Level 5 192 Ann Street Brisbane QLD 4000



19 December 2014

Tania Homan
Director
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

Dear Tania

Aurizon Network Pty Ltd 2014 Draft Access Undertaking (2014 DAU) - Short term transfers

Aurizon Network is pleased to provide this discussion paper to the Queensland Competition Authority (QCA) following its commitment in its submission to the QCA in November 2013 to developing a short term transfer mechanism and in response to stakeholder requests for a mechanism to be included in the 2014 DAU for flexible use of access rights.

As highlighted in Aurizon Network's submission on the 2014 DAU, Aurizon Network has undertaken a number of consultation sessions with stakeholders (Queensland Resources Council (QRC), Aurizon Operations, Pacific National and BHP Billiton Mitsubishi Alliance) on the proposed short term transfer mechanism. The principles outlined in the attached paper are reflective of feedback and comments from stakeholders. Furthermore, the QRC outlined in its submission on the 2014 DAU its support for the proposed mechanism.

Aurizon Network believes it is useful to provide the QCA with indicative drafting which reflects how the agreed principles translate into the 2014 DAU and standard access agreements (using the End User Access Agreement as an example). This drafting is included as a schedule to the attached discussion paper and has been discussed with the QRC. Aurizon Network believes that the provision of the discussion paper to the QCA will provide an opportunity for consultation to be undertaken by the QCA and inform the broader consideration of the 2014 DAU.

Aurizon Network remains committed to continuing to work with the QCA and industry stakeholders up to the approval of the 2014 DAU to achieve a successful outcome.

Yours sincerely

Lana Stockman

Vice President Regulation Aurizon Network Pty Ltd

Aurizon Network

Aurizon Network Pty Ltd ACN 132 181 116