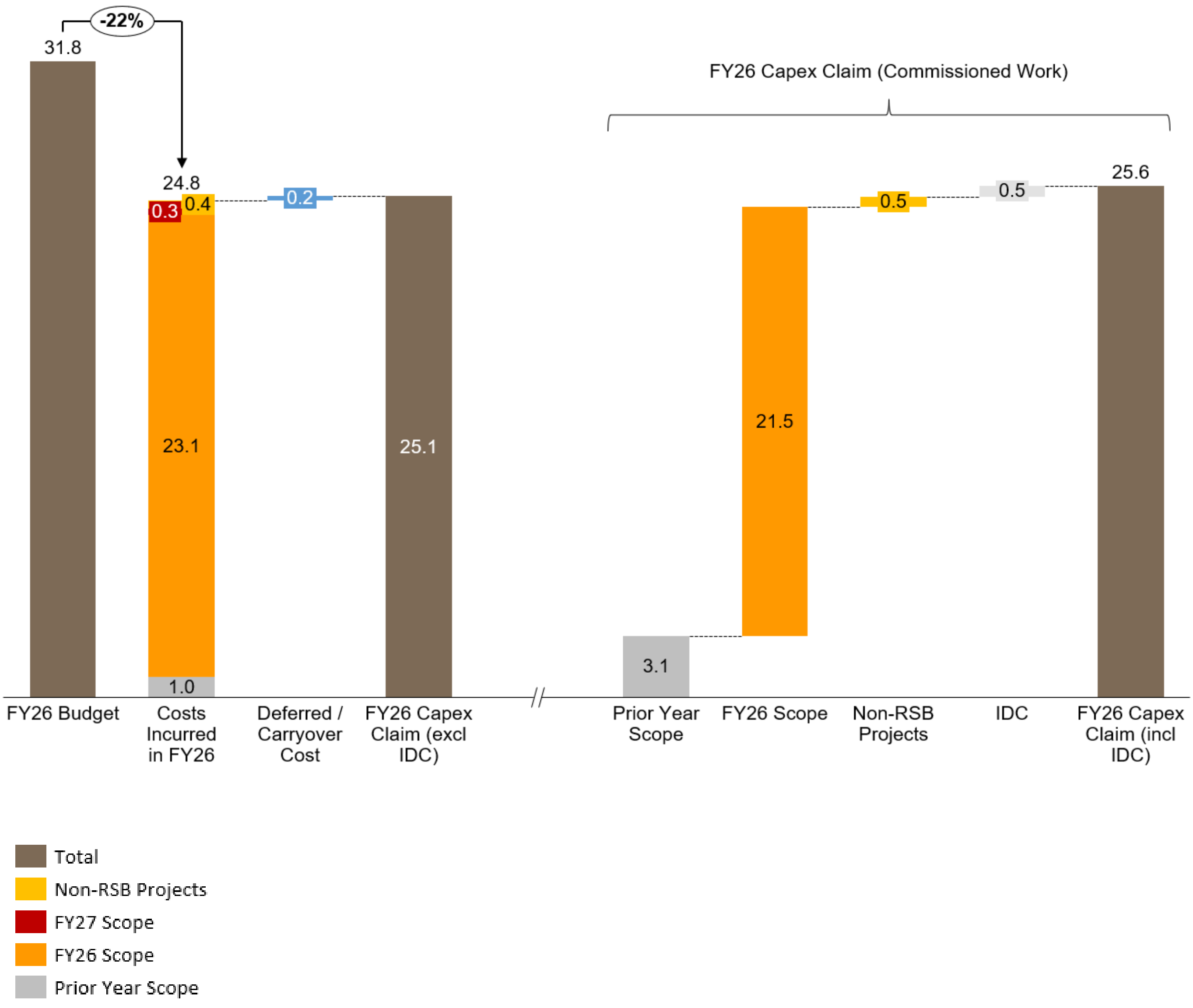
Moura

Figure 4 FY26 System - Moura



Newlands and GAPE

Figure 5 FY26 System – Newlands and GAPE



Appendix B: Supporting Documentation