

Friday 30 October 2009

Michael Carter
Executive General Manager

Mr John Hall
Chief Executive Officer
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4000

Dear Mr Hall

Further extension of QR Network's 2008 Access Undertaking

QR Network seeks to extend its 2008 Access Undertaking (2008AU) to 31 May 2010 in the absence of an approved 2009 Access Undertaking prior to the current termination date of 31 December 2009. Accordingly, QR Network submits the attached Draft Amending Access Undertaking to the QCA for its consideration.

Consistent with the approach taken for the previous 2008AU extension, QR Network proposes to not change the terms of the 2008AU and roll-forward its current tariffs for the proposed extension period. The material implications communicated to the Authority in the previous application for extension associated with this position remain valid.

In requesting a further extension of the 2008AU QR Network is seeking an understanding from the Authority on the following matters:

- Whether the tariffs in the 2009AU will enable QR Network to recover a full year of the new 2009-10 revenue cap in the 2009-10 financial year; and
- If the QCA will allow the risk free rate averaging period (the averaging period) to occur over a period to be nominated by QR Network within the March quarter of the 2009-10 year. QR Network will communicate the nominated period to Authority in further correspondence and on a confidential basis.

I look forward to receiving your feedback on this matter. If you would like to discuss this further please contact Dean Gannaway, Manager, Regulation and Policy on 3235 2335.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Robert Moffat', written over a black rectangular redaction box.

Robert Moffat
A/Executive General Manager
QR Network Pty Ltd

Encl.