Queensland Competition Authority

File Ref: 552812

6 June 2013

Mr Michael Carter Chief Executive Officer Aurizon Network Pty Ltd GPO Box 456 BRISBANE QLD 4001

Dear Mr Carter

QCA's Proposed Alternative Standard Access Agreements

On 29 April 2011, Aurizon Network submitted its proposed alternative form of standard access agreements (proposed alternative SAAs) to the Queensland Competition Authority (the Authority), in accordance with clause 5.2(n) of the 2010 access undertaking.

On 24 April 2013, the Authority made a final decision to reject Aurizon Network's proposed alternative SAAs. The Authority provided written notice to Aurizon Network to amend and resubmit its alternative SAA proposal to the Authority for approval by 29 May 2013.

On 5 June 2013, Aurizon Network submitted its amended alternative SAA proposal to the Authority.

The Authority has decided to not approve Aurizon Network's resubmitted proposal. The 2010 access undertaking provides that the Authority may only approve a resubmitted alternative SAA proposal if, among other things, it is satisfied the proposal is made in accordance with the written notice provided in April 2013 (clause 5.2(h)(ii)).

Aurizon Network's resubmitted proposal <u>does not</u> comply with the detailed drafting in the Authority's written notice, though it improves the clarity and consistency of the relevant drafting. In any event, the resubmitted proposal was not provided to the Authority within the required timeframe.

The Authority has now developed its own proposed alternative SAAs pursuant to clause 5.2(c) of the 2010 access undertaking. In doing so, the Authority had regard to its previously proposed detailed drafting in the written notice, Aurizon Network's resubmitted proposal and all stakeholder comments to date. Given the relatively minor nature of the amendments, the Authority considers a one-week consultation period would provide Aurizon Network (and other stakeholders) a sufficient opportunity to provide comments on the Authority's proposed alternative SAAs.

The Authority has published its own proposed alternative SAAs on its website, and has invited stakeholders to comment on these by 2pm Friday 14 June 2013. The Authority will consider submissions received, in accordance with clause 5.2(d) of the 2010 access undertaking.

Should you have any queries about this matter, please contact Ravi Prasad on

Yours sincerely

Malcolm Roberts Chairman