



20 January 2014

Mr Paul Bilyk
Director, Rail and Ports
Queensland Competition Authority
GPO Box 2257
Brisbane Qld 4001

By email: rail@qca.org.au

Dear Paul,

Aurizon Network Pty Ltd – 2013 Draft Access Undertaking (UT4): Response to stakeholder submissions

Vale Australia Pty Ltd (**Vale**) welcomes the opportunity to provide a submission to the Queensland Competition Authority (**QCA**) in respect of Aurizon Network's (**Aurizon**) response to stakeholders on their 2013 Draft Access Undertaking (**UT4**). Aurizon Network submitted UT4 in April 2013 and stakeholders were invited to provide submissions by the 10 October 2013. Following these stakeholder submissions, Aurizon has provided a response to the QCA in respect of the stakeholder submissions lodged.

Vale has been an active participant in the Queensland Resources Council's (**QRC**) efforts to develop an agreed industry position regarding this matter. In Vale's submission on the 10th October 2013, it supported the QRC's submission to the QCA which included both principled views and detailed drafting on Aurizon's UT4 submission. Vale continues to support the QRC's submission of the 10th October 2013, as well as the QRC submission to Aurizon's response to stakeholder submission, and encourages Aurizon to continue discussions to understand the reasonable positions that have been developed by industry through the QRC submission.

Generally, Vale believes there is a fundamental difference in starting point on the UT4 submission as Aurizon views UT4 as a reasonable and balanced proposal, while Vale views UT4 as a one sided document providing an increased return with lower risk to Aurizon. Vale believes the current UT4 document provides Aurizon with far too much discretion and this must be materially changed to provide an efficient operating outcome for the coal industry. Vale is encouraged that Aurizon are willing to modify parts of UT4 and awaits the material changes required to provide a balanced approach between Aurizon and stakeholder's interests.

For further information regarding this advice please contact myself on (07) 3136 0911.

Yours sincerely,


Bob Skuza
Manager Logistics
Vale Australia Pty Ltd