

File ref: 2017247

18 April 2024

Ms Pam Bains
Group Executive Network
Aurizon Network Pty Ltd
GPO Box 456
BRISBANE QLD 4001

Dear Ms Bains

Proposed amendments to CQCN system rules

On 7 March 2024, Aurizon Network submitted proposed amendments to the Central Queensland coal network (CQCN) system rules. The amendments provide for a 7-month trial of a daily rolling plan and include additional reporting metrics, a voting process (for whether the trial should be stopped) and an appendix containing existing processes to allow reversion (if required).

On 21 March 2024, I advised that the Queensland Competition Authority (QCA) was publishing Aurizon Network's proposed amendments, along with its preliminary view that the amendments are appropriate to approve – and that it would consider all submissions before making a final decision.

We received 4 submissions in response, along with additional information from Aurizon Network.¹ While stakeholders acknowledged Aurizon Network's efforts to improve planning and scheduling processes, and the consultation undertaken to date, they nonetheless noted that significant uncertainty remains around the operation of the trial and the possible outcome of the changes more generally.

I wish to advise that, having regard to stakeholders' concerns, the QCA has not approved Aurizon Network's proposal. The QCA now considers that Aurizon Network should amend the proposed voting process to also provide end users with the right to call a vote (through the Chair of the Rail Industry Group, at the request of a special majority of users), akin to arrangements in place for Aurizon Network. The QCA considers this arrangement would better balance parties' interests, by providing additional assurance to end users in the face of ongoing uncertainty.

The QCA considers the drafting suggested by the Queensland Resources Council (and supported by users) satisfactorily sets out the required amendments. I understand that Aurizon Network is agreeable to these amendments.

¹ Stakeholders submissions are available on our [website](#).

In accordance with clause 7A.7.5(d) of UT5, Aurizon Network may either revise its proposal or provide additional information to support its current position, within 20 business days. However, I would appreciate your earliest response to progress matters in a timely way – in order for the new arrangements to be in place on, or before, 1 July 2024, as intended.

Yours sincerely

A handwritten signature in black ink, appearing to read "C. Millstead".

Charles Millstead
Chief Executive Officer

cc: Jon Windle, Network Regulation Manager – Aurizon Network