

# Queensland Rail's Access Undertaking 3

1 July 2025



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# Preamble

Queensland Rail is a wholly owned subsidiary of the statutory authority established by the Queensland Government under the Rail Authority Act.

The Rail Authority Act sets out the functions of Queensland Rail, including:

- management of railways;
- provision of rail transport services, including passenger services; and
- construction and maintenance of railway infrastructure.

Queensland Rail's Network extends more than 6600 kilometres across the State. The regional network spans more than 5,700 kilometres of Track and comprises seven rail systems that convey passenger and freight services across Queensland to support the State economy in the tourism, mining, agriculture, construction, wholesale and retail sectors.

Queensland Rail operates passenger services connecting regional communities across Queensland with other regional centres and the South East Queensland corner, and provides rail access to Rolling Stock Operators and other supply chain customers, to enable the transport of resources and general freight across the State. Queensland Rail is not a rail freight operator (i.e. it does not participate in the above rail freight market).

The needs of Rolling Stock Operators on Queensland Rail's network vary greatly due to their different supply chain dynamics, geographic locations, rail corridor characteristics and interactions with other rail traffics.

Much of Queensland Rail's network is supported by Transport Service Payments from the Queensland Government. The absence of these Transport Service Payments would result in large parts of the rail network being commercially unviable.

Road transport provides a viable alternative mode of transport for most non-coal commodities, as well as coastal shipping, air transport, slurry pipelines and other transport options.

For further information on the negotiation of Access in accordance with the provisions of this Undertaking, please contact:

Queensland Rail Limited  
Commercial and Rail Access

Phone: (07) 3072 5196

GPO Box 1429  
Brisbane QLD 4000

Email: [aarf.freight@qr.com.au](mailto:aarf.freight@qr.com.au)

# 1 Application and scope

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## 1.1 Duration

This Undertaking is effective during the Term.

## 1.2 Scope

### (a) Application of this Undertaking

- (i) Subject to **clause 1.2(a)(ii)**, this Undertaking applies to negotiations between Queensland Rail and Access Seekers in relation to Access Rights.
- (ii) Despite any other provision in this Undertaking:
  - (A) this Undertaking does not apply:
    - (1) to the negotiation or provision of services other than Access; or
    - (2) subject to **clause 6.1(b)(ii)**, to any matter involving an Access Holder or an Access Agreement, to the extent that compliance with this Undertaking is inconsistent with the relevant Access Agreement; and
  - (iii) subject to **Schedule F**, Queensland Rail is not obliged to comply with this Undertaking to the extent that it is inconsistent with Queensland Rail's compliance with its Passenger Priority Obligations and Preserved Train Path Obligations.
  - (iv) Nothing in this Undertaking requires Queensland Rail or any other party to an Access Agreement executed before the Approval Date to vary a term or provision of that Access Agreement.
  - (v) Nothing in this Undertaking affects, and this Undertaking is subject to, Queensland Rail's and an Access Seeker's rights under the QCA Act.

### (b) Procurement of services other than Access

- (i) Unless Queensland Rail otherwise agrees, Access Seekers are responsible for procuring any services other than Access and Below Rail Services (which Queensland Rail will provide), including Above Rail Services, required for the operation of Train Services.

### (c) Line diagrams

Queensland Rail will:

- (i) publish on its website line diagrams showing its rail network including:
  - (A) the parts of that rail network comprising the Network;
  - (B) existing Private Infrastructure connection points to the Network; and
  - (C) a description of the amendments made to the line diagrams (if any) since the last version of those line diagrams;
- (ii) use reasonable endeavours to keep those line diagrams up to date and accurate in all material respects;
- (iii) review and, if applicable, amend the line diagrams during the Term:

- (A) at intervals of no more than six months; and
- (B) if requested by the QCA or an Access Holder or Access Seeker (acting reasonably) from time to time;
- (iv) notify the QCA at intervals of no more than six months during the Term of any amendments to the line diagrams during that time interval;
- (v) notify all Access Seekers and Access Holders in relation to any proposed amendments to the line diagrams;
- (vi) in the event that an Access Holder or Access Seeker raises a dispute about the accuracy of the line diagrams, follow the dispute resolution process in **Part 6**; and
- (vii) subject to the outcome of any dispute resolution process, promptly update the line diagrams and notify all Access Holders and Access Seekers as soon as the line diagrams have been updated.

### 1.3 Consistency and differentiation

- (a) Queensland Rail will consistently apply this Undertaking to all Access Seekers and requests and negotiations for Access.
  - (i) Queensland Rail acknowledges its obligations and permissions (in some cases conditional permissions) under sections 100, 104, 125 and 168C of the QCA Act, in particular:
    - (A) in relation to not unfairly differentiating between Access Seekers as required by and subject to section 100 of the QCA Act, including in respect of:
      - (1) the levels of service provided to Access Seekers in relation to the application of the Undertaking (including the negotiation of Access Rights); and
      - (2) the opportunities given to Access Seekers to obtain Access Rights;
    - (B) in relation to not unfairly differentiating between Access Holders as required by and subject to section 168C of the QCA Act; and
    - (C) in relation to not preventing or hindering a “user’s access to the declared service” as required by and subject to sections 104 and 125 of the QCA Act.

### 1.4 Extensions – Capacity investment framework

- (a) **Application**
  - (i) This **clause 1.4** applies when an Access Seeker notifies Queensland Rail, in accordance with **clause 2.7(b)(iv)** that it is willing to fund an Extension (or an Extension Stage).
  - (ii) Queensland Rail is obliged to complete the relevant Extension Stage (as applicable) (unless otherwise agreed by Queensland Rail and the relevant Access Funder) to provide the Additional Capacity required by the Access Funder if:
    - (A) the proposed Extension satisfies those Extension Conditions in **clause 1.4(b)(iv)** which are relevant to the applicable Extension Stage; and

- (B) the Access Funder provides a bank guarantee in support of its commitments under the Funding Agreement as agreed by Queensland Rail (acting reasonably) and the Access Funder unless this requirement is waived, or another form of security is accepted, by Queensland Rail.

(iii) Nothing in this **clause 1.4**:

- (A) restricts or otherwise limits Queensland Rail's ability:
  - (1) to Extend the Network;
  - (2) to fund any Extension Stage, or part thereof, or otherwise invest in the Network;
  - (3) to enter into arrangements with other persons (other than Access Funders) in relation to Extending the Network; or
  - (4) to, at its cost, prepare plans and strategies and undertake studies and investigations in relation to Extending the Network (including Concept Studies, Pre-feasibility Studies and Feasibility Studies); or
- (B) obliges Queensland Rail to bear some or all of any costs related to an Extension or to incur any Extension Costs in advance of funding being provided by the Access Funder.

**(b) Extending the Network**

- (i) If Queensland Rail is notified under **clause 2.7(b)(iv)**, then Queensland Rail will promptly:
  - (A) in addition to the information provided pursuant to **clause 2.7(b)(ii)(B)**, provide the Access Funder with all available information on the Extension required, in accordance with sections 101(1) and 101(2) of the QCA Act, to provide the Additional Capacity required to grant the Access Rights in the Access Application. Without limiting the foregoing, this includes information on:
    - (1) necessary Authorisations that are reasonably required for the Extension;
    - (2) rights and interests in land that are reasonably required for the Extension;
    - (3) rail safety requirements reasonably appropriate to the Extension; and
    - (4) engineering, operational and other requirements that are reasonably required for the Extension;
  - (B) discuss with the relevant Access Funder the options to proceed by completing the required Extension Stage (or Stages)
  - (C) discuss, with the relevant Access Funder, options for that Access Funder to provide funding for each applicable Extension Stage (or Stages); and
  - (D) negotiate and enter into arrangements in accordance with the Extension Access Principles set out in **Schedule I**, and **clause 1.4(c)**, with the Access Funder in relation to the funding of the relevant stage of the Extension (**Funding Agreement**).

For clarity separate Funding Agreements may be entered into for each Extension Stage. The Access Funder is then free to make a decision on whether to proceed with each subsequent Extension Stage at the completion of each preceding Extension Stage.

- (ii) If either Queensland Rail or an Access Funder considers that an Extension Stage should be discontinued, then the parties (acting reasonably) will seek to agree whether the study process should continue but if the parties cannot agree then the relevant Extension Stage will continue subject to that Extension Stage being funded.
- (iii) There is no requirement to complete all Extension Stages if both parties agree (each acting reasonably) that a particular Extension Stage is unnecessary.
- (iv) The Extension must satisfy the following conditions (**Extension Conditions**):
  - (A) the Access Funder or Queensland Rail has obtained, or is reasonably likely to obtain, all necessary Authorisations reasonably required to Extend the Network;
  - (B) the Access Funder or Queensland Rail has acquired or procured, or is reasonably likely to acquire or procure, all of the rights and interests in land that, in Queensland Rail's opinion (acting reasonably), are required to construct, own, operate and manage the Extension, (on terms satisfactory to Queensland Rail (acting reasonably)) including, for example, the inclusion of additional land into Queensland Rail's land tenure arrangements with the State relating to the Network;
  - (C) in Queensland Rail's opinion (acting reasonably), the Extension (including constructing the Extension):
    - (1) is technically feasible;
    - (2) is consistent with the safe and reliable provision of Access and operation of the Network;
    - (3) does not adversely impact on the safety of any person maintaining, operating or using the Network;
    - (4) does not adversely affect existing Access Rights; and
    - (5) complies with the engineering, operational and other requirements of Queensland Rail (acting reasonably);
  - (D) relevant Access Agreement negotiations are continuing in accordance with **Part 2** of this Undertaking; or
  - (E) those Access Agreements are or have become unconditional in all material respects except for conditions relating to Extending the Network which cannot be satisfied until the Network has been Extended;
  - (F) the Access Funder and Queensland Rail have executed a Funding Agreement for the relevant Extension Stage(s) in accordance with **clause 1.4(c)**; and
  - (G) the Access Funder and Queensland Rail have executed construction, operational, and other material arrangements reasonably required for the relevant Extension Stage(s) (including the matters referred to above) which are unconditional in all material respects except for conditions relating to

the Extension which cannot be satisfied until the Network has been Extended.

- (v) Queensland Rail and an Access Funder must use reasonable endeavours and act promptly to assist each other such that the Extension complies with the Extension Conditions.
- (vi) Queensland Rail will not unreasonably delay the negotiation, and execution of, a Funding Agreement.
- (vii) For clarity, unless Queensland Rail agrees otherwise, Queensland Rail has no obligation to assist in satisfying the requirements set out in **clause 1.4(b)** if it is required to incur or pay any costs in order to do so.

**(c) Funding Agreements**

- (i) The intent of a Funding Agreement is to have a workable, bankable and credible mechanism for Access Funders to fund each relevant Extension Stage where Queensland Rail elects not to do so.
- (ii) Without limitation to **clause 1.4(b)**, a Funding Agreement must, unless otherwise agreed by Queensland Rail and the relevant Access Funder:
  - (A) be consistent with this Undertaking including the Extension Access Principles in **Schedule I** (provided however that if there is any conflict between the terms of **clause 1.4** and the terms of **Schedule I**, the terms of this **clause 1.4** will be paramount);
  - (B) result in the transaction being structured in a reasonable way for all parties;
  - (C) not result in Queensland Rail bearing some or all of the relevant Extension Costs;
  - (D) require that, in accordance with **clause 6.1** of **Schedule I**, Queensland Rail transfer to the Access Funder the full economic benefit that Queensland Rail derives from the Extension over the economic life of the Extension; and
  - (E) require Queensland Rail to provide that an Extension Stage is (as applicable):
    - (1) scoped and studied in accordance with Prudent Practices;
    - (2) constructed efficiently and is consistent with Queensland Rail's obligations outlined in the prudency assessment provisions in **Schedule E**; and
    - (3) operated and managed by Queensland Rail in a manner that is consistent with Queensland Rail's obligations in relation to the operation and management of the Network under this Undertaking.

**(d) Construction, ownership, operation and management of Extensions**

Unless otherwise agreed by Queensland Rail, an Extension which is funded by an Access Funder must only be designed, constructed, owned, operated and managed by Queensland Rail in accordance with this Undertaking and the relevant Funding Agreement and Access Agreement.

**(e) Funding Agreement Register**

- (i) Queensland Rail will maintain a register of Funding Agreements (**Funding Agreement Register**).
- (ii) On request by the QCA, Queensland Rail must provide a copy of the Funding Agreement Register and all executed Funding Agreements to the QCA including for the purposes of resolving a Dispute under **clause 6.1**.

**(f) Extension Pre-approval for inclusion in a Regulatory Asset Base**

- (i) Where:
  - (A) an Extension has been progressed through each Extension Stage except the construction and commissioning stage, and there is a completed Feasibility Study; and
  - (B) the Access Funder who is proposing to enter into a Funding Agreement for the Extension (acting reasonably) requests Queensland Rail to do so,Queensland Rail will seek the QCA's pre-approval of the scope, standard and cost of a proposed Extension for inclusion in the relevant Regulatory Asset Base in accordance with **Schedule E** prior to the execution of a Funding Agreement.
- (ii) **Clause 1.4(f)(i)** does not restrict or otherwise limit Queensland Rail's ability to seek pre-approval of the cost of a proposed Extension in accordance with **Schedule E**.

**(g) Disputes**

- (i) If:
  - (A) no Funding Agreement has been executed, any dispute between an Access Funder and Queensland Rail in relation to this **clause 1.4** (including in relation to **Schedule E** or to the negotiation of a Funding Agreement) may be referred to the QCA under **clause 6.1(d)**; or
  - (B) a Funding Agreement has been executed, any dispute between an Access Funder and Queensland Rail in relation to the Extension will be subject to the dispute resolution process contained in that Funding Agreement.

**(h) Building Queensland Act**

- (i) If the Building Queensland Act applies to an Extension or any Extension Stage (and without limiting **clauses 1.4(h)(ii)** and **(iii)** below):
  - (A) the Access Funder and Queensland Rail will comply with the Building Queensland Act and continue to adhere to this Undertaking to the extent that that adherence would not cause either party to be in breach of the Building Queensland Act; and
  - (B) Queensland Rail will keep the relevant Access Seeker or Access Holder fully informed of the material details of all communications which Queensland Rail has with Building Queensland.
- (ii) Either Queensland Rail or an Access Funder may request that the relevant Minister exercises any relevant discretion to direct Building Queensland to not exercise its functions in relation to that Extension or Extension Stage(s).
- (iii) If, despite **clause 1.4(h)(ii)**, Building Queensland becomes involved in an Extension or Extension Stage, either Queensland Rail or the Access Funder may

request that the relevant Minister exercises any relevant discretion to direct Building Queensland to exercise its functions consistently with this Undertaking.

## 1.5 Master planning and extension coordination

- (a) This **clause 1.5** applies in relation to the Systems:
  - (i) unless **paragraph (ii)** applies, except the North Coast Line System; and
  - (ii) if Queensland Rail is responsible for the planning of the North Coast Line System, including the North Coast Line System.
- (b) Within 2 months of the date that Queensland Rail receives a request to prepare a System Master Plan, Queensland Rail will convene the relevant System Planning Group and provide an opportunity for the System Planning Group to:
  - (i) identify their demand expectations;
  - (ii) discuss the scope of the System Master Plan and potential infrastructure enhancement options to meet demand expectations; and
  - (iii) raise any other issues or concerns they want addressed in the System Master Plan.
- (c) Within a reasonable period from the date that Queensland Rail receives a request to prepare a System Master Plan, Queensland Rail will negotiate in good faith with the relevant System Planning Group in relation to funding the relevant System Master Plan. Queensland Rail must:
  - (i) prepare a proposed scope, budget and timeframe for developing the System Master Plan and propose terms for a funding agreement to be entered into by the System Planning Group; and
  - (ii) give the System Planning Group a reasonable opportunity to provide input on Queensland Rail's proposal for developing the System Master Plan and proposed funding agreement terms and Queensland Rail must take that input into account before providing the System Planning Group with a revised proposal and final funding agreement terms for consideration by the System Planning Group.
- (d) If:
  - (i) the relevant parties agree (acting reasonably) to fund a System Master Plan based on an agreed proposal then Queensland Rail will commence the System Master Planning process for the relevant System in accordance with this **clause 1.5**;
  - (ii) the relevant parties cannot agree (acting reasonably) to fund a System Master Plan then Queensland Rail is under no obligation to continue or commence the System Master Planning process for that System.
- (e) At a minimum, a System Master Plan should include information similar to that listed in section 101(2) of the QCA Act which would be relevant to, and assist with, an assessment of Queensland Rail's Network expansion or capital expenditure plans within the Term.
- (f) Where the System Planning Group has agreed to fund the relevant System Master Plan, Queensland Rail will:

- (i) within the agreed timeframe, publish a draft System Master Plan for the relevant System on Queensland Rail's website and invite all stakeholders to comment on the draft System Master Plan; and
  - (ii) provide an opportunity for the System Planning Group to raise any issues or concerns with the draft System Master Plan;
  - (iii) consider the views submitted by stakeholders and the System Planning Group in good faith and take those views into account in finalising the System Master Plan;
  - (iv) within the agreed timeframe, release the System Master Plans and include a public link to each final System Master Plan on Queensland Rail's website; and
  - (v) provide the System Planning Group reasonable progress reports and opportunities to provide input during the preparation of the System Master Plan.
- (g) If the relevant System Planning Group or an individual Access Holder or Access Seeker (each acting reasonably) considers there has been a relevant and material change in circumstances in relation to a System they may require, and Queensland Rail must complete, an updated System Master Plan within 6 months of the notice from the System Planning Group or Access Seeker or Access Holder (as the case may be).
- (h) Queensland Rail may require the System Planning Group or the Access Holder or Access Seeker seeking an update to a System Master Plan to fund Queensland Rail's Efficient Costs incurred in updating the System Master Plan.

## 2 Negotiation process

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### 2.1 Preparing and submitting an Access Application

#### (a) Access Applications

- (i) A request for Access Rights must be submitted to Queensland Rail in the form of an Access Application and must be sent to the address nominated on Queensland Rail's website for Access Applications.
- (ii) Queensland Rail will publish on its website the application forms for Access Applications. These may identify different requirements for different types of Train Services. However, the information requirements must be in accordance with this Undertaking.
- (iii) An Access Seeker will, by submitting an Access Application, unconditionally and irrevocably be taken to agree to comply with the requirements, obligations and processes in this Undertaking relating to it or its Access Application.

#### (b) Preliminary steps

- (i) A prospective Access Seeker may request initial meetings with Queensland Rail, prior to submitting an Access Application, to discuss the proposed Access Application and to clarify any matters relating to the negotiation process including any application requirements under **Schedule B**.
- (ii) A prospective Access Seeker may give a written request to Queensland Rail for relevant Capacity Information and Queensland Rail will make available that Capacity Information within 10 Business Days after receiving that request.
- (iii) Information (including Capacity Information) exchanged as between a prospective Access Seeker and Queensland Rail under **clauses 2.1(b)(i) or (ii)** is non-binding

and is only indicative or preliminary in nature. Despite this, the prospective Access Seeker and Queensland Rail must act reasonably in providing or requesting information under **clauses 2.1(b)(i) or (ii)** taking into consideration the purpose for which it is being provided or requested. The provision of information under **2.1(b)(i) or (ii)** does not:

- (A) affect the operation of this Undertaking;
- (B) restrict the prospective Access Seeker's right to lodge an Access Application or to seek the grant of Access Rights;
- (C) oblige the prospective Access Seeker to accept the grant of Access on the basis of or in any way subject to that information; or

oblige Queensland Rail to provide Access on the basis of or in any way subject to that information

- (iv) Queensland Rail will:
  - (A) make the Preliminary Information available to Access Seekers on its website; and
  - (B) keep the Preliminary Information and Capacity Information to be made available to Access Seekers current and accurate.

## 2.2 Confidentiality

### (a) Obligation to keep Confidential Information confidential

- (i) Subject to **clause 2.2(a)(ii)**, Queensland Rail and each Access Seeker (by submitting an Access Application) acknowledge, as a Recipient, that Confidential Information disclosed to it must:
  - (A) be treated as and kept confidential;
  - (B) only be used for the purpose for which it was disclosed;
  - (C) be treated as the property of the Disclosing Party; and
  - (D) subject to **clause 2.2(b)(i)**, only be disclosed in accordance with this Undertaking.
- (ii) A Recipient of Confidential Information is not required to comply with **clause 2.2(a)(i)** in relation to a disclosure or use of Confidential Information to the extent that:
  - (A) the Disclosing Party has given its written consent (which must not be unreasonably withheld) to that disclosure or use; or
  - (B) another Confidentiality Exception applies to that disclosure or use.

### (b) Requirement for confidentiality agreement

- (i) Queensland Rail or the relevant Access Seeker may require the other to enter into a confidentiality agreement and, if so, the parties must act reasonably and promptly to negotiate and execute such an agreement which shall govern the confidentiality obligations as between those parties.
- (ii) Neither Queensland Rail nor an Access Seeker is obliged to disclose Confidential Information to the other unless a confidentiality agreement on terms satisfactory to it (acting reasonably) has been executed (for clarity this provision does not

apply where Queensland Rail or an Access Seeker is required to disclose information under the QCA Act).

- (iii) Queensland Rail may not seek to impose any provision within any agreement with an Access Seeker (or enforce any provision in any agreement with an Access Holder) which restricts an Access Seeker, Access Holder or their (respective) Customers from:
  - (A) raising disputes with the QCA;
  - (B) disclosing any terms of an Access Agreement to the QCA; or
  - (C) disclosing any changes to the number of contracted coal carrying Train Services operating either solely on the Metropolitan System or on both the West Moreton System and the Metropolitan System to the QCA.
- (iv) Any confidentiality agreement between Queensland Rail and an Access Seeker must permit disclosure of Confidential Information where disclosure would be allowed under a Confidentiality Exception (as if those exceptions applied), unless the parties agree otherwise.

**(c) Ring fencing arrangements**

Queensland Rail does not presently have interests in markets upstream or downstream from the Below Rail Services that are in competition with third parties in those markets and there is no expectation that it is likely to do so during the Term. However, if such interests are likely to, or do, arise during the Term, then Queensland Rail will inform the QCA as soon as reasonably practicable and, if requested by the QCA, prepare and submit to the QCA a draft amending access undertaking in accordance with the QCA Act setting out its ring fencing obligations.

## **2.3 Acknowledgment of an Access Application**

**(a) Requests for additional information or clarification**

Queensland Rail may (acting reasonably) require the Access Seeker to provide additional or clarified information for the purpose of preparing an Indicative Access Proposal. Queensland Rail will notify the Access Seeker of any such requirement within five Business Days after receiving the Access Application.

**(b) Acknowledging Access Applications**

Within five Business Days after the later of the receipt of:

- (i) an Access Application; or
- (ii) the additional or clarified information required under **clause 2.3(a)** in respect of that Access Application,

Queensland Rail will, subject to **clause 2.8**, give the Access Seeker a written acknowledgement of receipt of the Access Application.

## **2.4 Provision of an Indicative Access Proposal**

**(a) Time period for provision of Indicative Access Proposal**

Subject to **clause 2.8** and **clause 2.5(c)**, Queensland Rail will use reasonable endeavours to provide an Indicative Access Proposal to the Access Seeker within 20 Business Days after giving the acknowledgment under **clause 2.3(b)**.

**(b) Inclusions in Indicative Access Proposal**

The Indicative Access Proposal will, amongst other things, outline:

- (i) subject to **clause 2.7(b)(vi)(B)**, the relevant Rolling Stock, Train Configuration and operating characteristics;
- (ii) the results of an indicative Capacity Analysis including (if applicable) a notice advising that insufficient Capacity exists to accommodate the Access Application without an Extension;
- (iii) whether any other Access Seekers have requested Access Rights which, if provided, would limit Queensland Rail's ability to grant Access Rights in accordance with the Indicative Access Proposal (and whether a queue has formed); and
- (iv) provide an initial estimate of the Access Charges for the requested Access Rights (including a methodology for calculating Access Charges) including where **clause 3.4(a)** applies details of how that clause has been applied in calculating the initial estimate; and
- (v) if a Reference Tariff does not apply to the requested Access Rights:
  - (A) the cost of providing the Access, including the capital, operating and maintenance costs, consistent with s101(2)(b) of the QCA Act; and
  - (B) asset value including the valuation methodology, consistent with s101(2)(c) of the QCA Act.

**(c) Indicative nature**

An Indicative Access Proposal is non-binding and, unless it contains express provisions to the contrary, contains arrangements that are only indicative or preliminary in nature. An Indicative Access Proposal does not oblige Queensland Rail to provide Access in accordance with specific terms and conditions (including the methodology for calculating Access Charges or estimated rates and other inputs for formulae) set out in it.

**2.5 Notification of intent to negotiate****(a) Access Seeker to give notice of intent to negotiate**

- (i) If an Access Seeker intends to proceed with its Access Application on the basis of the relevant Indicative Access Proposal, it must, subject to **clause 2.5(b)**, give Queensland Rail written notice of its intention to do so as soon as reasonably practicable after receiving the Indicative Access Proposal.
- (ii) If an Access Seeker does not intend to proceed with its Access Application on the basis of the relevant Indicative Access Proposal, it must give Queensland Rail written notice of that intention as soon as reasonably practicable after receiving the Indicative Access Proposal.

**(b) Consequence of late notification of intent**

- (i) If an Access Seeker gives the notice referred to in **clause 2.5(a)** to Queensland Rail more than 20 Business Days after being given the Indicative Access Proposal, Queensland Rail may review the Indicative Access Proposal and either:
  - (A) give the Access Seeker a revised Indicative Access Proposal; or
  - (B) proceed on the basis of the existing Indicative Access Proposal.

- (ii) If Queensland Rail gives a revised Indicative Access Proposal to an Access Seeker under **clause 2.5(b)(i)**, then:
  - (A) the process in this **Part 2** recommences as though the revised Indicative Access Proposal was given to the Access Seeker under **clause 2.4**; and
  - (B) the Access Seeker must comply with this **clause 2.5** in relation to that revised Indicative Access Proposal.
- (iii) Subject to **clause 2.5(c)**, if an Access Seeker has not given the notice referred to in **clause 2.5(a)** within three months after it was given an Indicative Access Proposal, then the Access Seeker is taken to have withdrawn its Access Application.

**(c) Extension of time – IAP and ITN**

Queensland Rail may extend the time for providing an Indicative Access Proposal under **clause 2.4(a)** and an Access Seeker may extend the time for giving a notice of intention to proceed under **clause 2.5(b)** respectively if:

- (i) the party seeking the extension gives reasonable grounds for the extension to the other party prior to the date otherwise required under **clause 2.4(a)** or **2.5(b)** (as the case may be); and
- (ii) the other party agrees to the extension, such agreement not to be unreasonably withheld.

## **2.6 Alternate Access Applications**

- (a) If there are Alternate Access Seekers and:
  - (i) one of those Alternate Access Seekers is a Customer Access Seeker, then:
    - (A) this Undertaking and Queensland Rail will treat that Customer Access Seeker as the sole Access Seeker as between those Alternate Access Seekers; and
    - (B) Queensland Rail must negotiate solely with that Customer Access Seeker as between those Alternate Access Seekers; or
  - (ii) if an Alternate Access Seeker is nominated in writing by the Customer as the Customer's preferred Access Seeker, then:
    - (A) this Undertaking and Queensland Rail will treat the Alternate Access Seeker nominated in writing by the Customer to Queensland Rail as the sole Access Seeker as between those Alternate Access Seekers; and
    - (B) Queensland Rail must negotiate solely with that nominated Access Seeker as between those Alternate Access Seekers.
- (b) Where there are Alternate Access Seekers, Queensland Rail will disclose to the Customer the identity of the Alternate Access Seekers.
- (c) Where:
  - (i) the Customer does not nominate an Alternate Access Seeker under **clause 2.6(a)(ii)**;
  - (ii) each Alternate Access Seeker has given a notice of intention under **clause 2.5**; and
  - (iii) each Alternate Access Seeker is either:

- (A) currently engaged in negotiations with a Customer regarding a potential haulage agreement in respect of the Access Rights sought; or
- (B) a party to an existing haulage agreement with the Customer in respect of the Access Rights being sought; then

Queensland Rail will commence negotiations with each Alternate Access Seeker in accordance with **Part 2** of this Undertaking and progress those negotiations to a stage where Queensland Rail has provided each Alternate Access Seeker with an Access Charge for the Access Rights sought based on the operational information provided by the relevant Alternate Access Seeker and both parties have accepted an Access Agreement consistent with this Undertaking and the terms of the Standard Access Agreement. However, an Access Agreement will be negotiated and executed with the Alternate Access Seeker who demonstrates to Queensland Rail's reasonable satisfaction that it does, or will in the immediate future, hold the contractual rights to provide the Train Service/s for the Customer for which Access Rights are sought, and that the Customer is agreeable to the execution of an Access Agreement with that Alternate Access Seeker.

## 2.7 Negotiation of an Access Agreement

### (a) The negotiation period

- (i) Subject to **clause 2.5(b)**, if an Access Seeker gives Queensland Rail a notice under **clause 2.5(a)**, then Queensland Rail and the Access Seeker will commence negotiations as soon as reasonably practicable to progress towards an Access Agreement.
- (ii) If negotiations have commenced in accordance with **clause 2.7(a)(i)**, the period for negotiations (**Negotiation Period**):
  - (A) starts on the day Queensland Rail was given the notice under **clause 2.5(a)** (subject to **clause 2.5(b)(ii)**); and
  - (B) ends on the earlier of:
    - (1) execution of an Access Agreement by the parties in relation to the relevant Access Application;
    - (2) the Access Seeker notifying Queensland Rail that it no longer wishes to proceed with its Access Application (or in addition, for a Rolling Stock Operator who is an Access Seeker, the relevant Customer gives such a notification to Queensland Rail in respect of the relevant Access Rights);
    - (3) the date nine months after the date on which the period for negotiations started, or such later date as agreed by the parties (acting reasonably);
    - (4) Queensland Rail giving the Access Seeker a Negotiation Cessation Notice; and
    - (5) the occurrence of any other event or circumstance where negotiations cease in accordance with this Undertaking.
- (iii) Negotiations for Access cease at the end of the Negotiation Period and Queensland Rail is not obliged to continue negotiations with an Access Seeker after the Negotiation Period for the relevant Access Application has ceased.

**(b) Issues to be addressed in negotiations**

- (i) During the Negotiation Period, Queensland Rail and the Access Seeker will negotiate, and endeavour to agree, the terms of an Access Agreement. In order to facilitate the negotiation process:
- (A) Queensland Rail will provide to the Access Seeker:
- (1) information that is reasonably required by the Access Seeker in accordance with section 101(1) of the QCA Act, provided such information is reasonably able to be provided by Queensland Rail and cannot be reasonably obtained from a source other than Queensland Rail at no cost and without restriction; and
  - (2) information in accordance with Queensland Rail's obligation under section 101(2) of the QCA Act to the extent that it has not already been provided;
- (B) if requested in writing by the Access Seeker, Queensland Rail will make available to the Access Seeker Capacity Information relevant to the Access Seeker's Access Application;
- (C) subject to **clause 2.7(b)(vi)**, the Access Seeker must, in order for the impacts and requirements of the operations proposed by the Access Seeker to be analysed:
- (1) prepare, and submit to Queensland Rail, a draft Operating Plan<sup>1</sup> prior to the parties undertaking the Interface Risk Assessment; and
  - (2) finalise the Operating Plan while the Interface Risk Assessment is being undertaken and prior to the development of an IRMP;
- (D) the parties (for the purposes of this **clause 2.7(b)(i)(D)**, if the Access Seeker is an End User Access Seeker the relevant Nominated Rolling Stock Operator will be the relevant Access Seeker party) must jointly:
- (1) undertake an Interface Risk Assessment<sup>2</sup>; and
  - (2) after the Interface Risk Assessment is completed, develop an IRMP, unless the parties agree (or if the Access Seeker is an End User Access Seeker, the End User Access Seeker and Queensland Rail agree) that those matters will be completed after the relevant Access Agreement has been executed in accordance with that Access Agreement;
- (E) the Access Seeker must (unless the Access Seeker is an End User Access Seeker and the obligations under this **clause 2.7(b)(i)(E)** have or will be satisfied by the relevant Nominated Rolling Stock Operator) commission a suitably qualified person, acceptable to Queensland Rail (acting reasonably), to prepare an environmental investigation and risk

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<sup>1</sup> Queensland Rail will use the Operating Plan to refine and finalise the Train Service Entitlement, the methodology, rates and other inputs for calculating Access Charges and other terms and conditions of the Access Agreement. The Operating Plan will also be used as a basis for any further or refined Capacity Analysis prepared by Queensland Rail.

<sup>2</sup> Queensland Rail will publish on its website indicative information, standards and requirements for the Interface Risk Assessment and IRMP. For example, Queensland Rail will make available a sample IRMP which specifies a list of safety and Rolling Stock issues that should, at a minimum, be addressed by the parties during the Interface Risk Assessment, along with suggested controls for the identified safety and Rolling Stock issues. However, the IRMP developed and agreed by the parties may cover additional safety and/or Rolling Stock issues and associated controls depending on the circumstances of the particular operation.

- management assessment for the purposes of the Interface Risk Assessment and development of an IRMP;
- (F) Queensland Rail will provide the Access Charge for the requested Access Rights including a methodology for calculating the Access Charges based on the pricing rules set out in **Part 3** of this Undertaking including details of how **Part 3** has been applied in calculating the Access Charge;
  - (G) the parties must, in good faith, negotiate the terms of any renewal rights sought to be included by the Access Seeker in the Access Agreement having regard to the Access Seeker's need for long-term certainty in relation to investments made on the basis of it requiring continued access on reasonable terms;
  - (H) Queensland Rail will provide a Capacity Analysis to the Access Seeker;
  - (I) Queensland Rail will provide a detailed description of the relevant Train Service Entitlement and the initial timetable;
  - (J) Subject to **clause 2.7(b)(vi)**, the Access Seeker must demonstrate that the Rolling Stock and Train Configurations for which the Access Rights are applicable are consistent with the agreed Interface Standards incorporated in the IRMP; and
  - (K) Queensland Rail will provide the other terms comprising the Access Agreement.
- (ii) During the Negotiation Period, if Queensland Rail has given the Access Seeker a notice that there is insufficient Capacity pursuant to **clause 2.4(b)(ii)** Queensland Rail will make available, as soon as reasonably practicable, to the Access Seeker:
- (A) Capacity Information and Capacity Analysis relevant to the Access Seeker's Access Application;
  - (B) all information, in addition to the Capacity Analysis and Capacity Information, that would be reasonably required by the Access Seeker, in accordance with sections 101(1) and 101(2) of the QCA Act, to make an informed decision on whether to proceed with the Access Application and the Funding Agreement;
  - (C) written notice of whether Queensland Rail is willing to fund the Extension (or any Extension Stages) required to provide the Additional Capacity to accommodate the Access Application;
- (iii) If Queensland Rail advises the Access Seeker, in accordance with **clause 2.7(b)(ii)(C)**, that it is willing to fund the required Extension the Access Application negotiations will continue in accordance with this **Part 2**.
- (iv) If Queensland Rail advises the Access Seeker, in accordance with **clause 2.7(b)(ii)(C)** that it is not willing to fund the required Extension and the Access Seeker subsequently advises Queensland Rail that the Access Seeker is willing to fund the required Extension (or an Extension Stage), Queensland Rail and the Access Seeker will commence, concurrently with Access Application negotiations, negotiations on the terms of the Funding Agreement that is required to proceed with the Access Application in accordance with **clause 1.4**.

- (v) If the Access Seeker is a Renewal Access Seeker who meets each of the criteria in **clause 2.11(c)** then the terms of the Access Agreement are to be negotiated generally in accordance with **clause 2.7(b)** except that:
  - (A) **clauses 2.4(b)(ii), 2.7(b)(i)(I) and 2.7(b)(ii)** will not apply; and
  - (B) if the Access Rights sought by a Renewal Access Seeker are for Access Rights for which no Reference Tariff applies then the relevant Access Charges are to be consistent with the renewal pricing rules as set out in **Part 3**.
- (vi) In negotiating an Access Agreement for the purposes of this **Part 2** (including for the purposes of determining a Train Service Entitlement during those negotiations) where the Access Seeker is an End User Access Seeker:
  - (A) Queensland Rail and an End User Access Seeker will seek to agree an assumed Operating Plan (which the End User Access Seeker may involve any relevant Accredited rail transport operator (as defined in the RNSL) in the preparation of); and
  - (B) if the End User Access Seeker does not provide the required information regarding Rolling Stock and Rolling Stock Configuration for the End User Access Seeker's Train Services, Queensland Rail will assume a Reference Train Service in respect of the Rolling Stock and Rolling Stock Configurations for the End User Access Seeker's Train Services and such other above rail operational matters as are reasonably necessary (having regard to any existing standard manner of conducting Above Rail Services on the relevant parts of the Network).

## 2.8 Cessation of negotiation process

### (a) Negotiation Cessation Notice

- (i) Queensland Rail may, at any time, give a notice to an Access Seeker that it does not intend to enter into an Access Agreement with the Access Seeker pursuant to the relevant Access Application (**Negotiation Cessation Notice**) for any one or more of the following reasons:
  - (A) the Access Seeker fails to comply with all of the relevant provisions of this Undertaking, and Queensland Rail (acting reasonably) is of the opinion that such non-compliance is material;
  - (B) Queensland Rail (acting reasonably) is of the opinion that:
    - (1) there is no reasonable likelihood of material compliance by the Access Seeker with the terms and conditions of an Access Agreement; or
    - (2) the Access Seeker has no genuine intention of obtaining, or has no reasonable likelihood of using, the Access Rights requested;
  - (C) the requirements under **clause 2.8(b)** for giving a notice have been satisfied;
  - (D) the Access Seeker has concurrent requests for Access which Queensland Rail reasonably believes to be duplicate requests such that if any one of those requests for Access were granted then the remainder of the concurrent requests would not be required by the Access Seeker (**Duplicate Requests**) and provided that:

- (1) Queensland Rail has given the Access Seeker notice that it intends to cease negotiations because of the existence of Duplicate Requests and the reasons for this; and
- (2) the Access Seeker has not responded to the notice within ten Business Days (or such later date as agreed by Queensland Rail (such agreement not to be unreasonably withheld)) either:
  - with information which demonstrates to Queensland Rail's reasonable satisfaction that the requests are not Duplicate Requests; or
  - advising which of the Duplicate Requests the Access Seeker (acting reasonably) wants to proceed with (if any); or
- (E) the Access Seeker fails to comply with the dispute resolution process under **clause 6.1** (including any outcome of that dispute resolution process) in relation to the relevant Access Application.
- (ii) Without limitation to **clause 2.8(a)(i)(B)(1)**, it will be reasonable for Queensland Rail to form the opinion that the circumstance in **clause 2.8(a)(i)(B)(1)** exists where, at any time, the Access Seeker does not comply with the requirements under **clause 2.8(c)**.
- (iii) In forming an opinion referred to in **clause 2.8(a)(i)(B)(2)**, Queensland Rail may, without limitation, consider any one or more of the following factors:
  - (A) whether the Access Seeker has secured, or is reasonably likely to secure:
    - (1) the rights required to enter and leave the Network (for example, rights to unload at its destination); and
    - (2) if applicable, a rail haulage agreement for the operation of Train Services referred to in its Access Application except that if the Access Seeker is a Alternate Access Seeker for the purposes of **clause 2.6**, in which case this **clause 2.8(a)(iii)(A)(2)** is subject to the process under **clause 2.6(c)(iii)** being completed; and
  - (B) the promptness of the Access Seeker in conducting its negotiations.
- (iv) For clarity, if an Access Seeker responds to Queensland Rail's notice given pursuant to **clause 2.8(a)(i)(D)(1)**, and informs Queensland Rail that it wants to proceed with one of the Duplicate Requests, Queensland Rail can only give a Negotiation Cessation Notice in respect of the unwanted Duplicate Request.

**(b) Safety considerations**

If:

- (i) in the opinion of Queensland Rail (acting reasonably), the use of any proposed Access Rights sought by an Access Seeker may adversely affect the safety of any persons using or intending to use a passenger Train Service;
- (ii) Queensland Rail and the Access Seeker have discussed the matter in **clause 2.8(b)(i)** and after those discussions Queensland Rail (acting reasonably) still considers that the circumstance in **clause 2.8(b)(i)** continues to apply;
- (iii) Queensland Rail (acting reasonably) does not consider that any measures can reasonably and practicably be implemented by Queensland Rail (in its capacity as either a Below Rail or Above Rail Services provider) or the Access Seeker to

avoid, or mitigate to Queensland Rail's satisfaction (acting reasonably), those adverse effects; and

- (iv) refusal to enter into an Access Agreement would be consistent with Queensland Rail acting in accordance with Prudent Practices,

then Queensland Rail may give a Negotiation Cessation Notice to the relevant Access Seeker.

**(c) Access Seekers must satisfy prudential requirements**

- (i) An Access Seeker must at all times satisfy the following prudential requirements, namely:
  - (A) the Access Seeker must not be Insolvent;
  - (B) the Access Seeker (and any Related Party of the Access Seeker) must not be, or have been at any time in the previous two years, in Material Default of:
    - (1) this Undertaking (or, if applicable, AU2, AU1, or the 2008 Undertaking);
    - (2) any agreement with Queensland Rail; or
    - (3) any agreement under which access to Private Infrastructure has been provided to the Access Seeker or a Related Party of the Access Seeker; and
  - (C) the Access Seeker must be able to demonstrate to Queensland Rail (acting reasonably) that it has the financial capacity to perform its obligations, and satisfy its liabilities, under an Access Agreement (including timely payment of Access Charges or other amounts and of insurance premiums and deductibles under any required policies of insurance).
- (ii) Queensland Rail may, at any time, require an Access Seeker to (and, if so required, the Access Seeker must) demonstrate to Queensland Rail (acting reasonably), within a reasonable period of no more than ten Business Days, that the Access Seeker satisfies the prudential requirements set out in **clause 2.8(c)(i)**.
- (iii) Queensland Rail and an Access Seeker may agree a different time frame within which an Access Seeker must satisfy the prudential requirements set out in **clause 2.8(c)** if:
  - (A) the Access Seeker seeking the extension provides Queensland Rail with reasonable grounds for the proposed time frame prior to the time frame in **clause 2.8(c)(ii)** expiring; and
  - (B) Queensland Rail agrees to the proposed time frame (such agreement not to be unreasonably withheld).

## 2.9 Queuing principles for Access Applications

### (a) Application

- (i) Subject to **clause 2.12(b)**, this **clause 2.9** applies where:

- (A) two or more Access Seekers have submitted Access Applications for Access Rights relating to Available Capacity; and
  - (B) it is not reasonably possible for Queensland Rail to fulfil, in whole, the request for Access Rights made under those Access Applications,  
(each a **Queued Access Application**).
- (ii) An Access Application may become a Queued Access Application at any time before an Access Agreement is executed in relation to that Access Application.
  - (iii) This **clause 2.9** does not apply to a Renewal Application submitted by a Renewal Access Seeker to which **clause 2.11(b)** applies. This **clause 2.9** (including the creation and application of any queue) is subject to **clause 2.10** in relation to Renewal Access Seekers.
  - (iv) Where an Access Seeker's Access Application requires an Extension pursuant to **clause 2.4**, this **clause 2.9** will not apply to that Access Application insofar as it relates to the Capacity created by that Extension.
  - (v) For clarity, Queensland Rail will expand the Capacity of the Network in order to create sufficient Available Capacity to provide Access Rights sought by an Access Seeker where Queensland Rail is required to do so under **clause 1.4**.
- (b) Alternate Access Applications for the same traffic task**
- (i) For the purpose of **clause 2.12(a)**, if there are two or more Alternate Access Applications for the same traffic task, then they will be regarded as though there was only a single Access Application for that traffic task.
  - (ii) Where Queensland Rail is required to commence negotiations in respect of one or more Alternate Access Applications for the same traffic task in accordance with **clause 2.6(c)**, Queensland Rail must give those Alternate Access applications collective the same position in any applicable queue pending a relevant nomination under **clause 2.6(a)(ii)**.
- (c) Formation and initial ordering of a queue**
- (i) An Access Seeker will be notified as soon as reasonably practicable after Queensland Rail identifies that its Access Application has become a Queued Access Application, the extent to which it is a Queued Access Application and their position in the queue.
  - (ii) Queensland Rail will, if requested, provide reasonable assistance to an Access Seeker to identify whether its Access Application can be modified so that it ceases to be a Queued Access Application.
  - (iii) The order of Queued Access Applications in a queue established under **clause 2.9(c)(i)** will initially be based on the date on which Queensland Rail received each relevant Queued Access Application with the earliest received Access Application initially having the first position in the queue and so on. Queensland Rail may change the order of the queue from time to time in accordance with **clause 2.9(c)**.
  - (iv) Access Rights relating to Available Capacity will be allocated to the first Access Seeker with whom Queensland Rail can negotiate and execute an acceptable Access Agreement, except as expressly stated otherwise in this Undertaking.

- (v) Despite **clause 2.9(c)(iv)**, Queensland Rail will not grant Access Rights to an Access Seeker who is later in the queue unless each Access Seeker's Access Application earlier in the queue has ended in accordance with **clause 2.7(a)(ii)**.
- (vi) For clarity, Queensland Rail will provide all Access Seekers with a consistent level of service and opportunity to obtain Access Rights subject to the express provisions of this Undertaking.

**(d) Changing the order in a queue**

- (i) If Queensland Rail changes the order of a queue, it will notify each Access Seeker of any change to the position of their Queued Access Application in that queue and the reason for that change.
- (ii) Queensland Rail may change the order of Queued Access Applications in a queue where:
  - (A) the Negotiation Period for an Access Application in the queue has ended in accordance with **clause 2.7(a)(ii)**;
  - (B) a Negotiation Cessation Notice has been given under **clause 2.8(a)** relating to an Access Application in the queue;
  - (C) a further Queued Access Application is added to the queue;
  - (D) in Queensland Rail's opinion (acting reasonably), allocating Access in respect of a Queued Access Application that is not first in the queue is more favourable to Queensland Rail's legitimate business interests as a Below Rail Services provider as described:
    - (1) in **clauses 2.9(d)(iv)** (for Train Services other than coal-carrying Train Services using the West Moreton System); or
    - (2) in **clause 2.9(d)(v)** (for coal-carrying Train Services using the West Moreton System); or
  - (E) the change is required for consistency and compliance with this Undertaking – for example, where **clause 2.6(c)** applies and the relevant Customer subsequently nominates one of the Alternate Access Seekers under **clause 2.6(c)(ii)**.
- (iii) Where Queensland Rail is given a Dispute Notice in respect of a change to the order of a queue, Queensland Rail will not:
  - (A) Implement that change; or
  - (B) execute an Access Agreement in relation to that queue (unless the resolution of the dispute would not alter the relevant Access Seeker's position in the queue),
 until after, and in accordance with, the resolution of the relevant dispute (including, if relevant, where that dispute is resolved by being withdrawn).
- (iv) **(for Train Services other than coal-carrying Train Services using the West Moreton System)** Queensland Rail will make a decision for the purpose of **clause 2.9(d)(ii)(D)** based on the present value of contribution to Common Costs after reasonably considering the following factors:
  - (A) the ability of the Access Seeker to satisfy, and to continue (after execution of an Access Agreement) to satisfy, the prudential requirements set out in **clause 2.8(c)(i)**; and

- (B) any other effects that entering into the Access Agreement may have on contribution to Common Costs including any contribution from other sources of revenue that would reasonably be expected to reduce or be eliminated as a consequence of Queensland Rail not providing Access for that Train Service (for example, Access Charges from another Train Service or combination of Train Services, or Transport Service Contract Payments).
- (v) **(for coal-carrying Train Services using the West Moreton System)** Where a queue contains Exclusive Queued Access Applications for coal carrying Train Services from different mines within the West Moreton System, as between those Access Applications, Queensland Rail will place a later Access Application seeking an Access Agreement of at least ten years in the queue ahead of an earlier Access Application seeking a term less than ten years if the Access Seeker for the later Access Application is ready and willing to execute an Access Agreement that is consistent with this Undertaking and the Standard Access Agreement.
- (e) Assigning a position in a queue**
- (i) An Access Seeker may only assign its position in a queue to another person where:
- (A) both of the following are satisfied:
- (1) that other person is either:
- that Access Seeker's Customer; or
  - a Rolling Stock Operator; and
- (2) the Access Seeker has entered into an agreement with that other person in relation to the provision of rail haulage services where those parties have agreed that the other person is to hold the relevant Access Rights; or
- (B) that other person has acquired the whole of, or control over, the relevant assets of the Access Seeker for which the Access Rights are needed.

## 2.10 Renewals

- (a) This **clause 2.10** will apply where all or any part of an Access Holder's existing Access Rights will expire and:
- (i) the Access Rights are in relation to the West Moreton System; and
- (ii) the Access Holder or the Access Holder's Rolling Stock Operator (**Renewal Access Seeker**) wishes to extend or renew the term of its Access Agreement.
- (b) Where a Renewal Access Seeker submits a Renewal Application to Queensland Rail in respect of a Renewal within the Renewal Timeframe, Queensland Rail will negotiate with the Renewal Access Seeker in good faith to extend or renew the term of the relevant Access Agreement for a minimum term of:
- (i) 10 years from the expiry date of the Access Agreement; or
- (ii) the remaining life of the relevant mine,
- whichever is greater.

## 2.11 Access Application for Existing Capacity

- (a) Where an Access Seeker (who is not a Renewal Access Seeker<sup>3</sup>) submits an Access Application for Access Rights that can only be granted by using Capacity that will become Available Capacity Access Rights granted prior to the Commencement Date under an existing Access Agreement, Queensland Rail will notify:
- (i) the Access Holder for the expiring Access Agreement;
  - (ii) that Access Holder's Customer (if any); and
  - (iii) any relevant Renewal Access Seeker (if any) to whom **clause 2.11(b)** may apply,
- of Queensland Rail's receipt of that Access Application, as soon as reasonably practicable after receiving it.
- (b) Despite any other provision in this Undertaking and subject to **clause 2.11(c)** **Queensland** Rail will not execute an Access Agreement with the Access Seeker referred to in **clause 2.11(a)** until the earlier of the time:
- (i) a Renewal Access Seeker fails to, or cannot, submit a relevant Renewal Application to Queensland Rail in respect of the relevant Renewal within the Renewal Timeframe; or
  - (ii) where a Renewal Application has been submitted within the Renewal Timeframe, the negotiations with the Renewal Access Seeker have ended in accordance with **clause 2.7(a)(ii)** (subject to any extension of time agreed in accordance with **clause 2.7(a)(ii)(B)(3)** (which will apply)).
- (c) **Clause 2.11(b)** only applies where:
- (i) the clause has not been previously applied during the Term in connection with the relevant Available Capacity;
  - (ii) the relevant existing Access Agreement concerns coal carrying Train Services, other bulk mineral carrying Train Services or Train Services for carrying bulk products substantially derived from bulk minerals; and
  - (iii) the Access Rights have not previously been the subject of an Access Agreement entered into as a result of a Renewal Application which nominated a term equal to the remaining life of the relevant mine as notified in writing to Queensland Rail by the Access Rights holder at the relevant time (where it had no Customer) or otherwise the relevant Customer.
- (d) Nothing in this Undertaking prevents an Access Holder exercising contractual renewal rights set out in its Access Agreement. Exercise of such rights does not require lodgement of an Access Application.
- (e) Nothing in this **clause 2.10** obliges Queensland Rail to enter into an Access Agreement with a Renewal Access Seeker or to do so on the same terms as the relevant existing Access Agreement for the relevant existing Access Rights.
- (f) For the avoidance of doubt, when a Renewal Application is submitted by a Renewal Access Seeker to whom **clause 2.11(b)** may apply, the queuing provision (**clause 2.9(b)**) does not apply.

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<sup>3</sup> A person can only be a Renewal Access Seeker in respect of Access Rights acquired prior to the Approval Date for this Undertaking. See definition Renewal Access Seeker.

## 2.12 Access Agreement

### (a) Access Rights granted under an Access Agreement

The granting of Access Rights occurs when Queensland Rail and the Access Seeker execute an Access Agreement and that Access Agreement is or becomes unconditional.

### (b) Development of Standard Agreements

- (i) Subject to **clause 2.7(b)(v)**, unless otherwise agreed between Queensland Rail and the Access Seeker, an Access Agreement must be consistent with:
  - (A) this Undertaking; and
  - (B) the terms of the Standard Access Agreement.
- (ii) If an Access Seeker proposes variations to the terms of the Standard Access Agreement which the Access Seeker can demonstrate would promote, or are required to accommodate, productivity or efficiency improvements to the Access Seeker's proposed Above Rail Service and Queensland Rail rejects those proposed variations, Queensland Rail will provide written reasons for that rejection.

### (c) Execution of Access Agreements

- (i) If:
  - (A) Queensland Rail offers an Access Agreement; and
  - (B) Queensland Rail and the Access Seeker are ready and willing to execute the Access Agreement,then:
  - (C) both Queensland Rail and the Access Seeker must use reasonable endeavours to execute the Access Agreement as soon as reasonably practicable provided that Queensland Rail is not required to execute the Access Agreement before the Access Seeker; and
  - (D) the Access Seeker must execute (and return to Queensland Rail) that Access Agreement within 20 Business Days after receiving Queensland Rail's offer (or such longer period as agreed by Queensland Rail and the Access Seeker (each acting reasonably)).
- (ii) If an Access Seeker and Queensland Rail execute an Access Agreement that is unconditional in all material respects except for the conditions relating to a Funding Agreement and which cannot be satisfied until the Funding Agreement has been executed and the Network has been Extended, then Queensland Rail and the Access Seeker must use reasonable endeavours to execute the Funding Agreement as soon as reasonably practicable.
- (iii) If an Access Seeker does not execute (and return to Queensland Rail) the offered Access Agreement within the timeframe set out in **clause 2.12(c)(i)(D)**, then Queensland Rail's offer automatically lapses.
- (iv) Despite any other provision in this Undertaking, Queensland Rail may, but is not obliged to, grant Access Rights by agreeing to amend an existing Access Agreement.

**(d) Transfer of Access Rights**

An Access Holder may only assign, novate or otherwise transfer the Access Holder's interest in an Access Agreement to a third party in accordance with the terms of that Access Agreement.

## 3 Pricing rules

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### 3.1 Application of Part

- (a) The Access Charge for a Train Service, the description of which accords with the Reference Train Service, will be consistent with the Reference Tariff.
- (b) The Access Charge for a coal carrying Train Service operating either solely on the Metropolitan System or on both the West Moreton System and the Metropolitan System, the description of which otherwise differs from the Reference Train Service, will be consistent with the Reference Tariff, subject to **clause 3.4(c)**.
- (c) In respect of Train Services referred to in **paragraphs (a) and (b)** above:
  - (i) **clauses 3.2, 3.3 and 3.5** will not apply to the setting of Access Charges for those Train Services; and
  - (ii) otherwise this **Part** will apply to the setting of Access Charges for those Train Services.
- (d) The Access Charges for Train Services not referred to in **paragraphs (a) and (b)** above will be determined in accordance with this **Part**, including **clauses 3.2, 3.3 and 3.5** (for the avoidance of doubt, Train Services referred to in this **clause 3.1(d)** are Train Services to which no Reference Tariff applies).

### 3.2 Pricing objectives – non-coal carrying Train Services

#### (a) Revenue adequacy

Access Charges and Transport Service Payments (if applicable) should:

- (i) generate expected revenue for Access that is at least enough to meet the efficient costs of providing Access; and
- (ii) include a return on investment commensurate with the regulatory and commercial risks involved.

Where Queensland Rail is expected to earn excess revenue, then Queensland Rail may seek to reduce Transport Service Payments rather than Access Charges.

#### (b) Network utilisation

- (i) Queensland Rail may establish different Access Charges for Train Services serving different markets to maximise the commercially viable use of Capacity while meeting, in aggregate, the Common Costs.
- (ii) If the Available Capacity is demonstrably insufficient to satisfy the requests for Access Rights of all current and likely Access Seekers, then:
  - (A) Queensland Rail may (consistent with the rules set out in **clauses 3.1 to 3.4**) determine the highest Access Charge for a Train Service that it is likely to achieve from the current or likely Access Seekers (**Maximum Access Charge**);
  - (B) the Maximum Access Charge may be quoted to all Access Seekers in respect of the Available Capacity (including any Additional Capacity that Queensland Rail has agreed to provide), irrespective of:
    - (1) any Access Seeker's ability to contribute to the Common Costs; or

- (2) the Access Charges payable under existing Access Agreements for similar Train Services; and
- (C) if Queensland Rail:
  - (1) chooses to allocate Available Capacity to an Access Seeker for an Access Charge less than the Maximum Access Charge; and
  - (2) another Access Seeker is willing to pay an Access Charge equal to the Maximum Access Charge,

then when determining a Ceiling Revenue Limit in accordance with **clause 3.3(c)** for Train Services using that constrained section of the Network, the Access Charge for the Access Seeker is assumed to be the Maximum Access Charge.

### 3.3 Pricing limits – non-coal carrying Train Services

#### (a) Applying a Ceiling Revenue Limit

In setting the methodology, rates and other inputs for calculating Access Charges for an Access Seeker's proposed Train Services, Queensland Rail must do so such that, over the Evaluation Period, the Expected Access Revenue from any one of those Train Services and any combination of those Train Services does not exceed the Ceiling Revenue Limit for that Train Service or combination of Train Services, as applicable.

#### (b) Applying a Floor Revenue Limit

Unless otherwise approved by the QCA, in formulating Access Charges for an Access Seeker's proposed Train Services Queensland Rail must do so such that, over the Evaluation Period, the Expected Access Revenue from any one of those Train Services or any combination of those Train Services does not fall below the Floor Revenue Limit for that Train Service or combination of Train Services, as applicable. In determining the Expected Access Revenue for a part of the Network, that revenue will be taken to include the level of contribution to be provided by Transport Service Payments, in respect of that part of the Network, towards the maintenance and operation of the rail transport infrastructure (as defined in the TIA) for which Queensland Rail is the Railway Manager.

#### (c) Determination of Ceiling Revenue Limit

- (i) The Ceiling Revenue Limit means the aggregate of the following:
  - (A) the maximum amount of Expected Access Revenue; and
  - (B) where the Access Seeker's proposed Train Services comprise all of the Train Services using the relevant part of the Network, the Transport Services Payments (if any) that are reasonably expected to be received by Queensland Rail in respect of that part of the Network (on a pro rata basis for that individual Train Service or combination of Train Services, as applicable),

over the Evaluation Period where the Ceiling Revenue Limit is measured such that the net present value of the cashflows associated with providing Access for the relevant Train Service(s) over the Evaluation Period is zero. This measurement can be expressed as:

$$0 = -AV_o + \sum_{t=1}^n \frac{(CRL_t - C_t - M_t - T_t)}{(1 + WACC)^t} + \frac{AV_n}{(1 + WACC)^n}$$

where:

- AV<sub>o</sub>** is the value of assets reasonably expected to be required for the Stand Alone provision of Access for the Train Service(s), assessed in accordance with **clause 3.3(c)(iii)**, at the commencement of the Evaluation Period;
- n** is the number of years in the Evaluation Period;
- t** is each year within the Evaluation Period from one to n;
- CRL<sub>t</sub>** is the Ceiling Revenue Limit for the Train Service(s) expressed as revenue that may be earned in each year of the Evaluation Period;
- C<sub>t</sub>** is the capital expenditure for assets reasonably expected to be required for the Stand Alone provision of Access for the Train Service(s) in each year of the Evaluation Period;
- M<sub>t</sub>** is the Efficient Costs for the Stand Alone provision of Access for the Train Service(s) in each year of the Evaluation Period;
- T** is the tax expense assessed through the application of the statutory tax rate for corporations to the taxable income reasonably expected to be earned through the Stand Alone provision of Access for the Train Service(s) in each year of the Evaluation Period, where such tax expense is reduced in each year by the application of the gamma factor, reflecting the market value of dividend imputation, as agreed by Queensland Rail and the QCA or, failing such agreement, as determined by the QCA;
- AV<sub>n</sub>** is the value of assets reasonably expected to be required for the Stand Alone provision of Access for the Train Service(s), assessed in accordance with **clause 3.3(c)(iii)**, at the end of the Evaluation Period;
- WACC** means the weighted average cost of capital, being the return on investment commensurate with the regulatory and commercial risks of providing Access for the Train Service(s) in respect of the relevant part of the Network.

- (ii) It will be necessary, for the purposes of determining the variables under **clause 3.3(c)(i)**, to make assumptions for the Train Services(s) over the Evaluation Period based on the forecast, as reasonably determined by Queensland Rail, for the Train Service(s) (including making allowance for any changes that are expected to result from the commencement of projects that impact significantly on the Train Service(s)).
- (iii) The value of assets used in **clause 3.3(c)(i)** is as agreed by the Access Seeker and Queensland Rail or, failing agreement, as determined by the QCA..

### 3.4 Limits on price differentiation

- (a) In formulating Access Charges, Queensland Rail will have regard to a range of factors which impact on its business, including the following:
- (i) the initial estimate of the Access Charges for the requested Access Rights as included in an Indicative Access Proposal;

- (ii) the particular characteristics of the relevant Train Service which, without limitation, include axle load, speed, wheel diameter, Train length, origin and destination (including number and length of intermediate stops), departure and arrival times and days of the week;
  - (iii) the commercial impact on Queensland Rail's business, which includes factors such as:
    - (A) the terms of the Access Agreement;
    - (B) the potential for growth of the business;
    - (C) the opportunity costs to Queensland Rail;
    - (D) the consumption of Queensland Rail's resources, including Capacity;
    - (E) the credit risk associated with the business;
    - (F) the market value of the Train Path sought;
    - (G) the part of the Network relevant to the Access being sought; and
    - (H) previously negotiated Access Charges, where relevant;
  - (iv) logistical impacts on Queensland Rail's business, including:
    - (A) the impact on other Train Services and risk of failure of the relevant Rolling Stock Operator to perform; and
    - (B) reduced Capacity and system flexibility;
  - (v) capital or other contributions by the Access Seeker to Queensland Rail's costs; and
  - (vi) the cost of any Additional Capacity.
- (b) Subject to **clause 3.4(a)** and Queensland Rail's Passenger Priority Obligations, in formulating Access Charges Queensland Rail will not have regard to the identity of the Access Seeker.
- (c) For a coal carrying Train Service operating either solely on the Metropolitan System or on both the West Moreton System and the Metropolitan System, the description of which otherwise differs from the Reference Train Service, Queensland Rail may negotiate Access Charges that vary from the Reference Tariff that would otherwise apply, but only as required to reasonably reflect differences in the cost or risk to Queensland Rail of providing Access for that Train Service compared to the Reference Train Service; or
- (d) In formulating Access Charges for a Train Service for which there is no applicable Reference Tariff, Queensland Rail will not differentiate between Access Seekers and Access Holders in circumstances where:
- (i) the characteristics of the Train Services are alike; and
  - (ii) the Access Seeker(s) and Access Holder(s) are operating in the same end market.
- (e) For the purposes of **clause 3.4(d)**, Queensland Rail will determine whether the characteristics of the Train Services are alike having regard to matters including:
- (i) location;
  - (ii) duration and quality of the Train Path;

- (iii) nature of the Train consist;
  - (iv) longevity of Access; and
  - (v) arrival and departure times of the day and week.
- (f) In formulating Access Charges (other than Access Charges to which a Reference Tariff applies) for an Access Seeker (other than a Renewal Access Seeker to whose Renewal Application **clause 3.4(i)** applies) under an Access Agreement being entered into by the Access Seeker to take effect from expiration of an existing Access Agreement (and which will relate to the same, or substantially the same, forms of Access Rights as subject to the expiring Access Agreement), Queensland Rail must, in good faith, negotiate the Access Charges having regard to the Access Seeker's expectations at the time of its initial investment.
- (g) In addition to any rate review provision that may be incorporated in an Access Agreement in accordance with **clause 3.7** where Queensland Rail enters into an Access Agreement with an Access Holder for a Train Service and that Access Agreement contains an Access Charge that has been developed in contravention of the limits on price differentiation set out in this **clause 3.4** which Access Charge cannot be altered to be compliant with this clause, Queensland Rail will notify all other Access Holders with Access Agreements for a Train Service that:
- (i) has alike characteristics; and
  - (ii) is for an Access Holder operating in the same end market.
- (h) Where the QCA becomes aware that Queensland Rail has entered into an Access Agreement with an Access Holder for a Train Service and that Access Agreement contains an Access Charge that has been developed in contravention of the limits on price differentiation set out in this **clause 3.4** which Access Charge cannot be altered to be compliant with this clause, the QCA may direct Queensland Rail to notify all other Access Holders with Access Agreements for a Train Service that:
- (i) has alike characteristics; and
  - (ii) is for an Access Holder operating in the same end market.
- (i) Subject to **clauses 3.4(k)** and **(l)**, if in respect of a Renewal Application:
- (i) the relevant existing Access Agreement concerns coal carrying Train Services, other bulk mineral carrying Train Services or Train Services for carrying bulk products substantially derived from bulk minerals;
  - (ii) this **clause 3.4(i)** has not previously applied during the Term to the Access Rights under the relevant existing Access Agreement;
  - (iii) the Access Rights have not been the subject of a Renewal Application lodged prior to the Approval Date the charges under which were determined in accordance with **clauses 3.4(e)** or **3.4(f)** of AU1; and
  - (iv) no Reference Tariff applies to the setting of Access Charges for the proposed Train Services under the Renewal Application,

then the methodology, rates and other inputs for calculating Access Charges for the proposed Train Services in the renewed Access Agreement (**renewed inputs**) will be the same as the methodology, rates and other inputs for calculating Access Charges in the expiring Access Agreement (**existing inputs**) other than to reasonably reflect, on a unit rate basis, over the term of the renewed Access Agreement, differences in the nature of, or actual changes in, the cost or risk to Queensland Rail of providing Access

to the proposed Train Service under the renewed Access Agreement compared to the expiring Access Agreement.

- (j) For the avoidance of doubt, if a Reference Tariff applies to the setting of Access Charges for the proposed Train Services under the Renewal Application, then, subject to **clause 3.4(c)**, the Access Charges will be set by the Reference Tariff.
- (k) If the proposed Renewal Application would be for a Renewal except for a variation due to operational or supply chain improvements, **clause 3.4(i)** will be applied in relation to setting the Access Charges in relation to the proposed Train Services under the Renewal Application but a contribution to Common Costs as a renewed input to reflect those operational or supply chain improvements will also be provided such that it does not result in Queensland Rail being any financially worse off relative to the contribution to Common Costs from the existing inputs.
- (l) **Clauses 3.4(i)** and **3.4(k)** do not apply to the extent that the expiring Access Agreement is inconsistent with those clauses.

### 3.5 Conflict between pricing rules – non-coal carrying Train Services

If **clauses 3.2 to 3.4** cannot be applied without giving rise to a conflict between those provisions, then those provisions will be applied in the following order of precedence (from highest to lowest) to the extent of that conflict:

- (a) **clause 3.4** (Limits on price differentiation);
- (b) **clause 3.3** (Pricing limits);
- (c) **clause 3.2(b)** (Network utilisation);
- (d) **clause 3.2(a)** (Revenue adequacy).

### 3.6 Reference Tariffs

#### (a) Application of Reference Tariffs

- (i) In relation to a Train Service, the description of which accords with the Reference Train Service, a Reference Tariff is an acceptable means by which Queensland Rail provides Access Seekers with information about the matters listed in section 101(2)(a) of the QCA Act.
- (ii) In relation to a coal carrying Train Service operating either solely on the Metropolitan System or on both the West Moreton System and the Metropolitan System, the description of which otherwise differs from the Reference Train Service, a Reference Tariff is an acceptable means by which Queensland Rail provides Access Seekers with information about the matters listed in section 101(2)(a) of the QCA Act if Queensland Rail also complies with **clause 2.7(b)(i)(F)** (read in light of **clause 3.4(c)**).
- (iii) Reference Tariffs for nominated Reference Train Services, and the description of the Reference Train Services for the Reference Tariffs, are set out in **Schedule D**.

#### (b) Loss Capitalisation Account

Queensland Rail will establish and maintain the Loss Capitalisation Account in accordance with **Schedule D** and otherwise comply with **Schedule D** in connection with the Loss Capitalisation Account.

### 3.7 Rate review provisions

- (a) Queensland Rail or an Access Seeker may require reasonable and balanced rate review provisions in an Access Agreement that is being negotiated to enable the methodology, rates and other inputs for calculating Access Charges to be adjusted to be consistent with changes over time in:
  - (i) if a Reference Tariff applies to the Train Service type, the applicable Reference Tariff (including any matters under **Schedule D**);
  - (ii) if no Reference Tariff applies to the Train Service type, the methodology, rates and other inputs for calculating Access Charges agreed with other Access Seekers and Access Holders who are operating in the same end market as the Access Seeker and where the characteristics of the Train Service are alike to the Train Service sought by the Access Seeker;
- (b) The rate review provisions referred to in **clause 3.7(a)**, if included in an Access Agreement, must be drafted so as to provide that, if Queensland Rail adjusts Access Charges to be consistent with changes to those matters listed in **clause 3.7(a)(i)** to **3.7(a)(ii)**, then Queensland Rail must also provide details of how the provisions were applied and how the adjusted Access Charges were calculated.

### 3.8 QCA Levy

- (a) In respect of each Year Queensland Rail is required to pay a fee to the QCA for the regulatory services provided by the QCA (**QCA Regulatory Fee**).
- (b) An Access Charge for a Train Service for a Year may include a QCA Levy component to enable Queensland Rail to recover the QCA Regulatory Fee payable for that Year, and recoup or return any under- or over-recovery from the prior Year.
- (c) Within 30 days of receiving notice from the QCA of the final audited QCA Regulatory Fee for the most recently ended Year, Queensland Rail will publish on its website:
  - (i) its determination of the aggregate QCA Levy for the current Year; and
  - (ii) the amount of the QCA Levy allocated to the Access Charge for each Train Service.
- (d) The aggregate QCA Levy published for a Year is to incorporate any required adjustment to reflect any amount by which the published QCA Levy for the prior Year differed from the aggregate QCA Levy applicable for that Year as determined from the final audited QCA Regulatory Fee for that Year.
- (e) The QCA Levy will be allocated between Train Services in accordance with **Schedule J**.

### 3.9 Maintenance of Regulatory Asset Bases

Queensland Rail will maintain the Regulatory Asset Bases in accordance with **Schedule E**.

### 3.10 Consequences of contravention

- (a) If an Access Holder (**Aggrieved Access Holder**) can demonstrate to the QCA's reasonable satisfaction that, after entering into an Access Agreement with the Aggrieved Access Holder, Queensland Rail has subsequently entered into an Access Agreement with another Access Holder for a Train Service whose characteristics are alike and which is provided to service the same end market as that for which the Aggrieved Access Holder's Train Service is provided, and that subsequent Access

Agreement contains an Access Charge in contravention of **Part 3** of this Undertaking, then:

- (i) the QCA may direct Queensland Rail to offer the Aggrieved Access Holder either:
    - (A) the same Access Charge as the like Train Service; or
    - (B) if the QCA considers it appropriate, a particular Access Charge that in the QCA's view, neutralises the effect of the identified contravention; and
  - (ii) Queensland Rail must immediately make a legally binding offer to the Aggrieved Access Holder to give effect to the QCA's decision.
- (b) Queensland Rail agrees to promptly provide the QCA with all information requested by the QCA to enable the QCA to determine whether any contravention of this **Part 3** has occurred.

## 4 Operating requirements

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### 4.1 Network Management Principles

- (a) All Access Agreements must include obligations for the Access Holder and Queensland Rail to comply with the Network Management Principles.<sup>4</sup>
- (b) Without limitation to **clause 4.1(a)**, Queensland Rail acknowledges its obligations under each Access Agreement to:
  - (i) perform scheduling, Network Control and associated services; and
  - (ii) provide Capacity related information to Access Holders,in accordance with the Network Management Principles and subject to the terms of that Access Agreement.
- (c) Each Train Service Entitlement will:
  - (i) include specified scheduling constraints (which will vary between different types of Train Services); and
  - (ii) be expressed in terms so that it can be used in the development of any MTP and DTP.
- (d) The Network Management Principles must relate to all Train Services (including passenger services provided by Queensland Rail) and must be applied reasonably and fairly subject to specific requirements of the TIA.

### 4.2 Consultation for Through-Running Trains

Queensland Rail will consult with other relevant Railway Managers, in relation to:

- (a) the coordination of maintenance activities;
- (b) the development of MTPs; and
- (c) proposed amendments to the Operating Requirements Manual,

and if any of Queensland Rail's proposed changes or activities might affect other Railway Managers, Queensland Rail will use reasonable endeavours to minimise adverse effects in relation to Through-Running Trains.

### 4.3 Operating Requirements Manual

- (a) The Operating Requirements Manual is initially as set out in **Schedule G**.
- (b) Queensland Rail must make available the Operating Requirements Manual to Access Seekers and Access Holders. Queensland Rail must consult with Access Holders and Nominated Rolling Stock Operators before making any amendments to the Operating Requirements Manual.
- (c) Queensland Rail may vary the Operating Requirements Manual from time to time;
  - (i) where the variation:
    - (A) is trivial or administrative in nature (for example, updating telephone numbers or correcting errors);

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<sup>4</sup> For clarity, the Network Management Principles are set out in **Schedule F**.

- (B) has no material adverse impacts on Access Seekers, Access Holders or Rolling Stock Operators provided Queensland Rail first consults with existing Access Seekers, Access Holders and Rolling Stock Operators; or
- (C) has been requested by, or agreed with, all Access Seekers and Access Holders who will be affected by the variation,
  - (Permitted ORM Variation); and
- (ii) Queensland Rail has obtained the QCA's prior written confirmation that the QCA is satisfied that the proposed variation is a Permitted ORM Variation and is appropriate having regard to the QCA Act, including those factors used in section 138(2) of the QCA Act.
- (d) Except to the extent of variations permitted in accordance with **clause 4.3(c)**, Queensland Rail may only otherwise amend the Operating Requirements Manual in **Schedule G** through a draft amending access undertaking in accordance with the QCA Act.
- (e) Where the Operating Requirements Manual is varied under **clause 4.3(c)** or is amended in accordance with the QCA Act, Queensland Rail must publish a copy of the current Operating Requirements Manual on its website.

#### 4.4 Productivity and Operational Improvements

- (a) Within two months of the Approval Date, Queensland Rail will convene a Regional Network User Group for each of the West Moreton System, North Coast Line System and Mt Isa Line System, subject to there being active and ongoing support for the group from the relevant nominated Rolling Stock Operators and Access Holders that operate in the respective system.
- (b) Each Regional Network User Group will be a co-operative group with emphasis on analysis of data, open, impartial discussion and consensus decision making to improve the operation of the supply chain.
- (c) Queensland Rail will provide resources to:
  - (i) develop and produce operational and system performance reports;
  - (ii) provide analysis of the root causes of ongoing or systematic issues being experienced;
  - (iii) identify resolutions to such issues and other productivity or efficiency initiatives; and
  - (iv) provide evaluation and modelling of the outcomes of potential supply chain operational changes that the Regional Network User Group are supportive of investigating.
- (d) Decisions made by the Regional Network User Group will not be binding on any organisation.
- (e) Queensland Rail and other group members may agree to invite other supply chain participants (including port operators and adjoining rail network owners) in specific advisory roles but not to participate in Regional Network User Group decision making processes.
- (f) The frequency, rules for the conduct of meetings, and purposes and objectives of each Regional Network User Group will be as agreed between Queensland Rail and group members and will be documented in a Terms of Reference. If Terms of Reference are

already in place for a Regional Network User Group, those Terms of Reference will continue to apply until new Terms of Reference for that Regional Network User Group are agreed.

## 5 Reporting

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### 5.1 Quarterly network performance report

#### (a) Obligation to publish quarterly report

- (i) Subject to **clause 6.5(d)**, by the date which is six weeks after the last day of the subject Quarter, or such other date agreed with the QCA Queensland Rail will publicly release a quarterly report, for that Quarter containing the information set out in **clause 5.1(b)** and/or other indicators approved by the QCA from time to time.
- (ii) Queensland Rail will use reasonable endeavours to ensure that the information contained in each quarterly report is accurate.
- (iii) Queensland Rail must ensure that each quarterly report is accompanied by a responsibility statement signed by Queensland Rail's Head of Regional (or the person with another title given to this position with substantially similar accountabilities and responsibilities).

#### (b) Content of quarterly report

A quarterly report published under **clause 5.1(a)** will:

- (i) contain the following information:
  - (A) a comparison of the information described in **clauses 5.1(b)(i)(B) to 5.1(b)(i)(G)** in relation to the subject Quarter and, subject to **clause 6.5(c)**, the four preceding Quarters (to the extent that those preceding Quarters reported on the same information);
  - (B) for Train Services that operated in the subject Quarter:
    - (1) the number and percentage of Train Services that reached their destination within the Allotted Time Threshold;
    - (2) the total number of Train Services;
    - (3) the number and percentage of On-time Train Services;
    - (4) of those On-time Train Services, the number and percentage of Train Services that reach their destination within the Allotted Time Threshold;
    - (5) the number and percentage of Train Services that are not On-time Train Services which are running late only due to causes within the Network (but only where the root cause is outside the Access Holder or Rolling Stock Operator's control);
    - (6) of those Train Services that are not On-time Train Services the number and percentage of Train Services that do not deteriorate further;
  - (C) the average Above Rail Delay, Below Rail Delay and Unallocated Delay, in minutes, transit hour for the aggregate of the Train Services that operated in the subject Quarter;

- (D) the number and percentage of Train Services scheduled in the DTPs relating to the subject Quarter that were cancelled<sup>5</sup> in each of the following circumstances:
  - (1) where that cancellation can be solely attributed directly to Queensland Rail in its capacity as the Railway Manager;
  - (2) where that cancellation can be solely attributed directly to an Access Holder or a Nominated Rolling Stock Operator; and
  - (3) where that cancellation occurred for any other reason;
- (E) the number of category A notifiable occurrences (as defined under the RNSL), as reported to the Rail Safety Regulator, for Train Services that operated in the subject Quarter;
- (F) the average percentage, and the average number of kilometres, of Track under a temporary speed restriction for the subject Quarter (excluding Track in the Metropolitan System);
- (G) the most recent measure of Track quality, in the subject Quarter, for the Network measured by a quality index with component measures including gauge, top, twist and versine;
- (H) (viii) the number of written complaints by Access Holders that are verified by Queensland Rail (acting reasonably) as correct in connection with any of the following:
  - (1) the Operating Requirements Manual;
  - (2) an IRMP;
  - (3) any environmental investigation and/or risk management negotiation process or report created pursuant to **clause 2.7(b)**;
  - (4) a Rolling Stock authorisation<sup>6</sup>; and
  - (5) the application of the Network Management Principles;
- (I) an outline as to the cause or causes of any material change in the matters reported under **clauses 5.1(b)(i)(B) to (H)** relating directly to Queensland Rail's operating performance by comparison to the preceding Quarter;
- (J) the number and percentage of Planned Possessions for the subject Quarter:
  - (1) started within 15 minutes of the scheduled time and finished within 15 minutes of the scheduled time;
  - (2) started between 15 minutes and two hours later than the scheduled time;
  - (3) finished between 15 minutes and two hours earlier than the scheduled time;

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<sup>5</sup> A cancellation is defined as a service cancelled from Origin to Destination and includes all cancellations regardless of whether they are in the planned MTP to DTP or unplanned.

<sup>6</sup> That is, an Authority to Travel (being an authorisation issued by Queensland Rail under an Access Agreement which authorises a Rolling Stock Operator to temporarily operate specified Train Services on the Network for a specified period and using specified Train Configurations) or a Train Route Acceptance (which has the same meaning as an Authority to Travel but rather than being temporary applies until the expiry or termination of the Access Rights for the relevant Train Services).

- (4) finished between 15 minutes and two hours later than the scheduled time;
  - (5) started more than two hours later than the scheduled time;
  - (6) finished more than two hours earlier than the scheduled time;
  - (7) finished more than two hours later than the scheduled time; and
  - (K) the number of Urgent Possessions and the number of Emergency Possessions for the subject Quarter, the average duration for each of those types of Possession, and the number of Train Services that were cancelled or rescheduled as a result of each of those types of Possession;
  - (L) the total of Planned Possession hours scheduled for the subject quarter and the total additional Possession time (hours) required in excess of scheduled Planned Possession to undertake planned maintenance work.
- (ii) the information referred to in **clauses 5.1(b)(i)(B) to 5.1(b)(i)(E)** and **clauses 5.1(b)(i)(H) and 5.1(b)(i)(I)** will be limited to, and aggregated by, Train Services operated for the purpose of:
- (A) transporting coal;
  - (B) transporting bulk minerals (other than coal);
  - (C) transporting freight products; and
  - (D) long distance passenger services,
- (iii) in the following parts of the Network:
- (A) the West Moreton System;
  - (B) the Mt Isa Line System;
  - (C) the North Coast Line System; and
  - (D) the Metropolitan System.

## 5.2 Annual network performance report

### (a) Obligation to publish annual report

- (i) Subject to **clauses 6.5** and **(e)**, within six months after the end of each Year in the Term, or such longer time as agreed by the QCA, Queensland Rail will publicly release an annual report in relation to that Year containing the information set out in **clause 5.2(b)**.
- (ii) Queensland Rail will use reasonable endeavours to ensure that the information contained in each annual report is accurate.
- (iii) Queensland Rail must ensure that each annual report is accompanied by a responsibility statement signed by the Chief Executive Officer of Queensland Rail.

### (b) Content of annual report

An annual report published under **clause 5.2(a)** will contain the following information for the relevant Year:

- (i) the number of requests for Capacity Information received under **clause 2.1(b)(ii)** and the average time (in Business Days) taken by Queensland Rail to provide that information;

- (ii) the number and percentage of Access Applications acknowledged in accordance with this Undertaking and within the applicable timeframe nominated in **clause 2.3(b)**;
- (iii) for those Access Applications received in accordance with this Undertaking and that have not been acknowledged within the applicable timeframe nominated in **clause 2.3(b)**, the average delay (in Business Days) by Queensland Rail to acknowledge the Access Applications;
- (iv) for all Indicative Access Proposals provided in accordance with this Undertaking, the number of Indicative Access Proposals provided by Queensland Rail in accordance with **clause 2.4(a)** and the number of instances of a notice of intention to negotiate provided by an Access Seeker under **clause 2.5(a)** broken down into periods of less than 10 Business Days, 10 to 20 Business Days, 21 to 40 business Days and more than 40 Business Days from the date provided;
- (v) the number of disputes that are:
  - (A) referred to the dispute resolution process under **clause 6.1**; and
  - (B) referred to the dispute resolution process under **clause 6.1** and determined in favour of the Access Seeker.
- (vi) the number and percentage of Access Applications in relation to which Queensland Rail has given a Negotiation Cessation Notice in accordance with **clause 2.8(a)**;
- (vii) the number of Access Agreements executed by Queensland Rail;
- (viii) the number of Access Agreements (excluding agreements which extend or renew an Access Holder's Access Rights that existed immediately prior to execution of the agreement) executed by Queensland Rail for which the negotiation period was:
  - (A) three months or less;
  - (B) more than three months but not more than six months;
  - (C) more than six months but not more than 12 months; and
  - (D) more than 12 months; and
- (ix) for each Regional Network to which a Reference Tariff applies:
  - (A) maintenance costs of each Regional Network and scope of any maintenance performed compared with the maintenance forecasts used to develop the relevant tariff with the information to be aggregated by the same categories as those on which the relevant forecast was based;<sup>7</sup>
  - (B) operating expenditure compared with the forecasts used to develop the relevant tariff with the information to be aggregated by the same categories as those on which the relevant forecast was based;<sup>8</sup>
  - (C) the capital investment in the relevant Year and the roll- forward of the relevant Regulatory Asset Base; and

<sup>7</sup> The initial maintenance forecast categories are: track (excluding mechanised resleepering); mechanised resleepering; structures; trackside systems; and, other.

<sup>8</sup> The initial operating expenditure categories are: train control; corporate overhead; other; and, working capital.

- (D) the aggregate gtk for Train Services of the type to which the Reference Tariff applies; and
- (E) volumes of:
  - (1) for non-passenger Train Services:
    - the aggregate Train Paths used by those Train Services;
    - the aggregate nt; and
    - the aggregate gtk,
 broken down by commodity where appropriate; and
  - (2) for passenger Train Services, the aggregate Train Paths used by those Train Services
- (x) for each Regional Network to which a Reference Tariff does not apply, in relation to that Regional Network (which, where a Regional Network includes multiple corridors will be categorised and aggregated according to each particular corridor):
  - (A) maintenance costs of the Regional Network and scope of maintenance performed;
  - (B) operating costs of the Regional Network;
  - (C) the capital investment in the previous financial Year and expected capital investments over the next one and four years; and
  - (D) volumes of:
    - (1) for non-passenger Train Services:
      - the aggregate Train Paths used by those Train Services;
      - the aggregate nt; and
      - the aggregate gtk,
 broken down by commodity where appropriate; and
    - (2) for passenger Train Services, the aggregate Train Paths used by those Train Services; and
- (xi) a commentary by Queensland Rail which explains any material differences between actual expenditure and forecast expenditure identified by the information prepared pursuant to **clauses 5.2(b)(ix)(A) and 5.2(b)(ix)(B)**. For the purpose of this **clause 5.2(b)(xi)**, a difference between actual expenditure and forecast expenditure will only be material where it exceeds the greater of the following:
  - (A) \$500,000; or
  - (B) 10 per cent of the forecast expenditure.

### 5.3 Financial Reporting

#### (a) Annual Financial Report

- (i) Within six months after the end of each Year, Queensland Rail will publicly release Financial Statements in relation to the preceding Year.
- (ii) The Financial Statement published pursuant to **clause 5.3(a)** must be accompanied by an audit certificate prepared by a suitable auditor.

- (iii) The audit certificate referred to in **clause 5.3(a)(ii)** will specify whether or not the Financial Statement has been prepared, in all material respects, in accordance with the processes outlined in the Costing Manual and consistent with the format specified in the Costing Manual.

## 5.4 General reporting obligations

### (a) Accuracy and contract volumes

- (i) Queensland Rail will use reasonable endeavours to ensure the reports referred to in **clauses 5.1** and **5.2** are accurate.
- (ii) If an error in a report published or provided under **clauses 5.1** or **5.2** is identified, then Queensland Rail will, as soon as reasonably practicable, correct that error and publish an amended report containing the correct information.
- (iii) Queensland Rail must notify QCA as soon as reasonably practicable after it has contracted coal carrying Train Services on the West Moreton System and or the Metropolitan System.

### (b) Information requested by the QCA

- (i) Subject to **clause 5.4(b)(ii)**, the QCA may, by written notice, request Queensland Rail to provide information or a document that the QCA reasonably requires for the purpose of complying with this Undertaking.
- (ii) A notice given by the QCA under **clause 5.4(b)(i)** must include a description of the information or document required, the purpose for which it is required, and the day by which it is required, provided that the day stated in the notice must be reasonable.
- (iii) Queensland Rail will comply with a request by the QCA under **clause 5.4(b)(i)** by the day stated in the request unless it has a reasonable excuse for non-compliance.

### (c) Information about compliance with the Undertaking

Without limitation to this Undertaking, Queensland Rail acknowledges:

- (i) its obligations under section 150AA of the QCA Act; and
- (ii) that the QCA may, in accordance with section 150AA of the QCA Act, require Queensland Rail to give the QCA particular information about Queensland Rail's compliance with the Undertaking.

### (d) Audit

- (i) If the QCA believes, acting reasonably, that the information contained in a quarterly report or annual report released by Queensland Rail under **clause 5.1** or **5.2** is inaccurate in a material way or that Queensland Rail may have failed to comply with the Undertaking (including in relation to a specific instance of non-compliance), the QCA may instruct Queensland Rail to obtain an audit of the relevant quarterly report or annual report or an audit of compliance with the Undertaking.
- (ii) Where the QCA has instructed Queensland Rail to obtain an audit under **clause 5.4(d)(i)**, the QCA may require that the audit be conducted by a third party and, if it does, the following process will apply (unless otherwise agreed by the QCA and Queensland Rail):

- (A) Queensland Rail will appoint an auditor subject to the QCA's prior approval of the auditor and, if the QCA does not approve a particular auditor, Queensland Rail must nominate an alternative auditor as soon as reasonably practicable;
- (B) the auditor will have a duty of care to the QCA in providing the audit and, in the event of a conflict between the auditor's obligations to Queensland Rail and its duty of care to the QCA, the auditor's duty of care to the QCA will take precedence;
- (C) prior to commencing the audit, the auditor must agree an audit plan with Queensland Rail, document that audit plan and obtain the QCA's approval of that audit plan;
- (D) the audit plan referred to under **clause 5.4(d)(ii)(C)** will consist of a proposed work program for the execution of the audit and will include the establishment of an audit liaison group, comprising the auditor, Queensland Rail and the QCA, to provide a forum for the resolution of any audit issues that arise during the course of the audit;
- (E) Queensland Rail will be responsible for the costs of the auditor;
- (F) subject to **clause 5.4(d)(ii)(G)**, Queensland Rail will provide any relevant information the auditor reasonably requires to conduct the audit, within a nominated timeframe that is determined by the auditor to be reasonable after consultation with Queensland Rail;
- (G) the auditor must enter into a confidentiality deed with Queensland Rail in relation to any information provided by Queensland Rail, to the effect that it must keep the information confidential and only use that information for the purpose of conducting the audit and completing the Audit Report detailed below;
- (H) the auditor must prepare:
- (1) a statement (**Audit Statement**):
    - specifying only whether, in the opinion of the auditor, the information contained in the quarterly report or annual report (as applicable) released by Queensland Rail under **clause 5.1** or **5.2** (as applicable) is materially inaccurate and, in the opinion of the auditor, whether Queensland Rail may have failed to comply with the Undertaking; and
    - describing the process adopted for the conduct of the audit; and
  - (2) a report (**Audit Report**):
    - explaining the information set out in the Audit Statement in greater detail; and
    - in the event that the auditor identifies that the information contained in the quarterly report or annual report (as applicable) is inaccurate in a material way, providing information on the inaccuracy.

- (iii) Within a reasonable period following Queensland Rail's receipt of a completed Audit Statement and Audit Report, Queensland Rail must provide the Audit Statement and Audit Report to the QCA.
- (iv) The QCA may publicly release an Audit Statement and the Audit Report.

## 6 Administrative provisions

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### 6.1 Dispute and complaint resolution process

#### (a) Alternative dispute process

Nothing in this **clause 6.1** prevents an Access Seeker and Queensland Rail from agreeing (in each party's absolute discretion) to use a different dispute resolution process or different timeframes to the dispute resolution process or timeframes set out in this **clause 6.1**. However, if an Access Seeker and Queensland Rail do agree a different dispute resolution process or timeframe (as applicable), then:

- (i) the different dispute resolution process or timeframe (as applicable) will be binding on them;
- (ii) neither of them may seek to:
  - (A) change the dispute process (except with the agreement of the other); or
  - (B) alter or challenge the outcome of the dispute process (except in the case of manifest error); and
- (iii) in a case of manifest error, either of them may refer the matter to the QCA for arbitration in accordance with this **Part 6**.

#### (b) Application of dispute and complaint resolution process

- (i) If any Dispute arises between Queensland Rail and an Access Seeker in relation to any provision of this Undertaking, a request for Access or the negotiation of an Access Agreement, then:
  - (A) that Dispute will be resolved in accordance with this **clause 6.1**; and
  - (B) either the Access Seeker or Queensland Rail may give the other a notice in writing (**Dispute Notice**) setting out details of the Dispute and that the Dispute is to be dealt with in the manner set out in this **clause 6.1**.

Notwithstanding **clause 1.2(a)(ii)(A)(2)** of this Undertaking, if any Dispute arises between Queensland Rail and an Access Holder, or between Queensland Rail and a Relevant Person, in relation to anything required to be done or not done by Queensland Rail under this Undertaking, then **clauses 6.1(a), 6.1(b), 6.1(c), 6.1(d), 6.1(e)** and **6.2** will apply to that Dispute (as if the reference to Access Seeker were a reference to an Access Holder or to the Relevant Person).

- (ii) For the purposes of this Undertaking, a Relevant Person means a person who, either as an individual or as a member of a class of persons, this Undertaking contemplates will or may receive a benefit from the performance by Queensland Rail of an obligation under this Undertaking.
- (iii) Except for Disputes referred to in **clause 6.1(b)(ii)**, Disputes as to rights or obligations under an Access Agreement must be dealt with in accordance with the provisions of the relevant Access Agreement and must not be dealt with under this Undertaking.

#### (c) Resolution by escalation

- (i) Within five Business Days (or such longer period as agreed by the parties) after the date on which a party gives the other party a Dispute Notice (**Dispute Notice Date**), representatives of the parties must meet and use reasonable endeavours to resolve the Dispute.

- (ii) If the Dispute is not resolved under **clause 6.1(c)(i)**, senior management representatives of the parties (who, for a party, are senior to that party's representative(s) referred to in **clause 6.1(c)(i)**) must, within ten Business Days (or such longer period as agreed by the parties) after the Dispute Notice Date, meet and use reasonable endeavours to resolve the Dispute.
- (iii) If the Dispute is not resolved under **clause 6.1(c)(ii)**, the Dispute must be referred to each party's chief executive officer (or his or her nominee – who, for a party, must be more senior than that party's representative(s) referred to in **clauses 6.1(c)(i)** and **(ii)**) who must use reasonable endeavours to resolve the Dispute within ten Business Days (or such longer period as agreed by the parties) after the Dispute has been so referred.
- (iv) If a party fails to comply, or to co-operate to ensure compliance, with this **clause 6.1(c)** the other party or parties to the Dispute may refer it directly to the QCA under **clause 6.1(d)**.

**(d) Resolution by QCA**

- (i) If a Dispute is not resolved under **clause 6.1(c)** within the last of the applicable time frames (or is referred directly to this **clause 6.1(d)** by a provision of this Undertaking), then either the Access Seeker or Queensland Rail (or both of them) may refer the dispute to the QCA; and
  - (A) if the Dispute is a dispute for the purposes of Division 5 of Part 5 of the QCA Act, any determination of that Dispute must occur subject to, and in accordance with, Division 5, Part 5 of the QCA Act; and
  - (B) if the Dispute does not constitute a dispute for the purposes of Division 5 of Part 5 of the QCA Act, the QCA may make a determination through any process that it considers appropriate (**Dispute Procedure**), provided that:
    - (1) the QCA advises the affected parties of the process that it will use to make the determination; and
    - (2) the QCA must not make a determination that is inconsistent with this Undertaking (unless the parties agree otherwise and no party (whether a party to the Dispute or not) is adversely affected by the determination not being consistent with this Undertaking).
- (ii) Subject to **clauses 6.1(d)(i)(B)(2)**, **6.1(d)(iii)** and **6.2**, Queensland Rail must comply with the requirements of the Dispute Procedure determined by the QCA and is bound by any determination (including orders as to payment of costs relating to the Dispute) made by the QCA.
- (iii) The QCA may not commence to determine a Dispute to which **clause 6.1(d)(i)(B)** applies in accordance with the Dispute Procedure until the other party or parties to the Dispute (to Queensland Rail) have executed and provided to the QCA and Queensland Rail a deed poll in favour of both the QCA and Queensland Rail (which deed poll is to be in such form determined by the QCA) agreeing to comply with the requirements of the Dispute Procedure and agreeing that, subject to **clauses 6.1(d)(i)(B)(2)** and **6.2**, they will comply with any determination (including orders as to payment of costs relating to the Dispute) made by the QCA.
- (iv) The reference in **clauses 6.1(d)(ii)** and **6.1(d)(iii)** to costs relating to a Dispute includes the costs of the parties to the Dispute and, to the extent the QCA is not

prohibited by law from recovering those costs, the costs incurred by the QCA in resolving the Dispute.

- (v) Where there is more than one party to a Dispute (other than Queensland Rail) and one or more such parties refuse to sign the deed poll contemplated by **clause 6.1(d)(iii)** the QCA may, if it considers it appropriate to do so, nevertheless proceed to hear the Dispute but on the basis the only parties to it are Queensland Rail and the parties who have signed a deed poll.

**(e) Reporting unresolved disputes and complaints to the QCA**

If:

- (i) a Dispute is referred to the dispute resolution process in this **clause 6.1**;
- (ii) that Dispute is not resolved by the Access Seeker and Queensland Rail; and
- (iii) neither the Access Seeker nor Queensland Rail gives an access dispute notice to the QCA in accordance with **clause 6.1(d)(i)**,

then, within three months after the Dispute Notice Date, Queensland Rail will report that Dispute (including a brief description of the Dispute) to the QCA.

## 6.2 QCA Decision-making

- (a) The QCA may not make a decision (**Decision**) under this Undertaking that may affect Queensland Rail or another person (including to require Queensland Rail or another person to do, give or submit anything to the QCA, to resolve a Dispute, to approve or consent to or grant anything or to refuse to approve or consent to or grant anything), unless:
  - (i) the QCA observed the rules of natural justice;
  - (ii) the QCA observed any procedures that were required by any applicable Law (including this Undertaking);
  - (iii) the QCA had jurisdiction to make the Decision under this Undertaking;
  - (iv) the QCA was authorised to make the Decision under this Undertaking;
  - (v) the QCA's Decision was a proper exercise of the power conferred by this Undertaking and, without limitation, it will not be a proper exercise of power if:
    - (A) the QCA takes an irrelevant consideration into account in the exercise of a power;
    - (B) the QCA fails to take a relevant consideration into account in the exercise of a power; or
    - (C) the QCA exercises:
      - (1) a power for a purpose other than a purpose for which the power is conferred;
      - (2) a discretionary power in bad faith;
      - (3) a personal discretionary power at the discretion or behest of another person;
      - (4) a discretionary power in accordance with a rule or policy without regard to the merits of a particular case;

- (5) a power in a manner that is so unreasonable that no reasonable person could so exercise the power;
- (6) a power in such a way that the result of the exercise of the power is uncertain; or
- (7) a power in a way that is an abuse of the power;
- (vi) the QCA's Decision involves an error of law (whether or not the error appears on the record of the Decision);
- (vii) the QCA's Decision was induced or affected by fraud;
- (viii) (viii) to the extent that any matters were required to be established before the Decision could be made or taken, there was not some material or evidence from which the QCA could reasonably be satisfied the matter was established to justify the Decision or, to the extent that the existence of a particular fact forms the basis on which the Decision is made, the fact did or does not exist; and
- (ix) the Decision was otherwise contrary to law or this Undertaking.

For the avoidance of doubt, where words and phrases in this **clause 6.2(a)** are also used under the *Judicial Review Act 1991* (Qld) and are not expressly defined in this Undertaking, then those words and phrases have the same meaning as used in the *Judicial Review Act 1991* (Qld).

- (b) The requirements set out in **clause 6.2(a)** also apply to the QCA's conduct in making a Decision.
- (c) If the QCA's Decision or conduct is challenged on the basis of a breach of a requirement in this **clause 6.2**, Queensland Rail and the QCA agree that where Queensland Rail or another person (as applicable) is aggrieved by the Decision or conduct (including if its interests are or would be adversely affected by the Decision or conduct), Queensland Rail or that other person (as applicable) may seek an order suspending the operation of the relevant Decision and a stay of any proceedings under the relevant Decision.
- (d) This **clause 6.2** does not affect the right of any party to seek any other form of remedy or relief including relief by way of the equitable remedies of injunction or declaration or to seek review under the *Judicial Review Act 1991* (Qld).

### 6.3 NOT USED

### 6.4 Notices

#### (a) Form of Notices

A notice or other document relating to this Undertaking (**Notice**) must be in writing in English.

#### (b) Means of giving Notices

In addition to any other lawful means, a Notice may be given by being personally delivered or sent by pre-paid post or email.

#### (c) Effect and receipt of a Notice

- (i) Unless a later time is specified in it, any Notice takes effect and is given from the earlier of the time it is actually given or is taken to be given.
- (ii) A Notice is taken to be given, in the case of a Notice given by:

- (A) hand, at the time of delivery;
  - (B) post, on the second day following the date of posting (other than a Notice acknowledging the receipt of an Access Application which is taken to be given on the date of posting); and
  - (C) email, unless the sender receives an automated message that the email has not been delivered, when the sender receives an automated message confirming delivery to the recipient or the recipient's email server,
- provided that, if a Notice is given:
- (D) after 5:00pm in the place of receipt; or
  - (E) on a day which is not a Business Day in the place of receipt, it is taken as having been given on the next Business Day.

**(d) Process service is not affected**

This **clause 6.4** does not affect any process or other document relating to litigation, administrative or arbitral proceedings relating to this Undertaking (which may be served in accordance with any other applicable Law).

## **6.5 Transitional provisions**

- (a) All acts, applications, approvals, approval processes, arrangements, circumstances, conduct, decisions, determinations, dispute resolution processes, events, Force Majeure Events, matters, negotiations, notices, omissions, requests, time periods, votes, warranties or any other process or thing whatsoever (**Matter**) done, agreed, arising, given, received, undertaken, commenced or established (**Done**) or deemed to be Done under AU2 are deemed to be Done and, as applicable, continue under this Undertaking as though the Matter was Done under this Undertaking to the extent that this Undertaking provides for equivalent Matters to be Done.
- (b) Any access applications or renewal applications Done before the Approval Date and not subject to **clause 6.5(a)**, are deemed to be Done and, as applicable, continue under this Undertaking to the extent this Undertaking provides for equivalent matters to be Done (for example, Access Application queueing and negotiations).
- (c) If this Undertaking requires Queensland Rail to report to the QCA on a Quarter or a Year that began prior to the Approval Date, then:
  - (i) the relevant report will include information in respect of the period prior to the Approval Date; and
  - (ii) Queensland Rail is only obliged to provide information for the period prior to the Approval Date as would have been required to be provided under AU2 in respect of that same type of report.
- (d) If the Approval Date is the first day of a Quarter, then Queensland Rail will report on the last Quarter prior to the Approval Date in accordance with the requirements of AU2.
- (e) If the Approval Date is the first day of a Year, then Queensland Rail will report on the prior Year in accordance with the requirements of AU2.
- (f) Even if the Approval Date is after 1 July 2025 the first reports produced under **clause 5.1**, **clause 5.2** and **clause 5.3** for the first Year of this Undertaking are to relate to the period from 1 July 2025.

## 7 Definitions and interpretation

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### 7.1 Definitions

In this Undertaking:

**2008 Undertaking** means Aurizon Network's access undertaking as approved by the QCA on 23 October 2008 (as amended pursuant to submissions by Queensland Rail which were approved by the QCA) but only to the extent that it applied to Queensland Rail pursuant to section 9(1)(j) of the *Infrastructure Investment (Asset Restructuring and Disposal) Act 2009* (Qld);

**Above Rail Delay** means a delay to a Train Service from its scheduled Train Path in the DTP, where that delay can be solely attributed directly to an Access Holder (or its Nominated Rolling Stock Operator) in operating its Train Services, but excludes:

- (a) cancellations;
- (b) delays resulting from compliance with a Passenger Priority Obligation; and
- (c) delays resulting from a Force Majeure Event;

**Above Rail Services** means those activities, other than Below Rail Services, required to provide and operate Train Services, including Rolling Stock provision, Rolling Stock maintenance, non-Network Control related communications, train crewing, terminal provision and services, freight handling and marketing and the administration of those activities and

**Above Rail** has a similar meaning;

**Access** means the non-exclusive right to use a specified part of the Network for the purpose of operating Train Services;

**Access Agreement** means an agreement between Queensland Rail and an Access Holder for the provision of Access;

**Access Application** means a request for Access Rights by an Access Seeker that includes:

- (a) the information referred to under **Schedule B** or so much of that information as Queensland Rail reasonably requires based on the nature of the request; and
- (b) all additional or clarified information required by Queensland Rail under **clause 2.3(a)**;

**Access Charge** means the charge or other amount payable by an Access Holder to Queensland Rail for the provision of Access under an Access Agreement and includes, except where the context requires otherwise, Take or Pay Charges and Adjustment Charges;

**Access Funder** means a reference to an Access Seeker, an Access Seeker's Customer or an End User Access Seeker depending on which party (or parties) elects to fund the Extension (or relevant Extension Stage);

**Access Holder** means a person who holds Access Rights under an Access Agreement;

**Access Rights** means an entitlement to Access in accordance with a specified Train Service Entitlement;

**Access Seeker** means a person who is seeking new or additional Access Rights from Queensland Rail including, for clarity, a Renewal Access Seeker;

**Accredited** means accredited (including exempted from the requirement to be accredited and any conditions applying to that accreditation or exemption) in accordance with Part 3 Division 4 of the RSNL;

**Additional Capacity** means the additional capability of the Network to accommodate Train Services that would result from an Extension;

**Ad Hoc Train Service** means any Train Service:

- (a) additional to the number of Train Services permitted under an existing Access Agreement, but otherwise consistent with the Train Service Entitlement and Rolling Stock and Train Configuration authorised pursuant to that existing Access Agreement; or
- (b) varying from the Train Service Entitlement specified in an existing Access Agreement, but agreed to by Queensland Rail;

**Adjustment Charge** has the meaning given to that term in **clause 6.1(a)** of **Schedule D**;

**Adjustment Charge Amount** has the meaning given to that term in **clause 6.1(a)** of **Schedule D**;

**Allotted Time Threshold** means the threshold within which a Train Service is considered to be on time as follows, for a Train Service operated for the purpose of:

- (a) transporting coal, 30 minutes;
- (b) transporting bulk minerals (other than coal), 60 minutes;
- (c) transporting freight products, 60 minutes; and
- (d) transporting passengers over long distances, 20 minutes

**Alternate Access Applications** means the Access Applications of two or more Access Seekers that are seeking Access Rights relating to the same traffic task – that is, where if one of those Access Seekers is granted Access Rights, then the other Access Seekers will no longer need a grant of Access Rights. For Example:

- (a) Where two Access Seekers are competing to provide Train Services under a rail haulage agreement with the same Customer for the same Train Service. This might occur where a mine is conducting a competitive tender for the provision of rail haulage services, there is more than one person seeking to provide those rail haulage services and each of those persons submits an Access Application.
- (b) Where an Access Seeker is seeking Access Rights in order to provide Train Services under a rail haulage agreement with a Customer and that Customer is also seeking Access Rights itself for the same Train Service;

**Alternate Access Seekers** means the Access Seekers whose Access Applications are Alternate Access Applications;

**Alternative Schedule Time** means a Train Service proposed by Queensland Rail, which is a Useable Schedule Time;

**Approval Date** means the date on which this Undertaking was approved by the QCA;

**Approved Capital Expenditure** means all capital expenditure accepted into a Regulatory Asset Base by the QCA in accordance with **clause 2.1(a)** of **Schedule E**;

**Approved Ceiling Revenue Limit** means for Train Services, the description of which accords with the Reference Train Service, the amount set out in **clause 4(f)** of **Schedule D**;

**AU1** means Queensland Rail's Access Undertaking approved by the QCA on 11 October 2016.

**AU2** means Queensland Rail's Access Undertaking approved by the QCA on 1 July 2020.

**Aurizon Network** means Aurizon Network Pty Ltd ACN 132 181 116;

**Authorisation** means any consent, accreditation, authorisation, registration, filing, lodgement, notification, agreement, licence, certification, commission, permit, approval, exemption, ruling or other permission from, by or with an Authority required by any Law or lawfully required by any Authority;

**Authority** means:

- (a) the Crown or any minister of the Crown;
- (b) any government, federal, state or local government department or other governmental, semi-governmental or judicial body or authority including local government, a court or a tribunal;
- (c) any corporation, authority, body or force constituted for a public purpose (including any police service or force);
- (d) any holder of an office for a public purpose;
- (e) any governmental, semi-governmental or judicial person; and
- (f) any person (whether autonomous or not) who is charged with the administration or enforcement of a Law,

including any officer or agent of the foregoing acting in that capacity but excluding the Rail Authority;

**Available Capacity** means Capacity excluding:

- (a) all Committed Capacity other than, in relation to an Access Application:
  - (i) Committed Capacity that will cease being Committed Capacity prior to the time period for which Capacity is being assessed for that Access Application; and
  - (ii) Capacity that is required to comply with any Passenger Priority Obligation or Preserved Train Path Obligation that can be allocated by Queensland Rail to that Access Application in accordance with that Passenger Priority Obligation or Preserved Train Path Obligation and is not otherwise Committed Capacity;
- (b) Queensland Rail's reasonable requirements for the exclusive use of the Network for the purposes of:
  - (i) performing activities associated with the maintenance or repair of the Network, or undertaking Extensions, including the operation of work Trains; and
  - (ii) attending to and performing activities associated with safety matters or the management of safety risks; and
- (c) Capacity that is not available as a result of:
  - (i) an Operational Constraint from time to time; or
  - (ii) restrictions imposed or required from time to time in accordance with any Law;

**Average Coal Price** means the yearly average of each weekly API 5 Price Index (FOB) published in the Argus/McCloskey's Coal Price Index Report, for the relevant calendar year, expressed in Australian dollars assuming a USD:AUD exchange rate as published by the Reserve Bank of Australia at the time the weekly index becomes available.

**Below Rail Delay** means a delay to a Train Service from its scheduled Train Path in the DTP, where that delay can be solely attributed directly to Queensland Rail in its capacity as the Railway Manager, but excludes:

- (a) cancellations;
- (b) delays resulting from compliance with a Passenger Priority Obligation; and
- (c) delays resulting from a Force Majeure Event;

**Below Rail Services** means the activities associated with the ownership, provision and management of the Network, including:

- (a) the construction, maintenance and renewal of Network assets including to ensure that the Network is provided to the standard required to meet Queensland Rail's obligations to each Network Participant; and
- (b) the network management services required for the safe operation of Train Services on the Network including:
  - (i) Network Control; and
  - (ii) the implementation of procedures and systems, including supporting communications systems, for the safe operation of Train Services and protection of work sites on the Network,

and **Below Rail** has a similar meaning;

**Building Queensland Act** means the *Building Queensland Act 2015* (Qld);

**Building Queensland** means the body corporate of that name established pursuant to the Building Queensland Act;

**Business Day** means a day which is not a Saturday, Sunday or public holiday in Brisbane or, if and to the extent that this Undertaking expressly refers to another place, in that other place;

**Capacity** means the capability of the Network to accommodate Train Services including all Additional Capacity that is expected to result from Extensions that Queensland Rail has committed to construct;

**Capacity Analysis** means an assessment of:

- (a) whether there is sufficient Available Capacity to accommodate an Access Seeker's requested Access Rights; and
- (b) if there is not sufficient Available Capacity to accommodate the requested Access Rights, the Additional Capacity required to grant the requested Access Rights including either:
  - (i) an indicative outline of the works which would be reasonably required to complete the Extensions and an indicative estimate of the cost, standard and scope of, and timing for, the required Extension; or
  - (ii) the scope, standard and cost of the required Extension,

which provides a basis for the negotiation of an Access Agreement and Funding Agreement (if applicable);

**Capacity Information** means the information referred to under **Schedule A**;

**Capital Indicator** means the annual capital expenditure allowance approved by the QCA for the purpose of assessing the relevant Reference Tariff;

**Ceiling Revenue Limit** has the meaning given to that term in **clause 3.3(c)**;

**Change in Law** means:

- (a) any amendment, repeal, modification or enactment of any Law;
- (b) any change in the interpretation or application, including by the exercise of delegated authority, of any Law resulting from a decision of a court or Authority;
- (c) the making of any new directive, or any change in an existing directive, of any Authority;
- (d) the imposition of a requirement for Authorisations not required as at the Approval Date;
- (e) after the date of grant of any Authorisation, a change in the terms, conditions and requirements relating to that Authorisation including any new terms, conditions or requirements; or
- (f) any such Authorisation as has been granted ceasing to remain in full force and effect or, if granted for a limited period, not being renewed on a timely basis on application therefore being duly made, or being renewed on a basis that is materially less favourable than the original Authorisation;

**Change to Credit** means:

- (a)
  - (i) a change in the rate, or basis of calculation, of; or
  - (ii) the introduction or cessation of,  
a credit, rebate, deduction, refund, exemption, concession or any other benefit or allowance (whether or not relating to an Impost), including, without limitation, a fuel tax credit, diesel fuel rebate or similar credit to which Queensland Rail is or was entitled; or
- (b) any change in the funding or other support received by Queensland Rail from any Authority in relation to any relevant part of the Network;

**Committed Capacity** means that portion of the Capacity that is required:

- (a) to meet Train Service Entitlements;
- (b) to comply with any Passenger Priority Obligation or Preserved Train Path Obligation;
- (c) without limitation to **paragraph (b)** of this definition, to comply with any Law (other than Undertaking) requiring Queensland Rail to provide a passenger Train Service with access to the Network; or
- (d) without limitation to **paragraphs (b) and (c)** of this definition, to meet Queensland Rail's requirements from time to time for the operation of passenger Train Services;

**Common Costs** means those costs associated with the provision of the Network by Queensland Rail that are not Incremental Costs for any particular Train Service;

**Comparison Train Length** means, in respect of a Train, the amount in metres calculated as the sum of:

- (a) the aggregate of the lengths (in metres) of each item of Rolling Stock comprising or to comprise the Train (including its locomotives) multiplied by 1.02; and
- (b) 125mm multiplied by the number of items of Rolling Stock comprising or to comprise the Train (including its locomotives);<sup>9</sup>
- (c) or such other allowance as can be reasonably substantiated as a prudent allowance;

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<sup>9</sup> By way of explanation, the 2% and 125mm allowances are allowances for train handling accuracy and slack movement in drawgear (including free slack in the drag box, compression of the draftgear, clearance/free slack due to coupler wear and pin clearance at the yoke).

**Concept Study** means a study that:

- (a) identifies possible Extension solutions for creating additional Capacity;
- (b) makes a preliminary assessment of potential costs, benefits and risks involved in those possible Extension solutions;
- (c) unless otherwise agreed by Queensland Rail and the relevant Access Seeker, includes an indicative assessment of:
  - (i) the project objectives in relation to the creation of additional Capacity; and
  - (ii) for the possible Extension solutions:
    - (A) a broad cost estimate with a +/- 50% accuracy (or such other accuracy where agreed with the funding Access Seekers (acting reasonably));
    - (B) a preliminary financial analysis and risk assessment; and
    - (C) indicative timeframes for developing and completing the possible Extension solution; and
- (d) includes a proposed scope, budget, duration and deliverables for a Pre-feasibility Study including the reasons for selecting the possible Extension solutions that will be considered during that Pre-feasibility Study;

**Confidential Information** means any information, data or other matter (in this definition, **information**) disclosed to a Recipient by, or on behalf of, a Disclosing Party where:

- (a) the disclosure of the information by the Recipient would reasonably be expected to adversely affect the commercial interests of the Disclosing Party; or
- (b) the information is marked or otherwise indicated as confidential at the time of disclosure to the Recipient,

excluding information that:

- (c) was in the Recipient's lawful possession prior to the disclosure; or
- (d) whether before or after the disclosure:
  - (i) is in the public domain through means other than a breach of confidentiality by the Recipient (or anyone to whom the Recipient has disclosed it); or
  - (ii) is received by the Recipient independently from a third party who is free to disclose such information;

**Confidentiality Exception** means:

- (a) any disclosure or use of Confidential Information consented to by the Disclosing Party under **clause 2.2(a)(ii)(A)**;
- (b) any disclosure of Confidential Information to another person who is a party to the negotiations involving the Disclosing Party and Recipient, provided that the confidentiality obligations under this Undertaking continue to apply to that Confidential Information as if the disclosure was made directly by the Disclosing Party to that other person; or
- (c) any disclosure or use of Confidential Information:
  - (i) to the extent necessary to:
    - (A) the Recipient's directors, officers or employees; or

- (B) without limiting **paragraph (c)(xii)** of this definition, the directors, officers or employees of a Related Party of the Recipient;
- (ii) to the extent required or compelled by, or necessary to observe, administer or comply with, any Law;
- (iii) to the extent consistent with a person's right to disclosure under any Law;
- (iv) without limiting **paragraphs (c)(ii) or (iii)** of this definition, in accordance with this Undertaking (including the Network Management Principles) including:
  - (A) in publishing or providing MTPs and DTPs; and
  - (B) for the purpose of consultations or negotiations relating to a modification of a MTP or the scheduling of a DTP in variation from an MTP;
- (v) to the extent necessary for the conduct of any legal proceedings (including any dispute resolution process under this Undertaking or the QCA Act);
- (vi) to the extent required under any stock exchange listing requirement or rule;
- (vii) to the Rail Safety Regulator or the QCA;
- (viii) to the Recipient's solicitors, barristers, or accountants under a duty of confidentiality (which is not waived by the Recipient without the prior written consent of the Disclosing Party);
- (ix) to the Recipient's engineering or other technical consultants and advisers to the extent necessary for the provision of advice to the Recipient (provided they are under a legal obligation not to disclose the Confidential Information to any third party);
- (x) to the Recipient's banker, financier or other financial institution, to the extent required for the purpose of raising funds or maintaining compliance with credit arrangements, if such banker or financial institution has executed a legally enforceable confidentiality deed in favour of the Disclosing Party under which they are obliged to keep the Confidential Information confidential;
- (xi) if Queensland Rail is the Recipient, to any responsible Minister (as defined in the Rail Authority Act);
- (xii) if Queensland Rail is the Recipient, to the extent necessary to:
  - (A) the Rail Authority;
  - (B) the Rail Authority's board members; and
  - (C) the Rail Authority's:
    - (1) chief executive officer, chief finance officer and other senior executives (as those terms are defined under the Rail Authority Act); and
    - (2) other officers and employees;
- (xiii) for the purpose of facilitating Network Control Directions where the disclosure of information is by Queensland Rail in the usual course of undertaking Network Control;
- (xiv) to the extent necessary by any person involved in clearing an event or incident that is preventing or affecting the operation of Train Services on the Network; or

- (xv) to the extent necessary by Queensland Rail for the purpose of responding to, managing or clearing an event or incident that is preventing or affecting, or is likely to prevent or affect, the operation of Train services on the Network;

**Costing Manual** means a cost allocation manual prepared by Queensland Rail pursuant to section 159 of the QCA Act and approved or revised by the QCA from time to time;

**Corporations Act** means the *Corporations Act 2001* (Cth);

**CPI** means the Consumer Price Index: All Groups – Brisbane (Australian Bureau of Statistics Publication No.6401.0) as published by the Australian Bureau of Statistics (or other successor, authority or instrumentality having jurisdiction in the matter);

**Customer** means a person that the Access Holder or Access Seeker is providing or intending to provide Train Services (as a Rolling Stock Operator) for or on behalf of;

**Customer Access Seeker** means, where there are Alternate Access Seekers and one of those Access Seekers (**Principal Access Seeker**) is the Customer for the other Alternate Access Seekers, the Principal Access Seeker;

**Daily Train Plan** or **DTP** means a plan that details the scheduled times for all Train Services and any Planned Possessions, Urgent Possessions and Emergency Possessions for a particular day on a specified part of the Network;

**Dangerous Goods** means any substance or thing defined as dangerous goods, explosives or radioactive material under a Dangerous Goods Code or any substance or thing identified as such in a relevant Access Agreement;

**Dangerous Goods Code** means:

- (a) the Australian Code for the Transport of Dangerous Goods by Road and Rail;
- (b) the Australian Code for the Transport of Explosives by Road and Rail; or
- (c) the Code of Practice for the Safe Transport of Radioactive Material, as published and in force from time to time and as amended or replaced; **Decision** has the meaning given to that term in **clause 6.2(a)**;

**Disclosing Party** means, in respect of Queensland Rail and an Access Seeker, either party to the extent that information is disclosed by or on behalf of that party to the other party during the negotiation of Access (including, as applicable, in an Access Application or by the provision of information prior to an Access Application being made);

**Dispute** means any dispute, complaint or question arising between:

- (a) Queensland Rail and an Access Seeker as described in **clause 6.1(b)(i)**; or
- (b) Queensland Rail and an Access Holder or any Relevant Person as described in **clause 6.1(b)(ii)**;

**Dispute Notice** has the meaning given to that term in **clause 6.1(b)(i)(B)**;

**Dispute Notice Date** has the meaning given to that term in **clause 6.1(c)(i)**;

**Dispute Procedure** has the meaning given to that term in **clause 6.1(d)(i)(B)**;

**DTMR** means the Department of Transport and Main Roads for the State of Queensland or other department from time to time responsible for the administration of the TIA;

**Duplicate Requests** has the same meaning given to that term in **clause 2.8(a)(i)(D)**.

**Efficient Costs** means, for each Year during the Evaluation Period, the costs that would be reasonably expected to be incurred by a Railway Manager adopting efficient work practices to,

amongst other things, provide, operate and maintain the Network at the required service standard and meet its obligations under Access Agreements, having regard to the circumstances in which Queensland Rail operates its business (including any transitional arrangements agreed between Queensland Rail and the QCA) and including business and corporate overheads and QCA Levy;

**Emergency Possession** means a Possession:

- (a) that is required to rectify a fault with the Network:
  - (i) that is considered by Queensland Rail to be dangerous or potentially dangerous to any person; or
  - (ii) where severe speed restrictions have been imposed that affect the scheduled Train Services of Access Holders; and
- (b) that Queensland Rail intends to carry out within five Business Days after the detection of the fault;

**End User Access Seeker** means an Access Seeker who is, or will be, party to an Access Agreement with a Nominated Rolling Stock Operator, granting rights to that Nominated Rolling Stock Operator for the non-exclusive utilisation of a specified section of the Network for the purposes of operating Train Services;

**Endorsed Variation Event** means the occurrence of any of the following events a Change in Law, excluding any Change in Law which has the effect of varying any of the Network Capacity Constraints, a Change to Credit or an Impost Change occurs, that either alone or in combination with all other Changes in Law, Changes to Credit or Impost Changes that have occurred since the Approval Date, would cause a change in the costs reflected in any input of the relevant Reference Tariff of greater than 2.5% excluding the impact of any Change in Law, Change to Credit or Impost Change that have previously resulted in a variation of the Reference Tariff.

**Environmental Harm** means environmental harm as defined in the *Environmental Protection Act 1994* (Qld);

**Escalation Date** means each 1 July in each year;

**Evaluation Period** means:

- (a) for an individual Train Service, the expected duration of the proposed Access Rights in respect of that Train Service; and
- (b) for a combination of Train Services, the lesser of:
  - (i) the expected duration of the longest proposed Access Rights in respect of any one of those Train Services; and
  - (ii) ten years;

**Expected Access Revenue** means:

- (a) for an individual Train Service, the revenue reasonably expected from the Access Charge from that Train Service; and
- (b) for a combination of Train Services, the aggregate revenue reasonably expected from the Access Charges for all Train Services comprising that combination of Train Services, where the expected Access Charges for different Train Service types will be developed on a basis consistent with:

- (i) if a Reference Tariff is to be developed for a Train Service type, the proposed Reference Tariff; and
- (ii) if **paragraph (b)(i)** of this definition does not apply, current applicable Access Charges, except as provided in **clause 3.2(b)(ii)(B)**;

**Extension** includes an enhancement, expansion, augmentation, duplication or replacement of all or part of the Network including any connection to Private Infrastructure (but excluding Private Infrastructure) and “**Extend**” or “**Extended**” will have a comparable meaning;

**Extension Access Principles** means the principles outlined in **Schedule I**;

**Extension Costs** means the costs that would be reasonably expected to be incurred in undertaking an Extension adopting efficient work practices to construct and commission the Extension to the required service standard and to meet the Railway Manager’s obligations under Access Agreements, including:

- (a) costs incurred by Queensland Rail and/or an Access Funder in connection with
  - (i) obtaining all Authorisations required for the purpose of the Extension, including the acquisition, lease, sublease or licence of any land;
  - (ii) designing, constructing and commissioning the Extension, including:
    - (A) amounts paid to contractors and suppliers of materials;
    - (B) legal costs;
    - (C) statutory fees and charges;
    - (D) compliance costs;
    - (E) insurance premiums; and
    - (F) internal administrative, travel, accommodation and overhead costs to the extent that the costs relate to the Extension;
- (b) capitalised interest incurred during the construction of an Extension that Queensland Rail and an Access Funder elect to add to the cost basis of the Extension in accordance with the Financial Accounting Standards Board's (FASB) *Statement of Financial Accounting Standards No. 34, Capitalization of Interest Cost*. Capitalised interest is to be calculated on daily resets and capitalised monthly, from the date the construction costs for an Extension are incurred by Queensland Rail and/or an Access Funder through to the date the Extension is either commissioned by Queensland Rail as a part of the Network or included in Queensland Rail's regulatory asset base;
- (c) but for the avoidance of doubt Extension Costs do not include:
  - (i) the GST component of any such costs, expenses or liabilities to the extent that Queensland Rail or an Access Funder is entitled to claim an input tax credit;
  - (ii) any costs, expenses or liabilities for which Queensland Rail has been otherwise reimbursed; or
  - (iii) any costs or expenses Queensland rail would routinely incur when assessing an Access Application;

**Extension Conditions** has the meaning given to that term in **clause 1.4(b)(iv)**;

**Extension Stage** means one of the following (as applicable):

- (a) Concept Study;
- (b) Pre-feasibility Study;

- (c) Feasibility Study; or
- (d) construction and commissioning of an Extension;

**Feasibility Study** means a study that, in relation to a preferred Extension solution identified in a Pre-feasibility Study:

- (a) details the project objective for the preferred Extension solution;
- (b) provides a detailed assessment of technical and operating requirements of the preferred Extension solution;
- (c) includes survey and geotechnical investigations to support the level of design and cost accuracy;
- (d) provides a detailed design for the preferred Extension solution (including independent design verification against Queensland Rail's standards, where Queensland Rail has elected not to fund the Extension and the relevant Access Seekers require it); and
- (e) provides the following details of the preferred Extension solution's scope:
  - (i) an optimised project configuration that would provide the targeted additional Capacity to be created by the preferred Extension solution;
  - (ii) a detailed cost estimate with a +/-10% level of accuracy (or such other accuracy where agreed with the funding Access Seekers (acting reasonably) – for example, for larger projects);
  - (iii) a detailed design and construction project schedule;
  - (iv) the basis on which the project contingency was determined;
  - (v) a financial evaluation, including (if applicable) the estimated impact on the relevant Reference Tariff;
  - (vi) a procurement methodology and report on any previous approaches to the construction market that are relevant to the preferred Extension solution; and
  - (vii) a project management plan comprised of:
    - (A) resource management plan;
    - (B) cost management plan;
    - (C) design management plan
    - (D) quality management plan;
    - (E) safety management plan;
    - (F) schedule management plan;
    - (G) risk management plan;
    - (H) project packaging and delivery strategy;
    - (I) procurement management plan;
    - (J) interface management plan;
    - (K) change management plan;
    - (L) environmental management plan;
    - (M) project phases, milestones and deliverables;
    - (N) project risk assessment report; and

(O) regulators notification, if needed,

and including the outcomes of any analysis and decisions made in relation to the above matters (with reasons, where applicable);

**Financial Statement** means accounting records prepared annually by Queensland Rail in accordance with section 163 of the QCA Act;

**First Escalation Date** means 1 July 2021;

**Floor Revenue Limit** means the level of revenue that will recover the expected Incremental Cost of providing Access to the individual Train Service or combination of Train Services, as applicable;

**Force Majeure Event** means any cause, event or circumstance or combination of causes, events or circumstances which:

- (a) is beyond the reasonable control of the affected party; and
- (b) by the exercise of due diligence, the affected party was not reasonably able to prevent or is not reasonably able to overcome,

and includes:

- (c) compliance with a lawful requirement, order, demand or direction of an Authority or an order of any court having jurisdiction other than where that requirement, order, demand or direction results from any act or omission of the affected party;
- (d) a strike, lockout, boycott, stoppage, go slow, labour disturbance or other such industrial action, whether or not the affected party is a party to such industrial action or would be able to influence or procure the settlement of such industrial action;
- (e) an act of God;
- (f) war, invasion, act of terrorists, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, blockade, civil disturbance or public disorder;
- (g) equipment failure or breakdown where such failure or breakdown could not have been prevented by Prudent Practices or accident or accidental damage to any thing;
- (h) malicious damage or sabotage;
- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste;
- (j) failure of electricity supply from the electricity grid;
- (k) delay, restraint, restriction, embargo or other material adverse effect arising from any act or omission of any Authority;
- (l) fire, flood, storm surge, cyclone, tornado, tsunami, earthquake, washaway, landslide, explosion, hail, lightning, severe weather conditions or other catastrophe or natural calamity;
- (m) any act or omission of any person other than the affected party or Queensland Rail (including the presence of any such person on or near the Network), without the express authorisation of Queensland Rail, that results in damage to the Network or the use or operation of the Network being prevented or impeded;
- (n) epidemic or quarantine restriction; and
- (o) delay of a supplier due to any of the foregoing whenever arising;

**Funding Agreement** has the meaning given to that term in **clause 1.4(b)(i)(D)**;

**gtk** means the gross tonne kilometres attributed to the relevant Train Service, being the total gross weight (in tonnes) of the Rolling Stock utilised in the relevant Train Service (including all goods, products, persons or matter carried) multiplied by the distance (in kilometres) travelled by the Train Service, as calculated in accordance with the relevant Access Agreement;

**Impost** means a tax, excise, charge, levy, duty, fee, impost, rate, royalty, imposition, withholding, fee for any Authorisation or other licence or approval fee or any other charge which is imposed, applied or administered by, or payable to or by any Authority but excluding any income tax, fringe benefits tax, capital gains tax or any tax that replaces any of those taxes;

**Impost Change** means:

- (a) the introduction or imposition of a new Impost;
- (b) a change in the rate, amount or application of an Impost; or
- (c) a change in the basis of calculation of an Impost;

**Incremental Costs** means the costs of providing Access that:

- (a) would not be incurred by Queensland Rail if the individual Train Service or combination of Train Services (as applicable) did not operate on the basis of the assets reasonably required for the provision of Access, including:
  - (i) capital (renewal and expansion) costs; and
  - (ii) the cost of bringing expenditure forward in time; and
- (b) are assessed as Efficient Costs;

**Indicative Access Proposal** means a non-binding written response from Queensland Rail to an Access Application which includes the information set out in **clause 2.4(b)**;

**Infrastructure Service Providers** means those parties who provide maintenance, construction and other related services in respect of the Network;

**Insolvent** means, for an Access Seeker, that at any time in the last five years, one or more of the following events has happened in relation to the Access Seeker:

- (a) the Access Seeker has not been able to pay all its debts from the Access Seeker's own money as and when they become due or has stated that it is unable to do so;
- (b) the Access Seeker has been presumed to be insolvent or unable to pay its debts under any applicable legislation;
- (c) a resolution is passed that the Access Seeker be wound up or placed in liquidation voluntarily or that an administrator be appointed;
- (d) an application or order has been made for the winding up or dissolution of the Access Seeker (other than an application which is dismissed or withdrawn within ten Business Days after such proceedings were commenced);
- (e) a controller, administrator, receiver, liquidator or provisional liquidator has been appointed to the Access Seeker or in respect of any of its property;
- (f) the Access Seeker has entered into or taken any action to enter into (whether formally or informally) an arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of its creditors or members or a moratorium involving any of them;

- (g) a mortgagee has entered into possession of any of the Access Seeker's assets or undertakings; or
- (h) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction has occurred in respect of the Access Seeker,

provided that, for the purposes of this definition, a reference to the Access Seeker includes any Related Party of the Access Seeker;

**Interface Risk** means a risk to the safety of persons or property or to the environment<sup>10</sup> arising from the interaction between the Access Seeker's proposed operations and any one or more of:

- (a) the Network;
- (b) operations on the Network (including those of other Network Participants and Queensland Rail); and
- (c) persons using the Network, persons on or near the Network or members of the public (including any activities on the Network that may affect those matters),

including risks of Environmental Harm arising out of the Rolling Stock Operator's proposed operations on the Network, provided that a reference to operations in this definition includes railway operations as defined in the RNSL;

**Interface Risk Assessment** means an assessment to:

- (a) identify all reasonably foreseeable Interface Risks;
- (b) evaluate the possibility of the Interface Risks occurring and the safety, commercial and other consequences of those Interface Risks;
- (c) identify appropriate controls and measures to adequately manage all Interface Risks (including any training required for the Access Seeker, any director, officer, employee, contractor, agent or consultant of the Access Seeker and any other person under the control or supervision of, or acting for or on behalf of, the Access Seeker);
- (d) identify the party (as between Queensland Rail and the Access Seeker) responsible for implementing such controls and measures and ensuring their on-going effectiveness;
- (e) identify the applicable Safeworking Procedures and Safety Standards to be adhered to including Queensland Rail's safety policies and procedures and the Operating Requirements Manual;
- (f) identify the minimum standards relating to the interface between Rolling Stock and the Network with which the Rolling Stock and Train Configurations must comply in order for them to be able to be operated on the relevant parts of the Network;
- (g) identify the environmental procedures and standards to be adhered to including relevant elements of Queensland Rail's environmental management system and the Operating Requirements Manual;
- (h) satisfy the requirements under the RNSL (including for an interface agreement (as defined in the RNSL)) or under any other relevant Laws relating to health or safety; and

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<sup>10</sup> Environmental risks include:

- risks in relation to water quality, pollution, contaminated land, nature conservation, hazardous substances and Dangerous Goods, waste and noise; and
- risks of serious environmental harm, material environmental harm and environmental nuisance as defined in the *Environmental Protection Act 1994* (Qld).

- (i) satisfy the relevant requirements under the Operating Requirements Manual for such an assessment;

**Interface Standards** has the meaning given to that term in the Operating Requirements Manual;

**Interim Take or Pay Notice** has the meaning given to that term in the Standard Access Agreement or similar meaning in an Access Agreement;

**IRMP** means an interface risk management plan prepared jointly by the Access Seeker and Queensland Rail in accordance with the Operating Requirements Manual which incorporates the outcomes of the relevant Interface Risk Assessment;

**Law** includes:

- (a) any statute, ordinance, code, law, by-law, proclamation, rule or regulation or any other subordinate legislation, whether State, Commonwealth or otherwise;
- (b) the terms of any Authorisation;
- (c) common law and equity;
- (d) this Undertaking; and
- (e) any order, circular, requirement, condition, notice, decree, decision, direction or guidelines of any Authority with which Queensland Rail, an Access Seeker, an Access Holder or other relevant person (as the case may be) is legally required to comply including any requirement to pay fees and charges,

whether now, or at any time in the future, in effect;

**Loading Time** means the time period between:

- (a) the time that a Train Service arrives at the entry signal to the Nominated Loading Facility; and
- (b) the time that the Train Service is ready to depart the Nominated Loading Facility provided that:
  - (i) the Train Service has presented at the exit signal at the Nominated Loading Facility; and
  - (ii) the Rolling Stock Operator for the Train Service has notified the relevant Network Control Officer that the Train Service is ready to depart the Nominated Loading Facility;

**Loss Capitalisation Account** means the account established under **clause 8.2(a)** of **Schedule D**;

**Master Train Plan** or **MTP** means a plan detailing the scheduled times as advised by Queensland Rail from time to time for all Train Services and any Planned Possessions on a specified part of the Network, where such scheduled times remain unchanged from week to week;

**Material Change** means:

- (a) an Impost Change;
- (b) a Change in Law; or
- (c) a Change to Credit;

**Material Default** means, in respect of any document referred to in **clause 2.8(c)(i)(B)**:

- (a) any breach of a term of that document that could reasonably result or have resulted in the termination of that document; or
- (b) the repeated breach of the terms of that document;

**Maximum Access Charge** has the meaning given to that term in **clause 3.2(b)(ii)(A)**;

**Metropolitan System** means that part of the Network bounded to the north by (and including) Nambour station and to the west by (and including) Rosewood and including all branch lines comprised in that part of the Network;

**Mt Isa Line System** means that part of the Network bounded to the east by (and including) Stuart and to the west by (and including) Mt Isa and including all branch lines comprised in that part of the Network;

**Negotiation Cessation Notice** has the meaning given to that term in **clause 2.8(a)(i)**;

**Negotiation Period** has the meaning given to that term in **clause 2.7(a)(ii)**;

**Network** means the rail transport infrastructure (as defined in the TIA) the use of which is a service declared under Part 5, Division 2 of the QCA Act;<sup>11</sup>

**Network Capacity Constraint** has the meaning given to that term in **clause 0 of Schedule D**;

**Network Control** means the control, management and monitoring (including, as applicable, scheduling) of:

- (a) all Train Movements;
- (b) all other operations of Rolling Stock on the Network; and
- (c) any activities affecting or potentially affecting such Train Movements or Rolling Stock operation or the proper, efficient and safe operation and management of the Network;

**Network Control Directions** means instructions, directions and notifications from time to time issued by Queensland Rail for the purpose of Network Control (including, in relation to an Access Holder or an Access Agreement, preventing or minimising the effect of a material breach of the relevant Access Agreement);

**Network Control Officer** means a person appointed by Queensland Rail from time to time to perform Network Control for a relevant part of the Network;

**Network Management Principles** means the principles set out in **Schedule F**;

**Network Participant** means:

- (a) any person who holds, or uses any other person's, rights of access to any part of the Network in relation to Train Services; and
- (b) any Accredited rail transport operator (as defined in the RNSL) who uses the Network, including:
  - (c) the relevant Access Holder (and its Nominated Rolling Stock Operator); and
  - (d) any person in control of, or operating, any Private Infrastructure that is connected to the Network;

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<sup>11</sup> Examples of rail transport infrastructure include, without limitation, railway tracks and works built for the railway (e.g. cuttings, drainage works, track support earthworks etc.); and other things associated with a railway's operation (e.g. bridges, marshalling yards, stations, overhead electrical power supply systems, tunnels, train operation control facilities etc.)

**Nominated Infrastructure** means that part of the Network over which the relevant Reference Train Service travels between the Nominated Loading Facility and Nominated Unloading Facility;

**Nominated Loading Facility** means a loading facility specified for a nominated Reference Train Service in **clause 2.2(a)** of **Schedule D**;

**Nominated Rolling Stock Operator** means, for an Access Holder, a Rolling Stock Operator nominated or appointed by that Access Holder in accordance with an Access Agreement for the purpose of operating Train Services for that Access Holder for specified periods in accordance with that Access Holder's Access Rights;

**Nominated Unloading Facility** means an unloading facility specified for a nominated Reference Train Service in **clause 2.2(b)** of **Schedule D**;

**North Coast Line System** means those parts of the Network bounded to the south by (and including) Nambour station, to the north by (and including) Cairns and to the west by (but excluding) Stuart and including all branch lines comprised in that part of the Network;

**Notice** has the meaning given to that term in **clause 6.4(a)**;

**Notional Reference Tariff** has the meaning given to that term in **clause 3.2** of **Schedule D**;

**nt** means the net tonnes attributed to the relevant Train Service, being the total gross weight (in tonnes) of the Rolling Stock, when loaded, utilised in the relevant Train Service (including all goods, product, persons or matter carried) less the weight of such Rolling Stock (in tonnes) when empty, as calculated in accordance with the relevant Access Agreement;

**On-time Train Service** means a Train Service that presents to the Network within the Allotted Time Threshold and operated in a manner consistent with the Train Service Description detailed in its Access Agreement.

**Operating Plan** means an operating plan setting out how the proposed Train Services are to be operated and which either:

- (a) is consistent with the template in **Schedule C**; or
- (b) where the Access Seeker already has a pre-existing operating plan, includes the same information as that referred to in **Schedule C**;

**Operating Requirements Manual** means the document set out in **Schedule G** as varied or amended by Queensland Rail from time to time in accordance with **clause 4.3**;

**Operational Constraint** means any temporary or permanent constraint on the operation or use of any part of the Network imposed by Queensland Rail (acting reasonably) as it considers necessary in relation to the proper, efficient or safe operation or management of the Network (including speed restrictions, load restrictions, Planned Possessions, Urgent Possessions, Emergency Possessions and signalling or overhead restrictions);

**Passenger Priority Obligations** means the obligations of a Railway Manager pursuant to sections 265 and 266 of the TIA;

**Planned Possession** means a Possession (other than an Urgent Possession or an Emergency Possession) where such Possession is entered into the MTP and DTP and adversely affects the operation of Train Services;

**Possession** means a temporary closure or occupation by Queensland Rail of part of the Network (including closure of Track or isolation of any electrical overhead traction system) for the purpose of carrying out Rail Infrastructure Operations, other work or other activities on or

in the proximity of the Network and includes Planned Possessions, Emergency Possessions and Urgent Possessions;

**Pre-feasibility Study** means a study that, in relation to the possible Extension solutions identified in a Concept Study for consideration in this stage of the study process (**Possible Extensions**):

- (a) confirms the project objectives in relation to the creation of additional Capacity;
- (b) assesses each of the Possible Extensions in respect of:
  - (i) the technical and operating requirements for that Possible Extension;
  - (ii) an indicative assessment of the additional Capacity that might reasonably be expected by implementing that Possible Extension; and
  - (iii) a preliminary risk assessment for that Possible Extension;
- (c) includes preliminary survey and geotechnical investigation to support the level of design and cost accuracy required for the study;
- (d) identifies as the preferred Extension solution to be studied under a Feasibility Study, the Possible Extension that is fit-for-purpose and the most efficient and effective solution; and
- (e) provides:
  - (i) a high level engineering assessment of the preferred Extension solution in respect of the total cost of ownership, after allowing for risk, for the purpose of minimising that total cost of ownership;
  - (ii) analysis of the technical and economic feasibility of the preferred Extension solution and identifies why it is preferred;
  - (iii) a project budget, with a +/-20% level of accuracy (or such other accuracy where agreed with the funding Access Seekers (acting reasonably));
  - (iv) an indicative design and construct schedule for the preferred Extension solution that includes time tolerances; and
  - (v) potential benefits (including Capacity, maintenance and operating benefits) of the preferred Extension solution; and
- (f) includes a proposed scope, budget, duration and deliverables for a Feasibility Study, and including the outcomes of any analysis and decisions made in relation to the above matters (with reasons, where applicable);

**Preliminary Information** means the information referred to in **clause 1 of Schedule A** (as applicable) and, where that information is published on Queensland Rail's website, that information as published on that website from time to time;

**Preserved Train Path Obligations** means the obligations of a Railway Manager pursuant to section 266A of the TIA;

**Private Infrastructure** means rail transport infrastructure (as defined in the TIA), including but not limited to the track, signalling and electrical overhead traction system (if applicable) for which neither Queensland Rail nor Queensland Rail's successor, assignor or subsidiary is the Railway Manager;

**Prudent Practices** means the exercise of that degree of diligence, care, foresight, prudence and skill that would reasonably be expected from a competent, skilled and experienced person in the same type of undertaking in the same or similar circumstances;

**QCA** means the Queensland Competition Authority as established under the QCA Act;

**QCA Act** means the *Queensland Competition Authority Act 1997* (Qld);

**QCA Levy** means the fee allocated to the nominated Train Services to cover the fees imposed by the QCA on beneficiaries of its regulatory services;

**QCA Regulatory Fee** has the meaning given in **clause 3.8(a)**;

**Quarter** means a period of three consecutive months commencing on 1 July, 1 October, 1 January or 1 April;

**Queensland Rail** means Queensland Rail Limited ACN 132 181 090;

**Queensland Rail Cause** means, subject to the exceptions set out below, Queensland Rail's inability to make the Network available for the operation of Train Services in accordance with a Train Service Entitlement as a result of:

- (a) an Operational Constraint;
- (b) a Force Majeure Event (to the extent that the Force Majeure Event prevents Queensland Rail from providing Access to the Network);
- (c) the derailment of any Train caused primarily by an act or omission of Queensland Rail; or
- (d) any other action by Queensland Rail other than Queensland Rail complying with an obligation in accordance with any applicable Law or the relevant Access Agreement,

except where Queensland Rail's inability to make the Network available for the operation of Train Services in accordance with a Train Service Entitlement is primarily attributable to the Rolling Stock Operator, another Network Participant (other than Queensland Rail) or any other person;

**Rail Authority** means the authority established under section 6 of the Rail Authority Act;

**Rail Authority Act** means the *Queensland Rail Transit Authority Act 2013* (Qld);

**Rail Infrastructure Operations** means:

- (a) the construction of any rail transport infrastructure (as defined in the TIA) to improve, upgrade, expand, extend, replace or vary the whole or any part of the Network;
- (b) any management, maintenance or operational activities relating to the Network, including the improvement, maintenance, repair, modification, installation, removal, renewal or decommissioning of the whole or any part of the Network; and
- (c) any inspections or investigations of the Network;

**Railway Manager** means an Accredited rail infrastructure manager (as defined in the RNSL);

**Rail Safety Regulator** means the National Rail Safety Regulator or the Acting National Rail Safety Regulator appointed under Part 2 Division 2 of the RNSL;

**Reasonable Demand** means the aggregate of current contracted demand for Access, likely future demand (within a reasonable timeframe) for Access and any reasonable spare Capacity in the Network as determined by Queensland Rail, acting reasonably;

**Recipient** means, in respect of Queensland Rail and an Access Seeker, either party to the extent that it receives information which is provided by or on behalf of the other party during

the negotiation of Access (including, as applicable, in an Access Application or by the provision of information prior to an Access Application being made);

**Recovery Charge** means the additional revenue which Queensland Rail is permitted to recover through the application of **clause 8.4** of **Schedule D**;

**Reference Tariff** means an Access Charge, calculated in accordance with **Schedule D**, applicable for a specified Reference Train Service;

**Reference Train Service** means a notional Train Service described in **clause 2.1** of **Schedule D** in respect of a Reference Tariff and conforming to certain criteria, including carrying a specified commodity type, operating between specified geographical areas and conforming to specified technical characteristics, operational characteristics and contract terms and conditions;

**Regional Network** means any of the following:

- (a) the Mt Isa Line System;
- (b) the North Coast Line System;
- (c) the West Moreton System; or
- (d) the Metropolitan System;

**Regional Network User Group** means a separate group in relation to each Regional Network established to review, discuss and improve supply chain performance, comprised of each Access Holder, rail transport operator (as defined in the RNSL) and End User Access Seeker relevant to each Regional Network.

**Regulatory Asset Base** means the asset value accepted by the QCA for the purpose of developing a Reference Tariff, as maintained by Queensland Rail in accordance with **clause 3.9**;<sup>12</sup>

**Related Party** means a related body corporate as defined in the Corporations Act and, for Queensland Rail, includes the Rail Authority;

**Relevant Person** has the meaning given to that term in **clause 6.1(b)(iii)**.

**Renewal** means, in relation to an Access Holder's Access Rights that are to expire, the Renewal Access Seeker entering into an Access Agreement to hold or continue to hold Access Rights for a further term commencing immediately after the expiry of the relevant Access Rights that have the same origin and destination, require the same or less Train Path requirements and otherwise are substantially equivalent to the relevant Access Holder's Access Rights immediately prior to their expiry, subject to any variation referred to in **clause 3.4(k)**;

**Renewal Access Seeker** means, in relation to an Access Holder's Access Rights (acquired prior to the Approval Date) that are to expire:

- (a) the Access Holder;<sup>13</sup>
- (b) an Access Holder's Rolling Stock Operator; or
- (c) another Rolling Stock Operator competing for the relevant Access Rights

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<sup>12</sup> Separate Regulatory Asset Bases may be maintained for different Reference Tariff inputs in respect of the same Reference Tariff – with the consequence that each of those Regulatory Asset Bases is relevant to the development of that Reference Tariff.

<sup>13</sup> For example, the mine operator who uses the Access Rights to transport coal from its mine is the Access Holder.

A person may only be a Renewal Access Seeker for Access Rights which were acquired prior to the Approval Date.

**Renewal Application** means an Access Application by a Renewal Access Seeker solely for a Renewal;

**Renewal Timeframe** means, in relation to the submission of a Renewal Application:

- (a) no later than 20 Business Days after the later of:
  - (i) the date on which Queensland Rail gave the relevant notice under **clause 2.9(c)(i)**; and
  - (ii) the date that is three years before the expiry of the relevant Access Agreement; or
- (b) no less than two years before the expiry of the relevant Access Agreement;

**Review Event** means:

- (a) a material change in circumstances, other than a change to a Network Capacity Constraint, that Queensland Rail can reasonably demonstrate may give rise to a need to vary the relevant Reference Tariff; and
- (b) in respect of which Queensland Rail has given written notice to the QCA of Queensland Rail's intention to propose a variation to that Reference Tariff under **clause 5 of Schedule D**;
- (c) an Access Seeker or an Access Holder has presented to Queensland Rail a proposal which would require a variation to the Reference Tariff (including, if applicable, a variation to the Reference Train Service or new reference train service) to accommodate productivity or efficiency improvements to their Above Rail Services (or Queensland Rail devises a proposal in relation to improving the efficiency or productivity of its Below Rail Services);
- (d) Queensland Rail has foregone more than 2.5 per cent of contracted annual revenue from an origin due to a Force Majeure Event which resulted in a part of the Network being damaged or destroyed and Queensland Rail has repaired that part of the Network to the extent that the contracted Train Services that were utilising that part of the Network before the Force Majeure Event are able to operate according to the terms of their Access Agreements;

**Rolling Stock** means rolling stock (as defined under the RNSL) that operates on or uses Track;

**Rolling Stock Operator** means a rolling stock operator (as defined under the RNSL) who operates or will operate Rolling Stock on the Network;

**RNSL** means the *Rail Safety National Law (Queensland)* as defined in the *Rail Safety National Law (Queensland) Act 2017 (Qld)*;

**rtp** means, for a Train Service, the amount calculated as follows:

$$\text{rtp} = \max[(A/B), (B/A)]$$

where:

- A** is the maximum number of Train Services, the description of which accords with the Reference Train Service, at full utilisation; and
- B** is the maximum number of the proposed Train Services at full utilisation,

with those maximums being determined using a readily available simulation package, provided that if:

- (a) the maximum number of proposed Train Services at full utilisation exceeds the maximum number of Train Services, the description of which accords with the Reference Train Service, at full utilisation; and
- (b) the scheduled section running times of the proposed Train Service are the same as the nominated section running times for the Reference Train Service,

then rtp is deemed to be one;

**Safety Management System** means Queensland Rail's safety management system (as required under the RNSL);

**Safety Standards** has the meaning given to that term in the Operating Requirements Manual;

**Safeworking Procedures** has the meaning given to that term in the Operating Requirements Manual;

**Special Event** means:

- (a) New Year's Eve;
- (b) Brisbane Exhibition;
- (c) Riverfire;
- (d) Australia Day;
- (e) Anzac Day (includes School Commemoration Service);
- (f) Toowoomba Carnival of Flowers;
- (g) Major sporting events; and
- (h) other events notified to Queensland Rail from time to time by the Chief Executive of the Department of Transport and Main Roads, and for which Queensland Rail is required to provide passenger services in addition to the then scheduled passenger timetable.

**Stand Alone provision of Access** means the provision of Access as if the relevant Train Service(s) was (were) the only Train Service(s) provided with Access by Queensland Rail;

**Standard Access Agreement** means a pro forma Access Agreement set out in **Schedule H**;

**Standard and Poor's** means Standard and Poor's Financial Services LLC and its Related Parties;

**Supply Chain Calendar** means a document published by Queensland Rail on its website and updated in accordance with **clause 2.1(a)(ii)** of **Schedule F** which lists, in respect of a Regional Network, all Planned Possessions, Urgent Possessions (to the extent known) and Special Events for that Regional Network.

**System** means a part of Queensland Rail's Network including, but not limited to, a Regional Network, that forms an identifiable portion of the Network.

**System Master Plan** means a plan relating to Queensland Rail's proposed expansion projects containing the information referred to in **clause 1.5(e)** in relation to each System to which **clause 1.5** applies;

**System Planning Group** means a separate group in relation to each System to which **clause 1.5** applies established to assist Queensland Rail to develop each System Master Plan comprised of each Access Holder and rail transport operator (as defined in the RNSL) relevant to each System to which **clause 1.5** applies.

**Take or Pay Charge** means a charge or other amount payable by an Access Holder to Queensland Rail under an Access Agreement in relation to the Access Holder not fully using its Access Rights for a specified period (and for a Train Service, the description of which accords with the Reference Train Service, is calculated as set out in **clause 4 of Schedule D**);

**Tariff Train Service** means a coal carrying Train Service for which there is a Reference Tariff.

**Term** means the period beginning on the Approval Date and ending on the Terminating Date;

**Terminating Date** means the earlier of:

- (a) 30 June 2030;
- (b) in respect of any part of the service to which this Undertaking relates, the end of the day on which that part of the service ceases to be a declared service for the purposes of Part 5 of the QCA Act; and
- (c) the date on which this Undertaking is withdrawn in accordance with the QCA Act;

**Threshold Coal Price** means AUD150 per tonne.

**TIA** means the *Transport Infrastructure Act 1994* (Qld);

**Timetabled Service** means a Train Service, the Train Service Entitlement in respect of which is defined in terms of a specified Train Path at a particular time on a particular day and/or week;

**Through-Running Train** means a Train that operates both on the Network (in accordance with a Train Service Entitlement) and Private Infrastructure over its journey from a specified origin to a specified destination;

**Track** means that part of the Network comprising the rail, ballast, sleepers and associated fittings;

**Train** means any self-propelled configuration of Rolling Stock operating as a unit on Track;

**Train Configuration** means the description of the combination of Rolling Stock comprising a Train including the identification number, gross mass and tare mass of individual items of Rolling Stock and the order in which those Rolling Stock items are placed in the Train;

**Train Movement** means the operation of a Train on the Network by a Network Participant;

**Train Path** means the use of a specified portion of the Network, which may include multiple sections in sequential order, at a specified time;

**Train Service** means a Train operating on the Network from a specified origin to a specified destination;

**Train Service Entitlement** means an Access Holder's entitlement under an Access Agreement to operate, in accordance with that Access Agreement, a specified number and type of Train Services over the Network within a specified time period and in accordance with specified scheduling constraints for the purpose of either carrying a specified commodity or providing a specified transport service;

**Transfer** means the relinquishment by an Access Holder under an Access Agreement of all or part of its Access Rights in order to create Available Capacity that can be used to grant new Access Rights to that Access Holder

(who will be an Access Seeker in relation to those new Access Rights) or to an Access Seeker nominated by that Access Holder;

**Transferee** means the relevant Access Seeker for a Transfer;

**Transport Service Payments** means payments to Queensland Rail from DTMR or any other Authority for specified Below Rail Services for nominated sections of the Network;

**Unallocated Delay** means a delay to a Train Service from its Train Path scheduled in the DTP that is neither an Above Rail Delay nor a Below Rail Delay;

**Undertaking** means this document (including all schedules) as amended from time to time;

**Unloading Time** means the time period between:

- (a) the time that a Train Service arrives at the entry signal to the Nominated Unloading Facility; and
- (b) the time that the Train Service is ready to depart the Nominated Unloading Facility provided that:
  - (i) the Train Service has presented at the exit signal at the Nominated Unloading Facility; and
  - (ii) the Rolling Stock Operator for the Train Service has notified the relevant Network Control Officer that the Train Service is ready to depart the Nominated Unloading Facility;

**Upper Threshold Coal Price** means AUD \$175 per tonne.

**Urgent Possession** means a Possession:

- (a) that is required to correct problems in relation to the Network that are considered by Queensland Rail to be potentially dangerous to persons or property; and
- (b) that Queensland Rail intends to carry out within less than three months after the detection of the problem,

other than an Emergency Possession;

**Usable Schedule Time** means a proposed Train Service that considers an Operator's ability to utilise Rolling Stock and crew (as contemplated by the Operating Plan) to operate on that proposed Train Service, Queensland Rail must also consider as part of the development of the proposed Train Service, the Operator's ability to operate any connecting Train Services;

**WACC** means, in respect of coal carrying Train Services on the West Moreton System, the weighted average cost of capital which from 1 July 2025 until 30 June 2030 is 7.93% per annum nominal post-tax (to avoid doubt this definition does not apply for the purposes of **clause 3.3(c)(i)**);

**West Moreton System** means that part of the Network comprising the rail corridor from (and including) Rosewood to Miles, excluding all branch lines not directly connecting coal mine loading facilities to that rail corridor; and

**Year** means the period of 12 months commencing 1 July.

## 7.2 Interpretation

- (a) In this Undertaking, unless the context otherwise requires:
  - (i) words in the singular include the plural and vice versa;
  - (ii) any gender includes the other genders;
  - (iii) if a word or phrase is defined, its other grammatical forms have corresponding meanings;

- (iv) “include”, “includes” and “including” must be read as if followed by the words “without limitation”;
- (v) a reference to a person includes a partnership, joint venture, unincorporated association, corporation, government or statutory body or authority and any other entity recognised by law;
- (vi) where:
  - (A) a group of persons are in a partnership, an unincorporated joint venture, an unincorporated association or other similar arrangement; and
  - (B) that group of persons together execute or seek to execute an agreement (including an Access Agreement or a rail haulage agreement) or such an agreement is executed or is sought to be executed for or on behalf of that group of persons,

then that group of persons is deemed to constitute a single person, Customer, Access Seeker or Access Holder (as applicable);
- (vii) a reference to:
  - (A) “dollars” or “\$” is a reference to Australian currency;
  - (B) a person includes the person’s legal personal representatives, successors, permitted assignees and persons substituted by novation;
  - (C) employees includes secondees;
  - (D) constructing includes all associated activities such as designing, installing, procuring and commissioning;
  - (E) an Extension includes any part of that Extension;
  - (F) conduct includes:
    - (1) a benefit, remedy, discretion, authority or power; and
    - (2) any omission and any representation, statement or undertaking, whether or not in writing;
  - (G) time is to local time in Brisbane;
  - (H) a month is a reference to a calendar month;
  - (I) subject to **clause 7.2(a)(vii)(J)**, a “Part”, “clause” or “schedule” is a reference to the corresponding Part or clause found in **Part 1 to Part 7** of this Undertaking or “schedule” to this Undertaking as amended or replaced from time to time;
  - (J) in a schedule to this Undertaking:
    - (1) a “Part” or “clause”, is a reference to a Part or clause of that schedule unless otherwise stated; and
    - (2) a “Part” or “clause” of this Undertaking, is a reference to a Part or clause found in **Part 1 to Part 7** of this Undertaking;
  - (K) this or any other document or agreement includes the document or agreement as varied, amended or replaced and despite any change in the identity of the parties to that document or agreement;
  - (L) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced; and

- (M) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes facsimile transmissions;
  - (viii) if the date on or by which any act must be done under this Undertaking is not a Business Day, the act must be done on or by the next Business Day;
  - (ix) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded;
  - (x) if a term used in this agreement has the meaning given, or as defined, under any legislation, then that term has the meaning:
    - (A) given, or as defined, under that legislation from time to time; and
    - (B) where that legislation ceases to define that term, last given, or as last defined, under that legislation; and
  - (xi) if there is any inconsistency between matters contained in a Schedule or the Preamble and **Part 1 to Part 7** of this Undertaking, the provisions in **Part 1 to Part 7** of this Undertaking prevail.
- (b) Headings do not affect the interpretation of this Undertaking.
  - (c) To the extent that Queensland Rail's obligations under this Undertaking are or become inconsistent with Queensland Rail's obligations under any other Law, this Undertaking does not apply to the extent of that inconsistency.
  - (d) If this Undertaking obliges Queensland Rail to provide any information, reports, documents or other material (in whatever form) (**Information**) to the QCA or any other person then, despite any other provision in this Undertaking, Queensland Rail is not required to comply with that obligation if Queensland Rail claims:
    - (i) on the ground of self incrimination, a privilege Queensland Rail would be entitled to claim against providing the Information were Queensland Rail a witness in a prosecution for an offence in the Supreme Court; or
    - (ii) that legal professional privilege applies in respect of that Information.

If Queensland Rail does not comply with an obligation on that basis, Queensland Rail must notify the QCA of this and Queensland Rail or the QCA may apply to the Supreme Court of Queensland for a determination of the validity of such a claim of privilege.
  - (e) Despite any other provision in this Undertaking, this Undertaking does not expressly or impliedly waive any claim that Queensland Rail may have to legal professional privilege in respect of any information, reports, documents or other material (in whatever form).
  - (f) The preamble to this Undertaking does not affect the interpretation of this Undertaking and no reference may be made to that preamble to interpret this Undertaking.
  - (g) A reference in this Undertaking to a Train Service, the description of which accords with the Reference Train Service, is a reference to a Train Service operating to and from a specified Nominated Loading Facility and a specified Nominated Unloading Facility and which is otherwise consistent with **clause 2.1 of Schedule D**.
  - (h) A reference in this Undertaking to a Train Service, the description of which differs from the Reference Train Service, is a reference to a Train Service that is not consistent with **clause 2.1 of Schedule D** in one or more respects.

# Schedule A – Preliminary Information and Capacity Information

## 1 Preliminary Information

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The following preliminary information will be made available on Queensland Rail's website for Access Seekers:

- (a) **(Introduction)** The criteria for the use of data and the purpose of the preliminary information.
- (b) **(Civil Infrastructure)** A description of the railway and Track and any operational constraints, e.g. grades and curves.
- (c) **(Telecommunications)** A description of the communication system used.
- (d) **(Electric Traction)** A general system description.
- (e) **(Interface Requirements)** Information on track gauge, axle loads, train speeds, Rolling Stock gauge and noise limits.
- (f) **(Locality Information)** Terrain information and climatic conditions and resultant system disruptions.
- (g) **(Committed Corridor Upgrades)** Identification of any relevant committed corridor upgrades.
- (h) **(Maps and Drawings)** Corridor maps and Line Diagrams including plans specifying Track Segments and Mainline Paths.
- (i) **(Level Crossings)** The number of level crossings and the type of protection used.
- (j) **(Train Operations)** Sectional running times (calculated based on the projected average sectional running times), maximum Train lengths incident recovery times.
- (k) **(Systems)** A description of operational, safeworking and signalling systems.
- (l) **(Interface Standards)** A copy of the relevant Interface Standards.
- (m) **(Commercial Information)** The applicable Reference Tariff and Standard Access Agreement (if any).

## 2 Capacity Information

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For the purpose of **clauses 2.1(b)(ii)** and **2.7(b)** of this Undertaking, the Capacity Information is as follows:

- (a) Master Train Plan;
- (b) the relevant current Daily Train Plan (being the current Daily Train Plan for the relevant day (or days) of the week) for the relevant part of the Network<sup>14</sup> which, for clarity, will be complete and will not be redacted in any way; and

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<sup>14</sup> The relevant current Daily Train Plan provided will not show the whole Network. However, Queensland Rail will provide sufficient information about all Train Services that potentially impact on Existing Capacity.

- (c) the Network Control diagrams, indicating actual running of Train Services against the relevant Daily Train Plan, for those days for which the Daily Train Plan has been provided under **clause 2(b)**.

### 3 Capacity Information for an Extension

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- (a) For the purpose of **clause 2.7(b)(ii)** of this Undertaking, the Capacity Information must identify if an Extension is required to the Network to provide the access rights sought in the Access Application,
- (b) If an Extension is required then Queensland Rail must provide detailed information on the required Extension, including:
  - (i) the capacity analysis, capacity modelling assumptions, and the modelling simulation outputs that underpin Queensland Rail's decision to require an Extension
  - (ii) either
    - (A) an outline of the investigations and works in relation to identifying and undertaking the Extension and indicative estimate of the cost of, and timing for, such investigations and works; or
    - (B) the proposed scope, standard and cost of the rail transport infrastructure (as defined in the TIA) works that will comprise the required Extension;
  - (iii) any information on the Extension that Queensland Rail relied on in developing its response to **clause 3(b)(ii)** above; and
  - (iv) reasons why Queensland Rail has identified the proposed rail transport infrastructure works as comprising an Extension
- (c) Queensland Rail to provide ancillary information for the Access Seeker, including the:
  - (i) operational integrity of the relevant corridor that is to be extended;
  - (ii) minimum technical, engineering and Safety Standards required for the required Extension;
  - (iii) design specifications, infrastructure standards for the Network near to or adjoining the required Extension;
  - (iv) planning procedures developed and maintained by Queensland Rail which need to be taken into account in considering whether to proceed with an Extension;
  - (v) all necessary authorisations reasonably required by Queensland Rail to proceed with the Extension;
  - (vi) all rights and interests in land that, in Queensland Rail's opinion are reasonably required and the acquisition terms that would be satisfactory to Queensland Rail, acting reasonably; and
  - (vii) subject to the Access Seeker having entered into an applicable confidentiality agreement in accordance with **clause 2.2(b)(ii)** of the Undertaking with Queensland Rail, the protocols, standards and procedures an Access Seeker is required to comply with under the terms of the Standard Access Agreement.
- (d) Queensland Rail to also provide:

- (i) the indicative funding requirements for it to assist the Access Seeker to develop the required Extension through the relevant stage of the Access Seeker's investment process; and
- (ii) a first draft funding agreement that is consistent with the Extension Access Principles in **Schedule I** of this Undertaking.

## Schedule B – Access Application information requirements

### 1 Application

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- (a) Without limiting the information requirements that an Access Application must satisfy in accordance with this Undertaking, an Access Application must satisfy the information requirements set out in this **Schedule B** or so much of those requirements as Queensland Rail considers appropriate based on the nature of the relevant request for Access Rights.
- (b) This **Schedule B** applies as follows:
  - (i) where the proposed Access Application is solely for a Transfer in respect of Transferred Access Rights, **clause 7** applies (and, except as expressly referred to in **clause 7**, **clauses 2 to 6** and **clause 8** do not apply);
  - (ii) where the proposed Access Application is solely a Renewal Application, **clause 8** applies (and, except as expressly referred to in **clause 8**, **clauses 2 to 7** do not apply); and
  - (iii) subject to **clauses 1(b)(i)** and **(ii)**, for all other proposed Access Applications, **clauses 2 to 6** apply with **clauses 7** and **8** only applying to the extent that (if it does at all) the Access Application also in part relates to a Transfer in respect of Transferred Access Rights or is in part a Renewal Application.

### 2 Access Seeker and Customer details

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Relevant identity and contact details including:

- (a) the Access Seeker's name and contact details;
- (b) if the Access Seeker has a Customer, that Customer's name and contact details; and
- (c) if the Access Seeker or its Customer is an unincorporated joint venture, the names and contact details for all of the joint venture participants.

### 3 Ability to use Access Rights

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Information needed to assess matters referred to in **clause 2.8(a)(i)** of this Undertaking including the following information about matters to be taken in account under **clause 2.8(a)(i)** of this Undertaking:

- (a) where the Access Seeker seeks Access Rights that will be used for a person who is the Access Seeker's Customer, information evidencing that the Access Seeker is reasonably likely to have such a Customer at the commencement date of the Access Agreement.
- (b) whether the Access Seeker has secured, or is reasonably likely to secure:

- (i) the rights required to enter and leave the Network (for example, rights to unload at its destination); and
- (ii) if applicable, a rail haulage agreement for the operation of Train Services referred to in its Access Application,  
including within timeframes consistent with the Access Application;
- (c) whether the Access Seeker or its Nominated Rolling Stock Operator has sufficient facilities (including Rolling Stock, provisioning facilities, maintenance facilities and storage facilities) to enable it to run Train Services to fully utilise the Access Rights sought; and
- (d) where the Access Rights are sought to transport the output of a mine, whether the anticipated output of the mine is sufficient to support full utilisation of the Access Rights sought.

## 4 Form of Access Agreement

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Nominate whether the form of Access Agreement that the Access Seeker is seeking will be principally based on the form of the Standard Access Agreement or, where a different form is proposed, a description of (including the contractual outcomes being sought) and reasons for the proposed form.

## 5 Coal and freight Train Services

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### 5.1 General Train Service details

Information describing the requested Train Services, including:

- (a) the route of operation (include diagram if necessary) including origin, destination, loading facility, unloading facility and depot;
- (b) the proposed commencement date for Train Services; the proposed term of the Access Agreement;
- (c) the method of transporting freight (e.g. containers, louvered wagons, bulk wagons);
- (d) a description of freight/commodity;
- (e) the net tonnes of product per annum for each Year of operation, represented on a monthly basis or, where monthly railings are not even, the proposed distribution of net tonnes; and
- (f) the proposed non standard operating modes or methods (if applicable);

### 5.2 Timetable requirements

Information setting out the timetabling requirements, including:

- (a) whether the Access Rights sought are for a new Train Service or a variation to an existing Train Service for the Access Seeker;
- (b) required frequency of Train Services, including weekly requirements, seasonality variations and any trends over the proposed Access Agreement term;

- (c) the preferred departure and arrival windows on preferred days of operation, separately for forward and return journeys, where relevant; and
- (d) the requirements for shunting or dwell times<sup>15</sup> enroute, separately for forward and return journeys.

### **5.3 Rolling Stock and above rail operational details**

For all Access Seekers other than an End User Access Seeker, information describing the Rolling Stock and Train Configurations, including:

- (a) the proposed number of locomotives per Train;
- (b) the proposed number of wagons per Train;
- (c) the type and class of locomotive;
- (d) the mass of each locomotive (includes full sand and fuel load);
- (e) the type and class of wagons
- (f) the nominal gross mass of wagon;
- (g) the tare mass of each wagon;
- (h) if carrying containers:
  - (i) the tare mass per container; and
  - (ii) the average number of containers per wagon;
- (i) the average proposed load (of product) per wagon;
- (j) the maximum proposed gross tonnes per wagon;
- (k) the maximum axle load of locomotives and wagons;
- (l) the gross tonnes and the nominal payload per Train Service, separately for forward and return journeys;
- (m) the Comparison Train Length for the proposed Train;
- (n) the proposed sectional run times;
- (o) the proposed maximum dwell times, time at loading facility, time at unloading facility and time at depot; and

### **5.4 Infrastructure requirements**

Details of any Extensions and Private Infrastructure and any other rail transport infrastructure that may be necessary for operation of the Train Service, where known.

## **6 Passenger Train Services**

---

### **6.1 General Train Service details**

Information describing the Train Services, including:

- (a) the route of operation (including a diagram, if necessary);

---

<sup>15</sup> A dwell time is the time period from when the Train Service arrives at a specified point on its journey until it has completed all relevant activities and is ready to depart from that point and has advised the relevant Network Control Officer accordingly.

- (b) the proposed term of the Access Agreement;
- (c) the type of passenger traffic (e.g. long distance, commuter, tourist);
- (d) the proposed sectional run times; and
- (e) the proposed requirements (if any) for the short-term storage of Trains (excluding individual items of Rolling Stock) on the Network at locations specified by Queensland Rail during Possessions or during the operation of a Train Service.

## 6.2 Timetable requirements

Information setting out the timetabling requirements, including:

- (a) whether the Access Rights sought are for a new Train Service, or variation to an existing Train Service, for the Access Seeker;
- (b) whether the Access Rights sought are for a new Train Service, or a variation to an existing Train Service, for the Network;
- (c) the required frequency of Train Services, including weekly requirements, seasonality variations and any trends over the proposed Access Agreement term;
- (d) the preferred departure and arrival windows on preferred days of operation, separately for forward and return journeys; and
- (e) the requirements for shunting or dwell times<sup>16</sup> enroute, separately for forward and return journeys.

## 6.3 Rolling Stock details

- (a) the total number of locomotives per Train;
- (b) the total number of carriages per Train;
- (c) the total number of passenger multiple units (PMU) per Train;
- (d) the type and class of locomotive;
- (e) the mass of each locomotive (including full sand and fuel load);
- (f) the type and class of carriage;
- (g) the nominal gross mass of each carriage;
- (h) the type and class of PMU;
- (i) the average gross mass of PMU;
- (j) the maximum number of vehicles including locomotives, carriages or units within PMU;
- (k) the maximum axle load of locomotives and carriages;
- (l) the Comparison Train Length for the proposed Train;
- (m) the gross tonnes per Train Service, separately for forward and return journeys; and
- (n) the maximum operation speed separately for loaded and empty Trains.

---

<sup>16</sup> A dwell time is the time period from when the Train Service arrives at a specified point on its journey until it has completed all relevant activities and is ready to depart from that point and has advised the relevant Network Control Officer accordingly.

## 6.4 Infrastructure requirements

Details of any Extensions and Private Infrastructure and any other rail transport infrastructure that may be necessary for operation of the Train Service, where known.

## 7 Transfers

---

Information relating to the Transfer including:

- (a) relevant identity and contact details relating to the Transferee including:
  - (i) the Transferee's name and contact details;
  - (ii) if the Transferee has a Customer, that Customer's name and contact details; and
  - (iii) if the Transferee or its Customer is an unincorporated joint venture, the names and contact details for all joint venture participants;
- (b) where the Transferee is not the current Access Holder (Transferor) who intends to undertake the relevant Transfer, relevant identity and contact details relating to the Transferor including:
  - (i) the Transferor's name and contact details;
  - (ii) if the Transferor has a Customer, that Customer's name and contact details; and
  - (iii) if the Transferor or its Customer is an unincorporated joint venture, the names and contact details for all joint venture participants;
- (c) details identifying the Transferor's Access Agreement, and the Access Right under it (including by reference to origin and destination), to which the Transfer relates;
- (d) details referred to in **clauses 3 and 4** with reference to the proposed Transfer;
- (e) the proposed date and term for the Transfer;
- (f) the information referred to in **clause 5.1 to 5.3** or **clauses 6.1 to 6.3** (as applicable);
- (g) evidence that the Transferor's Customer and the Transferee's Customer have been notified of, and have agreed to, the Transfer (except where the Transferor's Customer initiated the Transfer by notice to Queensland Rail); and
- (h) any other information that:
  - (i) is necessary to provide under this Undertaking; or
  - (ii) is otherwise necessary and has been notified to the Access Seeker by Queensland Rail.

Transferors and Transferees should note that where only part of the Transferor's Access Rights are to be relinquished as a part of the Transfer, that relinquishment will only occur based on whole Train Paths from origin to destination.

## 8 Renewals

---

Information relating to the Renewal including:

- (a) relevant identity and contact details in relation to the Renewing Access Seeker including:

- (i) the Renewing Access Seeker's name and contact details;
  - (ii) if the Renewing Access Seeker has a Customer, that Customer's name and contact details; and
  - (iii) if the Renewing Access Seeker or its Customer is an unincorporated joint venture, the names and contact details for all joint venture participants;
- (b) where the Renewing Access Seeker is not the current Access Holder, relevant contact details for the current Access Holder including:
- (i) the current Access Holder's name and contact details;
  - (ii) if the current Access Holder has a Customer, that Customer's name and contact details; and
  - (iii) if the current Access Holder or its Customer is an unincorporated joint venture, the names and contact details for all joint venture participants;
- (c) a description identifying the current Access Agreement to which the Renewal relates;
- (d) details referred to in **clauses 3 and 4** with reference to the proposed Renewal;
- (e) whether the Renewal is for all or part of the relevant existing Access Rights and, where for part only, details of the relevant part;
- (f) details of all changes (if any) in:
- (i) the information referred to in **clause 5.1 to 5.3** or **clauses 6.1 to 6.3** (as applicable)<sup>17</sup>; and
  - (ii) the Operating Plan,
- from that relating to the relevant existing Access Agreement.<sup>18</sup>

---

<sup>17</sup> A Renewal will not require any Extension therefore **clauses 5.4** and **6.4** as applicable, are not relevant.

<sup>18</sup> It should be noted that a Renewal only arises where a Renewing Access Seeker wishes to hold or to continue to hold (as applicable) Access Rights equivalent to the relevant existing Access Rights. The greater the nature and degree of change the greater the risk that the relevant Access Application will not be a Renewal.

## Schedule C – Operating Plan Template

***(Insert name of accredited operator responsible for operating train services - include logo and/or picture as required)***

### Operating Plan

for

*(insert title of train services)*

**Document No:** *(insert identification number for document)*

**Version:** *(insert version number)*

**Date:** *(insert date of issue)*

**Authorised by:** *(insert name of person responsible for authorising operating plan)*

**Document Information**

|                             |  |
|-----------------------------|--|
| <b>Current Version:</b>     | (Insert current version number)              |
| <b>First Released:</b>      | (Insert date first released)                 |
| <b>Last Updated:</b>        | (Insert date last updated)                   |
| <b>Review Before:</b>       | (Insert date when due for review)            |
| <b>Content Developer:</b>   | (Insert content developer name, if required) |
| <b>Document Authoriser:</b> | (Insert document authoriser and title)       |

**Document Amendment History**

| Version Number | Date | Section(s) Amended | Summary of the Amendment |
|----------------|------|--------------------|--------------------------|
|                |      |                    |                          |
|                |      |                    |                          |
|                |      |                    |                          |
|                |      |                    |                          |

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Follow the guidelines in this document to ensure the required information is included. Text in black is suggested headings/wording etc while text in blue provides guidance and should be deleted from final document. Don't forget to update header details.

Note that this document is the primary means of communicating the operational requirements to all involved workers and is of special importance in providing Network Control and train planners with a clear understanding of the train services. Include any information that facilitates this aim.

## 1 Introduction

---

Provide some general background information in this section regarding the proposed train services.

eg:

- (a) generally describe route and product
- (b) is it a new or modified service?
- (c) is it part of a larger project?

The accredited rail operator who will be responsible for the operation of these train services is (insert name of accredited rolling stock operator).

## 2 Purpose

---

The draft operating plan must include sufficient detail to fully describe the train services and method of operation including scheduling, route, rolling stock and train configurations.

The draft operating plan may be modified during the negotiation process, however the Operator must finalise the operating plan before train operations commence. The final operating plan must be consistent with the Interface Risk Management Plan (IRMP).

If an Operator wishes to change the operating plan after operations have commenced, Queensland Rail and the Operator will review the interface risk assessment together and agree any necessary updates to the IRMP and/or operating plan.

The purpose of this operating plan is to communicate the operating requirements of the train services to all involved workers and in particular to provide guidance for Queensland Rail Network Control Officers.

It describes the required operations on the network, identifies the procedures required and defines relevant responsibilities to enable the train service to be operated safely and reliably and not present any unacceptable risk.

Insert any other applicable information.

### 3 Scope

---

This operating plan is applicable to the operation of (insert train description) between (insert starting point) and (insert end point) in accordance with Access Agreement (insert title of access agreement).

The network map below indicates the route of the operation. Insert map of corridors if required to clarify route.

An ATT or TRA must be issued prior to the commencement of this train service.

This procedure is to be read in conjunction with Train Route Acceptance (insert TRA number TRA-XXXX) and/or the relevant Authority to Travel (ATT), if required, which define the specific parts of the network to be used for this operation, the authorised rolling stock and train configurations plus any additional network requirements.

### 4 Definitions

---

Include definitions of any terms used in this document that require special explanation.

### 5 Associated documents

---

Include a list of all documents referred to by this plan or documents that are pre-requisites for carrying out this operation - eg Access Agreement, TRA, Technical Standards, Procedures etc.

### 6 Service requirements

---

Provide details of the proposed train services including:

#### 6.1 Area of operation

- origin
- destination
- entry and exit points
- rolling stock repositioning

#### 6.2 Business aspects

- tonnage profile
- passenger loading & unloading profile
- project service life
- seasonality of haulage / variability of service

#### 6.3 Operation

- type of service

- commodity
- train configuration
- special operating parameters
- dangerous goods details
- overload management system
- timing of schedule servicing / provisioning / examining / stowing activities
- crewing plan - crew requirements, location of crew depots, crew change points

**6.4 Train service levels / Scheduling**

- daily, weekly, monthly, annually, as required
- maximum number of services
- dwell times at loading facilities
- dwell times at unloading facilities
- dwell times at crew changes
- dwell times enroute & operational requirements eg for fuelling
- rolling stock operational speed
- indicative timetable requirements (sectional run times)
- connecting services
- critical timings at specified locations
- authority from private infrastructure manager

**6.5 Alterations to Service Schedule**

Where XXXX or Queensland Rail wish to make alterations to the train service, each party will adhere to the requirements set out in the Network Management Principles contained in the Operator Requirements Manual.

**7 Rolling Stock information**

---

**7.1 Rolling Stock Data**

Insert the appropriate information for the rolling stock being operated – delete any unused rows, columns and tables or add extras as required.

| Locomotives            |  |  |
|------------------------|--|--|
| Class                  | (Insert the locomotive classes)  |  |
| Type                   | (Insert the locomotive types eg diesel electric, diesel hydraulic, diesel mechanical, electric, steam) |  |
| Number (if applicable) | (Insert the locomotive running number)   |  |

|  |   |  |
|--|---|--|
| Length                                   | (Insert the length over coupling lines of each locomotive class)  |  |
| Mass                                     | (Insert the mass of each locomotive class in full working order, including fuel and sand, in tonnes)                          |  |
| Axle Load                                | (Insert the maximum loading on any locomotive axle)   |  |
| Rolling Stock Outline Clearance Category | (Insert the rolling outline that each locomotive class complies with and any out-of-gauge issues)                             |  |
| Speed                                    | (Insert the maximum approved speed of each locomotive class. If speed in reverse is different, show both forward and reverse) |  |
| Drawgear                                 | (List the drawgear type and strength)   |  |
| Train Driver Aids                        | (List the safeworking and driver alerting equipment fitted eg VCS, ATP, DTC etc)  |  |
| Diagram                                  | (Rolling stock diagram number)  |  |

| Self Propelled Trains           |   |  |  |  |
|---------------------------------|---|--|--|--|
| Type                            | (indicate the types of units with fixed rolling stock configuration eg EMU, TILT, RM etc) |  |  |  |
| Unit Configuration              | (Insert the configuration of vehicles that make up each fixed coupled unit)               |  |  |  |
| Running Numbers (if applicable) | (Insert the running numbers of the units or vehicles)                                     |  |  |  |
| Total Length                    | (Insert the length of each unit over coupling lines)                                      |  |  |  |
| Gross Mass                      | (Insert the mass of each unit in full working order with maximum number of passengers)    |  |  |  |
| Tare Mass                       | (Insert the mass of each empty unit)  |  |  |  |
| Maximum axle load               | (Insert the maximum   |  |  |  |

|  |   |  |  |  |
|--|---|--|--|--|
|  | loading on any axle in the units)   |  |  |  |
| Rolling Stock Outline Clearance Category | (Insert the rolling outline that each unit complies with and any out-of-gauge issues)                             |  |  |  |
| Speed                                    | (Insert the maximum approved speed of each unit. If speed in reverse is different, show both forward and reverse) |  |  |  |
| Drawgear                                 | (List the drawgear type and strength)   |  |  |  |
| Train Driver Aids                        | (List the safeworking and driver alerting equipment fitted eg VCS, ATP, DTC etc)                                  |  |  |  |
| Diagram                                  | (Rolling stock diagram number)  |  |  |  |

| <b>Passenger Carriages</b> |  |  |  |  |
|----------------------------|--|--|--|--|
| Class                      | (Insert the carriage classes)  |  |  |  |
| Type                       | (Insert the carriage types eg sitter, sleeper, dining car etc)                             |  |  |  |
| Length                     | (Insert the length over coupling lines of each carriage class)                             |  |  |  |
| Gross Mass                 | (Insert the mass of each carriage in full working order with maximum number of passengers) |  |  |  |
| Tare Mass                  | (Insert the mass of each empty carriage class)   |  |  |  |
| Axle Load                  | (Insert the maximum loading on any axle in each carriage class)                            |  |  |  |

|   |   |  |  |  |
|---|---|--|--|--|
| Rolling Stock Outline<br>Clearance Category | (Insert the rolling outline that each carriage class complies with and any out-of-gauge issues) |  |  |  |
| Speed                                       | (Insert the maximum approved speed of each carriage class)                                      |  |  |  |
| Drawgear                                    | (List the drawgear type and strength)   |  |  |  |
| Notes                                       | (List any special conditions relating to the operation of each carriage class)                  |  |  |  |
| Diagram                                     | (Rolling stock diagram number)  |  |  |  |

| Freight Wagons |   |  |  |  |
|----------------|---|--|--|--|
| Class          | (Insert the wagon classes)  |  |  |  |
| Type           | (Insert the wagon types and payload eg open, box, hopper, coal etc) |  |  |  |
| Length         | (Insert the length over   |  |  |  |

| Freight Wagons                              |   |  |  |  |
|---|---|--|--|--|
|   | coupling lines of each wagon class)                       |  |  |  |
| Gross Mass                                  | (Insert the mass of each wagon class fully loaded)        |  |  |  |
| Tare Mass                                   | (Insert the mass of each empty wagon class)               |  |  |  |
| Axle Load                                   | (Insert the maximum loading on any axle in each wagon)    |  |  |  |
| Rolling Stock Outline<br>Clearance Category | (Insert the rolling outline that each wagon complies with |  |  |  |

|          |   |  |  |  |
|----------|---|--|--|--|
|          | and any out-of-gauge issues)                            |  |  |  |
| Speed    | (Insert the maximum approved speed of each wagon class) |  |  |  |
| Drawgear | (List the drawgear type and strength)                   |  |  |  |
| Diagram  | (Rolling stock diagram number)                          |  |  |  |

## 7.2 Train Information

Insert the appropriate information for the train being operated – delete any unused rows. Include provision for movement of rolling stock for recovery, maintenance, operational or other contingency purposes eg vehicle locomotives, train positioning moves.

| Train Information |                   |   |
|-------------------|-------------------|---|
| Description       | Payload           | (Insert the payload eg coal train, general freight etc)                             |
|                   | Type              | (Insert the types of trains eg unit train, container train, general freight etc)    |
|                   | Operation         | (Insert the method of operation eg distributed power, push/pull, headend power etc) |
| Locomotives       | Classes           | (Insert the classes of locomotives in the train)                                    |
|                   | Number            | (Insert the maximum number of locomotives in the train)                             |
|                   | Location          | (Insert the locomotive location in the train or any limitations)                    |
| Wagons/Carriages  | Classes           | (Insert the classes of wagons/carriages in the train)                               |
|                   | Number            | (Insert the maximum number of wagons/carriages in the train)                        |
|                   | Order             | (Insert the wagon/carriage order in the train or any limitations)                   |
| Train Mass        | Loaded            | (Insert the loaded train gross tonnage excluding locos)                             |
|                   | Empty             | (Insert the empty train gross tonnage excluding locos)                              |
| Train Length      | Comparison Length | (Insert the comparison train length for the longest train - including locomotives)  |
| Train Speed       | Loaded            | (Insert the maximum approved speed of each loaded train)                            |
|                   | Empty             | (Insert the maximum approved speed of each empty train)                             |
| Load Tables       |                   | (Insert relevant load table identification)   |

|                    |   |  |
|--------------------|---|--|
| Special Conditions | 1 | (Insert any special conditions related to the operation of the train eg out-of-gauge, overloads etc) |
|                    | 2 | (Insert any special conditions related to the operation of the train eg out-of-gauge, overloads etc) |
|                    | 3 | (Insert any special conditions related to the operation of the train eg out-of-gauge, overloads etc) |

### 7.3 Rolling Stock Compliance Status

Provide information regarding the current status of certification of the rolling stock and train configurations to the interface standards. Include reference to certificate numbers where appropriate.

If the rolling stock or train configurations are not yet fully certified, this section should detail:

- any identified non-compliances to interface standards
- any interface standards to which compliance is not yet fully proven eg brake system static testing successfully carried out, full performance compliance to be proven by on-track testing
- any systems not yet functioning eg vigilance system not commissioned

The above items should be backed up by an interim compliance certificate.

## 8 Safety systems

---

Include in this section details of train safety systems in place eg ATP, vigilance, SPD etc

## 9 Communication systems

---

Include in this section details of communication systems available for use eg train radio, mobile phone, satellite phone etc.

## 10 Interface arrangements

---

Include details of interface arrangements for entering/exiting private sidings and other networks including permission from the other track manager.

Include handover details where rolling stock is handed over to/from another rolling stock operator.

## 11 Contingency and recovery

---

Include in this section any arrangements in the event of failure of the rolling stock, special recovery arrangements regarding coupling etc and any other contingency plans identified as part of the risk assessment.

Also include train information and certification for altered train configurations required for recovery eg additional locomotives.

## 12 Emergency management plans

---

Include in this section any arrangements for the management of emergencies including rolling stock, dangerous goods and other incidents.

## 13 Safety and environment risk assessment

---

(Enter name of operator) has carried out a safety and environment risk assessment of the proposed train services and has reviewed the Interface Risk Management Plan in the Access Agreement.

Include in this section any additional safety and environmental controls identified to minimise any risks associated with the proposed operation.

## 14 Responsibilities and contact details

---

Enter details of responsible people and their contact information - phone numbers, emails etc.

| Responsibility | Organisation | Contact Person | Title | Contact Details |
|----------------|--------------|----------------|-------|-----------------|
|                |              |                |       |                 |
|                |              |                |       |                 |
|                |              |                |       |                 |
|                |              |                |       |                 |
|                |              |                |       |                 |

## 15 General comments

---

Include any other general information required for the operation of these train services.

## 16 Appendices

---

Add copies of associated documents, test records, risk assessments etc as necessary.

## Schedule D – Reference Tariffs

### 1 Background and Term

---

#### 1.1 Background

- (a) As coal carrying Train Services transporting coal to the Fisherman Islands coal loader at the Port of Brisbane need to travel over the Metropolitan System, the Reference Tariff has been structured so that it has specific Reference Tariff inputs relating to the Metropolitan System (that is, **AT<sub>1(M)</sub>** and **AT<sub>2(M)</sub>**).
- (b) The Reference Tariff inputs have been separately identified for the Metropolitan System because some Train Services to which the Reference Tariff applies only use the Metropolitan System.

#### 1.2 Term

The Reference Tariff calculated in accordance with this **Schedule D** is effective during the Term.

### 2 Reference Train Service

---

#### 2.1 Description of Reference Train Service

The description of the Reference Train Service for the Reference Tariff set out in this **Schedule D** is as follows:

- (a) **(Commodity)** The Reference Train Service carries only bulk coal.<sup>19</sup>
- (b) **(Geographic scope)** The Reference Train Service operates:
  - (i) either solely on the Metropolitan System or on both the West Moreton System and the Metropolitan System; and
  - (ii) to and from a specified Nominated Loading Facility and a specified Nominated Unloading Facility.<sup>20</sup>
- (c) **(Characteristics)** Each Reference Train Service:
  - (i) has a maximum relative train length, including the locomotives, of 688 metres;<sup>21</sup>
  - (ii) has two locomotives and 42 wagons;
  - (iii) has a maximum axle load of 15.75 tonne with loading in excess of this maximum axle load dealt with in accordance with the relevant load variation table;<sup>22</sup>

<sup>19</sup> In defining bulk coal, no differentiation is to be made between coal qualities or types, or between the end use markets of the coal.

<sup>20</sup> Diagrams showing the location of the Nominated Loading Facilities and the Nominated Unloading Facilities will be provided by Queensland Rail to Access Seekers on request.

<sup>21</sup> This Train length comprises the following: static train length (which is the straight addition of individual rolling stock lengths) plus an allowance of 2% of this static train length for train handling accuracy and for slack movement in drawgear (includes free slack in the drag box, compression of the draft gear, clearance/free slack due to coupler wear and pin clearance at the yoke).

<sup>22</sup> As published by Queensland Rail in relation to the Reference Train Service or a Train Service of the same type as the Reference Train Service that identifies allowable overloads for wagons and bogies and specifies relevant Operational Constraints and additional charges, where applicable, for such overloads.

- (iv) utilises only diesel traction;
  - (v) complies with the maximum speeds permitted on the Nominated Infrastructure as specified by Queensland Rail;
  - (vi) complies with the Interface Standards applicable to the Nominated Infrastructure;
  - (vii) is otherwise compatible with the Nominated Infrastructure and requires no additional expenditure by Queensland Rail to implement varied Below Rail controls identified in the IRMP;
  - (viii) operates in accordance with nominated sectional running times specified by Queensland Rail for that Reference Train Service;
  - (ix) has a Loading Time that does not exceed the relevant time specified in **clause 2.2(a)** provided that the Nominated Loading Facility is available for use by the Reference Train Service when that Reference Train Service arrives at the Nominated Loading Facility;
  - (x) has an Unloading Time that does not exceed the relevant time specified in **clause 2.2(b)** provided that the Nominated Unloading Facility is available for use by the Reference Train Service when that Reference Train Service arrives at the Nominated Unloading Facility;
  - (xi) operates with an empty Train on the return journey from the relevant Nominated Unloading Facility to the relevant Nominated Loading Facility;
  - (xii) has the ability to operate on the configuration of the Nominated Infrastructure existing at the Approval Date without limiting the ability of existing Train Services to operate in accordance with their Train Service Entitlements and does not require an Extension;
  - (xiii) utilises bottom dump wagons with the "KWIK DROP" door operating mechanism suitable for use on the West Moreton System or Metropolitan System; and
  - (xiv) utilises measures to minimise coal spillage and/or leakage en route that are reasonable, having regard to the practices existing at the Approval Date.
- (d) **(Dangerous Goods)** The Reference Train Service does not carry any Dangerous Goods.
- (e) **(Below Rail Services)** The Reference Train Service:
- (i) only requires services from Queensland Rail that are Below Rail Services; and
  - (ii) assumes Below Rail Services comprised in Access are provided in accordance with this Undertaking.
- (f) **(Conditions of Access)** The Reference Train Service will operate in accordance with the terms and conditions of the Standard Access Agreement.
- (g) **(Train Service Entitlement)** The Train Service Entitlement for the Reference Train Service will be:
- (i) based on its Trains being available for operation 24 hours per day and 365 days per year; and
  - (ii) specified in terms of Timetabled Service and will comply with the applicable corridor scheduling procedures.

## 2.2 Loading and unloading facilities

- (a) The Nominated Loading Facilities (together with loading times) are the loading facilities for coal at the following locations:

| Nominated Loading Facility locations | Loading Time (hours) |
|--------------------------------------|----------------------|
| Jondaryan (New Acland)               | 2                    |
| Macalister (Wilkie Creek)            | 2.5                  |
| Columboola (Cameby Downs)            | 1.7                  |

- (b) The Nominated Unloading Facilities (together with unloading times) are the unloading facilities for coal at the following locations:

| Nominated Unloading Facility locations | Unloading Time (hours) |
|--|------------------------|
| Fisherman Islands coal loader          | 1.9                    |

## 3 Reference Tariff

### 3.1 Calculation of the Reference Tariff

- (a) The Reference Tariff for a Reference Train Service is calculated as follows:

$$\left( AT_{1(W)} \times \frac{gtk_{(W)}}{1000} \right) + (AT_{2(W)} \times rtp_{(W)}) + \left( AT_{1(M)} \times \frac{gtk_{(M)}}{1000} \right) + (AT_{2(M)} \times rtp_{(M)}) + (QCA Levy \times nt) + AC + TP$$

where:

- AT<sub>1(M)</sub>** and **AT<sub>1(W)</sub>** are the variable parts of the Reference Tariff specified as AT<sub>1(M)</sub> and AT<sub>1(W)</sub> in **clause 3.1(e)** (as varied, amended or replaced from time to time in accordance with this Undertaking or the QCA Act);
- AT<sub>2(M)</sub>** and **AT<sub>2(W)</sub>** are the fixed parts of the Reference Tariff specified as AT<sub>2(M)</sub> and AT<sub>2(W)</sub> in **clause 3.1(e)** (as varied, amended or replaced from time to time in accordance with this Undertaking or the QCA Act);
- gtk<sub>(W)</sub>** is the gtk for the relevant Train Service relating to the West Moreton System;
- gtk<sub>(M)</sub>** is the gtk for the relevant Train Service relating to the Metropolitan System;

- rtp(w)** is the rtp for the relevant Train Service relating to the West Moreton System – which will be zero if the Train Service does not use the West Moreton System;
- rtp(M)** is the rtp for the relevant Train Service relating to the Metropolitan System;
- AC** is any applicable Adjustment Charge (from time to time).
- TP** is any applicable Take or Pay Charge (from time to time).

- (b) For the purposes of the calculation under **clause 3.1(a)**, the amounts of AT<sub>1(M)</sub>, AT<sub>1(W)</sub>, AT<sub>2(M)</sub>, AT<sub>2(W)</sub>, the QCA Levy, any Adjustment Charge and any Take or Pay Charge are GST exclusive. An Access Charge calculated based on the Reference Tariff will have an amount for GST added to it.
- (c) For the purposes of this **Schedule D**, a Train Service is a one way Train Service, that is, the journey from the Nominated Loading Facility to the Nominated Unloading Facility is one Train Service, and the return journey from the Nominated Unloading Facility to the Nominated Loading Facility is a second Train Service.
- (d) For the purposes of **clause 3.1(a)**, gtk will be assessed for the relevant Train Service over the billing period for the Access Charge which is based on the Reference Tariff being calculated.
- (e) Subject to **clauses 3.2** and **5**, the amounts of the Reference Tariff inputs are as follows:

| Reference Tariff Input | \$  |
|------------------------|---|
|                        | <b>A Train Service operating between Jondaryan, Macalister or Columboola and Fisherman Islands<sup>23</sup></b> |
|                        | <b>1 July 2025</b>  |
| AT <sub>1(M)</sub>     | 10.98   |
| AT <sub>2(M)</sub>     | 1,546.70  |
| AT <sub>1(W)</sub>     | 19.32   |
| AT <sub>2(W)</sub>     | 7,238.50  |
| QCA Levy               | Advised/Published Annually  |

- (f) The amounts of the Reference Tariff inputs set out in **clause 3.1(e)** are calculated based on, amongst other things, the following Network capacity constraints (each a **Network Capacity Constraint**):
- (g) 92 available round trip paths for contracting by coal carrying Trains per week on the West Moreton System; and

- (i) a total capacity of 113 round trip Train Paths per week on the West Moreton System.

For the avoidance of doubt, any amendment to the amounts of the Reference Tariff inputs arising from an amendment to the Network Capacity Constraints must occur via a draft amending access undertaking pursuant to the QCA Act.

### 3.2 Review of Reference Tariff

- (a) If at any point Queensland Rail, based on its contracted volumes, reasonably believes the annual aggregate contracted coal tonnages for Tariff Train Services (excluding Ad Hoc Train Services and Additional Train Services as defined in the Standard Access Agreement) for a Year during the Term will be more than 1mt below, or more than 1mt above the forecast tonnage for the relevant year on which Reference Tariffs were based, then Queensland Rail may (where the trigger relates to lower contracted volumes) and must (where the trigger relates to increased contracted volumes) undertake a review of the Reference Tariff and submit a draft amending access undertaking to the QCA setting out the outcomes of that review (including of any consultation with stakeholders) and Queensland Rail's proposed amendments which, for clarity, may include discontinuation of the Reference Tariff.
- (b) For the purposes of **clause 3.2(a)**:
  - (i) a draft amending access undertaking submitted under **clause 3.2(a)** will be treated as if it were submitted in response to an initial amendment notice given by the QCA under the QCA Act; and
  - (ii) Queensland Rail and the QCA will act in accordance with the provisions of the QCA Act as though this were the case.
- (c) Where an amendment to the Reference Tariff is given effect through an amendment to this Undertaking in accordance with this **clause 3.2** and the QCA Act, the QCA may determine that matter will be applicable or effective from a date prior to the QCA's approval of the relevant amendment. If the QCA makes such a determination, **clause 6** and any other provisions of this Undertaking relating to Adjustment Charges will apply, as applicable, in relation to the amendment to the Reference Tariff.

### 3.3 Escalation of Reference Tariff inputs

- (a) Each Reference Tariff input specified in **clause 3.1(e)**, except the QCA Levy, will automatically escalate annually on each Escalation Date commencing on the First Escalation Date in accordance with the following formula:

$$AT_n = AT_{n-1} \times \left( \frac{CPI_n}{CPI_{n-1}} \right)$$

where:

**AT<sub>n</sub>** means the value of the relevant Reference Tariff input to apply after escalation;

**AT<sub>n-1</sub>** means the escalated value of the relevant Reference Tariff input immediately prior to the relevant Escalation Date or, for the First Escalation Date, means the relevant Reference Tariff input referred to in **clause 3.1(e)**;

**CPI<sub>n</sub>** means the CPI for the Quarter which commenced six months prior to the Escalation Date for which the variable AT<sub>n</sub> is being determined; and

**CPI<sub>n-1</sub>** means the CPI for the Quarter which commenced 18 months prior to the Escalation Date for which the variable AT<sub>n</sub> is being determined.

- (b) Queensland Rail will publish the escalated Reference Tariff inputs on its website within five Business Days after each Escalation Date commencing with the First Escalation Date.
- (c) Where an error has been made in the calculation of the escalated Reference Tariff inputs, Queensland Rail will correct the error so that the relevant Reference Tariff inputs are escalated in accordance with **clause 3.2(a)**.
- (d) For clarity, if:
  - (i) the basis of assessment of the CPI is altered in a material way; or
  - (ii) the CPI ceases (or is likely to cease) to be:
    - (A) published; or
    - (B) published at sufficiently regular intervals for the purpose of the calculation in **clause 3.2(a)**,

Queensland Rail may submit a draft amending access undertaking to the QCA in relation to the amendment or replacement of the CPI.

## 4 Take or pay

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- (a) The charges or other amounts Queensland Rail is entitled to receive from Access Holders under Access Agreements in relation to Access Holders not fully utilising their Access Rights for a specified period for Train Services, the description of which accords with the Reference Train Service, are Take or Pay Charges in accordance with this **clause 4**.
- (b) Subject to **clause 4(c)**, Take or Pay Charges will be determined for:
  - (i) each Year during which the relevant Train Services are entitled to operate; or
  - (ii) the relevant part of a Year, if the relevant Train Services were only entitled to operate for part of the first or last Year during the term of the relevant Access Agreement because that entitlement commenced on a date other than 1 July or expired or terminated on a date other than 30 June,

**(Take or Pay Period)** and invoiced for each Take or Pay Period after the end of that Take or Pay Period.
- (c) Take or Pay Charges will only be determined and charged where the revenue (including Take or Pay Charges invoiced as an Interim Take or Pay Notice under an Access Agreement and relinquishment fees) that Queensland Rail earns in relation to all Train Services, the description of which accords with the Reference Train Service, in a Year is less than the Approved Ceiling Revenue Limit for that Year.
- (d) The amount of the Take or Pay Charges for a Take or Pay Period will be the amount which is 100% of the amount calculated for that Take or Pay Period as follows:

$$\left( \left( AT_{1(W)} \times \frac{gtk_{(W)}}{1000} \right) + AT_{2(W)} + \left( AT_{1(M)} \times \frac{gtk_{(M)}}{1000} \right) + AT_{2(M)} \right) * NTNO$$

where:

- (i) **AT<sub>1(M)</sub>**, **AT<sub>1(W)</sub>**, **AT<sub>2(M)</sub>** and **AT<sub>2(W)</sub>** are the Reference Tariff inputs applicable on the last day of that Take or Pay Period;
- (ii) **gtk<sub>(W)</sub>** is the average gtk for the relevant Train Services calculated using a nominal payload as determined by Queensland Rail (acting reasonably) relating to the West Moreton System;
- (iii) **gtk<sub>(M)</sub>** is the average gtk for the relevant Train Services calculated using a nominal payload as determined by Queensland Rail (acting reasonably) relating to the Metropolitan System; and
- (iv) **NTNO** means the number of relevant individual Train Services that were entitled to be operated for the Take or Pay Period in accordance with the relevant Train Service Entitlement and did not operate (excluding Train Services that did not operate due to Queensland Rail Cause),

provided always that the amount of Take or Pay Charges for a Take or Pay Period:

- (v) will not be less than zero;
- (vi) will not be such as to result in the revenue (including those amounts referred to in **clause 4(c)**) that Queensland Rail earns in relation to Train Services, the description of which accords with the Reference Train Service, in a Year being more than the Approved Ceiling Revenue Limit;
- (vii) where those charges would, but for **clause 4(d)(vi)**, result in the revenue that Queensland Rail earns in relation to Train Services, the description of which accords with the Reference Train Service, in a Year being more than the Approved Ceiling Revenue Limit, then that amount of excess revenue will be distributed equitably across the relevant Train Services including, if applicable, adjusting the amounts to be invoiced to take into account Take or Pay Charges which have already been paid pursuant to an Interim Take or Pay Notice or refunding amounts already paid pursuant to an Interim Take or Pay Notice; and

provided further that no amount of Take or Pay Charges which have already been paid pursuant to an Interim Take or Pay Notice is re- invoiced.

- (e) When invoicing Take or Pay Charges, Queensland Rail will also include information on how the Take or Pay Charge was determined and evidence of compliance with **clause 4(c)** and the provisos to **clause 4(d)**.
- (f) The Approved Ceiling Revenue Limit for Train Services, the description of which accords with the Reference Train Service, are shown below in 2025-26 dollars.

| Year               | Approved Ceiling Revenue Limit for Train Services, the description of which accords with the Reference Train Service |
|--------------------|--|
| 2025-26 to 2026-27 | \$106,750,955.23   |
| 2027-28 to 2029-30 | \$130,032,786.37   |

- (g) The Approved Ceiling Revenue Limit in **clause 4(f)** will automatically escalate annually on each Escalation Date commencing on the First Escalation Date in accordance with the formula in **clause 3.3(a)** and Queensland Rail will publish the escalated Approved Ceiling Revenue Limit along with the information published pursuant to **clause 3.3(b)**.
- (h) For the avoidance of doubt, all revenue earned from Access Charges paid by an Access Holder for Train Services who would have paid the Reference Tariff but for the operation of **clause 3.4(c)** of the Undertaking will be included in determining whether the Approved Ceiling Revenue Limit is reached (except for that portion of the Access Charges paid which exceeds the Reference Tariff that would otherwise have been payable due to the operation of **clause 3.4(c)** of the Undertaking (if applicable)).

## 5 Variation of Reference Tariffs

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### 5.1 Obligation to submit a variation

- (a) Queensland Rail:
- (i) except in relation to a change to a Network Capacity Constraint, may submit a variation of a Reference Tariff to the QCA, if Queensland Rail considers that the variation will promote efficient investment in the coal transport supply chain in the West Moreton System or Metropolitan System; or
  - (ii) will submit a variation of a Reference Tariff to the QCA, subject to **clause 5.1(c)** within three months after:
    - (A) Queensland Rail becomes aware that an Endorsed Variation Event, or a Review Event, has occurred;
    - (B) the Approval Date, if an Endorsed Variation Event occurs on or before that Approval Date; or
    - (C) a written notice being given to Queensland Rail by the QCA in accordance with **clause 5.1(b)**.
- (b) The QCA may give Queensland Rail a written notice requiring it to submit a variation of a Reference Tariff if it has failed to submit a variation of a Reference Tariff under **5.1(a)(ii)(A)** or **5.1(a)(ii)(B)** in respect of an Endorsed Variation Event.
- (c) The QCA may grant Queensland Rail an extension of the time for submitting, or resubmitting, a variation of the Reference Tariff if:
- (i) Queensland Rail requests an extension of time; and
  - (ii) the extension of time is reasonable or necessary.

- (d) If the QCA grants Queensland Rail an extension of time under this **clause 5.1(c)**, Queensland Rail must submit or resubmit the variation of a Reference Tariff within the time specified by the QCA.

## 5.2 Development of Reference Tariff variation by the QCA

The QCA may develop a variation of a Reference Tariff that is consistent with the requirements under this **clause 5** for such a variation:

- (a) if Queensland Rail does not comply with a written notice given by the QCA under **clause 5.1(b)** or **5.4(c)(ii)** for it to submit, or resubmit, a variation of a Reference Tariff; or
- (b) if the QCA refuses to approve a variation of a Reference Tariff resubmitted by Queensland Rail in accordance with a notice given by the QCA under **clause 5.4(c)(ii)**.

## 5.3 Requirements for Reference Tariff variation

- (a) A variation of a Reference Tariff submitted by Queensland Rail in accordance with **clause 5.1(a)** must:
  - (i) nominate the Reference Tariff to be varied;
  - (ii) include details of the methodology, data and assumptions used to vary the Reference Tariff;
  - (iii) if the variation is submitted under **clause 5.1(a)(i)**, include information on:
    - (A) the matters set out in **clause 3.3** of **Part 3** of this Undertaking; and
    - (B) why Queensland Rail considers that the variation of the Reference Tariff will promote efficient investment in the coal transport supply chain in the West Moreton System or Metropolitan System; and
  - (iv) if the variation is submitted under **clause 5.1(a)(ii)(A)** or **5.1(a)(ii)(B)**, include evidence that the Endorsed Variation Event or Review Event has occurred.
- (b) If the QCA considers it appropriate, the QCA may publish details of Queensland Rail's proposed variation of a Reference Tariff and invite and consider comments from stakeholders regarding that proposed variation (provided that Queensland Rail must be given a reasonable period in which to respond to the QCA in respect of any such comments).

## 5.4 Decision to approve or refuse to approve variation

- (a) The QCA may approve a variation of a Reference Tariff submitted by Queensland Rail in accordance with **clause 5.1(a)** if the QCA is satisfied:
  - (i) for a variation submitted under **clause 5.1(a)(i)**, that the variation is consistent with the Undertaking and is appropriate after having regard to the QCA Act, including those factors listed in section 138(2) of the QCA Act;
  - (ii) for a variation submitted in respect of an Endorsed Variation Event or Review Event (**Event**), that:
    - (A) the Event has occurred; and
    - (B) the variation has been calculated as if all other Reference Tariffs were also being recalculated due to the occurrence that caused the Event; and

- (C) the variation reflects the cost impact on Queensland Rail resulting from the relevant Event (including the impact on incremental maintenance, and incremental capital, costs) including, if applicable, the contracted coal-carrying Train Services on the West Moreton System and the Metropolitan System being greater than the forecasts of coal carrying Train Services used to develop Reference Tariffs for the West Moreton System and the Metropolitan System; and
- (iii) for a variation submitted in respect of a Review Event, in addition to **clause 5.4(a)(ii)**, that:
  - (A) the variation is appropriate after having regard to the QCA Act, including those factors listed in section 138(2) of the QCA Act; and
  - (B) for a Review Event of the type outlined in **paragraph (c)** of the definition of that term that the variation includes provision for Queensland Rail to recover no more than 50 per cent of the Access Charges which would have been payable to Queensland Rail but for the relevant Force Majeure Event.
- (b) If the QCA approves a variation to a Reference Tariff:
  - (i) it will give Queensland Rail a notice in writing stating the reasons for its decision;
  - (ii) the variation will apply:
    - (A) from the first day of the month immediately following the date of the occurrence of the Endorsed Variation Event or Review Event (as applicable); or
    - (B) where the date of the occurrence of the Endorsed Variation Event or Review Event is the first day of a month, from that date; and
  - (iii) Queensland Rail must:
    - (A) publish details of the variation on its website; and
    - (B) advise Access Holders and Access Seekers, in relation to the relevant Reference Train Service, of the variation.
- (c) If the QCA refuses to approve a variation to a Reference Tariff, it will give Queensland Rail a written notice:
  - (i) stating the reasons for its refusal and the way it considers that the variation should be amended; and
  - (ii) if that variation was required to be submitted by Queensland Rail in relation to an Endorsed Variation Event, requiring Queensland Rail to:
    - (A) vary the Reference Tariff in the way the QCA considers it appropriate; and
    - (B) resubmit the variation to the QCA,
      - within 20 Business Days after Queensland Rail receives the notice issued to Queensland Rail under this **clause 5.4(c)**.
- (d) Queensland Rail will comply with a notice given under **clause 5.4(c)(ii)**.
- (e) The QCA may approve a variation to a Reference Tariff that was:
  - (i) resubmitted under **clause 5.4(c)(ii)**; or
  - (ii) developed by the QCA under **clause 5.2**,
 if the QCA is satisfied that the variation of the Reference Tariff:

- (iii) is consistent with the matters specified under **clause 5.4(a)** (provided that for the purposes of so applying **clause 5.4(a)** the relevant variation will be treated as though it was submitted by Queensland Rail under the relevant provision in **clause 5.1(a)**); and
- (iv) if **clause 5.4(e)(i)** applies, is consistent with the relevant notice given by the QCA under **clause 5.4(c)**.
- (f) If the QCA refuses to approve a variation to a Reference Tariff that was resubmitted under **clause 5.4(c)(ii)**, the QCA will give Queensland Rail a notice in writing stating the reasons for its refusal.
- (g) References in this clause to variation of a Reference Tariff include a reference to a variation to the Approved Ceiling Revenue Limit related to the variation of the Reference Tariff.

## 6 Adjustment Charges

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### 6.1 Recovery or reimbursement of Adjustment Charges

- (a) If:
  - (i) this Undertaking specifies that a Reference Tariff is applicable or effective from a date prior to the QCA's approval of that Reference Tariff;<sup>24</sup> or
  - (ii) the QCA approves a variation of a Reference Tariff and that variation applies from or takes effect on a date prior to the QCA's approval of the variation,

Queensland Rail is entitled to recover from or will reimburse to, as applicable, each relevant Access Holder, or to adjust the amount payable by each relevant Access Holder by, the amount (**Adjustment Charge Amount**) which is the sum of:

  - (iii) the aggregate of the differences, applicable to that Access Holder for each month (or part thereof) since the date on which the Reference Tariff or the variation of the Reference Tariff was to apply or take effect (**Effective Date**) until the date on which that Reference Tariff was approved by the QCA or the date on which the variation of the Reference Tariff was approved by the QCA, as applicable, between:
    - (A) the Access Charges paid or payable by that Access Holder in respect of the Train Services operated by or for that Access Holder during that month (or part thereof); and
    - (B) the Access Charges that would have been paid or payable by that Access Holder in respect of those Train Services if the Access Charges were calculated in accordance with the Reference Tariff or the variation of the Reference Tariff referred to in **clause 6.1(a)(i)** or **(ii)** on and from the Effective Date; and
  - (iv) the aggregate of the interest calculated in accordance with **clause 6.1(b)** in respect of the amount of each difference comprising the amount calculated in accordance with **clause 6.1(a)(iii)**,

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<sup>24</sup> The Reference Tariff set out in this schedule, as at the Approval Date, only commences on the Approval Date – see **clause 1** of this schedule.

by making adjustments to the Access Charges (**Adjustment Charge**) payable by Access Holders so as to recover or reimburse, as applicable, the Adjustment Charge Amount (subject to the provisions of this Undertaking).

- (b) The interest referred to in **clause 6.1(a)(iv)** must be calculated:
  - (i) in respect of the amount of each difference comprising the amount calculated in accordance with **clause 6.1(a)(iii)**;
  - (ii) on the basis that the interest:
    - (A) accrues and is charged from day to day; and
    - (B) is capitalised at the end of each month and will thereafter itself bear interest;
  - (iii) at the rate equal to, for interest accruing in a month:
    - (A) the mid-point of the one month Bank Bill Swap Rate as published by the Australian Financial Markets Association (or its successor) for the Business Day immediately prior to the 21st day of the previous month; or
    - (B) if that rate is no longer published, the rate will be an appropriate equivalent rate determined by Queensland Rail (acting reasonably); and
  - (iv) for the period commencing on the date when the Access Charges paid or payable by the relevant Access Holder used to calculate the applicable difference in accordance with **clause 6.1(a)(iii)(A)** were due and payable and ending on the date when the Adjustment Charge is to be due and payable.

## 6.2 Obligation to submit Adjustment Charges

Queensland Rail:

- (a) may, if it submits a variation of a Reference Tariff and that variation is proposed to apply or take effect on a date prior to the date on which the QCA will approve the variation; or
- (b) must, if:
  - (i) the QCA approves a variation of a Reference Tariff and that variation applies or takes effect on a date prior to the date on which the QCA approves the variation; or
  - (ii) this Undertaking specifies that a Reference Tariff is applicable or effective from a date prior to the QCA's approval of that Reference Tariff,
 submit proposed Adjustment Charges to the QCA.

## 6.3 Requirements for Adjustment Charge submission

- (a) Where Queensland Rail submits proposed Adjustment Charges to the QCA in accordance with **clause 6.2**, Queensland Rail's submission must, without limitation:
  - (i) identify, subject to **clause 6.3(b)**, the Access Holders to which the proposed Adjustment Charges will apply;
  - (ii) set out the proposed Adjustment Charges for each Access Holder including details of how those proposed Adjustment Charges were calculated; and
  - (iii) indicate the billing period(s) in respect of which the proposed Adjustment Charges are to be applied.
- (b) For the purposes of **clause 6.3(a)(i)**:

- (i) an Adjustment Charge may only apply to an Access Holder (**New Access Holder**) that did not run the Train Services to which that Adjustment Charge relates (**Past Train Services**) if:
  - (A) the Access Holder who ran the Past Train Services no longer has (or, at the time when the Adjustment Charges are to be applied, will have ceased to have) a rail haulage agreement with the Customer for the Past Train Services in respect of Train Services with the same origin and destination as the Past Train Services;
  - (B) the New Access Holder has a rail haulage agreement with the Customer referred to in **clause 6.3(b)(i)(A)** (including that Customer's successors and assigns) in respect of Train Services with the same origin and destination as the Past Train Services or the New Access Holder was that Customer (or is that Customer's successor or assign); and
  - (C) the New Access Holder has been granted Access Rights with the same origin and destination as the Past Train Services; and
- (ii) no Adjustment Charge will apply to an Access Holder who ran the Past Train Services if that Access Holder has, at the time when the Adjustment Charges are to be applied, ceased to have a rail haulage agreement with the Customer for the Past Train Services (including that person's successors and assigns) in respect of Train Services with the same origin and destination as the Past Train Services provided that with the cessation of that rail haulage agreement, the applicable Access Rights were either relinquished or expired.
- (c) If the QCA considers it appropriate, the QCA may publish details of Queensland Rail's submission of proposed Adjustment Charges and invite and consider comments from stakeholders regarding the proposed Adjustment Charges (provided that, to the extent that stakeholders provide comments, Queensland Rail must be given a reasonable period in which to provide a response to those comments to the QCA).

#### **6.4 Decision to approve or refuse to approve variation**

- (a) Where Queensland Rail submits proposed Adjustment Charges to the QCA in accordance with **clause 6.2**, the QCA must approve:
  - (i) the Access Holders to which the Adjustment Charges will apply;
  - (ii) the Adjustment Charges that are to apply to each Access Holder;
  - (iii) the billing period(s) in respect of which the Adjustment Charges will be applied; and
  - (iv) if applicable, the interest rate selected by Queensland Rail under **clause 6.1(b)(iii)(B)** applies, if the QCA is satisfied that Queensland Rail has acted reasonably in selecting that rate.
- (b) If the QCA refuses to approve the proposed Adjustment Charges, the QCA must give Queensland Rail a notice in writing:
  - (i) stating the reasons for its refusal and the way in which the QCA considers the proposed Adjustment Charges should be amended so as to constitute (excluding any interest component) a reasonable recovery or reimbursement, as applicable to any under or over recovery of Access Charges by Queensland Rail that relate to each Access Holder; and

- (ii) requiring Queensland Rail to vary the proposed Adjustment Charges in the way the QCA considers it appropriate and resubmit the amended proposal to the QCA within 20 Business Days after Queensland Rail receives the notice.
- (c) Queensland Rail must comply with a notice given under **clause 6.4(b)**.
- (d) The QCA must approve a resubmitted proposal for Adjustment Charges, if the resubmitted proposal has been amended or developed in accordance with the QCA's notice given under **clause 6.4(b)**.
- (e) Queensland Rail must comply with an approval of the QCA given in accordance with **clause 6.4(a)** or **(d)** including in applying the Adjustment Charge approved for each Access Holder to the calculation of Access Charges payable by that Access Holder.

## 6.5 Review of Access Charges to provide for Adjustment Charges

- (a) To the extent that Queensland Rail is lawfully able to do so, the calculation of Access Charges under an Access Agreement must be reviewed and varied to provide for the payment of Adjustment Charges approved by the QCA in accordance with **clause 6.4(a)** or **(d)** by the relevant Access Holder including that:
  - (b) the Access Charges payable by the Access Holder must include any applicable Adjustment Charge approved by the QCA from time to time in relation to or in connection with:
    - (i) any variation of a Reference Tariff approved by the QCA to apply or take effect on a date prior to the date on which the QCA approves the variation; or
    - (ii) any Reference Tariff that the Undertaking states is applicable or effective from a date prior to the date on which that Reference Tariff was approved by the QCA; and
  - (c) an Adjustment Charge so determined by the QCA must be applied to the calculation of the amount of the invoice for charges payable by the Access Holder under the Access Agreement for the relevant billing period.

## 7 Transitional

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For the purpose of any Access Agreement executed prior to the Approval Date, the calculation of rtp (as defined under **clause 7.1** of this Undertaking) is taken to be set out in this **Schedule D**.

## 8 Loss Capitalisation Account

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### 8.1 Application of loss capitalisation

This **clause 8** applies from the Approval Date.

### 8.2 Carry forward of Loss Capitalisation Account balance from AU2

- (a) On the Approval Date, an account will be established by Queensland Rail named the "Loss Capitalisation Account". The opening balance of the Loss Capitalisation Account will be the balance of the existing account of the same name established under AU2,

and recovery under this **clause 8** shall be the sole manner in which such amounts shall be recoverable.

- (b) The opening balance of the Loss Capitalisation Account as at the Approval Date, (including accrued interest to date, together with any further interest accruing on that balance calculated in accordance with **clause 8.3**), is recoverable in accordance with this **clause 8**.

### 8.3 Applying interest to Loss Capitalisation Account

- (a) The amount in the Loss Capitalisation Account will accrue interest.
- (b) The interest applying to the amount in the Loss Capitalisation Account must be calculated:
  - (i) on the basis that the interest:
    - (A) accrues and is charged from day to day; and
    - (B) is capitalised at the end of each month and will thereafter itself bear interest; and
  - (ii) at the rate equal to, for interest accruing in a month:
    - (A) the mid-point of the one month Bank Bill Swap Rate as published by the Australian Financial Markets Association (or its successor) for the Business Day immediately prior to the 21st day of the previous month; or
    - (B) if that rate is no longer published, the rate will be an appropriate equivalent rate determined by Queensland Rail (acting reasonably).

### 8.4 Calculation and application of Recovery Charge

- (a) The amount of the Recovery Charge will be recoverable if, over any 12-month period ending 31 December 2025, 2026, 2027 and 2028 (**Relevant Year**), the Average Coal Price for that Relevant Year exceeds the Threshold Coal Price for that Relevant Year.
- (b) Any Recovery Charge payable will apply from 1 July of the following Year (for example, if the Threshold Coal Price is exceeded for the 12 months ending 31 December 2025, the Recovery Charge will be payable from 1 July 2026).
- (c) Where a Recovery Charge is payable, each of the Reference Tariff Inputs  $AT_{1(w)}$  and  $AT_{2(w)}$  will be increased for the next financial year commencing 1 July, by:
  - (i) 5%, where the Average Coal Price for the Relevant Year is greater than the Threshold Coal Price but less than the Upper Threshold Coal Price for that Relevant Year; or
  - (ii) 10%, where the Average Coal Price for the Relevant Year exceeds the Upper Threshold Coal Price for that Relevant Year.
- (d) Where a Recovery Charge is payable:
  - (i) the Allowable Revenue for the relevant Year will be increased by the amount of the Recovery Charge payable;
  - (ii) the aggregate Access Charges (including Take or Pay payments) will be increased by the amount of the Recovery Charge payable; and
  - (iii) the adjustment of  $AT_{1(w)}$  and  $AT_{2(w)}$  in accordance with **clause 8.4(c)** will be treated as a change in a Reference Tariff Provision approved by the QCA for the

purposes of clause 18.1 of the Standard Access Agreement (including any existing Access Agreements on the terms of the Standard Access Agreement).

- (e) For clarity, where the Recovery Charge is payable it will not be effected by any adjustment or review of the Reference Tariff and will continue to be calculated and collected in accordance with this **clause 8 of Schedule D**.

### **8.5 Reduction in Loss Capitalisation Account balance**

- (a) The balance of the Loss Capitalisation Account will be reduced by the amount of Recovery Charge paid by Access Holders (including where they are paid by offset in accordance with **clause 8.6**).
- (b) If the balance of the Loss Capitalisation Account is reduced to zero, no further Recovery Charges are payable.
- (c) If payments of the Recovery Charge (including where they are paid by offset in accordance with **clause 8.6**) exceed the balance of the Loss Capitalisation Account as at 1 July 2025, Queensland Rail must promptly refund the overpayments to the relevant Access Holder(s) (being those Access Holders who made the final payments which resulted in the total payments made exceeding the balance of the Loss Capitalisation Account).

### **8.6 Capital Rebates**

Where in a month a Recovery Charge is due by an Access Holder to Queensland Rail but Queensland Rail owes that Access Holder a rebate on account of historical capital expenditure on the West Moreton System funded or otherwise underwritten by that Access Holder, then payment of the Recovery Charge will be made by offsetting it against the amount of the unpaid rebate (until such time as the rebate is reduced to zero).

## Schedule E - Maintaining the Regulatory Asset Bases

### 1 Maintenance of Regulatory Asset Bases

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#### 1.1 Roll forward principles

On an annual basis, Queensland Rail will roll forward the asset values in each Regulatory Asset Base, applying the following principles:

- (a) the opening asset value will be indexed for the Year using CPI;
- (b) depreciation of the assets will be calculated for the Year using asset lives and a depreciation profile endorsed by the QCA;
- (c) the value of asset disposals and transfers during the Year will be subtracted from the Regulatory Asset Base;
- (d) capital expenditure will be added to the Regulatory Asset Base, where that capital expenditure is accepted into the Regulatory Asset Base by the QCA in accordance with **clause 2.1**; and
- (e) the value of the assets in the Regulatory Asset Base will be adjusted in accordance with **clause 1.2**.

#### 1.2 Adjusting the value of assets in the Regulatory Asset Base

- (a) The value of assets contained in a Regulatory Asset Base may be increased by Queensland Rail by including:
  - (i) at the end of the Term, the value of intangible assets that were not included in the initial valuation of assets contained in the Regulatory Asset Base; or
  - (ii) the value of additional sections of the Network incorporated into the West Moreton System,provided that the increase in asset value must first be accepted by the QCA.
- (b) The QCA will not require the value of assets contained in the Regulatory Asset Base to be reduced unless:
  - (i) the QCA made its decision to accept the capital expenditure in the Regulatory Asset Base on the basis of information provided by Queensland Rail that Queensland Rail knew, or should have known, was false or misleading at the time it provided the information;
  - (ii) circumstances arise in the future where demand for Access has deteriorated to such an extent that regulated prices based on an unoptimised asset value would result in a further decline in demand for Access; or
  - (iii) it becomes clear that there is a possibility of actual (not hypothetical) bypass.

#### 1.3 Capital expenditure report

- (a) Unless otherwise agreed between Queensland Rail and the QCA, Queensland Rail will, within six months after the end of each Year in the Term, provide to the QCA the following details for capital expenditure in the subject Year that Queensland Rail considers should be included in a Regulatory Asset Base:

- (i) the name of the project;
  - (ii) the location of the project;
  - (iii) the amount of the capital expenditure; and
  - (iv) information, where applicable, to support the QCA's assessment of the prudence of the capital expenditure under **clauses 2 to 5** (except to the extent that the QCA has already accepted that capital expenditure as prudent in scope, standard or cost).
- (b) If the information set out in a report provided to the QCA under this **clause 1.3** is insufficient, the QCA may request additional relevant information in accordance with **clause 2.2(b)**.
- (c) Information provided to the QCA under this **clause 1.3** (including in response to a request under **clause 2.2(b)**) will be accompanied by a statement signed by Queensland Rail's Chief Executive Officer confirming that information is, in all material respects, correct.

#### **1.4 Regulatory Asset Base roll forward report to the QCA**

- (a) Unless otherwise agreed between Queensland Rail and the QCA, to the extent that the QCA, under **clause 2.1**, has accepted the capital expenditure into a Regulatory Asset Base, Queensland Rail will, within four weeks after that acceptance, provide to the QCA Queensland Rail's roll-forward of the Regulatory Asset Base under **clause 1.1**, subject to **clause 1.2**, including details of:
- (i) the opening value of the Regulatory Asset Base for the relevant Year;
  - (ii) indexation of the Regulatory Asset Base;
  - (iii) depreciation of the Regulatory Asset Base;
  - (iv) capital expenditure that is included in the Regulatory Asset Base;
  - (v) disposals and transfers from the Regulatory Asset Base; and
  - (vi) the closing value of the Regulatory Asset Base for the relevant Year (which will be the opening value of the Regulatory Asset Base for the following Year),
- separately reported for Rosewood to Jondaryan, Jondaryan to Macalister and Macalister to Columboola.
- (b) Information provided to the QCA under this **clause 1.4**:
- (i) will be accompanied by a statement signed by Queensland Rail's Chief Executive Officer confirming that information is, in all material respects, correct; and
  - (ii) must be based on the roll forward principles in **clause 1.1**.

## **2 Acceptance of capital expenditure into the Regulatory Asset Base**

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### **2.1 Requirements for acceptance of capital expenditure into the Regulatory Asset Base**

- (a) The QCA will accept capital expenditure in relation to the West Moreton System (and coal-specific infrastructure on the Metropolitan System) into a Regulatory Asset Base if that capital expenditure:

- (i) is or has been accepted by the West Moreton Users in accordance with **clause 2.3**; or
  - (ii) is or has been accepted by the QCA as:
    - (A) prudent in scope in accordance with **clause 3**;
    - (B) prudent in the standard of works in accordance with **clause 4**; and
    - (C) prudent in cost in accordance with **clause 5**; and
  - (iii) has been incurred; and
  - (iv) either:
    - (A) the capital expenditure project has been commissioned; or
    - (B) formally discontinued.
- (b) The QCA must notify Queensland Rail in writing if it accepts capital expenditure into a Regulatory Asset Base.
- (c) If the QCA is considering refusing to accept all or part of any capital expenditure into a Regulatory Asset Base:
- (i) the QCA must give Queensland Rail a draft of the QCA's decision (including a statement of reasons and the way it considers the capital expenditure should be adjusted);
  - (ii) Queensland Rail may revise the capital expenditure and/or provide additional information supporting its view that the capital expenditure should be included in the Regulatory Asset Base; and
  - (iii) the QCA must consider that revision and/or additional information when deciding whether to accept or refuse to accept the capital expenditure into the Regulatory Asset Base.
- (d) If the QCA refuses to accept all or part of any capital expenditure into a Regulatory Asset Base, the QCA must give Queensland Rail a notice of the QCA's decision (including a statement of reasons).
- (e) If Queensland Rail does not obtain the QCA's acceptance of any matters under **clauses 3 to 5** in relation to a capital expenditure project at any time, then this does not affect its right to seek any such acceptance under **clauses 3 to 5** at a later time.
- (f) For the avoidance of doubt, the Capital Indicator does not imply any acceptance by the QCA of that level of capital expenditure into a Regulatory Asset Base.

## 2.2 Assessing prudence of capital expenditure

For the purposes of **clauses 3, 4 and 5**:

- (a) the QCA:
  - (i) in assessing whether capital expenditure is prudent:
    - (A) must only consider information available, or reasonably available, to Queensland Rail at the time of making the investment decision; and
    - (B) must consider any reasons provided by West Moreton Users when casting their vote to accept or not to accept a proposed capital expenditure; and
    - (C) may, as it considers necessary:

- (1) take advice from independent advisors using appropriate benchmarks and experience, provided that it gives Queensland Rail a copy of that advice as soon as reasonably practicable and in any event no later than with its notice under **clause 2.2(a)(ii)**; and
  - (2) consult with relevant stakeholders; and
- (ii) must give Queensland Rail a notice of any determination that it makes under **clauses 3, 4 or 5** (as applicable) and, if that determination is a refusal to accept anything (in whole or part), that notice must state the reasons for that refusal;
- (b) the QCA may request additional information from Queensland Rail that is reasonably required to make any determination under **clauses 3, 4 or 5** (as applicable) after receiving the request from Queensland Rail to make such a determination; and
- (c) Queensland Rail must respond to a request by the QCA under **clause 2.2(b)** as soon as reasonably practicable after receiving that request.

### **2.3 Seeking customer acceptance of capital expenditure**

- (a) Queensland Rail must seek acceptance by the West Moreton Users under this **clause 2.3** for:
  - (i) any capital expenditure project or program of capital works within the West Moreton System reasonably anticipated to cost \$4 million or more (other than any capital expenditure incurred in response to an emergency) whether that cost is to be incurred in a single year, or over multiple years; or
  - (ii) any capital expenditure project or program of capital works that has previously been accepted by West Moreton Users under this **clause 2.3** and either:
    - (A) has undergone a material change to the scope, standard or costs; or
    - (B) is to be commenced more than 2 years after the date that was proposed when the capital expenditure project was previously accepted.
- (b) In order to seek acceptance by the West Moreton Users of a capital expenditure project, Queensland Rail must at least 3 months prior to any funds (other than study costs) being committed to a capital expenditure project of the type described in **clause 2.3(a)**:
  - (i) make available to West Moreton Users information on the relevant capital expenditure project which is material for assessing the prudence in the scope, standard of works and cost of the capital expenditure project, to a similar level of detail intended to be provided to the QCA when seeking acceptance of prudence (provided that Queensland Rail may require a West Moreton User to sign a confidentiality agreement on reasonable terms prior to providing it with any commercially sensitive information under this **clause 2.3**. Nothing in this clause 2.3(b) obliges Queensland Rail to provide confidential information of one West Moreton User to another West Moreton User); and
  - (ii) schedule a meeting with the West Moreton Users to discuss the capital expenditure project.
- (c) Queensland Rail is permitted to seek acceptance of multiple capital expenditure projects at the same time (and combine the information provided and meeting held for the purposes of **clause 2.3(b)** for each project), but where that occurs each such capital expenditure project will be voted on separately.
- (d) During the Voting Period:

- (i) Queensland Rail must use reasonable endeavours to provide further information and engage in discussions with West Moreton Users where reasonably requested by a West Moreton User; and
  - (ii) each West Moreton User is to notify Queensland Rail of whether they accept or do not accept as prudent the capital expenditure project (and any failure to notify either such vote within the Voting Period, will result in that West Moreton User being deemed to have accepted the capital expenditure project as prudent).
- (e) If a West Moreton User votes:
- (i) to not accept a capital expenditure project as prudent, it must provide its reasons for the vote to Queensland Rail and the QCA at the same time so that Queensland Rail and the QCA may understand its reasons;
  - (ii) to accept a capital expenditure project as prudent, it may, but is not required to, provide any reasons for its decision.
- (f) The capital expenditure project will be considered to be accepted as prudent by the West Moreton Users for the purposes of **clause 2.1(a)(i)** if it is approved or deemed approved pursuant to **clause 2.3(d)(i)**:
- (i) by a majority of West Moreton Users; and
  - (ii) that majority hold in aggregate at least 60% of the votes.
- (g) For a vote occurring under this **clause 2.3**, each West Moreton User has the number of votes equal to the aggregate Train Paths they have contracted on the West Moreton System across the next 5 Years after the Year in which the vote is occurring, subject to also including any Train Paths that are reasonably likely to be renewed or reapplied for before their expiry.
- (h) Queensland Rail must notify each of the West Moreton Users of the results of the vote for each capital expenditure project within five (5) Business Days after Queensland Rail has determined those results.
- (i) A vote resulting in non-acceptance does not prevent Queensland Rail from:
- (i) proceeding with a capital expenditure project; and/or
  - (ii) seeking the QCA's acceptance of the same capital expenditure project.
- (j) For the purposes of this clause:
- (i) **Voting Period** means:
    - (A) the period specified by Queensland Rail when providing information to West Moreton Users seeking acceptance, which must be at least six weeks after the first information is given; or
    - (B) such longer period as Queensland Rail and the West Moreton Users agree.
  - (ii) **West Moreton Users** means each Access Holder that has contracted coal train Access Rights on the West Moreton System.

### 3 Prudency of scope

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#### 3.1 Assessment of prudency of scope

- (a) Assessing the prudency of scope of works for a capital expenditure project involves assessing whether the works are reasonably required.
- (b) The QCA's acceptance of the prudency of scope for a capital expenditure project may be requested at any time including prior to the capital expenditure being incurred.

#### 3.2 Process for acceptance of prudency of scope

- (a) Queensland Rail may request the QCA to, and the QCA will, subject to **clause 3.2(c)**, accept the scope of a capital expenditure project as prudent if it is Customer or Access Holder specific capital expenditure (provided it is an Access Holder who has no Customer) for a branch line to a mine which is to be included as a loading point for a Reference Tariff, and the scope of the capital expenditure has been accepted by that Customer or Access Holder.
- (b) Before the QCA can accept capital expenditure referred to in **clause 3.2(a)**, Queensland Rail must demonstrate to the QCA that Queensland Rail has undertaken reasonable consultation with any Access Holder who may be adversely affected by that capital expenditure.
- (c) If **clause 3.2(a)** does not apply or acceptance is not sought or obtained under **clause 3.2(a)**, Queensland Rail or an Access Funder may request the QCA's acceptance of the scope of a capital expenditure project as prudent in accordance with **clause 3.2(d)**.
- (d) If a request is made under **clause 3.2(c)**, the QCA will accept the scope of a capital expenditure project as prudent if it is demonstrated to the QCA's reasonable satisfaction, having regard to the factors set out in **clause 3.2(e)**, that:
  - (i) Queensland Rail had reasonable grounds for proceeding with a project given the circumstances relevant at the time the investment decision was made; or
  - (ii) if **clause 3.2(d)(i)** does not apply, reasonable grounds exist for proceeding.
- (e) The factors that the QCA will have regard to for the purposes of **clause 3.2(d)** are:
  - (i) the need to accommodate what is reasonably required to comply with Access Agreements;
  - (ii) the extent of Reasonable Demand, and the need for new capital expenditure projects to accommodate that demand;
  - (iii) the age and condition of existing assets and the need for replacement capital expenditure projects;
  - (iv) Queensland Rail's obligations under any Laws, including health, safety and environmental Laws;
  - (v) the appropriateness of Queensland Rail's processes to evaluate and select proposed capital expenditure projects, including the extent to which alternatives are evaluated as part of the process;
  - (vi) the extent to which the capital expenditure project was subjected to Queensland Rail's processes to evaluate and select proposed capital expenditure projects; and

- (vii) the extent to which consultation has occurred with relevant stakeholders about the capital expenditure project.

### 3.3 Excluded Capital Expenditure

- (a) If:
  - (i) the capital expenditure for a capital expenditure project has been incurred by Queensland Rail; and
  - (ii) the QCA, in assessing the prudence of scope of that capital expenditure project for the purposes of **clause 3.2(d)**, determines that the scope of the capital expenditure project is in excess of that needed to accommodate Reasonable Demand,

then the QCA may also determine the element of the prudent costs of the capital expenditure project that was not needed to meet Reasonable Demand (**Excluded Capital Expenditure**).

- (b) If the QCA has determined Excluded Capital Expenditure in respect of a capital expenditure project, then:
  - (i) that Excluded Capital Expenditure will be set aside and escalated at the rate of the WACC from the date of commissioning of the capital expenditure project until the full scope of the capital expenditure project is accepted by the QCA as required to meet Reasonable Demand (whether on one occasion or in parts over time); and
  - (ii) when the QCA accepts that all or part of the excluded aspects of the capital expenditure project are required to meet Reasonable Demand:
    - (A) the QCA will accept all or the relevant part of the Excluded Capital Expenditure into the relevant Regulatory Asset Base at its escalated value; and
    - (B) if only part of the Excluded Capital Expenditure is included in a Regulatory Asset Base, **clause 3.3(b)(i)** will continue to apply to the remainder.

## 4 Prudence of standard of works

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### 4.1 Assessment of prudence of standard of works

- (a) Assessing the prudence of standard of works for a capital expenditure project involves assessing whether the works are of a reasonable standard to meet the requirements of the scope for that capital expenditure project and are not overdesigned such that they are beyond the requirements of that scope.
- (b) The QCA's acceptance of the prudence of standard of works for a capital expenditure project may be requested at any time including prior to the capital expenditure being incurred.

### 4.2 Process for acceptance of prudence of standard of works

- (a) Queensland Rail or an Access Funder may request the QCA's acceptance of the standard of works of a capital expenditure project as prudent in accordance with this **clause 4**.

- (b) If a request is made under **clause 4.2(a)**, the QCA will accept the standard of works of a capital expenditure project as prudent if:
  - (i) it is demonstrated to the QCA's reasonable satisfaction, having regard to the factors set out in **clause 4.2(c)**, that:
    - (A) Queensland Rail had reasonable grounds for its design of the relevant infrastructure given the circumstances relevant at the time that the design was prepared; or
    - (B) if Queensland Rail is yet to proceed with the project, reasonable grounds exist for the design of the relevant infrastructure; or
  - (ii) the proposed works are consistent in all material respects with the existing standard and configuration of adjacent infrastructure or existing infrastructure with similar usage levels, or its modern engineering equivalent, to the extent that the standard of the adjacent or existing infrastructure has previously been accepted by the QCA as being reasonable.
- (c) The factors that the QCA will have regard to for the purposes of **clause 4.2(b)(i)** are:
  - (i) the requirements of Rolling Stock Operators and what is reasonably required to comply with Access Agreements;
  - (ii) current and likely future usage levels;
  - (iii) the requirements of the codes developed by the Rail Industry Safety And Standards Board (RISSB) Limited ACN 105 001 465 in relation to the standards required for rail infrastructure in Australia;
  - (iv) the requirements of other relevant Australian design and construction standards;
  - (v) Queensland Rail's design standards contained within the Safety Management System; and
  - (vi) all relevant Law and the requirements of any Authority (including the Safety Regulator).

## 5 Prudency of costs

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### 5.1 Assessment of prudency of costs

- (a) Assessing the prudency of costs for a capital expenditure project involves assessing whether the costs are reasonable for the scope and standard of work done or to be done.
- (b) The QCA's acceptance of the prudency of costs for a capital expenditure project may be requested at any time (including, for the purposes of **clause 5.2**, prior to the capital expenditure being incurred).

### 5.2 Process for acceptance of prudency of costs where there is an approved procurement strategy

- (a) If the QCA has approved a procurement strategy for a capital expenditure project under **clause 6.1(b)**, Queensland Rail or an Access Funder may request the QCA's acceptance of the costs of that capital expenditure project as prudent in accordance with this **clause 5.2**.

- (b) If a request is made under **clause 5.2(a)**, the QCA will accept as prudent:
  - (i) the value of a contract if the QCA is satisfied:
    - (A) that contract provisions regarding contract variations and escalation accord with good commercial practice; and
    - (B) that, after taking into account any certification from an auditor engaged in accordance with **clause 6.2**, the tender for the contract has been conducted in accordance with the approved procurement strategy;
  - (ii) where the value of a contract has been accepted as prudent in accordance with **clause 5.2(b)(i)**, the value of variations and/or escalations under that contract if:
    - (A) the contract has been managed in accordance with the approved procurement strategy;
    - (B) the auditor engaged in accordance with **clause 6.2** has certified that the contract variations and/or escalations have been handled in a manner consistent with the relevant contract provisions; and
    - (C) the QCA is satisfied that the cost of contract variations and/or escalations is otherwise appropriate, having regard to whether:
      - (1) adequate consideration was given to properly managing the risk of contract variations and/or escalation or the allocation of potential risks during the awarding and management of the contract;
      - (2) the contract has been appropriately managed having regard to the matters in **clause 6.1(c)(iv)**; and
      - (3) the contract has been managed with regard to a prudent balance between costs, schedule and minimising disruption to Committed Capacity during construction; and
  - (iii) all costs, paid for by or incurred by Queensland Rail, that Queensland Rail can demonstrate were prudently paid for or incurred and solely and directly related to complying with **clause 6**.

### 5.3 General process for acceptance of prudence of costs

- (a) If **clause 5.2** does not apply or acceptance is not sought or obtained under **clause 5.2**, Queensland Rail or an Access Funder may request the QCA's acceptance of the costs of a capital expenditure project as prudent in accordance with this **clause 5.3**.
- (b) If a request is made under **clause 5.3(a)**, the QCA will accept the costs of a capital expenditure project as prudent if the costs are reasonable for the scope and standard of works undertaken having regard to the matters set out in **clause 5.3(c)** given the circumstances relevant at the time when the costs were incurred or the capital expenditure project was undertaken (as applicable).
- (c) The factors that the QCA will have regard to for the purposes of **clause 5.3(b)** are:
  - (i) the level of such costs relative to the scale, nature, cost and complexity of the project;
  - (ii) the circumstances prevailing in the markets for:
    - (A) engineering, equipment supply and construction;
    - (B) labour; and

- (C) materials;
- (iii) where the QCA has approved a procurement strategy for the capital expenditure project under **clause 6.1(b)**, the extent to which Queensland Rail has achieved compliance with that procurement strategy; and
- (iv) the manner in which the capital expenditure project has been managed by Queensland Rail given the circumstances at the time when relevant management decisions and actions were made or undertaken, including Queensland Rail's balancing of:
  - (A) safety during construction and operation;
  - (B) compliance with environmental requirements during construction and operation;
  - (C) compliance with Laws and the requirements of Authorities;
  - (D) minimising disruption to the operation of Train Services during construction;
  - (E) accommodating reasonable requests of Access Holders (and, if applicable, their Customers) to amend the scope and sequence of works undertaken to suit their needs;
  - (F) minimising whole of asset life costs including future maintenance and operating costs;
  - (G) minimising total project cost which may at times not be consistent with minimisation of individual contract costs;
  - (H) aligning other elements in the supply chain; and
  - (I) meeting contractual timeframes and dealing with external factors.

## 6 Approval of a procurement strategy

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### 6.1 Process for the approval of a procurement strategy

- (a) Where the QCA has approved the scope of a capital expenditure project as prudent in accordance with **clause 3**, Queensland Rail may request the QCA's approval of a procurement strategy for all or part of that capital expenditure project.
- (b) If a request is made under **clause 6.1(a)**, the QCA will approve Queensland Rail's procurement strategy if the QCA is satisfied that the procurement strategy:
  - (i) is in accordance with good industry practice;
  - (ii) will generate an efficient and competitive outcome;
  - (iii) will avoid conflict of interest or collusion amongst tenderers;
  - (iv) is prudent in the circumstances of the capital expenditure project including having regard to:
    - (A) the factors set out in **clause 6.1(c)**; and
    - (B) whether the procurement strategy tends to assist in achieving the requirements for prudence of costs set out in **clause 5.3**; and
  - (v) will avoid unreasonable exposure to contract variation claims.

- (c) The factors that the QCA will have regard to for the purposes of **clause 6.1(b)(iv)(A)** are whether, in the procurement strategy:
- (i) there is a clear process for the calling of tenders, including having clear specifications for tenders, and processes for mitigating conflicts of interest (except when it is assessed that calling tenders is likely to be less advantageous than an alternative means of negotiating a contract);
  - (ii) there is a tender assessment process which contains clear and appropriate processes for determining the successful tender, with any decisions to approve a tender that is not the lowest tender being appropriately justified and documented;
  - (iii) the basis of payment for works is clearly specified and the basis for undertaking the works is in accordance with good commercial practice;
  - (iv) there is a process for managing contracts before and after award that accords with good commercial practice for a project of the type and scale of the capital expenditure project and provides appropriate guidance on the criteria that Queensland Rail should apply to decisions regarding the management of the capital expenditure project, including:
    - (A) safety during construction and operation;
    - (B) compliance with environmental requirements during construction and operation;
    - (C) minimising disruption to Committed Capacity during construction;
    - (D) accommodating the reasonable requests of Access Holders and, if applicable, their Customers to change the scope and sequence of construction to suit their needs;
    - (E) a prudent balance between:
      - (1) a higher price in return for more certainty as to final cost;
      - (2) a lower price accepting that final cost may be less certain; and
      - (3) costs, schedule and minimising disruption to Committed Capacity during construction;
      - (4) minimising whole of asset life costs including future maintenance and operating costs; and
      - (5) minimising total project cost which may at times not be consistent with minimisation of individual contract costs;
  - (v) there is a process for managing contract variations and/or escalation that occurs post award of a contract, requiring that reasonable consideration be given to managing the risk of contract variations and/or escalation and the allocation of potential risks during the management of the contract and requiring the provision of clear documentary evidence regarding the nature and reasonableness of any variation and/or escalation; and
  - (vi) Queensland Rail has engaged an auditor in accordance with **clause 6.2** to monitor compliance with the procurement strategy.
- (d) The QCA will give Queensland Rail a notice in writing regarding:
- (i) whether the procurement strategy is approved; and

- (ii) if the QCA decides not to approve the procurement strategy (in whole or part) the reasons for its refusal and the way the processes under the procurement strategy may be amended to obtain the QCA's approval.

## 6.2 Implementation of approved procurement strategy

- (a) As part of the implementation of a procurement strategy approved by the QCA under **clause 6.1**, Queensland Rail will engage an independent external auditor to audit the compliance of Queensland Rail's tender and contract management processes with the approved procurement strategy approved in accordance with the following process:
  - (i) Queensland Rail will appoint the auditor, after obtaining the QCA's approval of the auditor (including the terms of engagement);
  - (ii) the auditor will be required to acknowledge and accept that the auditor owes a separate duty of care to the QCA in the provision of the audit and, in the event of a conflict between the auditor's obligations to Queensland Rail and its duty of care to the QCA, the auditor's duty of care to the QCA will take precedence;
  - (iii) the auditor must agree the processes for conducting an audit with Queensland Rail and obtain the QCA's approval of the audit process (which will consist of a proposed work program, including audit costs, for the execution of the audit);
  - (iv) Queensland Rail will, within a reasonable time, provide any relevant information the auditor reasonably requires for the purpose of conducting the audit;
  - (v) if required by Queensland Rail, the auditor will enter into a confidentiality agreement with Queensland Rail in relation to any information provided by Queensland Rail to the effect that it must keep the information confidential and only use that information for the purpose of conducting the audit and completing the audit report detailed in **clause 6.2(a)(vi)** below;
  - (vi) the auditor will compile an audit report:
    - (A) identifying whether Queensland Rail has complied in all material respects with the approved procurement strategy including in relation to contract variations and/or escalation; and
    - (B) if the auditor identifies that Queensland Rail has not complied in all material respects with the approved procurement strategy, detailing:
      - (1) the relevant non-compliance;
      - (2) any reasons stated by Queensland Rail for the relevant non-compliance; and
      - (3) whether the non-compliance was reasonable in the circumstances;
  - (vii) the auditor will provide to Queensland Rail and the QCA:
    - (A) progress reports on the audit process every six months; and
    - (B) a copy of the audit report upon completion of the audit (which the QCA may publish if it considers it appropriate); and
  - (viii) if the QCA considers that any of the auditor's reports (whether progress reports or a final report) are lacking in detail or otherwise deficient, the QCA may direct Queensland Rail to instruct the auditor to review the relevant report and, in doing so, to address the concerns of the QCA.
- (b) For the purpose of **clause 5**:

- (i) the costs incurred by Queensland Rail in relation to an external auditor engaged in accordance with this **clause 6.2** will form part of the capital expenditure for the relevant capital expenditure project and the QCA will accept those costs as prudent; and
- (ii) the QCA will treat all other costs paid or incurred by Queensland Rail in implementing or otherwise complying with a procurement strategy approved by the QCA under **clause 6.1** as capital expenditure and will accept those costs for inclusion in the relevant Regulatory Asset Base if the QCA is satisfied that they were prudently incurred.

## 7 Capital expenditure reconciliation

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- (a) Queensland Rail will maintain registers in which it annually records all 'Submitted to be Approved' Capital Expenditure for each Year (including identifying the relevant capital expenditure by project) in relation to the West Moreton System and Metropolitan System.
- (b) As soon as practicable following the submission of capital expenditure reports to the QCA for Years 1, 2 and 3 of the Term, Queensland Rail will advise relevant Access Holders of the quantum of the difference between the 'Submitted to be Approved' Capital Expenditure for the applicable Year and the total of the Capital Indicator for the West Moreton System and Metropolitan System (as applicable) for the corresponding Year.
- (c) Any difference identified by Queensland Rail pursuant to **clause 7(b)** will be treated as:
  - (i) an under recovery of revenue, where the 'Submitted to be Approved' Capital Expenditure exceeds the relevant Capital Indicator; or
  - (ii) an over recovery of revenue, where the 'Submitted to be Approved' Capital Expenditure is less than the relevant Capital Indicator, and the Approved Ceiling Revenue Limit will be adjusted in accordance with this **clause 7** to compensate for that under or over recovery of revenue.
- (d) Any under recovery or over recovery of revenue will result in an adjustment to the Reference Tariffs for the Year following the process in **clause 7(b)** by an amount which reflects the change in Approved Ceiling Revenue Limit for the relevant Year. The Reference Tariffs to be adjusted in accordance with this clause will be the Reference Tariffs determined by the QCA as part of its Final Decision to approve this Undertaking, or if there has been an adjustment to the Reference Tariffs in accordance with this Undertaking, the adjusted Reference Tariffs.
- (e) The adjustment to the Reference Tariffs to be made in accordance with **clause 7(d)** will include:
  - (i) a return on capital component, calculated as the difference between the return on capital calculated based on the Capital Indicator for the relevant Year and the return on capital that should have applied based on the 'Submitted to be Approved' Capital Expenditure for the relevant Year;
  - (ii) a depreciation component, calculated as the difference between the depreciation calculated based on the Capital Indicator for the relevant Year and the depreciation that should have applied for the 'Submitted to be Approved' Capital Expenditure for the relevant Year; and

- (iii) a tax depreciation component, calculated as the difference between the tax depreciation calculated based on the Capital Indicator for the relevant Year and the tax depreciation that should have applied for the 'Submitted to be Approved' Capital Expenditure for the relevant Year,

with the total of those adjustments rolled forward to the Year in which the adjustments will be made at the WACC, and with those components, and the changes to the Reference Tariffs calculated using the modelling parameters and assumptions used to determine the applicable Reference Tariffs.

*By way of illustration any difference between the 'Submitted to be Approved' Capital Expenditure for Year 1 and the Capital Indicator for Year 1 will result in an adjustment to the Reference Tariffs applicable from the commencement of Year 3.*

- (f) The adjustment process described in **clause 7** of this Schedule E will not apply if the difference between the total of the Capital Indicator and the 'Submitted to be Approved' Capital Expenditure for the relevant Year is less than \$30m or if Queensland Rail can reasonably demonstrate that the cumulative difference is likely to reduce to less than \$30m within 12 months.
- (g) For the avoidance of doubt, where an adjustment has been applied under this **clause 7** in respect of any Year, the Approved Ceiling Revenue Limit difference resulting from the difference in the Capital Indicator and total 'Submitted to be Approved' Capital Expenditure for the relevant Year will be excluded from any subsequent reconciliation adjustment process under this **clause 7** and clause 8.
- (h) Where there is a difference in the quantum of 'Submitted to be Approved' Capital Expenditure and Capital Expenditure that is finally approved by the QCA and:
  - (i) the commencement of a financial year for which a planned adjustment is to be included has not yet occurred, then QCA Approved Capital Expenditure will be substituted for 'Submitted to be Approved' Capital Expenditure in the calculation of the planned adjustment; or
  - (ii) the commencement of a financial year for which a planned adjustment is to be included has already occurred, then the Approved Ceiling Revenue Limit difference between QCA Approved Capital Expenditure and 'Submitted to be Approved' Capital Expenditure will be the subject of its own adjustment to be included at the commencement of the next financial year.

## 8 Capital Expenditure Carryover Account

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- (a) If, at the end of the last Year of the Term, the Approved Capital Expenditure for Year 4, Year 5 or any adjusted year (due to the application of **clause 7(f)** of this Schedule E) of the Term differs from the relevant Capital Indicator for West Moreton System or the Metropolitan System<sup>25</sup> (as applicable), the difference will be entered in the Capital Expenditure Carryover Account. The balance recorded in the Capital Expenditure Carryover Account will be deemed as:
  - (i) an under recovery of revenue, where the Approved Capital Expenditure exceeds the relevant Capital Indicator; or

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<sup>25</sup> For clarity, the Capital Indicator for the Metropolitan System for the Term is taken to be zero.

- (ii) an over recovery of revenue, where the Approved Capital Expenditure is less than the relevant Capital Indicator.
- (b) The balance recorded in the Capital Expenditure Carryover Account will include:
  - (i) a return on capital component, calculated as the difference between the return on capital assumed for the relevant Capital Indicator and the return on capital that should have applied for the Approved Capital Expenditure, accrued at the WACC;
  - (ii) a depreciation component, calculated as the difference between the depreciation assumed for the relevant Capital Indicator and the depreciation that should have applied for the Approved Capital Expenditure; and
  - (iii) a tax depreciation component, calculated as the difference between the tax depreciation assumed for the relevant Capital Indicator and the tax depreciation that should have applied for the Approved Capital Expenditure,  
and will be calculated using the modelling parameters and assumptions used to determine the relevant Reference Tariff.
- (c) The balance in the Capital Expenditure Carryover Account at the end of the Term will be rolled forward at the WACC.
- (d) The balance in the Capital Expenditure Carryover Account at the end of the Term will be taken into account when determining:
  - (i) in relation to the West Moreton System, the Reference Tariff; and
  - (ii) in relation to the Metropolitan System, the Reference Tariff input(s) relating to (in whole or part) the Regulatory Asset Base applicable to the Metropolitan System,when setting Reference Tariffs in the next undertaking. In the event there is no next undertaking and the Reference Tariff last applicable under this Undertaking was set at a level such that it would generate Expected Access Revenue equal to the Approved Ceiling Revenue Limit, the portion of the balance in the Capital Expenditure Carryover Account described in **clause 8(b)** will be recovered from, or returned to, Access Holders (as the case may be) in the form of a single payment following the Terminating Date.

# Schedule F – Network Management Principles

## 1 Application

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Unless otherwise required by any Law, the Network Management Principles set out in this **Schedule F** will apply in relation to all Train Services.

## 2 Train Planning Principles

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### 2.1 Master Train Plan Principles

- (a) Queensland Rail will:
- (i) indicate in a MTP the Capacity necessary to satisfy all relevant Train Service Entitlements, all of Queensland Rail's passenger Train Services, and time allocated for Planned Possessions;
  - (ii) in addition to the MTP, indicate the timing of any proposed Urgent Possessions (to the extent known), as well as Planned Possessions, in the Supply Chain Calendar; and
  - (iii) update the Supply Chain Calendar at least once per calendar month and notify all Access Holders, Nominated Rolling Stock Operators and other parties whose activities may be affected by the proposed Possession.
- (b) Access Holders' Train Service Entitlements and Queensland Rail's passenger Train Services will be allocated particular Train Paths.
- (c) A MTP will be in a form that sets out the time/distance (location) relationship of the Train Services and other activities on the relevant part of the Network and is readily convertible to a DTP.
- (d) Queensland Rail will notify all Access Holders, Nominated Rolling Stock Operators and any other parties whose activities may be affected (for example, parties that are affected by the availability of access to the Network including operators of rail and port facilities) by any modifications to a MTP at least three months prior to the commencement of the modification (except in the case of an Urgent Possession or Emergency Possession).<sup>26</sup> However, despite the foregoing, Queensland Rail is only required to notify parties (other than Access Holders and Nominated Rolling Stock Operators) who have notified Queensland Rail that they require to be notified in relation to changes.
- (e) Subject to **clause 2.1(f)**, an Access Holder or Nominated Rolling Stock Operator must give Queensland Rail sufficient notice of any requested changes to a MTP to enable Queensland Rail to consider the requested changes and, if Queensland Rail agrees to the making of those modifications, to comply with **clause 2.1(d)**. Queensland Rail will use its best endeavours to provide a response as soon as possible to an Access Holder regarding its requested changes under this clause. Where Queensland Rail does not agree to the Access Holder's requested changes or considers that insufficient notice of

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<sup>26</sup> Notification to parties other than Access Holders may be done by posting suitable information to QueenslandRail's website. The MTP will be complete and not be redacted in any way.

the requested changes were provided, Queensland Rail will provide to the Access Holder reasons for its decision to decline the requested changes including, if applicable, why the period of notice provided was insufficient.

- (f) A notice given by an Access Holder or Nominated Rolling Stock Operator under **clause 2.1(e)** must be given no less than:
  - (i) six months prior to the date to which the change relates, where the change relates to a passenger Train Service; or
  - (ii) three months prior to the date to which the change relates, where the change relates to a non-passenger Train Service.
- (g) Except as otherwise provided in an Access Agreement, the cancellation of a Train Service does not excuse either Queensland Rail, an Access Holder or Nominated Rolling Stock Operator from any relevant obligations under that Access Agreement.
- (h) Queensland Rail will publish on its website the MTPs applicable as at the Approval Date and will update the MTPs published on its website, from time to time, so that the MTPs published are those applicable as at the last semi-anniversary or anniversary of the Approval Date, as applicable.
- (i) Despite **clause 2.1(h)**, an Access Holder, their Nominated Rolling Stock Operator or Customer may (acting reasonably) request a copy of the current MTP or Supply Chain Calendar from Queensland Rail, from time to time, and if Queensland Rail receives such a request Queensland Rail will provide a copy of the relevant MTP or Supply Chain Calendar to that Access Holder, Nominated Rolling Stock Operator or Customer as soon as reasonably practicable.
- (j) The MTPs and Supply Chain Calendar published under **clause 2.1(h)**, or provided under **clause 2.1(i)**, will be complete and will not be redacted in any way.
- (k) Nothing in this **Schedule F** requires the preparation and publication of a single MTP or Supply Chain Calendar that applies to the Network as a whole. Queensland Rail may prepare separate MTPs (and, as a consequence, DTPs), and separate Supply Chain Calendars, for different parts of the Network.

#### **Modifying a MTP**

- (l) Subject to **clause 2.1(m)**, Queensland Rail may from time to time modify a MTP or update the Supply Chain Calendar.
- (m) Queensland Rail will not modify the MTP where to do so would result in an Access Holder's scheduled Train Services not being met in accordance with the Access Holder's Train Service Entitlement, unless:
  - (i) Queensland Rail has consulted with that Access Holder and given the notice required under **clause 2.1(d)** of this **Schedule F**; and
  - (ii) to the extent that the modification is not an Emergency Possession or an Urgent Possession, the Access Holder has agreed to the modifications (such agreement not to be unreasonably withheld).

## **2.2 Daily Train Plan Principles**

- (a) A DTP will indicate all scheduled Train Services, Planned Possessions, Planned Possessions, Urgent Possessions and Emergency Possessions (to the extent known) in a form that indicates the time/distance (location) relationship of all activities,

- (b) A DTP represents an expected performance target that, subject to variations to the DTP permitted by this **Schedule F**:
  - (i) Queensland Rail must comply with in making available Access to the Network for a particular day of operation; and
  - (ii) each Access Holder and its Nominated Rolling Stock Operator must comply with for its Train Services, for a particular day of operation for a specified part of the Network.
- (c) Queensland Rail will:
  - (i) no more than three months prior to the day (commencing at 0000 hours and ending at 2359 hours) to which the DTP relates (**Day of Operation**), prepare an indicative DTP;
  - (ii) At least one Business Day prior to the Day of Operation, Queensland Rail will schedule a DTP and provide all relevant Access Holders, Nominated Rolling Stock Operators and Infrastructure Service Providers and any other parties whose activities are affected (including for example, relevant operators of rail and port facilities) with an extract of the DTP specifying the relevant Train Services. However, despite the foregoing, Queensland Rail is only required to notify parties (other than Access Holders and Nominated Rolling Stock Operators) who have notified Queensland Rail that they require to be notified in relation to changes. For clarity, the DTP provided will be complete and will not be redacted in any way.
- (d) Except as otherwise provided in an Access Agreement, the cancellation of a Train Service does not excuse either Queensland Rail, an Access Holder or a Nominated Rolling Stock Operator from any relevant obligations under an Access Agreement.

#### **Scheduling a DTP in variation from a MTP**

- (e) A DTP must be developed by Queensland Rail from, and except as provided in this **Schedule F**, be consistent with, the applicable MTP and Supply Chain Calendar. However, a DTP may be scheduled in variation to a MTP by Queensland Rail:
  - (i) at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, in circumstances where any of the following apply:
    - (A) an Access Holder or its Nominated Rolling Stock Operator requests a short-term change to the times at which any of its Train Services, as scheduled in the MTP, operate;
    - (B) an Access Holder or its Nominated Rolling Stock Operator requests to run an Ad Hoc Train Service; or
    - (C) Queensland Rail modifies the times at which any of its passenger Train Services, as scheduled in the MTP, operate; and

provided that the variation does not result in any other Access Holder's scheduled Train Services not being met in accordance with the Access Holder's Train Service Entitlement.
  - (f) A DTP may be scheduled by Queensland Rail in variation from a MTP and the Supply Chain Calendar where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail wishes to make a short-term change to the times at which one or more scheduled Train Services operate, provided that:

- (i) the change is intended to accommodate:
    - (A) the modification of an existing Planned Possession;
    - (B) the creation of an Urgent Possession or Emergency Possession; or
    - (C) any other Operational Constraint affecting the DTP; or
    - (D) a Special Event; and
  - (ii) Queensland Rail has, for changes under **clause 2.2(f)(i)(A), (B) and (D)**, consulted, and made reasonable endeavours to reach agreement in relation to the proposed modifications, with the affected Access Holders;
  - (iii) for changes under **clause 2.2(f)(i)(C) and 2.2(f)(i)(D)** Queensland Rail has used its reasonable endeavours to consult with the relevant Access Holders; and
  - (iv) for changes under **clause 2.2(f)(i)(D)**, Queensland Rail has also, where reasonably possible, included the Special Event in the Supply Chain Calendar.
- (g) A DTP may be scheduled in variation from a MTP by Queensland Rail where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail makes a short-term change to the times at which one or more scheduled Train Service/s operate, whether or not within the scope of the applicable Access Holders' Train Service Entitlement, for the purpose of accommodating an Emergency Possession provided that where the variation would result in an Access Holder's scheduled Train Services not being met, Queensland Rail has consulted with that Access Holder.
- (h) A DTP may be scheduled in variation from a MTP by Queensland Rail where at least two Business Days prior to the Day of Operation, and prior to the DTP being scheduled, Queensland Rail and all affected Access Holders agree to the modification provided that where Queensland Rail seeks such a modification, Queensland Rail:
- (i) invites affected Access Holders to consider the variation in an appropriate forum;<sup>27</sup> at least 36 hours prior to the day of operation; and
  - (ii) gives each of those parties a copy of the proposed variation at least 12 hours prior to the scheduled consideration of the variation.
- (i) For clarity, Queensland Rail may schedule a DTP in variation from a MTP under any one of **clauses 2.2(e) to (h)** even if Queensland Rail cannot do so under, or does not comply with, any of the other of those clauses in respect of that modification.

#### **Making modifications to a DTP once scheduled**

- (j) Queensland Rail may make modifications to a scheduled DTP on a case by case basis:
- (i) where:
    - (A) before the Day of Operation, Queensland Rail receives a request from an Access Holder or its Nominated Rolling Stock Operator to run an Ad Hoc Train Service; or
    - (B) before a Train Service commences operation, the Access Holder or its Nominated Rolling Stock Operator requests a change to the time at which its Train Service will operate and that change is within the scope of the Access Holder's Train Service Entitlement,

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<sup>27</sup> This could include a face-to-face meeting, a telephone conference or any other forum that provides the affected parties with the best opportunity to participate.

provided that the modification does not result in any other Access Holder's scheduled Train Services not being met; or

- (ii) where, before the commencement of a relevant Train Service, Queensland Rail notifies the Access Holder and its Nominated Rolling Stock Operator that an Emergency Possession is required; and
- (iii) Queensland Rail has used reasonable endeavours to notify and consult with any Access Holder whose Train Services may be affected by the modification or any other affected party.

### 2.3 Minimising the adverse effects of Possessions

- (a) To the extent that:
  - (i) a MTP is to be modified under **clause 2.1**;
  - (ii) a DTP is to be scheduled in variation from a MTP under **clause 2.2**,

Queensland Rail will use its reasonable endeavours to minimise any material adverse effects on Train Services that will be caused by that modification or variation.
- (b) In determining what (if anything) can and should be done under **clause 2.3(a)** to minimise any material adverse effects, Queensland Rail may take into account:
  - (i) all relevant commercial, operational and other matters relating to the Network including:
    - (A) the proper, efficient and safe operation and management of the Network; and
    - (B) Prudent Practices; and
  - (ii) the extent to which the modification or variation is consistent with the scope of any relevant Train Service Entitlements.
- (c) Subject to **clause 2.3(b)**, Queensland Rail must use its reasonable endeavours to offer an Access Holder, affected by a modification referred to in **clause 2.3(a)(i)** or **(ii)**, an Alternative Schedule Time.
- (d) For clarity, an Access Holder's Train Services cannot be materially adversely affected for the purpose of this **clause 2.3** to the extent that the modification or variation referred to in **clause 2.3(a)(i)** or **(ii)** does not prevent those Train Services operating in accordance with the Access Holder's Train Service Entitlement.
- (e) The amount of time prior to the relevant Possession commencing may affect the degree of consideration given to minimising adverse effects and what can be done to minimise adverse effects.
- (f) Nothing in this **clause 2.3** obliges Queensland Rail to pay compensation to Access Holders whose Train Services are adversely affected.

## 3 Network Control Principles

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### Objective

- (a) The prime objective of Network Control is to facilitate the safe running of Train Services, and the commencement and completion of Possessions, as scheduled in the DTPs.

- (b) Queensland Rail will manage the Network based on entry/exit times as specified in the DTPs with the objectives of managing Train Services according to their schedule for on time exit, not contributing to late running and, if a Train Service is running late, making up time and holding the gain where reasonably possible.
- (c) A deviation from a DTP by Queensland Rail and/or an Access Holder on the day of running in accordance with this **clause 3** does not necessarily excuse either party from any relevant obligations relating to the conduct in question.

#### **Access Holders**

- (d) Access Holders must ensure that Above Rail issues, including Train crewing, locomotive and wagon availability and loading and unloading requirements, are appropriately managed to ensure that such issues do not adversely affect a DTP.

#### **Provision of Network Control information**

- (e) Queensland Rail will provide an Access Holder and its Nominated Rolling Stock Operator with:
  - (i) real time Network Control information that indicates actual running of that Access Holder's Train Services against the relevant DTP;
  - (ii) subject to reasonable terms and conditions, access to Network Control diagrams that indicate actual running of that Access Holder's Train Services against the relevant DTP; and
  - (iii) subject to reasonable terms and conditions, information about the type of Train Services operated on the same network (including, for example, coal, freight, passenger and livestock Train Services) to assist Access Holders to determine whether the Network Control Officer is applying the principles in this **Schedule F** in a consistent manner between Access Holders.

#### **Traffic Management Decision Making Matrix**

- (f) Where the operation of a Train Service differs from a DTP, the Network Control Officer will apply the Traffic Management Decision Making Matrix in **clause 3(h)**, for the purposes of giving a Network Control Direction.
- (g) In the context of the Traffic Management Decision Making Matrix the meaning of "On Time", "Ahead" and "Late" are determined by the scheduling of paths in the relevant DTP. A Train Service will be running "On Time" if:
  - (i) in the case of Train Services outside the Metropolitan System, it is travelling in accordance with the schedule for the path allocated to it in the relevant DTP, plus or minus 15 minutes; and
  - (ii) in all other cases; it is travelling in accordance with the schedule for the path allocated to it in the relevant DTP.
- (h) The Traffic Management Decision Making Matrix is as follows:

|                                  |  | Train Service A - Current Status           |                              |
|----------------------------------|--|--|------------------------------|
|                                  |  | Train Service Running "On Time" or "Ahead" | Train Service Running "Late" |
| Train Service B - Current Status | Train Service Running "On Time" or "Ahead" | Rule 2                                     | Rule 1                       |
|                                  | Train Service Running "Late"               | Rule 1                                     | Rule 3                       |

Rule 1. The "Late" Train Service may be given priority provided that the other Train Service will still meet its "On Time" objective, subject to the principles for managing deviations from the DTP in **clause 3(i)**.

Rule 2. Both Train Services must meet their "On Time" objective.

Rule 3. Give priority to the Train Service that (in the Network Control Officer's opinion), based on its performance, will lose the least time (or make up more time) and hold a greater gain, subject to the principles for managing deviations from the DTP in **clause 3(i)**.

**Principles for managing deviations from a DTP**

(i) It is necessary for Network Control Officers to have sufficient discretion to take into account the varying objectives of different traffic types, and the circumstances of a particular part of the Network, in assessing the priority to be given to Train Services and other activities on the Network. Network Control Officer will apply the following principles in managing deviations from a DTP:

- (i) a Train Service may be given priority over other Train Services if it is reasonably necessary to do so:
  - (A) due to, or to avoid, an accident, emergency or incident relating to any part of the Network;
  - (B) to remedy, or to mitigate or avoid, the operation of Train Services on any part of the Network being congested, prevented or otherwise materially adversely affected;
  - (C) to remedy, or to mitigate or avoid, any Emergency Possession or Urgent Possession on any part of the Network being prevented or otherwise materially adversely affected; or
  - (D) to ensure the safe operation of any part of the Network;
- (ii) subject to **clause 3(i)(i)**, passenger Train Services may be given priority over other Train Services if the Network Control Officer reasonably believes that this is necessary to seek:
  - (A) to bring a "Late" passenger Train Service back to being "On Time" or closer to being "On Time";
  - (B) to prevent that "Late" passenger Train Service becoming "Later"; or

- (C) to avoid an “On Time” or “Ahead” passenger Train Service that is operating, is scheduled to operate, or will be scheduled to operate in the Metropolitan System during any peak period<sup>28</sup> from becoming a “Late” passenger Train Service;
- (iii) subject to **clause 3(i)(i)**, livestock Train Services may be given priority over other Train Services if the Network Control Officer believes that this is desirable taking into consideration the livestock being transported (including, for example, the welfare of the livestock);
- (iv) subject to **clauses 3(i)(i) to (iii)**, a Train Service may be given priority over other Train Services if it is necessary to do so to remedy, or to mitigate or avoid, any Planned Possession on any part of the Network being prevented or otherwise materially adversely affected; and
- (v) subject to **clauses 3(i)(i) to (iv)**, where a Train Service is running “Late” due to a Below Rail Delay, it may be given preference over other Train Services if the Network Control Officer believes that this is consistent with the critical objectives of the Train Services in question, and that it will result in less aggregated consequential delays to other Train Services than otherwise would be the case.

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<sup>28</sup> The time periods notified by Queensland Rail (acting reasonably) and published on Queensland Rail's website.

# Schedule G – Operating Requirements Manual

# Operating Requirements Manual 1 July 2025

Version 3

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# 1 Introduction

This document sets out practices, standards, systems, protocols, requirements, rules, policies and other information in relation to or in connection with Network Control and the access to and use of the Network by Operators. It also includes interface management and coordination requirements, safeworking procedures, safety standards (including electrical safety requirements), emergency and investigation procedures, requirements for the management of Network Incidents and environmental requirements.

The Glossary in **clause 9** sets out how this document should be interpreted and the meaning of certain terms and acronyms.

Where this document refers to standards or other documents that belong to Queensland Rail, Queensland Rail will make the relevant standard or document available to Operators.

This document will be updated by Queensland Rail from time to time in accordance with the Queensland Rail Access Undertaking. Operators should always refer to the current version of this document. Queensland Rail will maintain the current version of this document on its website.

## 2 Interface Risk Management

### 2.1 Interface Risk Assessment

Queensland Rail, as the accredited Railway Manager, and the Operator will jointly conduct an Interface Risk Assessment to identify, assess and appropriately manage the safety and environmental risks associated with the Operator's nominated access to Queensland Rail's Network.

For the purposes of developing, reviewing or amending an Interface Risk Assessment:

- (a) Queensland Rail will publish on its website:
  - (i) A sample Interface Risk Management Plan (**IRMP**) which specifies a list of safety and Rolling Stock issues that should, at a minimum, be addressed by the parties during the Interface Risk Assessment, along with suggested controls for the identified safety and Rolling Stock issues; and
  - (ii) If a new version of the sample IRMP is published, a description of the changes made since the immediately preceding version of the new sample IRMP.

The IRMP developed by the parties may cover additional safety and/or Rolling Stock issues and associated controls depending on the circumstances of the particular operation.

- (b) Queensland Rail and the Operator will:
  - (i) adhere to Queensland Rail's published risk management framework;
  - (ii) each nominate appropriately qualified and experienced representatives for this purpose;
  - (iii) make relevant information available to each other on a timely basis; and
  - (iv) use reasonable endeavours to ensure that information which the parties provide to one another is accurate and up to date.

- (c) Prior to any Interface Risk Assessment or any other activities associated with the preparation of an IRMP being conducted, Queensland Rail and the Operator will each provide relevant information to the other to assist with the identification of environmental risks, including, but not limited to, the following:
- (i) Queensland Rail will provide the Operator with:
    - (A) a copy of any relevant environmental authorities held by Queensland Rail;
    - (B) a copy of any relevant environmental reports;
    - (C) any currently applicable noise levels or limits;
    - (D) particulars of noise complaints and enforcement actions and any relevant stakeholder complaints and concerns, including details of any enforcement actions relevant to the interface between the parties; and
    - (E) any other information including any documents from Queensland Rail's Environmental Management System that Queensland Rail considers relevant to the management of environmental risks; and
  - (ii) The Operator will provide Queensland Rail with:
    - (A) a copy of the Operator's EIRMR, approved in accordance with **clause 2.5**, specifically for the nominated access which describes the reasonably foreseeable environmental risks and proposed controls and management actions associated with the Operator's planned activities;
    - (B) the types and general volumes of products or commodities to be transported on Queensland Rail's Network, but, limited to the type of information required in a manifest of the type typically adopted in the rail transport industry; and
    - (C) a draft Operating Plan (as defined in the Undertaking).
- (d) Queensland Rail and the Operator will:
- (i) establish the context of the interface(s) to be assessed;
  - (ii) identify the specific Interface Risks associated with the Operator's proposed operations on Queensland Rail's Network;
  - (iii) analyse and evaluate the identified risks and the possibility of the Interface Risks occurring and the safety and commercial consequences of such;
  - (iv) identify the standards, procedures and systems relevant to the management of the identified Interface Risks;
  - (v) specify the control measures agreed between Queensland Rail and the Operator to manage those Interface Risks as far as reasonably practicable, including:
    - (A) the relevant Safeworking Procedures and Safety Standards, procedures and systems of each party;
    - (B) the relevant Rolling Stock and other Interface Standards;
    - (C) the measures outlined in the Operator's Environmental Investigation and Risk Management Report (**EIRMR**);
    - (D) requirements for training, monitoring, awareness, competence and complaint handling; and

- (E) the audit, inspection and review regime; and
- (vi) identify the party responsible for implementing each control measure.

## 2.2 Interface Risk Management Plan

- (a) An Interface Risk Assessment will be undertaken, and an IRMP will be developed, as part of the negotiation of an Access Agreement. The IRMP, once completed, will become a schedule to the relevant Access Agreement. The IRMP is an agreed plan between Queensland Rail and the Operator which:
  - (i) documents which Safeworking Procedures and Safety Standards are applicable to the Operator's operations;
  - (ii) documents the control measures to be implemented and maintained for managing the safety and environmental risks identified in the Interface Risk Assessment and EIRMR;
  - (iii) documents how the parties have agreed to evaluate, test and, if necessary, revise the measures mentioned in **paragraph (ii)**;
  - (iv) assigns the roles and responsibilities of each party to the IRMP in relation to the measures mentioned in **paragraph (ii)**;
  - (v) identifies the procedures by which each party will monitor compliance with both their obligations and the other party's obligations under the IRMP; and
  - (vi) provides for a process for keeping the IRMP under review and how any review will be conducted and implemented.
- (b) Prior to the operation of the Operator's Train Services on the Network, Queensland Rail shall ensure that its safety management system incorporates the elements agreed with the Operator in the IRMP that Queensland Rail is responsible for implementing (if any).
- (c) Similarly, prior to the operation of the Operator's Train Service on the Network, the Operator will incorporate into its safety management system:
  - (i) the elements agreed in the IRMP that the Operator is responsible for implementing; and
  - (ii) necessary processes for ensuring that the Operator, its Rolling Stock, Rolling Stock configurations and Train Services, at all times comply with the requirements of the Access Agreement, including the agreed IRMP.
- (d) The IRMP will satisfy the requirements for an interface agreement between two rail transport operators for the purposes of the Rail Safety National Law (Queensland) as defined in the *Rail Safety National Law (Queensland) Act 2017 (Qld)* (**RSNL**) and will address the requirements under relevant Laws in relation to the management of Interface Risks.

## 2.3 Provision of Assistance by Queensland Rail

- (a) Where Queensland Rail and an Operator agree that training of the Access Seeker's or Access Holder's staff or contractors is required as a control, or part of a control, to a particular Interface Risk identified in the Interface Risk Assessment, and the Operator can only obtain that training from Queensland Rail, Queensland Rail will provide the Operator with that training at reasonable times upon reasonable request from the Operator.
- (b) Where Queensland Rail provides training in accordance with **clause 2.3(a)**, it will be entitled to recover a reasonable commercial charge for providing such training.

## 2.4 Environmental Risks

Without limitation to the matters that must be considered and addressed in any EIRMR and IRMP, an Interface Risk Assessment, EIRMR and an IRMP must, in relation to risks to the environment:

- (a) consider all relevant environmental management Laws, including, where applicable, noise management standards and regulations;
- (b) where noise from the Network or the Operator's Train Services may cause or contribute to applicable noise levels being exceeded, specify include provisions requiring the Operator to consider and address noise, including specifying measures that Queensland Rail or the Operator (as applicable) will put in place to minimise noise and , if applicable, other relevant measures agreed to by the parties;
- (c) detail any approved or proposed environmental authorities and approvals held by the Operator;
- (d) identify and assess the reasonably foreseeable risks of Environmental Harm arising out of the proposed use of the Network by the Operator;
- (e) include provisions requiring each of Queensland Rail and the Operator to:
  - (i) notify each other of any noise or other complaints pertaining to the environment in relation to or in connection with the relevant parts of the Network or the Operator's Train Services as soon as practicable after such a complaint is received;
  - (ii) cooperate with each other in investigating and responding to such complaints; and
  - (iii) invite each other to any community meetings relating to those complaints;
- (f) include provisions requiring the Operator and Queensland Rail to jointly consider and address possible Contamination, including:
  - (i) detailed control measures to prevent and respond to Contamination; and
  - (ii) the requirement to comply with all relevant Contamination standards and relevant Laws; and
- (g) include provisions requiring the Operator to have in place prior to commencing Train Services, suitable systems and/or processes for the effective management of risks identified within the applicable EIRMR.

Where Baseline Environmental Data is available, Queensland Rail will provide this data to the Operator upon request, prior to the commencement of the Train Services. Where Queensland Rail does not have access to Baseline Environmental Data, the Operator may choose to undertake baseline monitoring for a particular section of the Network. If access to Queensland Rail property is required to support the collection of Baseline Environmental Data, Queensland Rail shall endeavour to provide safe access. When accessing Queensland Rail property, the Operator and/or their representative must comply with all requirements outlined in Queensland Rail's Standard (SAF/STD/0144/SWK) in relation to Accessing the Rail Corridor and such other requirements, directions or conditions of access imposed by Queensland Rail, acting reasonably.

## 2.5 Environmental Risk Management Process

- (a) As part of the negotiation process of an Access Agreement, the Operator will commission a suitably qualified person, reasonably acceptable to both Queensland Rail and the Operator, to prepare an EIRMR containing an environmental investigation component and an environmental risk management component which respectively identify those matters outlined in **clause 2.4**.
- (b) The Operator must provide a copy of the EIRMR to Queensland Rail for its consideration.
- (c) Queensland Rail will consider whether the EIRMR adequately addresses the issues outlined in **clause 2.4** and any other environmental matters which Queensland Rail (acting reasonably) considers relevant and advise the Operator whether the EIRMR is, in Queensland Rail's reasonable opinion, adequate.
- (d) In order to assist Queensland Rail in determining the adequacy of an EIRMR provided to it, the Operator will disclose to Queensland Rail all relevant information reasonably available to it relating to the environmental impact of its proposed operations on the Network.
- (e) If, in Queensland Rail's reasonable opinion, the EIRMR discloses areas of risk that cannot be adequately managed by the proposals included in the EIRMR, or the EIRMR fails to identify and adequately deal with additional relevant environmental risks, Queensland Rail may notify the Operator in writing of the risks not adequately managed or not identified or adequately dealt with.
- (f) If Queensland Rail (acting reasonably) considers that the EIRMR does adequately address all relevant environmental issues outlined in **clause 2.4** or otherwise, or if Queensland Rail fails to give the Operator the notice referred to in **clause 2.5(e)** within thirty (30) days of receipt (or such other period as the parties, acting reasonably, agree), the EIRMR will be accepted.
- (g) If Queensland Rail gives the Operator a notice pursuant to **clause 2.5(e)**, the Operator may respond to Queensland Rail, by a date agreed by the parties (each acting reasonably), with a written proposal that:
  - (i) contains an investigation of the areas of risk and/or additional relevant environmental risks referred to in the notice provided pursuant to **clause 2.5(e)**;
  - (ii) specifies risk abatement or attenuation measures that the Operator proposes to undertake in relation to the relevant risks, or specifies how the access charges might contain a component reflecting the cost to Queensland Rail of assuming all or some portion of the risk;
  - (iii) where risk abatement or attenuation measures are proposed pursuant to **clause 2.5(g)(ii)**, specifies a timeframe for implementation of those measures; and
  - (iv) specifies details of any public consultation the Operator proposes to undertake in connection with the implementation of any such measures.
- (h) Queensland Rail may, acting reasonably, accept or reject all or part of the Access Seeker's or Access Holder's proposal (the **Proposal**) provided that, if Queensland Rail:
  - (i) accepts the Proposal, the Proposal will be incorporated into and form part of the EIRMR, which will then be accepted; or

- (ii) rejects all or part of the Proposal, Queensland Rail must advise the Operator of the risks not adequately managed or not identified or adequately dealt with in the Proposal.
- (i) If the Operator fails to submit its Proposal within the specified time, or if Queensland Rail rejects all or part of the Proposal, then either Queensland Rail or the Operator may refer the issue of whether the EIRMR and/or the Proposal does not adequately manage or does not identify or adequately deal with the relevant environmental risks to:
  - (i) if an Access Agreement has not been signed, dispute resolution in accordance with the relevant dispute resolution clause of the Undertaking; or
  - (ii) if an Access Agreement has been signed, dispute resolution in accordance with that Access Agreement

## 2.6 Specific Risks

Without limiting the matters that must be considered and addressed in any Interface Risk Assessment and IRMP, an Interface Risk Assessment and an IRMP must address:

- (a) electrical safety risks associated with Queensland Rail's electrical assets;
- (b) rail safety risks;
- (c) risks to the work, health and safety of all persons; and
- (d) risks to the environment,

that are impacted by the Operator's access to Queensland Rail's Network, as far as is reasonably practicable.

## 3 Safeworking Procedures and Safety Standards

### 3.1 Interface Standards and Safeworking Procedures

In addition to the Safeworking Procedures, Safety Standards and other requirements identified in any IRMP the Operator must comply with all reasonable instructions and authorities issued by Queensland Rail from time to time in relation to the safety of any person or property or protection to the environment.

Those Safeworking Procedures and Safety Standards which are Queensland Rail internal documents may be altered by Queensland Rail from time to time in accordance with document control procedures in **clause 7.2** below and the terms of the Access Agreement.

### 3.2 Safeworking Forms

After execution of an Access Agreement with an Operator, Queensland Rail will provide that Operator with copies of all safeworking forms that must be completed and lodged with Queensland Rail from time to time in order for the Operator to operate on the Network.

If the Operator requires additional copies of safeworking forms, electronic copies can be downloaded from Queensland Rail's customer portal.

### 3.3 Operations in electrified railway corridors

Infrastructure and systems associated with Queensland Rail's 25 kV railway electrification network are identified as the works of a prescribed electrical entity under the *Electrical Safety Act 2002* (Qld).

Implementation and ongoing review of Queensland Rail's electrical entity safety management system is a legislative requirement for 25 kV railway electrification systems (electrical entity works) to ensure Queensland Rail's works are:

- (a) electrically safe; and,
- (b) operated in a manner that is electrically safe.

A map showing the extent of Queensland Rail's network electrification is available on the Queensland Rail customer portal.

### 3.4 Network Security

- (a) The Operator must report any security Incident of which it becomes aware that either has occurred or is occurring on the Queensland Rail Network, to Queensland Rail in a timely manner.
- (b) Where the Operator operates Train Services which carry Dangerous Goods, in addition to any obligations in relation to Dangerous Goods provided in the Access Agreement, it must have in place a security plan that complies with all applicable Laws and Dangerous Goods Codes.
- (c) The Operator must provide a security plan to Queensland Rail prior to the Operator commencing any Train Services and thereafter on an annual basis throughout the term of the Access Agreement. Where the Train Services involve the carriage of Security Sensitive Ammonium Nitrate, the security plan must include:
  - (i) evidence that the Operator and the Operator's Train crew are licensed to transport Security Sensitive Ammonium Nitrate;
  - (ii) control measures to ensure that any Security Sensitive Ammonium Nitrate is secure for the duration of the rail journey;
  - (iii) procedures for ensuring only authorised persons have unsupervised access to Security Sensitive Ammonium Nitrate whilst it is being transported on Queensland Rail's Network;
  - (iv) procedures for reporting to Queensland Rail and the appropriate authorities for any incident involving the Security Sensitive Ammonium Nitrate during its journey on Queensland Rail's Network.
- (d) The Operator must clearly identify and list all High Consequence Dangerous Goods on freight consists relating to Train Services operating or to be operated on the Queensland Rail Network.
- (e) The Operator is to ensure where practicable that no Trains carrying HCDG are delayed or held in the Queensland Rail Network.
- (f) The Operator must ensure that all Trains carrying Dangerous Goods are supervised at all times.
- (g) If for any reason beyond the Operator's control, a Train carrying Dangerous Goods is required to be stowed at an unattended location or isolated siding at any time, then the Operator must arrange for at least one person to remain with the Train at all times.
- (h) The Operator must ensure that if for any reason a Train carrying Security Sensitive Ammonium Nitrate stops on the Queensland Rail Network at any time and for any period of time, a person who is authorised for the purposes of the *Explosives Act 1999* (Qld) and Information Bulletin 53 - Storage requirements for Security Sensitive Ammonium Nitrate remains with the Train at all times. Under no circumstances is the

Operator to leave a Train carrying Security Sensitive Ammonium Nitrate on Queensland Rail's Network unattended.

- (i) Where a Train carrying HCDG other than Security Sensitive Ammonium Nitrate stops on Queensland Rail's Network at any time and for any period of time, the Operator must liaise with Queensland Rail in relation to the securing of the Train. The Operator's Train crew must remain with the Train and maintain communication with Network Control until such time as the Operator has made arrangements with Queensland Rail for the provision and attendance at the relevant location of private security guards for the purposes of securing the Train. Where Queensland Rail provides private security guards, this will be at the Operator's cost. The Operator must provide Queensland Rail with an indication of the length of time that private security guards must be provided. The Operator's Train crew must continue to remain with the Train until the arrival of the private security guards and until it has been established the private security guards have the ability to maintain two way communications with Network Control.
- (j) In the event that the National Terrorism Public Alert Level is raised with a threat specific to mass passenger transport, the Operator will be required to have all Trains carrying HCDG checked at a practical location prior to the Train entering the Metropolitan Network.

## 4 Emergency Response

### 4.1 Emergency Management Plan

The Operator must have an Emergency Management Plan that complies with the requirements of the RSNL.

Without limiting the terms of an Access Agreement, the Operator must provide a copy of its Emergency Management Plan to Queensland Rail prior to it commencing any Train Services. Operators must work cooperatively with Queensland Rail to ensure Network Incidents and other Emergencies are managed effectively to mitigate the severity and magnitude of any Network Incident. The parties will work together to ensure the risks to the safety of persons arising from the Network Incident or other Emergency are minimised as far as is reasonably practicable.

The Operator must be familiar with, and adhere to, Queensland Rail's Emergency Management Plan as set out in Queensland Rail Standard MD-12- 208 and Queensland Rail's emergency response procedures when managing any Network Incident or an Emergency on Queensland Rail's Network. Clear roles and responsibilities will be identified and allocated to the parties within the plan.

Queensland Rail will consult with Operators on the review and amendment of Queensland Rail's Emergency Management Plan and Queensland Rail's emergency response procedures. Where a Network Incident or other Emergency occurs on the Network that impacts both Queensland Rail and the Operator, Queensland Rail's Emergency Management Plan will outline clear roles and responsibilities for the parties in jointly managing the Emergency.

Operators must test their Emergency Management Plan in so far as it relates to the Queensland Rail Network and the Train Services on an annual basis throughout the term of their Access Agreement and must ensure that both Queensland Rail and Emergency Services are provided with an opportunity to participate in the testing process.

## 4.2 Incident/Emergency Management

The Operator must comply with the requirements outlined in Queensland Rail's Emergency Management Plan MD-12-208. The Operator must not, by act or omission, do or fail to do anything inconsistent with or that would cause or contribute to Queensland Rail failing to comply with its Emergency Management Plan and its obligations under the [RSNL](#).

Without limiting the terms of the Access Agreement, the Operator's Emergency Management Plan must be consistent with Queensland Rail's Emergency Management Plan and must include:

- (a) detailed procedures for the management of emergencies, including all actions that must be taken to prevent, minimise or mitigate any threat or danger to any person, property or the environment;
- (b) specific action plans for preventing or, if not preventable, minimising and mitigating Environmental Harm caused or contributed to by an Incident or other Emergency;
- (c) requirements for immediate and appropriate action to prevent or, if not preventable, minimise and mitigate the adverse effects caused or contributed to by any Incident or other Emergency;
- (d) requirements for relevant Authorities to be informed immediately of any Incident or other Emergency;
- (e) the method for the clean-up of any substance or thing the release of which is caused or contributed to by an Incident or other Emergency such that there is no longer an immediate risk of adverse effects to any person, property or the environment (including Environmental Harm);
- (f) requirements for ensuring that there is not unreasonable Obstruction to Queensland Rail's operations or its Network;
- (g) procedures to ensure compliance by the Operator with all requirements of Laws pertaining to Contamination and/or to ensure compliance with directions of any relevant Authority; and
- (h) requirements for the handling of all Incidents and other Emergencies and procedures for ensuring that all measures taken in response to Incidents and other Emergencies are recorded on a central incident register for the post Incident or other Emergency investigation and debrief process.

## 4.3 Emergency Responses

Queensland Rail is responsible for the overall coordination and management of the response to a Network Incident or other Emergency (**Network Emergency**) (including notifying all relevant Emergency Services) so that Recovery and Restoration are effected as soon as practicable. For clarity, the Operator must comply with all reasonable directions given by Queensland Rail during the Recovery and Restoration phase of a Network Emergency.

Where required, the Operator's Controller will work in collaboration with the Queensland Rail Commander to manage the onsite Network Emergency response.

Without limiting the terms of the Operator's Access Agreement, the Operator must:

- (a) ensure the timely Recovery in accordance with the Operator's Emergency Management Plan; and
- (b) assist Queensland Rail with Recovery and Restoration.

During Recovery and Restoration, the Operator and Queensland Rail must do everything necessary to prevent or, if not preventable, minimise and mitigate, any potential or actual damage or injury to persons, property or the environment or delays to the recommencement of Train Movements.

## 4.4 Investigation of Notifiable Occurrences

### 4.4.1 Establishment of Joint Investigation Protocols between Queensland Rail and Operators

Queensland Rail and Operators are required to report incidents in accordance with the requirements of the RSNL. The classification of an occurrence will dictate the level of investigation and response required by the Operator and/or Queensland Rail.

#### Category A Notifiable Occurrence (Detailed Investigation)

- (a) Detailed Investigations into Category A Notifiable Occurrences may be undertaken jointly by Queensland Rail and the Operator.
- (b) The lead agent in the investigation, either Queensland Rail or the Operator, will develop the Instrument of Appointment (**IOA**) which will specify the lead agent and lead investigator.
- (c) The lead agent is to consult with the other party prior to developing the IOA, which will include the Terms of Reference (**ToR**) relevant to the scope of the investigation and investigation outcomes, investigation timeframes and the make-up of the investigation team. Should the parties be unable to agree on the ToR, Queensland Rail will conduct an independent investigation and provide a copy of that report to the Operator.
- (d) The commencement and conduct of the investigation must not be delayed while awaiting provision of the IOA.
- (e) A Detailed Investigation will be commenced as soon as possible following a Category A Notifiable Occurrence.
- (f) The parties will ensure the incident site of the Notifiable Occurrence remains undisturbed, except as required to make the site safe, and until the arrival on site of Queensland Rail and Operator investigators.
- (g) Queensland Rail and the Operator are required to preserve evidence and share information relevant to Notifiable Occurrences in accordance with the Law and this ORM.
- (h) Queensland Rail and the Operator will have a representative at the site of the Notifiable Occurrence within four hours, or as soon as practicable, after notification to Queensland Rail of the Notifiable Occurrence.
- (i) If it is determined that Queensland Rail will be the lead agent for a joint Detailed Investigation, the conduct of the investigation will be in accordance with the requirements of the Queensland Rail *Incident Management Standard* (MD-12-210) and *Incident Reporting Notification and Investigation Procedure* (MD-18-342).
- (j) These documents, including any updated versions, will be provided to the Operator via the Queensland Rail customer portal.
- (k) When the Operator is the lead agent for a joint Detailed Investigation, the Operator's investigation process will apply, subject to the requirements of the Access Agreement and the ORM.

- (l) Where the RSR requests the final Detailed Investigation report of a Category A Notifiable Occurrence, the report will be provided to the RSR within the required timeframes, or as negotiated with the RSR by the lead agent.
- (m) Queensland Rail and the Operator may conduct Detailed Investigations without being required by the RSR to do so. In those instances, unless specifically requested later, the RSR will not be supplied with a copy of the investigation report.
- (n) The nominated lead agent will provide a copy of the final investigation report into the Notifiable Occurrence to the other party within a reasonable time after it has been finalised.
- (o) Queensland Rail and the Operator will co-operate in the implementation of all recommendations reasonably made, as part of an investigation report.

#### **Category B Notifiable Occurrences (Routine Investigations)**

- (a) The lead agent in a Routine Investigation, either Queensland Rail or the Operator, will furnish the IOA which will specify the lead agent and the lead investigator.
- (b) The lead agent is to consult with the other party prior to developing the IOA, which is to include the ToR relevant to the scope of the investigation and investigation outcomes, investigation timeframes, and the make-up of the investigation team.
- (c) Commencement and conduct of the investigation must not be delayed while awaiting the provision of the IOA.
- (d) The party nominated as the lead agent will provide the other party with a copy of a report produced as a result of a Routine Investigation into the Notifiable Occurrence.
- (e) Queensland Rail and the Operator will cooperate in the implementation of all reasonable recommendations made in the investigation report.

#### **4.4.2 Membership of Investigating Teams for Category A and Category B investigations**

- (a) The membership of the investigation team will be consistent with the provisions, principles and intent of the RSNL, which will include an appropriate response level to a Notifiable Occurrence that involves initiating the investigation process.
- (b) Investigation teams will ensure an appropriate level of independence when conducting their investigations and, where practicable, will not include any persons directly involved in the relevant Notifiable Occurrence in any Recovery or Restoration process.
- (c) Where a joint investigation is conducted, Queensland Rail and the Operator will nominate at least one representative each and make reasonable efforts to ensure the members of the investigation team have the collective knowledge, skills, and expertise to address the range of operational, administrative, and infrastructure issues likely to be encountered and/or requiring action. Queensland Rail and the Operator may agree to the inclusion of additional members in the investigation team for this purpose.
- (d) The lead investigator for Detailed Investigations must have appropriate qualifications and/or skills and experience as an investigator in conducting high level, complex and serious safety investigations.

#### **4.4.3 Terms of Reference for Investigations**

- (a) The ToR issued by Queensland Rail for any investigation will be consistent with Queensland Rail's *Incident Management Standard (MD-12-210)* and *Incident Reporting, Notification and Investigation Procedure (MD-18-342)* and must be relevant to the intended scope of the investigation requirements and outcomes.

- (b) The ToR issued by Queensland Rail for any investigation in accordance with this **clause 4.4** will be relevant to the intended scope of the investigation and will be designed to determine the cause(s) and contributing factors of the Notifiable Occurrence.
- (c) The ToR will stipulate what action(s) have been, or will be, taken to prevent a recurrence, or to reduce the risk of such recurrence.
- (d) The ToR issued by Operators for any investigation will be consistent with the Operator's investigation processes and must be relevant to the intended scope of the investigation requirements and outcomes.
- (e) Additional or amended ToR may be added or deleted depending on the ongoing requirements of the investigation and the continuing relevance of the ToRs. This must be agreed to jointly by Queensland Rail and the Operator.

#### **4.4.4 Providing resources to an Investigation**

- (a) For Detailed and Routine Investigations, Queensland Rail and the Operator must provide appropriate personnel to assist in providing relevant expertise with respect to equipment and / or infrastructure, and the operation of that equipment and / or infrastructure.
- (b) Queensland Rail and the Operator must also cooperate in the provision of any assessment requirements for the investigation report in accordance with relevant legislative requirements.

#### **4.4.5 Sharing of Information and Evidence Relevant to an Investigation**

- (a) The Operator will provide any information, evidence, supporting documentation and reports to Queensland Rail in a timely manner to ensure compliance with the relevant legislation, including (where relevant) RSR timeframes under the RSNL.
- (b) Queensland Rail will provide any information, evidence, supporting documentation and reports to the Operator in a timely manner to ensure compliance with the relevant legislation, including (where relevant) RSR timeframes under the RSNL.
- (c) Information, evidence, documentation, Detailed or Routine Investigation reports, and any visual images contained within those reports are to be handled in accordance with the confidentiality requirements under the relevant Access Agreement.

#### **4.4.6 Detailed Investigation Reports**

A copy of all final Detailed Investigation reports will be supplied to Queensland Rail and the Operator. Each party will be responsible for consideration of, and action on, recommendations that are under the control of that party.

The lead agent will send a copy of the final Detailed Investigation Report for a Category A Notifiable Occurrence to the RSR on request.

#### **4.4.7 Routine Investigation Reports**

A copy of all final Routine Investigation reports will be supplied to Queensland Rail and the Operator. Each party will be responsible for considering and implementing any recommendations arising out of the Routine Investigation reports which are relevant to, and under the control of, that party.

The lead agent will send a copy of the final Routine Investigation report to the RSR on request.

#### 4.4.8 Inconsistencies/Disagreement

Queensland Rail and the Operator will conduct investigations in accordance with this **clause 4.4**. However, to the extent of any inconsistency, actual or perceived, the provisions of the RSNL and its Regulations will apply.

In the event that agreement cannot be reached between Queensland Rail and the Operator about the cause or causes contributing to a Category A Notifiable Occurrence, or how the investigation is to be conducted, including who the lead agency will be, both parties will write to the RSR highlighting the differing opinions.

Separate investigation reports and/or submissions may be provided by Queensland Rail or the Operator to the RSR for its consideration in these circumstances.

## 5 Train Route Acceptance

The Operator must ensure that any Certification provided to Queensland Rail complies with the requirements set out in Queensland Rail's Train Route Acceptance Standard MD-10-170. Queensland Rail may take into account any matters referred to in this standard in deciding whether Queensland Rail is satisfied with any Certification provided to Queensland Rail by an Operator for the purpose of seeking Queensland Rail's authorisation of Rolling Stock or a Train Configuration.

## 6 Network Control and Network Planning

### 6.1 Responsibility for compliance

The Operator must ensure the Operator's Controller and the Operator's Train crew comply with this **clause 6**.

### 6.2 Operator Requirements for Controller

- (a) The Operator must provide to Queensland Rail's Train Control Centres (and keep current at all times) the details for the Operator's Controller, including that person's name, position and contact details. The contact details:
  - (i) must include primary mobile; and
  - (ii) must include additional alternative contact details to be used in circumstances where the Operator's Controller is not contactable via its primary mobile or after hours contact details.
- (b) The Operator must not operate Train Services unless Queensland Rail has current details for the Operator's Controller.
- (c) The Operator must ensure, and not operate Train Services unless, the Operator's Controller is:
  - (i) contactable by Queensland Rail Network Control Officers at all times when any of the Operator's Trains are on the Network;
  - (ii) contactable at least 2 hours prior to any of the Operator's Trains entering the Network; and
  - (iii) able to fully comply with this **clause 6**.

### 6.3 Consultation between Queensland Rail Network Control Officer and the Operator's Train crew

- (a) The relevant Queensland Rail Network Control Officer and the Operator's Train crew must consult regarding the location of meal breaks and personal needs breaks for the Train crew.
- (b) If the Operator's Train crew requires relief from operating the Train, the Train crew must only request relief from the Operator's Controller.
- (c) Prior to a Train reaching its destination, the Operator's Controller must:
  - (i) determine whether the Train crew on the Train requires relief;
  - (ii) consult with the relevant Queensland Rail Network Control Officer to determine an appropriate time and location for relief;
  - (iii) arrange relief for the Train crew; and
  - (iv) advise the Train crew of the relief arrangements.
- (d) If members of an Operator's Train crew:
  - (i) are rostered on "change jobs";<sup>29</sup> or
  - (ii) need to change during a Train Service,then the Operator's Controller must notify the relevant Queensland Rail Network Control Officer of this requirement prior to the Train entering the Network. The Operator's Controller must notify and consult with Queensland Rail in relation to the time and location for that change.
- (e) If the Operator's Controller or the Train crew is unable to contact the other directly, a Queensland Rail Network Control Officer will use reasonable endeavours to relay a message from one to the other.

### 6.4 Procedures for entering and exiting the Network

- (a) The Operator's Controller must notify the relevant Queensland Rail Network Control Officer of the anticipated departure time of the Operator's Train at least 2 hours before the scheduled departure time of that Train. If the anticipated departure time changes, the Operator's Controller must, immediately on becoming aware of the change, notify the Queensland Rail Network Control Officer of the revised anticipated departure time.
- (b) The Operator's Train crew must notify the relevant Queensland Rail Network Control Officer when the Operator's Train is ready to enter the Network.
- (c) Prior to the Train entering the Network, the Operator's Controller must give the Train crew:
  - (i) the scheduled times for that Train Service for that day; and
  - (ii) any Train Notices relevant to that Train Service.
- (d) The Operator must comply with the procedures for shunting, entering and exiting yards and any other terminating yard procedures provided to the Operator by Queensland Rail from time to time.

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<sup>29</sup> A Train crew is rostered on "change jobs" where, for example, the Train crew of Train A (which is travelling from X to Z) swaps Trains with the Train crew of Train B (which is travelling from Z to X) at some appropriate point between X and Z, with the result that the relevant Train crews start and end their shifts at the same location.

## 6.5 Network Control Radio Channel

- (a) Queensland Rail will make the Network Control Radio Channel Coverage available to the Operator on the Queensland Rail's website <https://queenslandrail.sharepoint.com/Partners/TrustedContent/https://queenslandrail.sharepoint.com/Partners/TrustedContent/>.
- (b) For the purposes of the Operator ensuring that its Train drivers are contactable by Queensland Rail Network Control Officer, the Operator must ensure that the relevant communications system used by its Train drivers complies with the relevant requirements set out in the relevant IRMP.
- (c) If there are any changes to the Network Control Radio Channel Coverage or the associated maps Queensland Rail will inform the Operator of the change as soon as reasonably possible.

## 6.6 Operator's notifications to Queensland Rail Network Control Officer

- (a) If the Operator's Controller or the Train crew become aware of any event or circumstance that may affect the performance of the Operator's Train, regardless of whether the Train has entered the Network, the Operator's Controller or the Train crew must notify the relevant Queensland Rail Network Control Officer of the event or circumstance, including the following details:
  - (i) the Train number;
  - (ii) the nature of the event or circumstance; and
  - (iii) the likely impact on the Train's performance.
- (b) At least 15 minutes prior to the departure of the Operator's Train, the Operator's Controller must:
  - (i) provide the relevant Queensland Rail Network Control Officer with the following information:
    - (A) information regarding the Train crew, including planned relief locations and details of any mandatory breaks;
    - (B) any En Route Locomotive Provisioning requirements, but only if those requirements have previously been agreed in writing with Queensland Rail; and
    - (C) if the Train will be in Direct Traffic Control Territory, the start-up code<sup>30</sup> of the leading locomotive; and
  - (ii) enter the following information about the Train (**Train List**) into Queensland Rail's nominated information system in accordance with any procedures specified by Queensland Rail from time to time:
    - (A) the Operator for the Train Service who is accredited under the RSNL;
    - (B) the Access Agreement under which the Train is operating;
    - (C) the identification number for the applicable TRA or ATT;
    - (D) the number of the Train;
    - (E) the origin of the Train;

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<sup>30</sup> The start-up code for a locomotive that is subject to Direct Traffic Control is a unique code determined and allocated by Queensland Rail for the purposes of Direct Traffic Control.

- (F) the Comparison Train Length in metres (including locomotives);
  - (G) the number of items of Rolling Stock in the Train;
  - (H) the gross mass of the Train in tonnes;
  - (I) the gross trailing load of the Train in tonnes;
  - (J) the motive power employed by the Train; and
  - (K) the following information on each item of Rolling Stock in the Train (in the order in which the items of Rolling Stock will be placed, leading end first):
    - (1) the Rolling Stock classification;
    - (2) the Rolling Stock number;
    - (3) the Rolling Stock type (if a locomotive, whether hauling or otherwise);
    - (4) the gross mass of the Rolling Stock in tonnes;
    - (5) a description of the goods carried in the Rolling Stock (including any Dangerous Goods) by class and location on the Train;
    - (6) the destination of each item of Rolling Stock; and
    - (7) any known issues or defects, for example Rolling Stock that is 'out-of-gauge' or that has had its brakes cut out.
- (c) If the Operator's Controller cannot comply with **paragraph (b)** because the nominated information system is not accessible by the Operator's Controller, then the Operator's Controller must:
- (i) at least 15 minutes prior to the departure of the Operator's Train, notify the relevant Queensland Rail Network Control Officer of at least the following information:
    - (A) the Operator for the Train Service who is accredited under the RSNL;
    - (B) the Access Agreement under which the Train is operating;
    - (C) the identification number for the applicable TRA or ATT;
    - (D) the number of the Train;
    - (E) the Comparison Train Length in metres (including locomotives);
    - (F) the gross trailing load of the Train in tonnes;
    - (G) the following information on each item of Rolling Stock in the Train (in the order in which the items of Rolling Stock will be placed, leading end first):
      - (1) the Rolling Stock classification; and
      - (2) the Rolling Stock number;
    - (H) any known issues or defects, for example Rolling Stock that is 'out-of-gauge' or that has had its brakes cut out; and
    - (I) details of any Dangerous Goods; and
  - (ii) as soon as possible after the nominated information system becomes accessible by the Operator's Controller, enter the Train List for the relevant Train into Queensland Rail's nominated information system in accordance with any procedures specified by Queensland Rail from time to time.

- (d) If the mass, length or configuration of the Train alters during the course of a journey, the Operator's Controller must notify the relevant Queensland Rail Network Control Officer of the new mass, length and configuration. The Operator's Controller must ensure any changes in a Train List are updated in Queensland Rail's nominated information system in accordance with any procedures specified by Queensland Rail from time to time.

## 6.7 Provision of information by Queensland Rail Network Control Officer

- (a) If a Queensland Rail Network Control Officer becomes aware of any event or circumstance that will materially adversely affect the performance of the Operator's Train, the Queensland Rail Network Control Officer must notify the Operator's Controller of the event or circumstance, including the following details:
  - (i) the Train number;
  - (ii) the nature of the event or circumstance; and
  - (iii) the likely impact on the Train's performance.
- (b) The Queensland Rail Network Control Officers located in Brisbane and Townsville must provide the Operator's Controller with a current ETA, for each of the Operator's Train Services, at the relevant Operator's depot station or destination, as applicable, in that Queensland Rail Network Control Officer's relevant Network Control Region:
  - (i) every two hours; and
  - (ii) at additional points in time, when reasonably requested by the Operator or an Operator's Associate (including the Operator's Controller).
- (c) If, for whatever reason, the ETA of a Train Service varies by more than 20 minutes during a 2 hourly interval between notifications given under **clause 6.7(b)**, the relevant Queensland Rail Network Control Officer must inform the Operator's Controller of the variation as soon as reasonably practicable.
- (d) Whenever reasonably requested by the Operator's Train crew or the Operator's Controller, the relevant Queensland Rail Network Control Officer must provide information to the Operator regarding events that will materially adversely impact on the performance of the Operator's Train to the extent that such information is known and available to the Queensland Rail Network Control Officer.

## 6.8 Network Control Centres

- (a) Queensland Rail will provide Network Control for the Operator's Trains through the Network Control Centres and Network Control Regions. A map showing the Network Control Centres and Network Control Regions can be viewed at:  
<https://queenslandrail.sharepoint.com/Partners/TrustedContent/>
- (b) Queensland Rail must notify the Operator of any changes to the online documents or the location of any of the Network Control Centres and/or Network Control Regions.

## 6.9 Network Interface Points between Aurizon and Queensland Rail

- (a) A map showing the Network interface points between the Aurizon and the Queensland Rail networks can be viewed at:  
<https://queenslandrail.sharepoint.com/Partners/TrustedContent/>
- (b) Queensland Rail must notify the Operator of any changes to the online documents or Network Interface Points.

## 6.10 Network Control Boards - Rail Centre 1 Network Control Centre and Townsville Network Control Centre

### 6.10.1 Train Operations, Traffic Management or Incident Management

Enquiries by Operators regarding Train operations, traffic management or Network Incident management in relation to line sections referred to in **clause 6.8** that are controlled by Rail Centre 1 Network Control Centre must be directed to:

Business Operations Shift Supervisor Brisbane  
Queensland Rail, GPO Box 1492, Brisbane Qld 4001

Enquiries by Operators regarding Train operations, traffic management or Network Incident management in relation to line sections that are controlled by Townsville Network Control Centre must be directed to:

Regional Transit Manager Townsville  
Phone: (07) 4772 8207  
Emergency Mobile Contact: 0428 878 545

### 6.10.2 Scheduling & Infrastructure Planning

Scheduling and infrastructure planning requirements for line sections referred to in **clause 6.8** that are controlled by Rail Centre 1 Network Control Centre or Townsville Network Control Centre are set out in the following documents:

- (a) Master Train Plan Protocols MD-11-945;
- (b) Daily Train Plan Protocols MD-11-947; and
- (c) Possession Planning Protocols MD-11-938.

The Operator must comply with the above documents.

Enquiries by Operators regarding scheduling or infrastructure planning in relation to line sections that are controlled by Rail Centre 1 Network Control Centre must be directed to:

Manager Business Operations South  
Queensland Rail, GPO Box 1492, Brisbane Qld 4001  
Phone: (07) 3072 0328

Enquiries by Operators regarding scheduling or infrastructure planning in relation to line sections referred to in **clause 6.8** that are controlled by Townsville Network Control Centre must be directed to:

Manager Business Operations South  
Queensland Rail, GPO Box 1492, Brisbane Qld 4001  
Phone: (07) 3072 0328  
and  
Manger Business Operations  
Townsville Station, Flinders Street  
Phone: (07) 47 72 820724

## 6.11 Network Control Boards – Mayne Network Control Centre

### 6.11.1 Train Operations, Traffic Management or Incident Management

Enquiries by Operators regarding Train operations, traffic management or Network Incident management in relation to line sections referred to in **clause 6.8** that are controlled by Mayne Network Control Centre should be directed to: Network Control Train Control Supervisor, Mayne

Phone: (07) 3072 8834

Emergency Mobile Contact: 0408 703 227

### 6.11.2 Scheduling

Scheduling requirements for line sections referred to in **clause 6.8** that are controlled by Mayne Network Control Centre are described in the following documents:

- (a) Master Train Plan Protocols MD-11-945; and
- (b) Daily Train Plan Protocols MD-11-947.

The Operator must comply with the above documents.

Enquiries by Operators regarding scheduling in relation to line sections referred to in **clause 6.8** that are controlled by Mayne Network Control Centre must be directed to:

- (c) for scheduling enquiries relating to MTPs, DTPs and infrastructure maintenance:

Manager Train Control and Planning

Queensland Rail, GPO Box 1492, Brisbane Qld 4001

Phone: (07) 47676037

- (d) for all other scheduling enquiries:

Manager, Business Operations South

Queensland Rail, GPO Box 1492, Brisbane Qld 4001

Phone: (07) 4767 6037 or (07) 3072 0328

## 7 Communication

### 7.1 Safety Notices

#### 7.1.1 Safety Alerts

If, in Queensland Rail's reasonable opinion, a safety Incident has or may occur that affects, or may affect, Queensland Rail or any Operator, then Queensland Rail must give the relevant Operator(s) notice of that Incident (**Safety Alert**).

A Safety Alert will provide details of the relevant safety Incident and indicate any requirements that must be complied with by the Operator(s).

On receipt of a Safety Alert, the Operator must ensure that all relevant Operator's Associates are made aware of the contents of the Safety Alert.

#### 7.1.2 Mandatory Safety Notices

Queensland Rail publishes Mandatory Safety Notices to its employees. Amongst the information set out in those Mandatory Safety Notices is information about permanent or temporary changes to safety requirements (including information relevant to safety Incidents).

Such a change is published in a Mandatory Safety Notices prior to the date on which the change takes effect.

However, if Queensland Rail is not issuing a Mandatory Safety Notice prior to a time when Queensland Rail considers that a relevant change needs to take effect, then Queensland Rail will include that change in the relevant Train Notice(s) (as required under **clause 7.1.3** below) and will subsequently publish the change in the next Mandatory Safety Notice.

On the same day that a Mandatory Safety Notice is given to Queensland Rail's employees, Queensland Rail will also make that Mandatory Safety Notice available to the Operator.

The Operator must ensure that each Operator's Associate is aware of, and complies with, the information in each abridged Weekly Notice relevant to that Operator's Associate's responsibilities and activities.

### 7.1.3 Train Notices

Queensland Rail may issue operational and safety instructions, information, requirements and messages to Operators (**Train Notices**). Typically, Train Notices will be issued daily, but can be issued as determined by Queensland Rail.

The Operator must ensure, as far as is reasonably practicable, that each Operator's Associate is aware of, and complies with, the information in each Train Notice relevant to that Operator's Associate's responsibilities and activities.

## 7.2 Document Control Procedures

- (a) Each Operator must notify Queensland Rail of the name, position and contact details for the Operator's Associate who, on behalf of the Operator, is responsible for document control in connection with the Operator's Access Agreement.
- (b) Queensland Rail must notify each Operator of the name, position and contact details for Queensland Rail's Associate who, on behalf of Queensland Rail, is responsible for document control in connection with each Operator's Access Agreement.
- (c) The Operator must ensure the ongoing distribution of this document, and all documents referred to in this document, to the relevant Operator's Associates.
- (d) Upon execution of each Access Agreement, Queensland Rail will issue to the Operator one electronic copy of each of the Safeworking Procedures and Safety Standards documents which Queensland Rail holds copies of. To the extent that Queensland Rail is aware of other Safety Standards documents which apply to an Operator's use of Queensland Rail's network, Queensland Rail will make the Operator aware of those documents. Queensland Rail will manage and distribute updates and revisions of these documents in accordance with AS/NZS 4292.1 Rail Safety Management provisions applying to document control.
- (e) Updates and revisions of the Queensland Rail Emergency Procedures, Queensland Rail's Investigation Procedures and Queensland Rail's Planning Protocols listed in **clause 6.10.2**, will be managed in the same way.

The Operator will be responsible for ongoing distribution of all documents to the relevant members of the Operator's Staff.

## 7.3 Cooperation between Parties

### 7.3.1 Operational Meetings

Each Operator must notify Queensland Rail of the name, position and contact details of the Operator's Associate who, on behalf of the Operator, will be the Operator's representative for operational meetings.

The Queensland Rail representative for an operational meeting is:

GM Train Control and Planning

Ph: 07 47676037

The Operator's representative and Queensland Rail's representative for operational meetings are required to meet, at a time and place agreed between the Operator and Queensland Rail, for the purposes of:

- (a) reviewing matters relating to Queensland Rail's performance and the performance of the Operator's Train Services to identify any remedial actions to prevent, minimise or mitigate any problems;
- (b) reviewing the reliability of the Operator's Trains and Queensland RAILS Network;
- (c) reviewing any relevant Operational Constraints;
- (d) investigating or reviewing breaches of any relevant Safeworking Procedures or Safety Standards (including those referred to in either the relevant IRMP or **clause 3** of this document); and
- (e) reviewing any other relevant operational matters in relation to the exercise of rights or compliance with obligations under the Operator's Access Agreement.

Either the Operator or Queensland Rail may, with the prior consent of the other (which consent is not to be unreasonably withheld), invite a guest to an operational meeting.

### 7.3.2 Contractual Meetings

The Operator must notify Queensland Rail of the name, position and contact details of the Operator's Associate who, on behalf of the Operator, will be the Operator's representative for contractual meetings.

The Queensland Rail representative for contractual meetings is:

Manager Access

Ph: (07) 3072 5196

The Operator's representative and Queensland Rail's representative for contractual meetings are required to meet, at a time and place agreed between the Operator and Queensland Rail, for the purposes of discussing or reviewing commercial and contractual matters.

Either the Operator or Queensland Rail may, with the prior consent of the other (which consent is not to be unreasonably withheld), invite a guest to a contractual meeting.

## 7.4 Government Supported Infrastructure

The parts of the Network that are highlighted in red in Diagrams 1 and 2 below are supported by government funding.

Diagram 1:

**QueenslandRail** **TRANSPORT SERVICE CONTRACT**  
(RAIL INFRASTRUCTURE) II - TRACK SECTION EXPIRATIONS

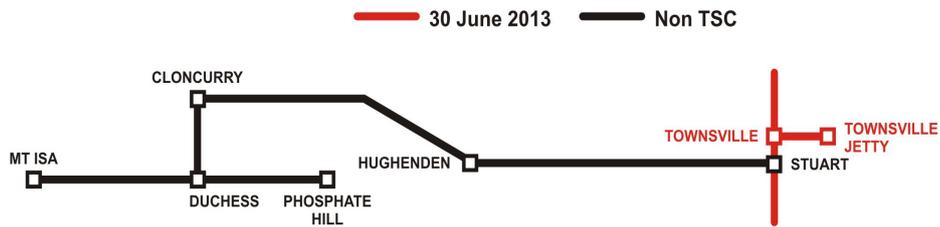
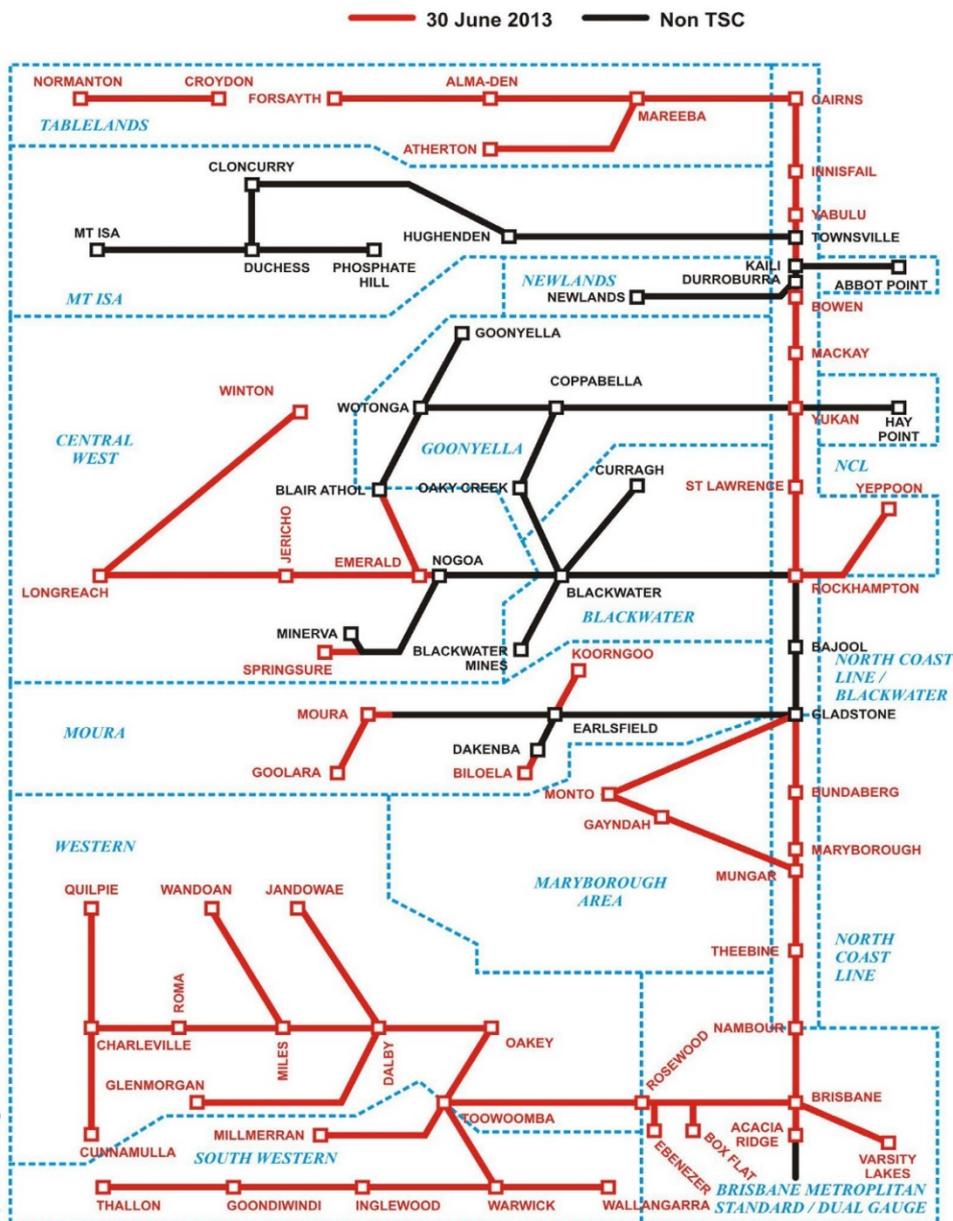


Diagram 2:

**QueenslandRail** **TRANSPORT SERVICE CONTRACT**  
(RAIL INFRASTRUCTURE) II - TRACK SECTION EXPIRATIONS



## 8 Further information

If you would like further information on, or have queries regarding the information in, this manual, please contact the General Manager Commercial and Rail Access of Queensland Rail by email at AARF.Freight@qr.com.au.

## 9 Glossary

### 9.1 Defined terms

Unless the context requires otherwise, terms used but not defined in this document shall have the meanings set out in the Standard Access Agreement.

|   |  |
|---|--|
| <b>Access Agreement</b>                 | As defined in the Undertaking.   |
| <b>ATT</b>                              | Authority to Travel.   |
| <b>Baseline Environmental Data</b>      | Data or information pertaining to the environmental management status of, or ongoing environmental risk related to, a particular section of the Queensland Rail Network prior to the execution of an Access Agreement (e.g. historical contaminated land, air quality, water quality, noise or biosecurity/pest management data).  |
| <b>Certification</b>                    | Has the meaning given to that term in clause 7.9(a)(i) of the Standard Access Agreement  |
| <b>Comparison Train Length</b>          | <p>The calculated Train length, for comparison with the loop length, to determine if the Train can effectively utilise the loop to cross another Train. It is defined as the static train length plus:</p> <ul style="list-style-type: none"> <li>• 2% of the static Train length for train handling allowance; and</li> <li>• 125mm per vehicle for coupler and drawgear tolerances,</li> </ul> <p>or such other allowance as can be reasonably substantiated as a prudent allowance.</p> |
| <b>Contamination</b>                    | Contamination as defined by the <i>Environmental Protection Act 1994</i> (Qld) where such contamination is likely to cause or does cause material environmental harm, serious environmental harm or environmental nuisance as those terms are defined in the <i>Environmental Protection Act 1994</i> (Qld).   |
| <b>Direct Traffic Control Territory</b> | That part of the Network for which Direct Traffic Control – MD-10-113 applies as set out in Operational Route Manual – MD-10-533.  |
| <b>DTMR</b>                             | Queensland Department of Transport and Main Roads.   |
| <b>DTP</b>                              | Daily Train Plan.  |
| <b>Emergency</b>                        | An actual or impending situation that may cause injury, loss of life, the destruction of property, harm to the environment. or cause the interference, loss or   |

|   |   |
|---|---|
| <b>Emergency Management Plan</b>        | <p>disruption of an organisation's normal business operations, to such an extent that it poses a threat.</p> <p>A plan (including any amendments from time to time) developed and maintained by Queensland Rail or the Operator which:</p> <ul style="list-style-type: none"> <li>(a) details procedures that are adequate to manage an Emergency, including all actions to be taken to prevent, minimise or mitigate any threat or danger to any person, property or the environment including: <ul style="list-style-type: none"> <li>(i) the matters outlined in this document that are relevant to the management of Emergencies; and</li> <li>(ii) any matters otherwise referred to in the Access Agreement for inclusion in a plan that details procedures to manage an Emergency (whether or not referred to as an Emergency Management Plan);</li> </ul> </li> <li>(b) is, at all times, compatible with the relevant Access Agreement and this document; and</li> </ul> |
|   | <p>is consistent with the degree of diligence, care, foresight, prudence and skill that would reasonably be expected from a competent, skilled and experienced person in the same type of undertaking in the same or similar circumstances.</p>   |
| <b>En Route Locomotive Provisioning</b> | The provisioning of a Train on the Network.   |
| <b>Environmental Management System</b>  | A management system that addresses all environmental risks and ensures compliance with all environmental Laws.  |
| <b>ETA</b>                              | Estimated Time of Arrival.  |
| <b>High Consequence Dangerous Goods</b> | As defined in Table 1.4.1 of the 18th Revised Edition of the United Nations Recommendations on the Transport of Dangerous Goods - Model Regulations, 2013.  |
| <b>Interface Standards</b>              | Queensland Rail's minimum requirements or standards relating to the interface between a Train and the Network (including to maintain agreed operating parameters – for example, axle load) with which the applicable Rolling Stock and Train Configurations must comply in order to operate on the Network. This includes the Interface Standards (MD-10-194), unless otherwise agreed or specified by Queensland Rail after reasonable consultation with the Operator.   |
| <b>Mandatory Safety Notice</b>          | A Queensland Rail internal weekly communication to its employees published on its intranet.   |

|  |   |
|--|---|
| <b>Notifiable Occurrence</b>               | A notifiable occurrence as defined in the RSNL.   |
| <b>Operating Plan</b>                      | As defined in the Undertaking.  |
| <b>Operator</b>                            | Any person who holds, or uses any other person's, rights of access to any part of the Network in relation to Train Services and any Accredited rail transport operator (as defined in the RSNL).  |
| <b>Operator's Controller</b>               | The person nominated by the Operator from time to time to perform Network Control duties on its behalf, including as set out in this ORM.   |
| <b>Recovery</b>                            | The action to be taken in respect of any derailed, malfunctioning or immobilised Train for which the Operator is responsible for ensuring the prompt recommencement of Train Movements, including the subsequent retrieval of any such Train.   |
| <b>Restoration</b>                         | The removal of any Obstruction, the rectification of any Network Incident and the prompt recommencement of Train Movements including all requisite repairs to the Network but excluding Recovery.   |
| <b>Safety Standards</b>                    | Means all standards relating to safety, including occupational health and safety, established in published guidelines, industry practice or Queensland Rail policies, and all standards relating to safety, including occupational health and safety, prescribed by Law.  |
| <b>Safeworking Procedures</b>              | Means the procedures and systems, including supporting communication systems, for the safe operation of Trains and protection of work sites on the Network.   |
| <b>Security Sensitive Ammonium Nitrate</b> | As defined in the Explosives Information Bulletin Number 53, 21 November 2008, Version 3 available at:<br><a href="https://www.dnrm.qld.gov.au/mining/safety-and-health/alerts-bulletins-search/alerts-bulletins/explosives/storage-req-security-sensitive-ammonium-nitrate-ssan">https://www.dnrm.qld.gov.au/mining/safety-and-health/alerts-bulletins-search/alerts-bulletins/explosives/storage-req-security-sensitive-ammonium-nitrate-ssan</a> |
| <b>Standard Access Agreement</b>           | The pro forma access agreement attached to the Undertaking.   |
| <b>TPO</b>                                 | Track Protection Officer.   |
| <b>TRA</b>                                 | Train Route Acceptance.   |
| <b>Train Notice</b>                        | A notice referred to in <b>clause 7.1.3</b> .   |

## 9.2 Construction

Unless expressed to the contrary, in this document:

- (a) “includes” means includes without limitation, and “including” means including without limitation;
- (b) a reference to:
  - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
  - (ii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced; and
  - (iii) this or any other document includes the document as varied or replaced; and
- (c) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

## Schedule H – Standard Access Agreement

## Schedule I – Extension Access Principles

### 1 Undertaking Premises

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- (a) Queensland Rail cannot be forced to fund an Extension other than in accordance with this Undertaking or the provisions of the Act regarding the determination of access disputes.
- (b) Queensland Rail should not be able to exploit its monopoly power.
- (c) Where Queensland Rail has elected, at their option, not fund an Extension, an:
  - (i) Access Seeker should have the right to fund an Extension to create the Additional Capacity required to accommodate its Access Application; or
  - (ii) Access Holder should have the right to fund an Extension to create the Additional Capacity to remedy or replace sections of the network damaged or destroyed by a Force Majeure Event;
  - (iii) Access Holder should have the right to fund an Extension to increase the Capacity in a System.

### 2 Undertaking Coverage

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- (a) Queensland Rail will undertake all Extensions of the Network under the auspices of this Undertaking and the QCA Act such that Queensland Rail will provide even-handed dealing with all Access Seekers, Access Funders and Access Holders.
- (b) Access Charges in respect of Access Rights which are able to be provided as a result of an Extension will be determined in accordance with the pricing rules incorporated in this Undertaking unless Queensland Rail and an Access Funder agree an alternative approach is appropriate in the circumstances.
- (c) The QCA has the role of making binding arbitration determinations in relation to access disputes between Queensland Rail and an Access Funder arising from negotiations on or under Extension and Funding Agreements (unless otherwise agreed).

### 3 Access Funder Rights and Responsibilities

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- (a) The Access Funder, at their option, can elect to
  - (i) undertake each Extension Stage with the assistance of Queensland Rail so that the Extension complies with the **clause 1.4** of the Undertaking;
  - (ii) require Queensland Rail to undertake each Extension Stage so that the Extension complies with the **clause 1.4** of the Undertaking; or
  - (iii) execute separate Funding Agreements with Queensland Rail for each Extension Stage.
- (b) Unless otherwise agreed between the parties, the Access Funder is required to fund all of Queensland Rail's costs related to the Extension including, but not limited to:

- (i) providing assistance to the Access Funder to develop the scope, standard and cost of the Extension at each stage of the Extension project.
  - (ii) undertaking an Extension study or investigation on behalf of the Access Funder at each stage of the Extension project.
  - (iii) constructing and commissioning an Extension.
- (c) Subject to **clause 6**, the Access Funder will absorb all costs incurred by the Access Funder that relate to the Extension and are assessed by the QCA (in accordance with **clause 1.4(f)** of the Undertaking) to be inefficient or not prudently incurred.

## 4 Queensland Rail Rights and Responsibilities

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- (a) Queensland Rail, at the request of an Access Funder, and in accordance with **clause 1.4(b)(iii)** of the Undertaking, will promptly:
- (i) provide the Access Funder with all reasonably required information on the Extension;
  - (ii) provide a first draft contract to underpin negotiations of a Funding Agreement; and
  - (iii) subject to executing a Funding Agreement in accordance with **clause 1.4(c)(ii)** of the Undertaking and as relevant to the Extension Stage being funded:
    - (A) provide all project assistance that is reasonably required by an Access Funder to develop an Extension to the required study standard;
    - (B) apply for any Authorisation, land tenure or land rights required for the Extension; and
    - (C) construct, commission and own the Extension.
- (b) No additional fees or on-costs may be charged by Queensland Rail in respect of the Extension unless there are additional costs or risks assumed by Queensland Rail which Queensland Rail would not have assumed but for the Extension. Queensland Rail must act reasonably in calculating any additional costs or risks and must provide reasonably satisfactory justification for the additional costs and/or risks.

## 5 Extension Stages

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- (a) Queensland Rail should collaborate with Access Funders in relation to key matters affecting the cost and timing of the Extension, including, but not limited to, project scope, standard, approvals, procurement strategy, cost, construction and timing.
- (b) Prior to the execution of a study Funding Agreement in relation to a Concept Study, Pre-feasibility Study, or Feasibility Study (as applicable), the:
- (i) Access Funder and Queensland Rail (each acting reasonably) must agree the scope of works to be delivered by Queensland Rail at the relevant study stage; and
  - (ii) Queensland Rail must provide an Access Funder with:

- (A) an estimate of the reasonable Extension Costs it expects to incur during the relevant Extension Stage;
  - (B) project controls to manage the timing and cost risks in the Funding Agreement; and
  - (C) a timetable for the completion of the scope of works.
- (c) Following the execution of a study Funding Agreement for a Concept Study, Pre-feasibility Study, or Feasibility Study (as applicable), Queensland Rail must expeditiously assist, investigate and/or undertake the studies for that Extension Stage that are funded by an Access Funder and report variations to the agreed timetable.
- (d) Prior to the execution of a Funding Agreement in relation to the construction and commissioning Extension Stage:
- (i) The Access Funder should be given the opportunity to collaborate with Queensland Rail in relation to key matters affecting the cost and timing of the Extension, including but not limited, project scope, standard, cost, procurement strategy, construction, and timing; and
  - (ii) the Access Funder and Queensland Rail, both acting reasonably, must agree:
    - (A) the Extension project scope to be delivered by Queensland Rail in constructing and commissioning the Extension;
    - (B) the procurement strategy to provide that the Extension project complies with the prudence tests contained in **Schedule E** of the Undertaking;
    - (C) the estimated cost of the construction project;
    - (D) the project timetable for the commissioning of the Extension;
    - (E) the inclusion of appropriate project controls and/or contract terms for the Access Funder to manage the timing and cost risks in constructing and commissioning the Extension;
    - (F) construction, operational, and other material arrangements reasonably required for the construction of the Extension; and
    - (G) rights of inspection and audit in relation to each party's compliance with the Funding Agreement.

## 6 Full Economic Benefit Transfer

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- (a) The capitalised cost of an Extension will include all costs expended by the Access Funder on the Extension in accordance with the Undertaking.
- (b) The capitalised cost of an Extension will be used to calculate the full economic benefit that is to be transferred from Queensland Rail to the Access Funder over the economic life of the Extension, regardless of whether or not the Access Funder remains an Access Holder over that time period.
- (c) The full economic benefit derived by Queensland Rail as a result of the capital contribution comprises:
  - (i) an amount equal to the return on and of the capital component of Access Charges from any Access Holders that utilise the Capacity created by an Access Funder's contributed asset (with Queensland Rail being entitled to receive an

- amount equal to the components of Access Charges based on managing, maintaining and operating the network and their contribution to the capital cost of the Extension); and
- (ii) any tax or other financial benefit accruing to Queensland Rail as legal owner of the Rail Transport Infrastructure covered by the Access Funding Condition, where the risks have been transferred to the Access Funder as a result of the Access Funding Condition.
- (d) Unless otherwise agreed by the Access Funder, the Funding Agreement should be such that Queensland Rail receives no benefit (tax or cash flow) from the Access Funder's contributed asset, with Queensland Rail retaining only the portion of Access Charges related to its operating and maintenance costs.
  - (e) For clarity, where the Access Charges from the contributed asset are not sufficient to cover both the return to the Access Funder, and the operating and maintenance costs for that section of the network, Queensland Rail should only be obliged to return the amount it has received from Access Charges net of the operating and maintenance costs in any given year (with Access Holders that continue to use the relevant Rail Transport Infrastructure receiving priority over Access Holders that have ceased using it, where Access Charges are not sufficient to cover all returns of capital).

## 7 Multiple and Subsequent Access Funders

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- (a) If a number of Access Funders fund an Extension, the Access Funders should have the right to contract for Access Rights for the Additional Capacity up to the proportion of the funding that they provided at the commencement of the Extension. Any uncontracted Additional Capacity would then be available for contracting as per the terms of the Undertaking.
- (b) Where an Extension has been, or is being, funded by an Access Funder (**First Party**) and a subsequent party lodges an Access Application for Access Rights that were, or are being, created as a result of that funding by the First Party (**Subsequent Party**), Queensland Rail will:
  - (i) take into account advice from the First Party to determine, acting reasonably, whether to apply similar funding requirements in its negotiations with the Subsequent Party;
  - (ii) require the Subsequent Party to execute a Funding Agreement to share responsibility in respect of part of the funding originally borne by the First Party where it is reasonable for the Subsequent Party to do so; and
  - (iii) re-negotiate the terms of the First Party's Funding Agreement to reflect the fact that the Subsequent Party is sharing the responsibility that was originally borne by the First Party, if **paragraph (ii)** above applies.
- (c) For the purposes of determining whether this clause applies to a Subsequent Party, a Subsequent Party will be deemed to use the funded Extension, if the Subsequent Party's Train Service would have required Additional Capacity if the funded Extension had not been built.

## 8 Funding Agreement Terms and Conditions

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### 8.1 Allocation of Contract Risks

- (a) The identification, allocation and management of risks should be balanced and contract risks should be allocated to the party best placed to manage the risk.
- (b) An appropriate balancing of risks in a Funding Agreement should recognise the following risk positions of the parties in an Extension undertaken:
  - (i) a Funding Agreement is only required if Queensland Rail elects, at its option, to not fund an Extension;
  - (ii) apart from funding an Extension, an Access Funder has to comply with the Undertaking; and
  - (iii) the Undertaking gives Queensland Rail responsibility for:
    - (A) approving the efficient scope and standard of an Extension;
    - (B) efficiently constructing and owning the Extension; and
    - (C) operating and maintaining the Network, inclusive of the Extension; and
- (c) A balancing of risks in a Funding Agreement should provide appropriate project controls for the Access Funder to manage the cost and timing risks that it has accepted in funding an Extension to accommodate its request for Access.

### 8.2 Security

- (a) As per **clause 1.4(a)(ii)(B)** of the Undertaking, Queensland Rail may require the Access Funder to provide a bank guarantee in support of its commitments under a Funding Agreement.
- (b) Any required bank guarantee should reflect the cash flow risk that Queensland Rail has taken on in the Extension and may provide the ability for Queensland Rail to issue 3-6 month 'cash calls' in advance to cover Queensland Rail's costs during construction of the Extension.
- (c) Where an Access Funder defaults on a cash call, Queensland Rail is entitled to:
  - (i) require some form of security deposit equivalent to its financial exposure, where the default was not attributable to a legitimate Dispute; and
  - (ii) stop all construction activities until the default has been remedied.
- (d) An Access Holder paying a cash security deposit should be credited with interest on the security at a market-based rate for as long as it is held by Queensland Rail.
- (e) The Access Funder shall not be entitled to commence Train Services specified in the Access Agreement unless and until all provisions of the Funding Agreement are completed or complied with. Queensland Rail will use all reasonable endeavours to facilitate the Access Funder's completion or compliance with such provisions.

### 8.3 Infrastructure Management

Queensland Rail is responsible for the management, operation and control of the Extension during construction and commissioning, in accordance with the Undertaking.

#### **8.4 Insurance**

Insurances are to be effected by the parties to appropriately provide for the relevant insurance risks in the construction of the Extension.

#### **8.5 Indemnities and Liabilities**

Each party is liable for, and is required to release and indemnify each other for, all claims in respect of personal injury, death or property damage caused or contributed to (to the extent of the contribution) by the wilful default or negligent act or omission of that party or its staff.

#### **8.6 Limitation of Liability**

- (a) The liabilities of the parties for default shall be limited as agreed in the Funding Agreement.
- (b) The Funding Agreement will specify the circumstances in which each party has a claim against the other party for delays in the Extension project caused by breach of the Funding Agreement or negligence by the other party.
- (c) Claims by either party must be lodged within twelve months of the occurrence of the event or circumstance giving rise to the claim.

#### **8.7 Default, suspension and termination**

The Funding Agreement will specify reasonable events of default and mutual rights of suspension and termination having regard to the commercial interests of both parties.

#### **8.8 Force Majeure Event**

- (a) The obligations of either party (other than an obligation to pay monies outstanding) will be suspended whereby reason of a Force Majeure Event that party is delayed in, or prevented from, carrying out its obligations under the Funding Agreement.
- (b) The Funding Agreement will provide for a process that might result in termination of the Funding Agreement if circumstances of a prolonged Force Majeure Event prevent the performance by a party of its obligations.

#### **8.9 Assignment**

On commissioning of the Extension, the Access Funder may assign the whole of its Economic Benefit Transfer calculated in accordance with **clause 6**, under the Funding Agreement to another person, with the prior written consent of Queensland Rail (such consent not to be unreasonably withheld).

#### **8.10 Representation and warranties**

The Funding Agreement may set out representations and warranties given by both the Access Funder to Queensland Rail and Queensland Rail to the Access Funder.

#### **8.11 Confidentiality**

The Funding Agreement must not prevent an Access Funder from referring any issue, regardless of confidentiality, to the QCA for review in accordance with the dispute resolution processes under the QCA Act and Undertaking (as applicable).

## **8.12 Material Change**

- (a) Extension Costs may need to be adjusted to reflect the net impact of any material change where such material change results in a variation to the net cost of Queensland Rail performing its obligations under the Funding Agreement.
- (b) A material change will be defined in the Funding Agreement and should be limited to changes in taxes, laws or approvals and are to be assessed on a case-by-case basis in consultation with the Access Funder.

## Schedule J – QCA Levy

### 1 Allocations Across Systems

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For the purpose of **clause 3.8** the aggregate QCA Levy for a Year will be allocated between Train Services in the following proportions.

- (a) 64.4% for coal carrying Train Services on the West Moreton System;
- (b) 19.7% for freight and mineral Train Services on the Mt Isa Line System;
- (c) 14.5% for freight and mineral Train Services on the North Coast Line System and West Moreton System; and
- (d) 1.3% for long distance passenger Train Services.

### 2 Allocations Within Systems

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For the purpose of **clause 3.8**:

- (a) the QCA Levy allocated to coal carrying Train Services on the West Moreton System will be allocated between Train Services based on tonnes transported and will be expressed as an amount per tonne;
- (b) the QCA Levy allocated to freight and mineral Train Services on the Mt Isa Line System will be allocated between Train Services based on gross tonne kilometres and will be expressed as an amount per gtk;
- (c) the QCA Levy allocated to freight and mineral Train Services on the North Coast Line System and West Moreton System will be allocated between Train Services based on gross tonne kilometres and will be expressed as an amount per gtk; and
- (d) the QCA Levy allocated to long distance passenger train services will be allocated based on kilometres travelled and will be expressed an amount per track kilometre.