

**QUEENSLAND  
COMPETITION  
AUTHORITY**

Our Ref: Paul Bilyk  
Direct Line: 07 3222 0506  
File Ref: 221640

24 July 2008

Mr Mike Carter  
Executive Group General Manager  
QR Network  
GPO Box 1429  
Brisbane Qld 4001

Dear Mr Carter

**QR's Central Queensland Coal Region Asset Base Roll-forward 2006-07**

On 9 July 2008, QR submitted for the Authority's approval an asset base roll-forward for the central Queensland coal region as required by QR's access undertaking.

The Authority has reviewed QR's proposal and considers that, in most respects, it is consistent with the access undertaking to the extent that it:

- provides information in the level of detail and format required in accordance with the access undertaking; and
- calculates each component of the asset base roll-forward in accordance with the approach outlined in the access undertaking.

However, QR's proposal is not compliant with all aspects of the access undertaking in that it does not identify assets that were disposed or transferred during 2006-07. QR has advised that this has occurred because of data inadequacies but that the likely amount is not material. QR has also committed to rectify this deficiency for the 2009 access undertaking.

On this basis, the Authority accepts QR's proposed asset base roll-forward for 2006-07.

Accordingly, the Authority requires that QR publicly release an annual report of changes to its regulatory asset base, containing the specific information required in accordance with clause 9.2.4(c) of the access undertaking within one month of receiving this notice of acceptance.

Yours sincerely



EJ Hall  
Chief Executive