



5 July 2001

Ms B Morris  
Chairman of the Board  
QR  
GPO Box 1429  
Brisbane QLD 4001

Dear Ms Morris

**Final Decision on QR's Draft Third Party Access Undertaking**

Following full consideration of all submissions made in respect of the Authority's Draft Decision issued in December 2000, the Authority has decided not to approve QR's voluntary draft access undertaking. The reasons are set out in the Authority's Final Decision, which has incorporated into it by reference the content of the Authority's Draft Decision. A copy of the Final Decision is enclosed.

As I am sure you will agree, the assessment has required a substantial commitment of resources by many parties.

While the Authority has decided not to approve the draft access undertaking submitted by QR, there is a need for an access undertaking to be in place as soon as possible in respect of the declared rail services of QR. This is supported by industry and by the Queensland Government, which indicated a desire for an undertaking to be in place before the end of this calendar year if possible. I am certain that QR also supports the need for an access undertaking to be in place as soon as possible.

Consequently, the Authority has decided, in accordance with s133 of the *QCA Act*, to issue a notice requiring that QR give to the Authority a draft access undertaking for the services declared under the *Queensland Competition Authority Regulation 1997*. That notice is enclosed herewith.

In terms of the *QCA Act*, QR is required to provide the draft undertaking within 90 days of the date of the notice, unless that timeframe is extended by the Authority.

Significant time and effort was applied to the consideration of QR's voluntary undertaking. Detailed information in relation to that consideration is available in the Authority's Final Decision. In view of that QR should appreciate that any request for an extension of time will carry with it a heavy onus to convince the Authority of the need for that extension of time.

The Authority has requested that its executive commence drafting an undertaking that meets the criteria identified in the Final Decision. This will assist in ensuring that the Authority is able to consider the undertaking to be provided by QR on a timely basis to enable a speedy turnaround to enable the early provision of an undertaking.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Darryl McDonough", with a stylized flourish at the end.

Darryl D McDonough  
Deputy Chairperson