

Professor Roy Green Chair Queensland Competition Authority Level 27 145 Ann Street Brisbane, Queensland 4000

Stakeholder advice about the release of Reference User Funding Agreement (RUFA)

13 February 2018

Dear Professor Green

Please find attached a copy of an email that Aurizon Network issued today to access customers and other relevant stakeholders in respect of the publication on our website of a suite of contractual documentation in relation to user funding, where parties other than Aurizon Network wish to fund an expansion in the Central Queensland Coal Network.

Should the QCA wish to publish this letter, Aurizon Network has no objection to that publication.

Yours sincerely

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Michael Riches Group Executive Network

Attachment: Form of access customer/other stakeholder email as mentioned above

Release of Reference User Funding Agreement (RUFA) suite and withdrawal of SUFA DAAU

13 February 2018

Aurizon Network has today published the RUFA suite of documents on its website. This suite of documents is a reference set of legal documents for the development of an expansion in the Central Queensland Coal Network (CQCN) that is funded by one or more parties other than Aurizon Network (such funding being 'User Funding'). This publication has immediately followed Aurizon Network's notice to the QCA of the withdrawal of its UT4 SUFA Draft Amending Access Undertaking (DAAU).

The RUFA suite of documents is closely based on the SUFA suite of documents that Aurizon Network submitted to the QCA on 30 October 2017 under the UT4 SUFA DAAU process, and is available at the RUFA link on:

http://www.aurizon.com.au/what-we-deliver/network/network-downloads

Aurizon Network withdrew its UT4 SUFA DAAU, which was submitted to the QCA on a voluntary basis under the *Queensland Competition Authority Act 1997* (Qld), because it considered the QCA's Final Decision on the UT4 SUFA DAAU did not strike a fair balance between the interests of the parties to a SUFA transaction. Aurizon Network was therefore not prepared to accept the form of the SUFA suite of documents included in that final decision.

Aurizon Network's publication of the RUFA suite of documents will ensure that the efforts of Aurizon Network, the QCA, the QRC and other stakeholders on the development of a SUFA model are captured and made available to all. The RUFA suite of documents is available for use during the good faith negotiations of a user funding agreement that are contemplated under clause 8.8.1(a) of the UT4 Access Undertaking.

Aurizon Network takes this opportunity to restate its long-standing willingness to enter into negotiations over a User Funding transaction with relevant stakeholders.

If you have any questions about this matter, please contact my colleague, Ian Lock, Principal Commercial Adviser Major Projects (ian.lock@aurizon.com.au).

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Michael Riches Group Executive Network