



George Passmore  
Director – Business Performance  
Level 27, 145 Ann Street  
Brisbane, Qld, 4000

## **Withdrawal of the GAPE and Newlands Pricing DAAU**

14 February 2023

Dear George,

On 21 September 2022, Aurizon Network submitted a voluntary Draft Amending Access Undertaking (**DAAU**) to the Queensland Competition Authority (**QCA**) pursuant to section 142 of the *Queensland Competition Act 1997* to amend Newlands and GAPE Reference Tariffs (**GAPE and Newlands Pricing DAAU**).

The matters proposed to be addressed by the GAPE and Newlands Pricing DAAU did not form part of the UT5 customer negotiated outcomes approved by the QCA in December 2019. Consistent with the customer centric regulatory arrangements which underpin the UT5 customer negotiated outcome, Aurizon Network had sought to obtain customer agreement on the GAPE and Newlands Pricing DAAU.

As acknowledged by the QCA in the 15 December 2022 Preliminary Considerations paper, the GAPE and Newlands Pricing DAAU represented a package of amendments proposed by Aurizon Network that it considered most likely capable of acceptance in the absence of a consensus agreement with and among affected stakeholders.

The QCA's Preliminary Considerations are that it is not minded to accept parts of the GAPE and Newlands Pricing DAAU which seek to address matters under commercially negotiated access arrangements. On this basis, any further modification of the GAPE Newlands Pricing DAAU to remove those commercial arrangements materially alters that package of amendments.

To continue to progress the matters with stakeholders, it is necessary for Aurizon Network to withdraw the GAPE and Newlands Pricing DAAU and cease consultation on those proposed amendments.

Aurizon Network will look to re-engage Newlands and GAPE Customers with the objective of either:

- developing an alternate package of amendments which is acceptable to all GAPE and Newlands Customers; or

- where an agreement is not attainable, developing a DAAU that is informed by the QCA's Preliminary Considerations.

Aurizon Network has recommenced engagement with GAPE and Newlands Customers to progress the negotiation and development of a replacement voluntary DAAU. Aurizon Network has requested that where customers have views on the QCA's Preliminary Considerations, these should be provided to Aurizon Network to inform the development of a replacement voluntary DAAU.

If you have any questions in relation to this matter, please contact Jon Windle at [jon.windle@aurizon.com.au](mailto:jon.windle@aurizon.com.au).

Kind regards,

A handwritten signature in black ink, appearing to read 'Kearney', with a stylized flourish at the end.

Dan Kearney  
Head of Finance and Regulation  
Aurizon Network Pty Ltd