

Charles Millstead
Chief Executive Officer
Queensland Competition Authority
Level 27, 145 Ann Street
Brisbane, Queensland
Australia, 4000

Response to Draft Decision on Dalrymple Bay Coal Terminal's 2019 Draft Access Undertaking

26 October 2020

Dear Charles,

Aurizon Network welcomes the opportunity to respond to the Queensland Competition Authority's (**QCA**) draft decision on the 2019 Dalrymple Bay Coal Terminal (**DBCT**) Draft Access Undertaking.

This submission is limited to the QCA's request for further submissions from stakeholders in relation to DBCT's proposed section 8.4(c) to disclose contracted tonnage information to Aurizon Network:

notifying the provider at the relevant time of railway infrastructure ("below rail") for any part of the System of changes in the Aggregate Annual Contract Tonnage from time to time, including giving the provider of railway infrastructure notice when an Access Holder does not exercise an option to renew all or part of its Annual Contract Tonnage.

The QCA's draft decision notes the views of both DBCT Management and the DBCT User Group in relation to this proposal, including the view that:

measures were already in place to address rail and port alignment issues, including rail capability forming part of the access application process, and requirements in the Aurizon Network undertaking for port capacity to be demonstrated before rail capacity could be contracted.

Aurizon Network considers that:

- the differences in contractual terms between Aurizon Network contractual terms and those of the evergreen port contracts; and
- the ability for users to transfer port capacity after rail capacity has been contracted;

means that the provisions in the Aurizon Network access undertaking are a necessary, but not a sufficient, condition to promote ongoing contractual alignment. This is evidenced by the

extent to which port and rail contractual alignment has not been achieved. Therefore, Aurizon Network supports the intended objectives of section 8.3 (c) and supports the inclusion of provisions which can be agreed between DBCTM and the DBCT User Group supporting the promotion of supply chain efficiency.

If you have any questions in relation to this submission please contact Rebecca Landon by email at Rebecca.Landond@aurizon.com.au.

Kind regards,

A handwritten signature in black ink, appearing to read 'SS', with a long horizontal line extending to the right.

Steve Straughan
Head of Customers, Aurizon Network