



BHP Billiton Mitsubishi Alliance

Professor Roy Green
Chairman
Queensland Competition Authority
Level 27, 145 Ann Street
Brisbane QLD 4001

27 July 2016

Dear Professor Green

BHP Billiton Mitsubishi Alliance (BMA) welcomes the opportunity to provide a submission to the Queensland Competition Authority (QCA) on Aurizon Network's amended 2014 Draft Access Undertaking (2014 DAU).

BMA supports the QCA's timely consideration and approval of the amended 2014 DAU, noting:

- BMA relies on the QCA's more detailed review of drafting amendments – BMA supports Aurizon Network's decision to resubmit a DAU consistent with the QCA's Final Decision and, within the timeframe, has not identified any immediate material concerns or matters requiring the final approval of UT4 to be delayed any further
 - BMA supports the QCA's approval of the 2014 DAU – if, having undertaken a detailed assessment, the QCA is satisfied the drafting amendments are consistent in all material respects with the policy intent set out in the Final Decision
- BMA reserves its right to re-consider the appropriateness of specific aspects of the 2014 DAU in future. Assuming the 2014 DAU is approved in its current form, engagement and review of arrangements should continue so as to monitor workability and identify possible future improvements. On this:
 - BMA agrees with concerns raised by the Queensland Resources Council (QRC) on specific matters in the 2014 DAU, including the drafting amendments proposed. While BMA supports the review of these matters as part of the final approval process, if considerable further delays would result, these matters can be revisited as part of the forthcoming undertaking review
 - BMA maintains the view that cost efficiency and maximising the efficient use of existing network assets should be a key focus for the remainder of this regulatory period and the next. Where possible, improvements should be made if the result is likely to enable more efficient use of capacity entitlements and/or encourage the adoption of productive operating practices, particularly where value can be realised by all supply chain participants.

BMA remains committed to engaging with the QCA, Aurizon Network and industry going forward and in the development of UT5.

If you require any further information, please feel free to contact Ruchi Gupta on 07 33292348. This submission contains no confidential information and can be published following the consultation process.

Yours sincerely

Geoff Streeton
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BHP Billiton Mitsubishi Alliance