Queensland Competition Authority

File Ref: 1457591

18 November 2021

Ms Pam Bains
Group Executive Network
Aurizon Network Pty Ltd
GPO Box 456
Brisbane Qld 4001

Dear Ms Bains

Approval—2020–21 maintenance costs claim

The Queensland Competition Authority (QCA) approved Aurizon Network's 2020–21 maintenance costs claim on 18 November 2021, as set out in the attachment to this letter.

In accordance with cl. 7.A.11.5(f) of Aurizon Network's 2017 access undertaking, the QCA considers that the 2020–21 program of maintenance work and actual costs claimed are consistent with the 2020–21 maintenance strategy and budget, as approved by end users.

This letter will be published on the QCA website for stakeholders' information.

I am happy to discuss any questions you may have on this or any other matters. Should your staff have any specific queries on the attached paper, please direct them in the first instance to Adam Liddy on 07 3222 0548 or at adam.liddy@qca.org.au.

Yours sincerely

Charles Millsteed
Chief Executive Officer

cc: *Jon Windle, Network Regulation Manager, Aurizon Network*

ATTACHMENT: AURIZON NETWORK'S 2020–21 MAINTENANCE COSTS CLAIM

Table 1   Maintenance costs for 2020–21 and variance by item

System	Item	MSB ($m)	Actual ($m)	Variance ($m)
Blackwater	Resurfacing	9.11	8.60	0.51
	Rail Grinding	7.52	7.20	0.32
	General Track Maintenance	21.92	20.40	1.52
	Signalling and Telecoms	9.76	10.00	(0.24)
	Electrical	5.85	4.10	1.75
	Other	8.14	8.85	(0.71)
Goonyella	Resurfacing	8.99	9.10	(0.11)
	Rail Grinding	7.24	8.00	(0.76)
	General Track Maintenance	16.78	18.10	(1.32)
	Signalling and Telecoms	9.28	8.80	0.48
	Electrical	6.48	5.00	1.48
	Other	7.57	7.90	(0.33)
Moura	All	11.32	12.48	(1.16)
Newlands/GAPE	All	12.19	14.00	(1.81)

Note: While UT5 does not define what is considered to be an 'item' for the purposes of this assessment, as part of the MSB process, Aurizon Network and users reached an agreement on what they both consider to be an 'item' for maintenance purposes. The QCA has conducted it's assessment in line with this agreed definition.