

File Ref: 779848

23 October 2014

Mr Alex Kummant
Chief Executive Officer
Aurizon Network Pty Ltd
GPO Box 456
Brisbane QLD 4001


Dear Mr Kummant

Approval of 2014-15 Transitional Reference Tariffs for Caval Ridge to Hay Point Services Coal Terminal (HPSCT) and Middlemount to Dalrymple Bay Coal Terminal (DBCT) train services

I am writing to advise you that, in accordance with clause 6.4.2(g) of Aurizon Network's 2010 access undertaking (UT3), we have approved Aurizon Network's application to establish a new transitional reference tariff for 2014-15 for the train service from the Caval Ridge mine to HPSCT.

Our approval of the Caval Ridge to HPSCT proposal is based on our assessment that the:

- proposed discounts to reference tariffs have been accurately calculated
- proposal has been determined in accordance with UT3, including the UT3 pricing principles
- methodology employed to determine discounts is consistent with that used to determine the discounts to reference tariffs for the Middlemount mine to DBCT train service for the 2011-12, 2012-13 and 2013-14 years (which were approved by us in June 2014).

Separately, we have also approved Aurizon Network's proposal for a transitional reference tariff for 2014-15 for the train service from the Middlemount mine to DBCT, based on rolled-forward inputs and a methodology consistent with that used to calculate the previously approved tariffs for 2011-12, 2012-13 and 2013-14.

This letter constitutes a written notice for the purposes of clause 6.4.2(i)(ii) of UT3. We will publish this letter on our website, for the information of stakeholders.

Should Aurizon Network staff wish to discuss this matter, they should contact Leigh Spencer on (07) 3222 0532.

Yours sincerely


John Hindmarsh
Chief Executive Officer