

16 December 2011

19 DEC 2011

DATE RECEIVED

Mr E.J. Hall
Chief Executive
Queensland Competition Authority
Level 19
12 Creek Street
Brisbane QLD 4000

Dear Mr Hall

Queensland Rail Limited is a provider of declared services, however as yet does not have a cost allocation manual as required by Section 159 of the Queensland Competition Authority Act 1997.

I wish to submit for the Authority's consideration a proposed Queensland Rail Limited cost allocation manual (Costing Manual).

In April 2011 the Authority approved a cost allocation manual applicable to Queensland Rail Limited, by approving limited amendments to the QR Network Costing Manual. This was an interim arrangement to provide a framework for Queensland Rail's below rail financial reporting for the year ended 30 June 2010.

The proposed Costing Manual is intended to:

1. Be applicable to the Queensland Rail Limited's organisation structure, systems and procedures;
2. Have application to the Queensland Rail below rail financial statements for the year ended 30 June 2011; and
3. Provide guidance on the preparation of Queensland Rail's below rail financial statements for the year ended 30 June 2011, including a format that separately reports West Moreton region from the rest of the Queensland Rail network.

This proposed Costing Manual does not accompany the proposed Queensland Rail 2012 Access Undertaking. A further revision of the Costing Manual is expected when the outcome of Queensland Rail's 2012 Access Undertaking submission is known.

The proposed Queensland Rail Costing Manual is attached. An electronic version will be forwarded separately to your officers.

Kind Regards


Jim Benstead
Chief Financial Officer
Queensland Rail