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File Ref: 502329

21 March 2013

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

Dear Mr Carter Mila

Standard rail connection agreement

On 30 June 2011, Aurizon Network submitted its proposed standard rail connection agreement (SRCA) to the Authority, in accordance with clause 8.4(a) of its 2010 access undertaking.

On 13 December 2012 the Authority provided written notice that it had not approved Aurizon Network's proposal and required Aurizon Network to amend and resubmit its SRCA to the Authority for approval by 8 February 2013.

On 14 February 2013, Aurizon Network resubmitted its amended SRCA to the Authority.

The Authority has decided to not approve Aurizon Network's resubmitted proposal. The 2010 approved access undertaking provides that the Authority may only approve a resubmitted SRCA if, among other things, it is satisfied that the proposal is in accordance with the written notice provided in December 2012 (clause 8.4(e)(i)). The resubmitted proposal does not comply with that written notice. The resubmitted proposal departs from the detailed drafting provided in the written notice - it was also not provided to the Authority within the required timeframe.

The Authority has now developed its proposed SRCA, in accordance with clause 8.4(d)(ii) of the 2010 access undertaking. In doing so, the Authority had regard to its previously proposed detailed drafting for the SRCA set out in the written notice provided in December 2012, the issues raised by Aurizon Network in its resubmitted proposal, stakeholders' comments on Aurizon Network's resubmitted proposal and other matters relevant to the content of the proposed SRCA.

The Authority has published its proposed SRCA on its website, and invited stakeholders to comment. Submissions are due on 5 April 2013. The Authority will consider submissions received in accordance with clause 8.4(f) of the 2010 access undertaking.

Should you have any questions about this matter, please contact Leigh Spencer on 07 3222 0532.

Yours sincerely

Malcolm Roberts Chairman