
Rail Operator Group Submission to the QCA Draft Decision on Queensland Rail's 2025 Draft Access Undertaking

Executive Summary

The Rail Operators Group (ROG) welcomes the opportunity to provide a submission to the Queensland Competition Authority's (QCA) Draft Decision (Draft Decision) on Queensland Rail's (QR) 2025 Draft Access Undertaking (2025 DAU).

Comments contained in this submission relate to high priority, common concerns shared by commercial rail operators using the QR network. These include concerns around:

- Access Undertaking Consultation Process
- Harmonisation
- Promoting freight on rail
- Interstate standard gauge
- Train path management and the need for transparency around network performance/utilisation data to promote improved performance
- Performance reporting
- Insurance.

To support the issues listed above, where the QCA has invited the drafting of updated amendments the ROG has provided proposed drafting as an appendix this submission.

Introduction and Background

The ROG welcomes the opportunity to provide further comment on the 2025 DAU and respond to the Draft Decision on Queensland Rail's 2025 DAU.

As with the ROG submission provided to the QCA in March 2024, the ROG's focus is on seeking resolution to common concerns shared by commercial rail operators using the QR network.

The ROG was formed in 2018 for the purpose of facilitating collective negotiation with Transport for New South Wales (TfNSW) on the Standard Track Access Agreement to apply to two NSW rail networks: the Metropolitan Rail Network (MRN) and the Country Regional Network (CRN). The ACCC granted authorisation to the ROG for this purpose until October 2023.



Members of the ROG operate rail freight haulage services across Australia, including on QR Networks. Some ROG members also provide integrated supply chain services, including rail and road transportation, port services and material handling for a range of mining, metal, industrial and agricultural customers.

This submission is made on behalf of the following ROG members: Aurizon, One Rail Australia, Pacific National and Qube. Qube Logistics (Rail) Pty Ltd (Qube), Pacific National Pty Ltd (PN) and Aurizon Operations Limited (AO) operate services or have access rights across rail networks from Queensland (Qld) to New South Wales (NSW), Victoria (Vic), South Australia (SA), and Western Australia (WA); and One Rail Australia operates in Queensland and New South Wales, including the Hunter Valley.

Access Undertaking Consultation Process

The ROG is disappointed with the degree of QR consultation to date and suggests there is an opportunity for the QCA to take a more active role to ensure that sufficient engagement between QR and stakeholders occurs.

The current process whereby the QCA encourages QR to engage with stakeholders has not proven to be effective and the ROG has not observed QR initiating proactive engagement in line with the QCA's consultation suggestion.

The ROG believes the 2025 QR DAU consultation process would benefit from the QCA compelling QR to publish and establish a stakeholder engagement plan that delivers:

- a consistent approach for engagement
- structures around how QR will engage with various stakeholders (this includes engagement with access holders, rail operators and other Rail Infrastructure Managers, such as ARTC)¹
- frequency and timelines for stakeholder engagement
- clear agenda items and expected outcomes of each consultation/meeting engagement

In addition to individual meetings between QR and stakeholders, the consultation process should include joint stakeholder roundtable meetings with QCA as observer. This format would then allow QR to progressively report to the QCA on results from the consultation process, including negotiated areas of agreement among QR and stakeholders. It would also allow the QCA to assess the views of stakeholders and QR, and determine whether additional information or engagement should be requested.

Harmonisation

The ROG notes the QCA finding that it is not appropriate:

¹ QR consultation with ARTC is crucial to ensuring smooth operation of interstate paths between the ARTC Interstate Network and the QR network.

to require Queensland Rail to amend the processes or arrangements in the 2025 DAU primarily to achieve improved alignment with those arrangements applied in other jurisdictions. From the information available, we do not consider that amending arrangements in the 2025 DAU to align with those applied in another jurisdiction would provide for improvements to the provision of access to Queensland Rail's network.

The ROG respectfully urges the QCA to reconsider its decision on the imperative to require QR to commit to greater consistency and harmonisation with other rail infrastructure managers.

Network fragmentation nationally and poor harmonisation of operating rules, standards, processes and regulation between jurisdictions continues to cause operating constraints and inefficiencies. The ROG therefore sees that harmonisation is a legitimate objective for DAU3 and should be pursued where costs are low and where the benefits on alignment of specific initiatives (around train path management, performance reporting etc) are high. This would support not only the public interest but also Queensland Government commitments, given that the Queensland Government signed a Memorandum of Cooperation with the National Transport Commission and other jurisdictions, to make rail more interoperable.

There is similarly an opportunity for the QCA to liaise with other regulators to consider opportunities to take a consistent approach on issues.

Promoting Freight on Rail

The ROG requests that the QCA reconsider its position on the need for the 2025 DAU to include commitments for QR to support road to rail conversion and grow rail volumes.

As outlined in our initial submission, the ROG is concerned that QR's current Access Undertaking has not been effective in supporting increased freight on rail, with high access pricing arrangements restricting operators' ability to attract freight from road transport, particularly given the poorer reliability performance of QR's networks.

We see that along with improved harmonisation, incorporating additional mechanisms into the 2025 DAU to encourage modal shift of freight from road to rail would promote the economically efficient operation and use of the network, in line with the object of Part 5 of the QCA Act. Similarly, moving more freight by rail will serve the public interest through improved safety and environmental benefits.

Interstate Standard Gauge

The ROG welcomes the QCA's invitation to engage further on the issue of interstate (standard gauge) services that use Queensland Rail's dual gauge link between Acacia Ridge and the Port of Brisbane.

We understand that QR's provision of this piece of infrastructure is currently not considered a declared service, but we nonetheless request that QR commit to a process for negotiating and managing access to the dual gauge link. The ROG maintains that the simplest way to achieve this would be for these services to be included within the scope of the 2025 DAU.

Expanding the scope of the 2025 DAU to include access to interstate services using its dual gauge network would provide improved certainty and process transparency for rail operators.

Train path management

The ROG welcomes the QCA's consideration of improved tools for train path management. We appreciate the support the QCA has expressed for a number of proposed improvements to train path management provisions including:

- train service descriptions to be specified in a way that allows some flexibility for train scheduling;
- path rescheduling for poor reliability performance;
- a varied path resumption trigger and process to strengthen QRs ability to address network underutilisation and to create a more consistent approach to this issue across the Australian rail network; and
- queueing framework.

The ROG appreciates the QCA's support for the proposal to place an existing access holder 'first in the queue' when the existing access holder notifies Queensland Rail 120 days prior to expiry of the access agreement, of its intent to renew. Rail operators need a level of certainty so they can invest with confidence and provide some assurance to end customers about continuity of service.

The 120-day timeframe is reasonable, and ROG supports the amendment to the renewal provisions that would provide for an access holder to be placed at the start of the queue, provided that the access holder provides notification that it wishes to renew its access agreement within 120 days of it expiring. Our drafting amendments on this are provided in the appendix.

Transparency and performance data on network utilisation

The ROG asks that the QCA revisit the need for transparency around network performance/utilisation data to promote improved performance.

The object of Part 5 of the QCA Act includes promoting the: *economically efficient operation of, use of and investment in, significant infrastructure by which services are provided, with the effect of promoting effective competition in upstream and downstream markets.*

This warrants a greater focus on monitoring of the Queensland Rail network.

Transparency of information of the performance of operators against their scheduled path is critical for access seekers to be able to understand the opportunities for path rescheduling and resumption that may be available, and the extent to which this may be used to create the opportunity for them to secure a new or varied path.

While QR's access undertaking already provides for QR to give access seekers capacity information including the MTP, the DTP and train control diagrams showing performance against DTP, the timeframes and form in which this information will be provided is unclear.

Although the QCA has said that this issue could be considered by system user groups, with specific system performance information to be agreed within the group, the ROG respectfully suggests that

reporting to system user groups would not replace the need for a mechanism for interested parties to gain access to data on the performance of all operators against their scheduled train path.

While QR's access undertaking provides for this information to be given to an access seeker, the ROG sees that there would be benefit in clarifying this obligation, in order to ensure that the information is provided in an efficient format, and over a suitable timeframe, for analysis.

Providing for improved transparency of information on the performance of all operators against their scheduled path will increase the accountability on QR to utilise its tools for effective path management in order to facilitate additional access and improve network utilisation.

Proposed drafting on train path management, along with Network Management Principles in Schedule F, is provided in the appendix for QCA consideration.

Performance Reporting

The ROG maintains its call for the 2025 DAU to have a greater focus on the efficient performance of the QR network, including reporting changes that will improve the relevance of the data QR provides.

In its draft decision, the QCA did not respond to requests from rail operators regarding adjustments to quarterly reporting, nonetheless the ROG has developed drafting amendments regarding performance indicators reported in QR's quarterly reports, that we ask the QCA to consider. We believe our amendments will improve the usefulness of the information and better align with KPIs reported for other sections of the Australian rail network.

There is a benefit in adjusting QR's performance reports to present information that provides more value to customers and stakeholders, and that improves the harmonisation of the performance metrics used across the Australian rail network.

Our drafting amendments to section 5.1.2 'content of quarterly report' are provided in the appendix. The ROG would appreciate the QCA reviewing our amendments and reviewing the need for improved quarterly reporting.

Insurance

The ROG welcomes the QCA's support for a number of insurance amendments, including:

- limitation of claims and amendments to drafting around operator's required insurances, in order to improve workability;
- reconsideration of the coverage and deductible levels, and minimum financial strength ratings.

In response to the QCA's request that stakeholders consider the specific drafting amendments that would be required to implement these initiatives, suggested drafting changes agreed by ROG members are included in the appendix. We believe the ROG amendments will improve the specificity and relevance of the insurance clauses and promote consistency with other networks.

Network Scheduling and Control

The ROG is concerned the QCA may not have appreciated the rationale for objections raised by access holders and operators to a range of matters in Schedule F of DAU3.

The framework for train planning and network control should be recognised as a key component of mitigation and allocation of risk under QR's DAU3 because it regulates the most critical part of access to the QR network: how train services are scheduled and run. This is most consequential in congested parts of the QR network where the potential for disruption to scheduled services is most likely. Some disruption is not unexpected, and if services are ultimately able to recover without flow on impacts to connections, crewing plans, port/unload commitments, load point constraints (such as daytime loading) or subsequent scheduled services, this can usually be accommodated. There are also instances where network maintenance will need to take priority over scheduled revenue services.

However, there are times when disruptions do have significant impacts, and it is critical that QR's train planning and control framework manages these risks appropriately. Flexibility needs to be accompanied with fair process, transparency of reasoning, and responsibility for consequences. QR doesn't currently have any punitive consequences for the impact of deviations from schedules, and we aren't pushing for that level of complexity, but we do think the current arrangement is tilted too far in favour of QR discretion. This concern is particularly relevant for freight traversing the Metropolitan System.

Rather than repeating the explanatory context to our proposed amendments to Schedule F, the ROG refers to the submission from Aurizon in response to the QCA draft decision.

Appendix – ROG proposed drafting suggestions

This attachment provides preliminary drafting suggestions for changes to QR's DAU3 to address a number of specific issues raised by rail operators in submissions to the QCA and has been provided to more clearly explain the amendments that could be made to DAU3 to address operators' views on these issues. This note does not provide drafting suggestions to address all issues raised by the ROG or by individual operators, and accordingly does not address all changes to the IAU that have been sought by these parties in their submissions to the QCA.

Train path management

1. Path rescheduling for poor reliability performance

It has been proposed that QR should have right to reschedule a train path to better reflect actual practice where an operator consistently has poor reliability performance, together with a best endeavours obligation on the operator to negotiate a varied entry/exit time to align with revised schedule, in order to support schedule optimisation and improved network utilisation. This could be achieved through the following drafting amendments to the standard access agreement.

Standard Access Agreement

21.1A Review of Scheduled Train Paths

- (a) Scheduled Train Paths will be subject to a review in accordance with this clause 21.1A [**consider additional drafting to link review to trigger in performance reporting and/or request from a party interested in acquiring a scheduled train path held by another party*].
- (b) Queensland Rail may, at its discretion by written notice to the Access Holder, cause a Scheduled Train Path to be reviewed in a bona fide manner by the parties by comparing the stated departure and arrival times for the Scheduled Train Path with the performance during the preceding continuous three month period of the actual Train Services using or purporting to use that Scheduled Train Path ("3-month history").
- (c) If on such comparison of the Scheduled Train Path with the 3-month history, the departure or arrival times for a Train Service using or purporting to use the Scheduled Train Path differ in material respects, the parties will negotiate in good faith to amend the Scheduled Train Path so that the Scheduled Train Path more closely reflects the 3-month history.
- (d) Nothing in this clause 21.1A compels Queensland Rail to offer a Train Path to the Access Holder under clause 21.1A(c) if:
 - (i) Such Train Path is unavailable by reason of contractual obligations owed by Queensland Rail to any person (including the Access Holder);
 - (ii) To do so would materially adversely impact on Queensland Rail's ability or opportunity to efficiently and safely manage the Network; or
 - (iii) The Access Holder does not agree to pay all of the fees and Charges applicable to such offered Train Path.
- (e) The Access Holder will use best endeavours to vary its contractual obligations (if any) with adjoining rail networks and terminals to align with a varied Train Path offered by Queensland Rail under clause 21.1A(c).

- (f) Subject to clause 21.1A(e), nothing in this clause 21.1A compels the Access Holder to accept a Train Path offered by Queensland Rail under clause 21.1A(c) if contractual obligations owed by the Access Holder to any person would prevent it from doing so.
- (g) Train Services for which performance has been affected by any of the following will not be included in any review of performance:
- (i) any Force Majeure event;
 - (ii) unavailability or restriction by Queensland Rail of the Scheduled Train Path, including through the imposition of speed restrictions;
 - (iii) where the prior agreement of Queensland Rail and the Operator has resulted in the Operator using an alternative Train Path for that Train Service; or
 - (iv) other unforeseen events, where the Operator can supply objecting evidence to show that it is exceptional in nature.

2. Path resumption trigger and process

Varied path resumption triggers, together with an amended process to enable resumption based only on factual utilisation test and alternative option to reschedule to nearest available time, in order to strengthen QR's ability to address network underutilisation. This could be achieved through the following drafting amendments to the standard access agreement.

Standard Access Agreement

21.1 Reduction of Access Rights

- (a) If:
- (i) the Access Holder fails to have an Operator operate ~~all~~ a Train Services on a Scheduled Train Paths for seven or more (not necessarily consecutive) weeks out of any 12 consecutive weeks ~~[50% or more occurrences, measured over 3 mths]~~ when such Train Services are scheduled; and or
 - (ii) the Access Holder fails to have an Operator operate a Train Service on a Scheduled Train Path for seven or more (not necessarily consecutive) weeks out of any 26 consecutive weeks [75% or more occurrences, measured over 6 mths] or
 - (iii) if the Access Holder no longer has an entitlement for a necessary connecting train path on an adjoining network;
 - ~~(ii) Queensland Rail can demonstrate that it has a reasonable expectation of:~~
 - ~~(A) a sustained alternative demand for the capacity used by the Access Rights in question; or~~
 - ~~(B) receiving a commercial benefit sufficiently material to justify the resumption of the Access Rights in question;~~
- then:
- (iv) ~~Queensland Rail may, within ten Business Days after the last of those seven occasions~~ give a notice to the Access Holder (Resumption Notice) to:
- ~~(A) delete the Scheduled Train Path from Schedule 2; or~~
 - ~~(B) vary the Scheduled Train Path to the nearest otherwise available time; from a nominated date (Date of Resumption).~~
 - ~~(C) that Queensland Rail is considering reducing the Access Holder's Access Rights from a nominated date (Date of Resumption) to the extent of that underutilisation; and~~

~~(D) requesting the Access Holder to demonstrate a sustained requirement for the Access Rights.~~

A Resumption Notice given in accordance with clause 21.1(a)(iv) as the result of the events in clause 21.1(a)(i) or (ii) must be given within ten Business Days after the last of those seven occasions.

(b) Prior to the Date of Resumption, Queensland Rail will consult with the Access Holder and provide the Access Holder with an opportunity to:

- (i) provide any relevant evidence to Queensland Rail in relation to the underutilisation;
or
- (ii) demonstrate to Queensland Rail's reasonable satisfaction a bona fide future requirement for that Scheduled Train Path.

(c) If Queensland Rail's Resumption Notice is to vary the Scheduled Train Path to the nearest otherwise available time:

- (i) Queensland Rail will consult with the Access Holder on the varied Train Path to be offered to the Access Holder;
- (ii) The Access Holder will use best endeavours to vary its contractual obligations (if any) with adjoining rail networks and terminals to align with a varied Train Path offered by Queensland Rail under this clause 21.1;
- (iii) Subject to clause 21.1(c)(ii), nothing in this clause 21.1 compels the Access Holder to accept a varied Train Path offered by Queensland Rail under clause 21.1 if contractual obligations owed by the Access Holder to any person would prevent it from doing so.

~~(b) If a Resumption Notice is given to the Access Holder and the Access Holder has not demonstrated to Queensland Rail's reasonable satisfaction, within 40 Business Days (or longer period if agreed between the Access Holder and Queensland Rail (both acting reasonably)) of receiving the Resumption Notice, a sustained requirement for the Access Rights that were not utilised:~~

- ~~(i) Queensland Rail must promptly notify the Access Holder of whether Queensland Rail has decided to proceed with the resumption and, if Queensland Rail has decided to proceed, whether Queensland Rail has decided to reduce the level of resumption, or nominate a later date for the Date of Resumption, from that given in the Resumption Notice (Resumption Decision Notice); and~~
- ~~(ii) if Queensland Rail has decided to proceed with the resumption, the Access Holder's entitlement to operate Train Services shall be reduced to the level specified in the Resumption Notice with effect on and from the Date of Resumption (except to the extent that those matters have been varied in accordance with clause 21.1(b)(i)).~~

~~(c) If the Access Holder does not agree with the reduction of the Access Holder's entitlement proposed by Queensland Rail pursuant to clause 21.1(a) and 21.1(b), the Access Holder may, within 20 Business Days of the receipt of the Resumption Decision Notice, notify Queensland Rail in writing that it disputes the proposed reduction in which case the Access Holder may refer the Dispute for determination by an Expert in accordance with clause 19.3 of this agreement (subject to any other dispute resolution process otherwise agreed by the Parties to the Dispute (in each Party's absolute discretion)). The Expert will determine whether the conditions for a reduction in Access Rights set out in clause 21.1(a) have been met and whether the Access Holder has demonstrated a sustained requirement for that part of the Access Rights to which the reduction would apply. The reduction proposed in the Resumption~~

~~Decision Notice will not take effect until resolution of the dispute and then only to the extent that the reduction is consistent with the Expert's determination.~~

- (d) Queensland Rail may withdraw the Resumption Notice ~~or the Resumption Decision Notice~~ at any time prior to ~~the later of the Date of Resumption and 10 Business Days following the resolution of the dispute.~~
- (e) In the event that the Access Holder's entitlement to operate Train Services is reduced or varied in accordance with this clause 21.1, the agreement (including the Access Charges) will be varied accordingly.
- (f) A Train Service has not been operated on a Scheduled Train Path if the Operator has failed:
 - (i) to present the relevant Train at the scheduled entry point onto the Network; or
 - (ii) to operate the relevant Train so that it completes its full journey; or
 - (iii) to operate the relevant Train with at least 50% of its normal weight and length, in conformance with the locations and days set out in the Scheduled Train Paths applicable to such Train Service except:
 - (iv) where the prior agreement of Queensland Rail and the Operator has resulted in the Operator using an alternative Train Path for that Train Service; or
 - (v) the Train Path is not utilised as a consequence of a Force Majeure event or Queensland Rail not making the Train Path available.

3. Train service description

It has been proposed that train service descriptions be specified in a way that allows some flexibility for train scheduling, rather than fixed network entry or exit times, in order to support schedule optimisation and improve network utilisation. This could be achieved through the following drafting amendments to the standard access agreement.

Standard Access Agreement

Schedule 2, Attachment 1 – Train Service levels

Attachment 1 to Schedule 2 usually includes a table showing the agreed timetable for each Scheduled Train Path, including departure date/time, arrival date/time and date/time for intermediate stops. Further provisions could be added to the agreement to address permissible changes to these defined Scheduled Train Path, as follows:

21.1B Permitted Variations to Scheduled Train Path

- (a) Subject to clause 21.1B(b)-(c), Queensland Rail may vary a Scheduled Train Path where:
 - (i) the purpose of the variation is to maximise the use and/or the reliability of the Network;
 - (ii) the variation does not have the effect of:
 - (A) altering a scheduled departure time by more than [1 hour or within a departure window specified in Schedule 2 for that service]; or
 - (B) altering a scheduled arrival time by more than [1 hour or within an arrival window specified in Schedule 2 for that service].
 - (iii) the Access Holder will use reasonable endeavours to vary its contractual obligations (if any) with adjoining rail networks and terminals to align with a varied Train Path offered by Queensland Rail under this clause.

- (b) Notwithstanding clause 21.1B(a), Queensland Rail may not vary a Scheduled Train Path where:
- (i) contractual obligations owed by the Access Holder to any other person would prevent the Access Holder from accepting the varied Scheduled Train Path, and the Access Holder is unable to vary these obligations as required under Paragraph (a)(iii); or
 - (ii) the variation would impose material additional costs on the Access Holder or Operator.
- (c) Queensland Rail may only vary a Scheduled Train Path in accordance with clause 21.1B(a) where:
- (i) for any Scheduled Train Paths that require connections with adjoining rail networks for the operation of the Train Services, it has liaised with the adjoining rail network manager to identify whether the variation can be reasonably accommodated on the adjoining rail network;
 - (ii) it has provided at least three months notification of the proposed variation;
 - (iii) it has consulted with the Access Holder and provided it the opportunity to demonstrate any impact of the variation that would contravene Paragraph (b);
 - (iv) it has been at least twelve months since Queensland Rail's most recent variation of the Scheduled Train Path under this provision.

4. Queueing framework

It has been proposed to put existing access holder 'first in the queue' where it notifies QR 120 days prior to agreement expiry. Queue re-ordering provisions will continue to apply. This will provide stronger certainty for existing access holder around business continuity beyond the term of the access agreement (including any renewal arrangements directly negotiated in that access agreement), which is considered reasonable where QR has greater rights to remove or reschedule paths that are not being reliably utilised.

Access Undertaking

2.9.3 Formation and initial ordering of a queue

- (a) Access Seeker will be notified as soon as reasonably practicable after Queensland Rail identifies that its Access Application has become a Queued Access Application, the extent to which it is a Queued Access Application and their position in the queue.
- (b) Queensland Rail will, if requested, provide reasonable assistance to an Access Seeker to identify whether its Access Application can be modified so that it ceases to be a Queued Access Application.
- (c) The order of Queued Access Applications in a queue established under clause 2.9.3(a) will initially be based on:
 - (i) subject to clause 2.9.3(c)(ii), the date on which Queensland Rail received each relevant Queued Access Application with the earliest received Access Application initially having the first position in the queue and so on;
 - (ii) where an existing Access Holder submits an Access Application for renewal of its existing Access Rights no less than 120 days prior to the expiry of its Access Agreement, it will be placed ahead of all other Access Seekers in the queue.

Queensland Rail may change the order of the queue from time to time in accordance with clause 2.9.4.

- (d) Access Rights relating to Available Capacity will be allocated to the first Access Seeker with whom Queensland Rail can negotiate and execute an acceptable Access Agreement, except as expressly stated otherwise in this Undertaking.
- (e) Despite clause 2.9.3(d), Queensland Rail will not grant Access Rights to an Access Seeker who is later in the queue unless each Access Seeker's Access Application earlier in the queue has ended in accordance with clause 2.7.1(b).
- (f) For clarity, Queensland Rail will provide all Access Seekers with a consistent level of service and opportunity to obtain Access Rights subject to the express provisions of this Undertaking.

Insurance and limitations on liability

1. Insurance

A range of amendments have been proposed including:

- Reduction in public liability coverage to \$250m consistent with TfNSW and ARTC agreements (both of which cover metro passenger networks)
- Drafting amendments re the required coverage of public liability insurance policy
- Removal of specification of required maximum deductible
- Amendment to drafting re requirement for associates, agents, consultants, contractors and sub-contractors to have their own insurance to ensure it is not unnecessarily burdensome
- Reducing insurer's minimum strength rating to A-

Standard Access Agreement

16.1 Operator's Obligation to obtain and maintain insurance

(a) The Operator must:

- (i) effect, or cause to be effected, before the Commitment Date (or, if applicable, the earliest Commitment Date); and
- (ii) maintain, or cause to be maintained, until both the expiry of the Term and the Operator having fully complied with clause 15.11, insurances in accordance with Prudent Practices having regard to the Operator's activities, works, obligations and responsibilities under this agreement (including insurances covering all risks of an insurable nature in respect of which the Operator is obliged to indemnify Queensland Rail under this agreement) provided that such insurances must include ~~(without limitation):~~
- (iii) insurance covering such liability as arises at common law or by virtue of any relevant Workers Compensation Legislation in respect of any Operator's staff;
- (iv) a public liability policy of insurance:
 - (A) that covers the Operator and each of the Operator's Associates, agents, consultants, contractors and their subcontractors (each an Insured Party), or where the Operator's policy does not provide cover for the Operator's Associates, agents, consultants, contractors and their subcontractors, the Operator must require that each such party take out and maintain public

liability insurance sufficient to protect their respective interests (as the case may be) arising under this agreement;

- (B) for an amount of not less than ~~\$350~~250 million per occurrence;
- (C) the coverage of which includes ~~(without limitation):~~
 - (I) ~~the rights, interests and liability in respect of any Claim against an Insured Party~~ the Operator arising out of:
 - (1) any damage or loss occurring to any property; and
 - (2) injury (including death) to any person, arising out of or in connection with any thing done or omitted to be done ~~in the performance or purported performance of this agreement;~~ arising out of the business activities of the Operator; and
 - ~~(II) the Operator's operations and activities on the Network; and~~
- (C) ~~that has a maximum deductible for any one claim of \$500,000 with Operator;~~
- (v) a carrier liability policy of insurance:
 - (A) that covers the Operator's liability in relation to goods being transported by Train Services;
 - (B) for an amount of not less than \$10 million per occurrence; and
 - ~~(C) that has a maximum deductible for any one claim of \$500,000 with Operator;~~
- and
- (vi) all other insurances that the Operator ~~or the Operator's agents, consultants, contractors and their sub-contractors are~~ is required by Law to hold in relation to or in connection with the exercise of rights or the performance of obligations under this agreement.

16.2 Access Holder's obligation to obtain and maintain Insurance

The Access Holder must:

- (a) effect, or cause to be effected, before the Commitment Date (or, if applicable, the earliest Commitment Date); and
- (b) maintain, or cause to be maintained, until both the expiry of the Term and the Operator having fully complied with clause 15.11,

insurance in accordance with Prudent Practices having regard to the Access Holder's activities, works, obligations and responsibilities under this agreement (including insurances covering all risks of an insurable nature in respect of which the Access Holder is obliged to indemnify Queensland Rail under this agreement) provided that such insurances must include insurance covering such liability as arises at common law or by virtue of any relevant Workers Compensation Legislation in respect of any Access Holder's staff.

16.3 Insurer

The Access Holder and the Operator must ensure that their respective Insurance, effected and maintained in accordance with clause 16.1 or 16.2, is with an insurer having an insurance financial strength rating of "A" "A-" or better by Standard & Poor's or, if Standard & Poor's ceases to exist or to provide such ratings, the rating which most closely corresponds to that rating by another agency or person which is recognised in global financial markets as a major ratings agency.

2. Limitations on liability

The QCA has supported amendments have been proposed to the requirement in cl.13.2 that prevented claims between parties unless “full details of the Claim” were provided to the other party within one year after the occurrence from which the claim arose. Details of amendment are:

13.2 Limitation on Claims

A Party must not make any Claim against the other Party under, in relation to or arising out of this agreement or its subject matter including any breach of this agreement by, or any act or omission of, the other Party unless:

- (a) notice and full details of the Claim to the extent known have been given to the other Party within one year after the occurrence of the event or circumstance out of which such Claim arises; and
- (b) subject to clause 13.3, the amount of the Claim exceeds \$100,000 in respect of any one event or cause of action or series of related events or causes of action (and, for clarity, the amount of any Claim is not limited to the amount exceeding that threshold).

Performance reporting

Amendments to the performance indicators reported in QR’s quarterly reports have been proposed to improve the usefulness of the information and to better align with KPIs reported for other components of the Australian rail network.

5.1.2 Content of quarterly report

A quarterly report published under clause 5.1.1 will:

- (a) contain the following information:
 - (i) a comparison of the information described in clauses 5.1.2(a)(ii) to 5.1.2(a)(vii) in relation to the subject Quarter and, subject to clause 6.5(c), the four preceding Quarters (to the extent that those preceding Quarters reported on the same information);
 - (ii) for Train Services that operated in the subject Quarter:
 - (A) the number and percentage of Train Services that reached their destination within the Allotted Time Threshold;
 - ~~(B) the number and percentage of Train Services that did not reach their destination within the Allotted Time Threshold:~~
 - ~~(I) due solely to the acts or omissions of Queensland Rail in its capacity as the Railway Manager;~~
 - ~~(II) due solely to delays attributed to an Access Holder or a Nominated Rolling Stock Operator; and~~
 - ~~(III) due to any other reason; and~~
 - (B) the number and percentage of:
 - (I) Train Services that are healthy;
 - (II) healthy Train Services that reach their destination within the Allotted Time Threshold;
 - (III) unhealthy Train Services that do not deteriorate further;

- (C) the total number of Train Services; and
- (D) the number of times during the subject Quarter that Network Controllers applied the principle in clause 3(i)(i)(B) of schedule F to manage a deviation from a DTP;
- (E) for the purpose of clause 5.1.2(a)(ii)(B), a healthy Train Service is one which:
 - (I) presents to the Network within tolerance, is configured to operate to its schedule and operates in a way that remains able to maintain its schedule; or
 - (II) is running late only due to causes within the Network, but only where the root cause is outside the Access Holder or Rolling Stock Operator's control; or
 - (III) is running within tolerance, regardless of previous delays;
- (iii) the average Above Rail Delay, Below Rail Delay and Unallocated Delay, in minutes, per ~~100 train kilometres~~ transit hour for the aggregate of the Train Services that operated in the subject Quarter;
- (iv) the number and percentage of Train Services scheduled in the DTPs relating to the subject Quarter that were cancelled (and not rescheduled) in each of the following circumstances:
 - (B) where that cancellation can be solely attributed directly to Queensland Rail in its capacity as the Railway Manager;
 - (C) where that cancellation can be solely attributed directly to an Access Holder or a Nominated Rolling Stock Operator; and
 - (D) where that cancellation occurred for any other reason;
- (v) the number and percentage of Train Services that have been cancelled or rescheduled by QR for the purpose of accommodating a possession;
- (vi) the average speed scheduled for Train Services in the MTP;
- (vii) the number and percentage of Train services that transit the Network no slower than the transit time scheduled in the MTP, within tolerance;
- (viii) the number of category A notifiable occurrences (as defined under the RNSL), as reported to the Rail Safety Regulator, for Train Services that operated in the subject Quarter;
- (ix) the average percentage, and the average number of kilometres, of Track under a temporary speed restriction for the subject Quarter (excluding Track in the Metropolitan System);
- (x) the most recent measure of Track quality, in the subject Quarter, for the Network measured by a quality index with component measures including gauge, top, twist and versine;
- (xi) the number of written complaints by Access Holders that are verified by Queensland Rail (acting reasonably) as correct in connection with any of the following:
 - (A) the Operating Requirements Manual;
 - (B) an IRMP;
 - (C) any environmental investigation and/or risk management negotiation process or report created pursuant to clause 2.7.2;
 - (D) a Rolling Stock authorisation; and
 - (E) the application of the Network Management Principles;

- (xii) an outline as to the cause or causes of any material change in the matters reported under clauses 5.1.2(a)(ii) to (viii) relating directly to Queensland Rail's operating performance by comparison to the preceding Quarter;
 - ~~(xiii) the number and percentage of Regular Planned Possessions and the number of Ad Hoc Planned Possessions for the subject Quarter, and the number and percentage for each of those types of Possession that:
 - ~~(B) started within 15 minutes of the scheduled time and finished within 15 minutes of the scheduled time;~~
 - ~~(C) started between 15 minutes and two hours later than the scheduled time;~~
 - ~~(D) finished between 15 minutes and two hours earlier than the scheduled time;~~
 - ~~(E) finished between 15 minutes and two hours later than the scheduled time;~~
 - ~~(F) started more than two hours later than the scheduled time;~~
 - ~~(G) finished more than two hours earlier than the scheduled time;~~
 - ~~(H) finished more than two hours later than the scheduled time; and~~~~
 - (xiv) the number of Urgent Possessions and the number of Emergency Possessions for the subject Quarter, the average duration for each of those types of Possession, and the number of Train Services that were cancelled or rescheduled as a result of each of those types of Possession.
- (ii) the percentage of maintenance work (in hours) delivered in Planned Possessions (including both Regular Planned Possessions and Ad Hoc Planned Possessions);
- (b) the information referred to in clauses 5.1.2(a)(ii) to 5.1.2(a)(viii) and clauses 5.1.2(a)(~~viii~~ix) and 5.1.2(a)(~~ix~~xii) will be limited to, and aggregated by, Train Services operated for the purpose of:
- (i) transporting coal;
 - (ii) transporting bulk minerals (other than coal);
 - (iii) transporting freight products; and
 - (iv) long distance passenger services,
- (c) in the following parts of the Network:
- (i) the West Moreton System;
 - (ii) the Mt Isa Line System;
 - (iii) the North Coast Line System; and
 - (iv) the Metropolitan System.

Network Management Principles

It is proposed that a reference to Nominated Rollingstock Operator is added to each paragraph in the Network Management Principles (NMP) where relevant, to recognise the role of operators in the planning and operation of train services on the QR network. Drafting below.

1. Train Planning Principles

2.1 Master Train Plan Principles

It is proposed that a reference to the Supply Chain Calendar (SCC) is added in several places throughout clause 2.1 to acknowledge its role alongside the MTP, and in developing the DTP. For clarity, reference to the SCC has been included in cl.2.1(c), to acknowledge that it is both the MTP and the SCC that input into the DTP. Similarly, the SCC has been referred to in cl.2.1(m), where Queensland Rail is obliged not to modify the MTP or change the SCC or schedule an Ad Hoc Planned Possession, where to do so would result in an Access Holder's scheduled Train Services not being met in accordance with their Train Service Entitlement.

It is also proposed that minor amendment be made to clause 2.1(f) to accommodate a faster process for including new and varied paths in the MTP where those paths do not impact other parties' paths as recommended in the QCA's draft decision.

2.1 Master Train Plan Principles

- (a) Queensland Rail will:
 - (i) indicate in a MTP the Capacity necessary to satisfy all relevant Train Service Entitlements, all of Queensland Rail's passenger Train Services, and time allocated for Regular Planned Possessions;
 - (ii) in addition to the MTP, indicate the timing of any proposed Ad Hoc Planned Possessions or Urgent Possessions (to the extent known), as well as Regular Planned Possessions, in the Supply Chain Calendar; and
 - (iii) update the Supply Chain Calendar at least once per calendar month and notify all Access Holders, Nominated Rolling Stock Operators and other parties whose activities may be affected by the proposed Possession.
- (b) Access Holders' Train Service Entitlements and Queensland Rail's passenger Train Services will be allocated particular Train Paths.
- (c) A MTP will be in a form that sets out the time/distance (location) relationship of the Train Services and other activities on the relevant part of the Network and is readily convertible, together with the Supply Chain Calendar, to a DTP.
- (d) Queensland Rail will notify all Access Holders, Nominated Rolling Stock Operators and any other parties whose activities may be affected (for example, parties that are affected by the availability of access to the Network including operators of rail and port facilities) by any modifications to a MTP, or the scheduling of an Ad Hoc Planned Possession, at least three months prior to the commencement of the modification (except in the case of an Urgent Possession or Emergency Possession). However, despite the foregoing, Queensland Rail is only required to notify parties (other than Access Holders and Nominated Rolling Stock Operators) who have notified Queensland Rail that they require to be notified in relation to changes.
- (e) Subject to **clause 2.1(f)**, an Access Holder or Nominated Rolling Stock Operator must give Queensland Rail sufficient notice of any requested changes to a MTP to enable Queensland

- Rail to consider the requested changes and, if Queensland Rail agrees to the making of those modifications, to comply with **clause 2.1(d)**.
- (f) A notice given by an Access Holder or Nominated Rolling Stock Operator under **clause 2.1(e)** must be given no less than:
- (i) six months prior to the date to which the change relates, where the change relates to a passenger Train Service; ~~or~~
 - (ii) three months prior to the date to which the change relates, where the change relates to a non-passenger Train Service; or
 - (iii) one month prior to the date to which the change relates, where the change does not impact on any other passenger or non-passenger Train Service.
- (g) Except as otherwise provided in an Access Agreement, the cancellation of a Train Service does not excuse either Queensland Rail, ~~or~~ an Access Holder or a Nominated Rolling Stock Operator from any relevant obligations under that Access Agreement.
- (h) Queensland Rail will publish on its website the MTPs applicable as at the Approval Date and will update the MTPs published on its website, from time to time, so that the MTPs published are those applicable as at the last semi-anniversary or anniversary of the Approval Date, as applicable.
- (i) Despite **clause 2.1(h)**, an Access Holder, their Nominated Rolling Stock Operator or their Customer may (acting reasonably) request a copy of the current MTP or Supply Chain Calendar from Queensland Rail, from time to time, and if Queensland Rail receives such a request Queensland Rail will provide a copy of the relevant MTP or Supply Chain Calendar to that Access Holder, Nominated Rolling Stock Operator or Customer as soon as reasonably practicable.
- (j) The MTPs and Supply Chain Calendar published under **clause 2.1(h)**, or provided under **clause 2.1(i)**, will be complete and will not be redacted in any way.
- (k) Nothing in this **schedule F** requires the preparation and publication of a single MTP or Supply Chain Calendar that applies to the Network as a whole. Queensland Rail may prepare separate MTPs (and, as a consequence, DTPs), and separate Supply Chain Calendars, for different parts of the Network.

Modifying a MTP or Supply Chain Calendar/Scheduling Ad Hoc Planned Possessions

- (l) Subject to **clause 2.1(m)**, Queensland Rail may from time to time modify a MTP, update the Supply Chain Calendar or schedule an Ad Hoc Planned Possession.
- (m) Queensland Rail will not modify the MTP or change the Supply Chain Calendar, or schedule an Ad Hoc Planned Possession, where to do so would result in an Access Holder's scheduled Train Services not being met in accordance with the Access Holder's Train Service Entitlement, unless:
- (i) Queensland Rail has consulted with that Access Holder and its Nominated Rolling Stock Operator and given the notice required under **clause 2.1(d)** of this **schedule F**; and
 - (ii) to the extent that the modification or Ad Hoc Planned Possession is not an Emergency Possession or an Urgent Possession, the Access Holder or Nominated Rollingstock Operator has agreed to the modifications or scheduled Ad Hoc Planned Possession (such agreement not to be unreasonably withheld).

2.2 Daily Train Plan Principles

In addition to clarifying the application of the daily train plan principles between access holders and their nominated operators, it is proposed that clause 2.2(h) is deleted. It has been in the NMP since the first undertaking and reflects the Blackwater and Goonyella User Group forums that used to be held as part of the scheduling of the weekly train plan for those systems in the Central Queensland Coal Network. Aurizon doesn't necessarily have any objections to the clause, but in the interests of maintaining a current document and removing unnecessary drafting, we suggest that if there is no expected future use for it, it should be deleted.

2.2 Daily Train Plan Principles

- (a) A DTP will indicate all scheduled Train Services, Regular Planned Possessions, Ad Hoc Planned Possessions, Urgent Possessions and Emergency Possessions (to the extent known) in a form that indicates the time/distance (location) relationship of all activities,
- (b) A DTP represents an expected performance target that, subject to variations to the DTP permitted by this schedule F:
 - (i) Queensland Rail must comply with in making available Access to the Network for a particular day of operation; and
 - (ii) each Access Holder and, where applicable, its Nominated Rolling Stock Operator must comply with for its Train Services, for a particular day of operation for a specified part of the Network.
- (c) Queensland Rail will:
 - (i) no more than three months prior to the day (commencing at 0000 hours and ending at 2359 hours) to which the DTP relates (Day of Operation), prepare an indicative DTP;
 - (ii) At least one Business Day prior to the Day of Operation, Queensland Rail will schedule a DTP and provide all relevant Access Holders, Nominated Rolling Stock Operators and Infrastructure Service Providers and any other parties whose activities are affected (including for example, relevant operators of rail and port facilities) with an extract of the DTP specifying the relevant Train Services. However, despite the foregoing, Queensland Rail is only required to notify parties (other than Access Holders and Nominated Rolling Stock Operators) who have notified Queensland Rail that they require to be notified in relation to changes. For clarity, the DTP provided will be complete and will not be redacted in any way.
- (d) Except as otherwise provided in an Access Agreement, the cancellation of a Train Service does not excuse either Queensland Rail, ~~or an Access Holder~~ or a Nominated Rolling Stock Operator from any relevant obligations under an Access Agreement.

Scheduling a DTP in variation from a MTP

- (e) A DTP must be developed by Queensland Rail from, and except as provided in this schedule F, be consistent with, the applicable MTP and Supply Chain Calendar. However, a DTP may be scheduled in variation to a MTP by Queensland Rail:
 - (i) to accommodate an Ad Hoc Planned Possession scheduled in accordance with the requirements of clauses 2.1(l) and (m); or
 - (ii) at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, in circumstances where any of the following apply:

- (A) an Access Holder or its Nominated Rolling Stock Operator requests a short-term change to the times at which any of its Train Services, as scheduled in the MTP, operate;
 - (B) an Access Holder or its Nominated Rolling Stock Operator requests to run an Ad Hoc Train Service; or
 - (C) Queensland Rail modifies the times at which any of its passenger Train Services, as scheduled in the MTP, operate; and
- provided that the variation does not result in any other Access Holder's scheduled Train Services not being met in accordance with the Access Holder's Train Service Entitlement.
- (f) A DTP may be scheduled by Queensland Rail in variation from a MTP and the Supply Chain Calendar where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail wishes to make a short-term change to the times at which one or more scheduled Train Services operate, provided that:
- (i) the change is intended to accommodate:
 - (A) the modification of an existing Ad Hoc Planned Possession;
 - (B) the modification of an existing Regular Planned Possession;
 - (C) the creation of an Urgent Possession or Emergency Possession; or
 - (D) any other Operational Constraint affecting the DTP; or
 - (E) a Special Event; and
 - (ii) Queensland Rail has, for changes under clause 2.2(f)(i)(A), (B) and (D), consulted, and made reasonable endeavours to reach agreement in relation to the proposed modifications, with the affected Access Holders and their Nominated Rolling Stock Operators;
 - (iii) for changes under clause 2.2(f)(i)(C) and (E) Queensland Rail has used its reasonable endeavours to consult with the relevant Access Holders and their Nominated Rolling Stock Operators; and
 - (iv) for changes under clause 2.2(f)(i)(E), Queensland Rail has also, where reasonably possible, included the Special Event in the Supply Chain Calendar.
- (g) A DTP may be scheduled in variation from a MTP by Queensland Rail where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail makes a short-term change to the times at which one or more scheduled Train Service/s operate, whether or not within the scope of the applicable Access Holders' Train Service Entitlement, for the purpose of accommodating an Emergency Possession provided that where the variation would result in an Access Holder's scheduled Train Services not being met, Queensland Rail has consulted with that Access Holder and its Nominated Rolling Stock Operator.
- (h) ~~A DTP may be scheduled in variation from a MTP by Queensland Rail where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail and all affected Access Holders agree to the modification provided that where Queensland Rail seeks such a modification, Queensland Rail:~~
- ~~(i) invites affected Access Holders to consider the variation in an appropriate forum; at least 36 hours prior to the day of operation; and~~
 - ~~(ii) gives each of those parties a copy of the proposed variation at least 12 hours prior to the scheduled consideration of the variation.~~

- (i) For clarity, Queensland Rail may schedule a DTP in variation from a MTP under any one of clauses 2.2(e) to (h) even if Queensland Rail cannot do so under, or does not comply with, any of the other of those clauses in respect of that modification.

Making modifications to a DTP once scheduled

- (j) Queensland Rail may make modifications to a scheduled DTP on a case by case basis:
 - (i) where:
 - (A) before the Day of Operation, Queensland Rail receives a request from an Access Holder or its Nominated Rolling Stock Operator to run an Ad Hoc Train Service; or
 - (B) before a Train Service commences operation, the Access Holder or its Nominated Rolling Stock Operator requests a change to the time at which its Train Service will operate and that change is within the scope of the Access Holder's Train Service Entitlement, provided that the modification does not result in any other Access Holder's scheduled Train Services not being met; or
 - (ii) where, before the commencement of a relevant Train Service, Queensland Rail notifies the Access Holder and its Nominated Rolling Stock Operator that an Emergency Possession is required; and
 - (iii) Queensland Rail has used reasonable endeavours to notify and consult with any Access Holder and Nominated Rolling Stock Operator whose Train Services may be affected by the modification or any other affected party.

2.3 Minimising the adverse impact of possessions

To recognise the importance to through-running trains of the coordination of pathing and timing of possessions on adjacent networks, it is proposed that an obligation be included in clause 2.3(b). In addition, it is unclear why subclause 2.3(a)(ii) isn't already included in clause 2.3(c), so it is proposed clause 2.3(c) is amended to include clause 2.3(a)(ii), as below.

2.3 Minimising the adverse impact of possessions

- (a) To the extent that:
 - (i) a MTP is to be modified under clause 2.1;
 - (ii) an Ad Hoc Planned Possession is to be scheduled under clause 2.1; or
 - (iii) a DTP is to be scheduled in variation from a MTP under clause 2.2,Queensland Rail will use its reasonable endeavours to minimise any material adverse effects on Train Services that will be caused by that modification or variation.
- (b) For the purpose of clause 2.3(a), Queensland Rail will liaise with adjoining rail network managers with the objective of aligning possessions to the extent reasonably possible.
- (c) In determining what (if anything) can and should be done under clause 2.3(a) to minimise any material adverse effects, Queensland Rail may take into account:
 - (i) all relevant commercial, operational and other matters relating to the Network including:
 - (A) the proper, efficient and safe operation and management of the Network; and
 - (B) Prudent Practices; and

- (ii) the extent to which the modification or variation is consistent with the scope of any relevant Train Service Entitlements.
- (c) Subject to clause 2.3(b), Queensland Rail must use its reasonable endeavours to offer an Access Holder, affected by a modification referred to in clause 2.3(a)(i), (ii) or (iii), an Alternative Schedule Time.
- (d) For clarity, an Access Holder's Train Services cannot be materially adversely affected for the purpose of this clause 2.3 to the extent that the modification or variation referred to in clause 2.3(a)(i) or (iii) does not prevent those Train Services operating in accordance with the Access Holder's Train Service Entitlement.
- (e) The amount of time prior to the relevant Possession commencing may affect the degree of consideration given to minimising adverse effects and what can be done to minimise adverse effects.
- (f) Nothing in this clause 2.3 obliges Queensland Rail to pay compensation to Access Holders whose Train Services are adversely affected.

2.4 Disputes

It has been proposed that the AU2 provisions regarding any planned possessions being delayed until a bona fide dispute has been resolved should be retained, but with additional time limits to ensure they are resolved in a timely manner.

2.4 Disputes

- (a) Subject to clause 2.4(b) and except in relation to Emergency Possessions and Urgent Possessions, if there is a bona fide dispute between an Access Holder, Rolling Stock Operators and Queensland Rail in relation to any proposed changes or modifications to the MTP or the scheduling of an Ad Hoc Planned Possession, the proposed change will not take effect until the dispute has been resolved using the dispute resolution provisions of the Undertaking.
- (b) In the event of a A-dispute in relation to a Regular Planned Possession or an Ad Hoc Planned Possession:
 - (i) the dispute must be commenced in accordance with the dispute resolution provisions of the Undertaking within 30 days of:
 - (B) In the case of a Regular Planned Possession, the date of the publication of the MTP which includes that Possession; and
 - (C) In the case of an Ad Hoc Planned Possession, the date of notification of the Possession in accordance with clause 2.1(a) of this schedule F₂
 - (ii) for the purpose of resolution by escalation in accordance with clause 6.1.3, the parties must accelerate the processes so as to use reasonable endeavours to resolve the Dispute within five Business Days of provision of the Dispute Notice;
 - (iii) if the Dispute is not resolved within five Business days of provision of the Dispute Notice, then:
 - (A) either party may refer the dispute to the QCA under clause 6.1.4 of the Undertaking;
 - (B) the parties and the QCA must accelerate the processes so as to resolve the Dispute within 30 days of the Dispute Notice.

3. Network Control Principles

The amendments below are suggestive of the sort of changes we believe would appropriately limit QR discretion to deviate from the DTP without unduly fettering network control officers' ability to manage a safe and smooth-running network.

There are two options provided for the Traffic Management Decision Making Matrix. The first option borrows from the ARTC and Transport for NSW principles governing the management of train control decisions in the day of operation. We believe this approach is clearer and easier to understand, as well as providing less "all encompassing" exceptions to following the DTP. At the same time, we believe that it includes sufficient flexibility for a network control officer to be able to deal with passenger priority, incidents and emergencies and the differing imperatives of different traffic types.

The second option amends the current Sch F drafting. We believe this outcome is sub-optimal compared to the first option, but it is presented for comparison.

The amendment to cl.3(e)(iii) changes the information QR is obliged to provide Access Holders to assist them determine whether QR is applying the principles in Schedule F consistently. It is important for reliability, that different network control officers exercise discretion consistently (i.e. that there is a consistent understanding between controllers about *when* they may exercise discretion as well as *how* they may exercise discretion). To ensure reporting has integrity, it is also important that accurate delay causes are recorded for deviations. Finally, to measure the impact of deviations on the performance of train services, it is important for QR to monitor and record resulting delays in lost time or cancellations to any impacted services.

Provision of Network Control information

- (e) Queensland Rail will provide an Access Holder and its Nominated Rolling Stock Operator with:
- (i) real time Network Control information that indicates actual running of that Access Holder's Train Services against the relevant DTP;
 - (ii) subject to reasonable terms and conditions, access to Network Control ~~diagrams that indicate data that shows~~ actual running of that Access Holder's Train Services including comparison to against the relevant DTP; and
 - (iii) subject to reasonable terms and conditions, information about ~~the type of Train Services operated on the same network (including, for example, coal, freight, passenger and livestock Train Services) to assist Access Holders to determine whether the Network Controller Network Control Officer is applying the principles in this schedule F in a consistent manner between Access Holders.~~ the cause of cancellations and delays to an Access Holder's Train Services against the relevant DTP and the impact of any cancellations or delays on the Access Holder's Train Services (i.e. cancelled services and lost minutes).

Traffic Management Decision Making Matrix - **OPTION 1**

- (f) Where Trains are On Time they will be managed as specified in the DTP. A Train Service is

running On Time where:

- (i) Outside the Metropolitan System, it is travelling in accordance with the DTP, plus or minus 15 minutes; and
 - (ii) Within the Metropolitan System, it is travelling in accordance with the DTP.
- (g) Where one or more Trains are late or Unhealthy they will be managed, subject to Access Holder or Nominated Rollingstock Operator preference for its own trains, in accordance with the principles below, detailing the **relative priority** of two conflicting Trains, and the type of decision available to a Network Control Officer to resolve a conflict.

Order of priority	Period	Service type
	Peak	Limited-stop Peak Passenger Services
		Regional Passenger Services
		Frequent-stop Peak Passenger services
		Freight services
	Off peak	Peak Passenger Positioning Movements
		Track machinery required for an Urgent or Emergency Possession (must run)
		Regional Passenger Services
		Passenger Services
		Passenger Positioning Movements
		Livestock
		Freight Services
		Non-timetabled Empty Passenger Services
		Lowest

	Both Healthy One On Time & one late	Both late
Trains of equal health	Rule 1 + 2 Rule 4 + 2	Rule 3 Rule 5 + 3
Trains of unequal health	Rule 6 + 2	

Rule 1:

A Healthy Train should be managed such that it will exit On Time.

If a Healthy Train is running late, it should be given equal preference to other Healthy Trains and advanced wherever possible to regain lost time. Any resulting delay to other Healthy Trains must be kept to a minimum as defined in Rule 2.

Rule 2:

The following delay limits apply to the full journey of a Healthy Train being held back:

- the delay to passenger service held back does not exceed three minutes; or
- there is a plan in place to recover lost time so that the downstream effect on the service held back and on subsequent passenger services also does not exceed three minutes; or
- the delay to a freight service held back does not exceed fifteen minutes; or
- there is a plan in place to recover lost time so that the downstream effect on the freight service held back and on subsequent freight services also does not exceed fifteen minutes.

Rule 3:

Give preference to Train where Train performance indicates it will lose least or no more time and even make up time and hold the gain; and consider downstream effect to minimise overall delay.

Rule 4:

Give preference to the On Time Train. A late Train may be given preference subject to the delay to the On Time Train being kept to a minimum as defined in Rule 2.

Rule 5:

High priority Train has preference, subject to Rule 3.

Rule 6:

A Healthy Train should be given preference over an Unhealthy Train. An Unhealthy Train may be given preference over a Healthy Train provided the delay to that Train is kept to a minimum as defined in Rule 2

- (h) A Healthy Train is a train that according to the DTP:
- (i) Presents On Time, is configured to operate to its schedule and operates in a way that it remains able to maintain its schedule; or
 - (ii) Is running late only due to causes within the Queensland Rail Network, where the root cause is outside of the Access Holder's control; or
 - (iii) Is running On Time, regardless of previous delays.
- (i) An Unhealthy Train is a train that according to the DTP does not present to the Network On Time or is not configured to operate to its schedule or operates in a way that is remains unable to maintain its schedule.
- (j) When accidents, emergencies or incidents disrupt operations on the Network, Network Control Officers will manage the Network to minimise disruptions to passengers and

downstream consequences to passengers and Freight services.

Traffic Management Decision Making Matrix - **OPTION 2**

- (f) Where the operation of a Train Service differs from a DTP, the Network Control Officer will apply the Traffic Management Decision Making Matrix in **clause 3(h)**, for the purposes of giving a Network Control Direction.
- (g) In the context of the Traffic Management Decision Making Matrix the meaning of “On Time”, “Ahead” and “Late” are determined by the scheduling of paths in the relevant DTP. A Train Service will be running “On Time” if:
 - a. in the case of Train Services outside the Metropolitan System, it is travelling in accordance with the schedule for the path allocated to it in the relevant DTP, plus or minus 15 minutes; and
 - b. in the case of Train Services within the Metropolitan System, in all other cases; it is travelling in accordance with the schedule for the path allocated to it in the relevant DTP.

The Traffic Management Decision Making Matrix is as follows

		Train Service A - Current Status	
		Train Service Running “On Time” or “Ahead”	Train Service Running “Late”
Train Service B - Current Status	Train Service Running “On Time” or “Ahead”	Rule 2	Rule 1
	Train Service Running “Late”	Rule 1	Rule 3

Rule 1. The “Late” Train Service may be given priority provided that the other Train Service will still meet its “On Time” objective, subject to the principles for managing deviations from the DTP in **clause 3(i)**.

Rule 2. Both Train Services must meet their “On Time” objective.

Rule 3. Give priority to the Train Service that (in the Network Control Officer’s opinion), based on its performance, will lose the least time (or make up more time) and hold a greater gain, subject to the principles for managing deviations from the DTP in **clause 3(i)**.

Principles for managing deviations from a DTP

- (k) ~~It is necessary for Network Control Officers to have sufficient discretion to take into account the varying objectives of different traffic types, and the circumstances of a particular part of the Network, in assessing the priority to be given to Train Services and other activities on the Network. Network Control Officers will apply the following principles in managing deviations from a DTP: When accidents, emergencies or incidents disrupt operations on the Network, Network Control Officers will manage the Network to ensure the safe operation of the Network and to minimise disruptions to passengers and downstream consequences to passengers and Freight services.~~
- (i) ~~—~~
- (i) ~~a Train Service may be given priority over other Train Services if it is reasonably necessary to do so:~~
- ~~(A) due to, or to avoid, an accident, emergency or incident relating to any part of the on the Network;~~
 - ~~(B) to remedy, or to mitigate or avoid, the operation of Train Services on any part of the Network being congested, prevented or otherwise materially adversely affected;~~
 - ~~(C) to remedy, or to mitigate or avoid, any Emergency Possession or Urgent Possession on any part of the Network being prevented or otherwise materially adversely affected; or~~
 - ~~(D) to ensure the safe operation of any part of the Network;~~
- (l) subject to **clause 3(i)(ik)**, passenger Train Services may be given priority over other Train Services if the Network Control Officer reasonably believes that this is necessary to seek:
- (A) to bring a “Late” passenger Train Service back to being “On Time” or closer to being “On Time”,
 - (B) to prevent that “Late” passenger Train Service becoming “Later”; or
 - (C) to ~~avoid an “On Time” or “Ahead”~~ ensure a passenger Train Service that is ~~operating, is scheduled to operate, or will be scheduled to operate in the Metropolitan System during any peak period³⁰ from becoming a “Late” passenger Train Service~~ is able to commence “On Time”; and
- provided that the delay to an On Time freight Train Service held back does not exceed fifteen minutes across the full journey, and there is a plan in place to recover lost time so that the downstream effect on the freight service held back and on subsequent freight services also does not exceed fifteen minutes.
- (m) subject to **clause 3(i)(ik)**, livestock Train Services may be given priority over other Train Services if the Network Control Officer believes that this is desirable taking into consideration the livestock being transported (including, for example, the welfare of the livestock);
- (n) subject to **clauses 3(i)(ik) to (iim)**, a Train Service may be given priority over other Train Services if it is necessary to ~~do so to remedy, or to mitigate or avoid, any Planned Possession, Emergency Possession or Urgent Possession on any part of the Network~~ being



prevented or otherwise materially adversely affected; and

- (o) subject to **clauses 3(i)(k) to (in)**, where a Train Service is running “Late” due to a Below Rail Delay, it may be given preference over other Train Services if the Network Control Officer believes that this is consistent with the critical objectives of the Train Services in question, and that it will result in less aggregated consequential delays to other Train Services than otherwise would be the case.