

Ms Catherine Barker  
Director Business Performance  
Queensland Competition Authority  
GPO Box 2257  
Brisbane QLD 4001

19 April 2016

Dear Catherine,

**Aurizon Network Pty Ltd – NBB System Rules Consultation**

We refer to our recent discussions with respect to the QCA's request for submissions in relation to the QCA's Position Paper on the Aurizon Network System Rules for the North Bowen Basin Coal Systems (NBB System Rules).

In September last year, the QCA issued its Position Paper on the NBB System Rules, with a deadline for submission of February 2016. The QCA subsequently extended the deadline for submissions until the end of April 2016. As explained in its Position Paper, the QCA is not proposing to make a final decision on the NBB System Rules under UT3. Instead, it proposes that any System Rules that Aurizon Network must submit to it under UT4 should have regard to the position paper.

Given that the QCA is not planning to make a decision in the UT3 period, and that any system rules finally approved will need to be reviewed to ensure consistency with the then applicable version of Schedule G, Aurizon Network considers it appropriate for it to defer any further work on the System Rules (including responding to the QCA's Position Paper) until after the approval of UT4. This will avoid unnecessary and duplicative work.

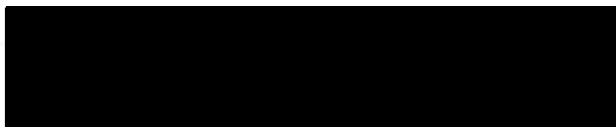
As a result, Aurizon Network will not be putting in a submission in respect of the QCA's NBB System Rules Position Paper at this time. Aurizon Network will address the Position paper, and any submitted stakeholder comments, in the submission it makes in support of the UT4 system rules.

Aurizon Network has received broad support for the proposition that further work on the NBB System Rules (including responses to the QCA's Position Paper) should be deferred until resubmission of these rules during the UT4 period. It has also shared a copy of this letter with stakeholders.

Aurizon Network will consult with stakeholders prior to submission of the NBB System Rules to the QCA for approval during the UT4 period.

If you have any questions, or wish to discuss any aspect, please do not hesitate to contact me on 07 3019 9507.

Yours sincerely



Donna Bowman  
Network Regulation Manager (Access Undertaking)  
Aurizon Network Pty Ltd