

STAKEHOLDER NOTICE

20 January 2020

Queensland Rail's 2018–19 capital expenditure claim

Queensland Rail's below-rail infrastructure is declared under part 5 of the *Queensland Competition Authority Act 1997* (the QCA Act). Access by third-parties is governed by an access undertaking approved by the Queensland Competition Authority (QCA), with the latest being the 2016 access undertaking (AU1), approved on 11 October 2016.

We assesses the prudence of capital expenditure in Queensland Rail's West Moreton Network to determine whether it should be included in the regulatory asset base (RAB). In assessing the prudence of capital expenditure, we focus on the **scope, standard of works** and **cost**. Schedule E of AU1 outlines processes and criteria for our assessment.

In making this assessment we intend to follow an approach which is broadly consistent with previous processes. This includes taking independent advice through an engineering assessment of the projects in the claim, and seeking and considering submissions from stakeholders. If stakeholders consider there are aspects of Queensland Rail's 2018–19 capital expenditure claim which would require a different approach to previous processes, please include these views in your submissions.

Queensland Rail's claim

Queensland Rail submitted its 2018–19 capital expenditure claim on 20 December 2019. The claim encompasses seven projects totalling \$27.2 million (excluding interest during construction), as outlined in Table 1. Queensland Rail provided detail for each project in its submission.

Table 1 Queensland Rail's 2018–19 capital expenditure claim projects

<i>Project number</i>	<i>Project name</i>	<i>Claim (\$, excluding interest during construction)</i>
B.04291	Relaying (Rerailing) Program Rosewood—Helidon	126,648
B.04403	Culvert/Drain Renewal	1,091,393
B.04613	Formation Strengthening—West Moreton System	2,514,075
B.04636	Timber and Steel Bridge Elimination	12,012,334
B.04728	Signalling Pole Route Upgrade Grandchester to Laidley	2,538,607
B.05171	Relay/Recondition Program	6,877,736
B.05243	Davidson St (Oakey) Level Crossing CCTV	60,573
Other	Ballast Undercutting	2,015,529
Total		27,236,895

Stakeholder submissions invited

We have published Queensland Rail's claim on [our website](#). Stakeholders are invited to submit comments on Queensland Rail's 2018–19 capital expenditure claim by **Wednesday, 5 February 2020**.

We intend to publish a report in the coming months detailing our engineering consultant's assessment of the projects. Stakeholders will be invited again to submit comments on that report, when published.

We may also decide to issue a draft decision, depending on the nature and extent of issues raised during the assessment. Stakeholders will be informed of subsequent timelines and opportunities to make submissions in that event.

Submissions

Closing date for submissions: 5 February 2020

Public involvement is an important element of our decision-making processes. Therefore submissions are invited from interested parties concerning its assessment of Queensland Rail's 2018–19 capital expenditure claim. We 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.