

STAKEHOLDER NOTICE

27 May 2019

Aurizon Network's 2017–18 capital expenditure claim—consultant report published

The QCA engaged consultants, AECOM, to provide expert engineering advice for a sample of projects from Aurizon Network's 2017–18 capital expenditure claim. This sample was assessed for prudence and efficiency in **scope of works, standard of works** and **cost** according to the relevant criteria in schedule E of Aurizon Network's 2017 access undertaking (UT5).

The QCA published AECOM's assessment report on Aurizon Network's 2017–18 capital expenditure claim on the QCA website. As noted in its report, AECOM found majority of the sample met the criteria for prudence and efficiency under UT5. However, it found some projects to not meet the stated criteria and recommended adjustments to the \$211 million claim, totalling \$2.02 million (excluding interest during construction).

Stakeholders should note the findings from AECOM's assessment do not represent the QCA's views nor a decision on the 2017–18 capital expenditure claim.

Stakeholder submissions invited

Stakeholders are invited to submit comments on this report by **Monday, 24 June 2019**.

The QCA will consider stakeholders' comments in making its decision to accept or not to accept the 2017–18 capital expenditure claim into Aurizon Network's regulatory asset base.

Submissions

Closing date for submissions: 24 June 2019

Public involvement is an important element of the decision-making processes of the Queensland Competition Authority (QCA). Therefore submissions are invited from interested parties concerning its assessment of Aurizon Network's 2017–18 capital expenditure claim. The QCA will take account of all submissions received within the stated timeframes

Submissions, comments or inquiries regarding this paper should be directed to:

Queensland Competition Authority
GPO Box 2257
Brisbane Q 4001

Tel (07) 3222 0534
Fax (07) 3222 0599

www.qca.org.au/submissions

Confidentiality

In the interests of transparency and to promote informed discussion and consultation, the QCA intends to make all submissions publicly available. However, if a person making a submission believes that information in the submission is confidential, that person should claim confidentiality in respect of the document (or the relevant part of the document) at the time the submission is given to the QCA and state the basis for the confidentiality claim.

The assessment of confidentiality claims will be made by the QCA in accordance with the *Queensland Competition Authority Act 1997*, including an assessment of whether disclosure of the information would damage the person's commercial activities and considerations of the public interest.

Claims for confidentiality should be clearly noted on the front page of the submission. The relevant sections of the submission should also be marked as confidential, so that the remainder of the document can be made publicly available. It would also be appreciated if two versions of the submission (i.e. a complete version and another excising confidential information) could be provided.

A confidentiality claim template is available on request. We encourage stakeholders to use this template when making confidentiality claims. The confidentiality claim template provides guidance on the type of information that would assist our assessment of claims for confidentiality.

Public access to submissions

Subject to any confidentiality constraints, submissions will be available for public inspection at our Brisbane office, or on our website at www.qca.org.au. If you experience any difficulty gaining access to documents, please contact us on (07) 3222 0555.