

File Ref: 1262580

12 October 2017

Mr Anthony Timbrell
Chief Executive Officer
DBCT Management Pty Ltd
GPO Box 7823 Waterfront Place
Brisbane Qld 4001

Dear Mr Timbrell

Initial Undertaking Notice

The QCA considers that having an appropriate undertaking in place for DBCT Management is important for promoting economically efficient outcomes, consistent with the object of Part 5 of the *Queensland Competition Authority Act 1997* (the QCA Act).

The services provided by DBCT Management, being a declared service under section 250(1)(c) of the QCA Act, are of such significance and complexity that the object of Part 5 is best met if an operative access undertaking is in place in respect of the declared services before the 2017 access undertaking terminates, or soon afterwards.

The QCA considers this is best achieved by a process that provides certainty as to the development, consultation and ultimately the approval of an appropriate undertaking in a timely manner.

The QCA has therefore decided to issue an Initial Undertaking Notice pursuant to section 133(1)(b) of the QCA Act, requiring DBCT Management to give the QCA a draft access undertaking (DAU) for the services declared under section 250(1)(c) of the QCA Act by 1 July 2019.

We have issued the notice now to maximise the chances that an appropriate replacement undertaking will be approved by the time the 2017 access undertaking expires. The process following from our notice will provide certainty to both DBCT Management and its stakeholders about how that goal will be achieved.

In deciding to issue the notice now, the QCA has had regard to the time it took to approve the 2017 access undertaking. The QCA has sought to allow sufficient time for DBCT Management and other stakeholders to comment on DBCT Management's DAU and the QCA's draft decision. We have also considered the need for DBCT Management to, among other things:

- (a) consult and, where possible, reach agreement with stakeholders on the provisions of the DAU
- (b) develop a well-supported proposal for the terminal infrastructure charge
- (c) prepare explanatory material to accompany the DAU.

The period provided is substantially more than the 90-day minimum requirement in the QCA Act, and should be sufficient for DBCT Management to prepare its DAU.

If you wish, our Chief Executive Officer, Charles Millstead, would welcome the opportunity to discuss the QCA's approach to the replacement access undertaking with you.

If you have any questions in the meantime about the matters discussed in this letter, please contact Clotilde Bélanger on 07 3222 0587 or clotilde.belanger@qca.org.au.

Yours sincerely

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

Professor Roy Green
Chair