

18 September 2020

Charles Millsteed
Chief Executive Officer
Queensland Competition Authority

Dear Charles,

Thank you for the opportunity to comment on Aurizon Network's Maintenance and Cross System Voting DAAU.

Aurizon Network consulted with the QRC's Rail Working Group on this DAAU. In regard to the changes proposed under the DAAU, we would like to offer the following comments:

- We accept the proposed amendment to clause 7A.11.5(b)(ii), and the addition of the associated definition, if the DAAU approved by the QCA decision issued on 21 February 2020 reflects the final Direct Maintenance Cost allowances approved by the QCA for the year ended 30 June 2020 (which we understand to be the case).
- We support, and in fact requested the submission of, the proposed changes to the definitions of End User Voting Rights (Coal System) and End User Voting Rights (Network). Under the existing undertaking, cross-system train services have no voting rights in any system and also have no voting rights in network-wide votes. This appears inequitable, and Rail Working Group members supported a change which gives these services a voting right in the destination system only. This is on the basis that cross-system services generally travel relatively short distances within the origin system, and longer distances within the destination system.

This letter does not contain confidential information, and we would be happy for the QCA to publish the letter on its website.

Your sincerely



Andrew Barger
Policy Director — Economics