

File ref: 2013897

21 March 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 its proposed amendments to the Central Queensland coal network (CQCN) system rules to provide for a trial of its daily rolling plan project.

I wish to advise that the Queensland Competition Authority (QCA) is inclined to approve Aurizon Network's proposed amendments in accordance with cl. 7A.7.5(b) of Aurizon Network's 2017 access undertaking (UT5).

The proposed amendments provide for the 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).

We are satisfied that these proposed amendments are consistent with UT5 and are appropriate to approve having regard to the matters listed in s. 138(2) of the QCA Act.

We understand that Aurizon Network anticipates adopting a daily rolling plan will facilitate better scheduling and planning and should improve the operation of the network and the ability of access holders to use their access rights. However, some adjustments may be required to existing practices and processes (across the system) to realise the full benefits of this new approach. The net effect will be better understood by the parties and at a system level once sufficient information becomes available.

We consider that changing the system rules to provide for the new arrangements to be trialled before they are implemented is in the interests of Aurizon Network, access holders/seekers and broader supply chain participants. We are satisfied that:

- the new reporting requirements will provide greater transparency about the operation of the new arrangements during the trial
- the proposed voting process and mechanism provides a reasonable opportunity for participants to have their views on the operation of the new arrangements heard, while providing adequate protections against possible adverse impacts.

It is not evident that the trial process will advantage any one access holder (or group of access holders) over others. We also note that stakeholders have already had an opportunity to contribute

to the development of amendments through previous engagement with Aurizon Network, and by way of a formal consultation and submission process.

Way forward

We will publish Aurizon Network's proposed amendments, along with supporting information it provided.

We will ask stakeholders to comment on Aurizon Network's proposed amendments to the system rules and with our preliminary view that they are appropriate to approve. Submissions are due by **5 April 2024**.

We will consider all submissions before making a final decision on whether to approve the proposed amendments to the CQCN system rules or whether amendments are required.

Yours sincerely



Charles Millstead
Chief Executive Officer

cc: Jon Windle, Network Regulation Manager – Aurizon Network