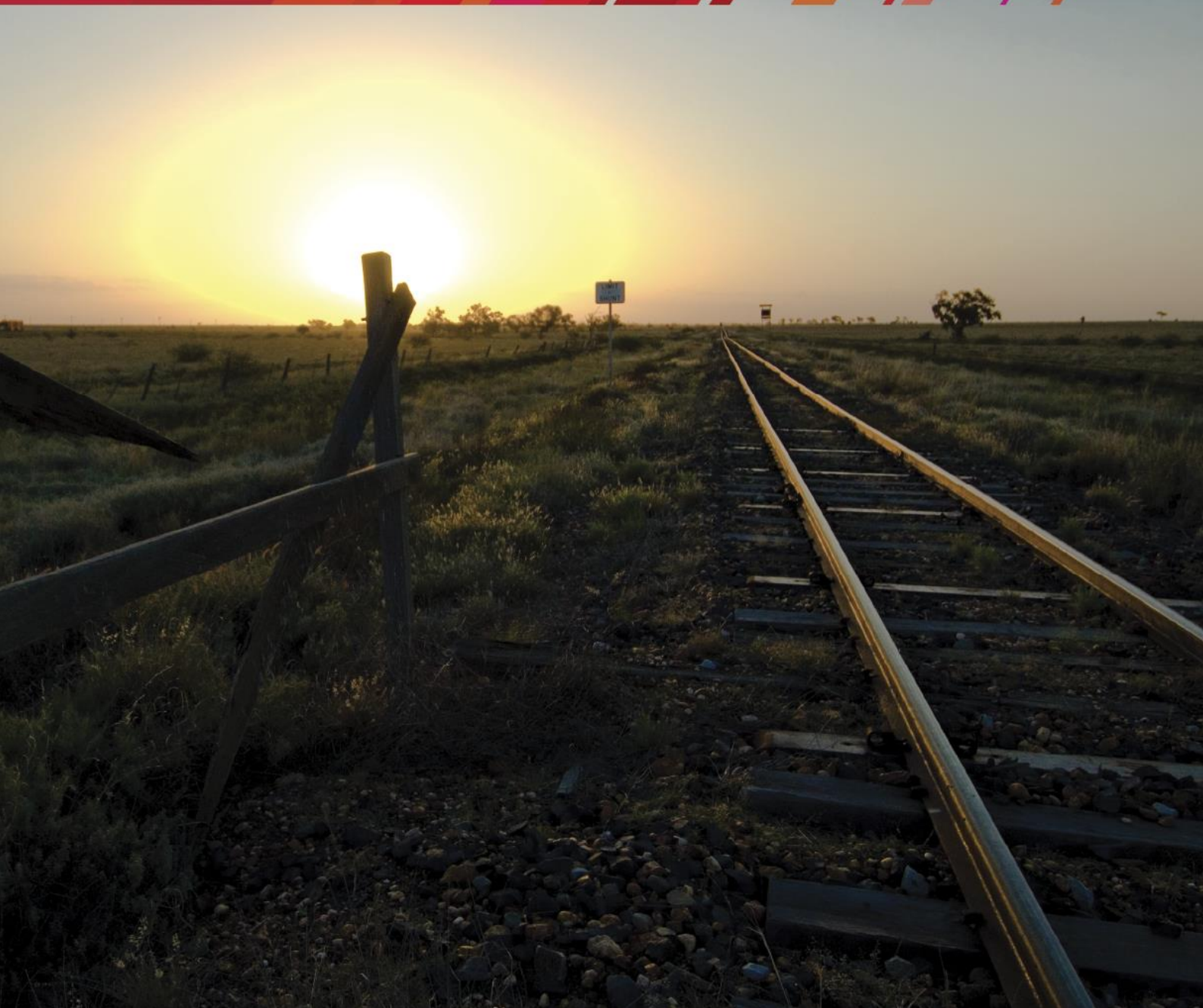


2016–17 Annual Performance Report

Queensland Rail Access Undertaking 1

December 2017



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Introduction



Queensland Rail manages an open access, multi-user rail network, providing more than 6500 kilometres of track throughout Queensland, including 5700 kms of track in regional Queensland (see Map 1 – Queensland Rail’s Regional Rail Network).

Queensland Rail contracts with third party train operators and end users to provide access to its rail infrastructure. Queensland Rail’s rail infrastructure is used to convey passenger and freight services across Queensland to support the state’s economy in the tourism, mining, agriculture, construction, wholesale and retail sectors.

Access to Queensland Rail’s Below Rail infrastructure is regulated by *Queensland Rail’s Access Undertaking 1 (AU1)*, which is approved by the Queensland Competition Authority (QCA).

AU1 reporting requirements

AU1 requires Queensland Rail to prepare an Annual Performance Report within four months of the end of the subject year, or such longer time as agreed by the QCA.¹

As required by clauses 5.2, 6.4(c) and (f) of AU1, this report contains information about:

- Queensland Rail’s compliance with the negotiation process requirements of AU1 during 2016–17
- maintenance, operating and capital expenditure for the West Moreton Network for 2013–14 to 2016–17, as well as volumes moved on the West Moreton Network by commodity
- maintenance, operating and capital expenditure for the Mount Isa, North Coast and Metropolitan Networks for 2016–17 as well as volumes moved on the Networks by commodity.

¹ In May 2017, the QCA approved the extension of the date for the public release of the 2016–17 Annual Performance Report to 31 December 2017 to align the report with the public release of Queensland Rail’s Below Rail Financial Statements.

Map 1: Queensland Rail's Regional Rail Network



Source: Queensland Rail

Negotiation process — 2016–17

Queensland Rail is required to report on a various measures across the access negotiation process, including capacity information requests, access applications, Indicative Access Proposals (IAPs), negotiation cessation notices and access agreements.

AU1 requires Queensland Rail to report on information from 11 October 2017. Queensland Rail has elected to include information about Access Applications for 2016–17 (including for the period 1 July 2016 to 10 October 2016) for comparative purposes. AU1 made changes the requirements on Queensland Rail for the negotiation process, including the identification of an Access Application.

Performance measures

1. Request for Capacity Information		
Capacity Information provided by Queensland Rail	Number of requests	0
	Average time (business days) to provide the information	N/A
2. Access Applications		
Access Applications acknowledged within 5 Business Days ²	Number of Access Applications	19 ³
	% of Access Applications	90
Access Applications not acknowledged within 5 Business Days	Number of Access Applications	2
	Average Delay (Business Days)	2
3. Pre-Negotiations		
Indicative Access Proposals (IAP) provided within 20 Business Days or within the agreed extension timeframe	Total Number	17
Number of notice of Intentions to negotiate provided by an Access Seeker within the following timeframes from the date of Queensland Rail issuing the IAPs	Within 10 Business Days	6
	Between 10 and 20 Business Days	3
	Between 21 and 40 Business Days	2
	More than 40 Business Days	2
4. Disputes		
Disputes referred to the agreed dispute resolution process	Number	1
Disputes referred to the agreed dispute resolution process and determined in favour of the Access Seeker	Number	0 ⁴

² This information includes acknowledgements responding to the receipt of a properly completed Access Application and to the additional or clarified information sought by Queensland Rail under clause 2.3.1 in respect of an Access Application.

³ Queensland Rail received a further seven incomplete Access Applications for which additional information was sought but no further information provided.

⁴ This matter had not been resolved as at 30 June 2017, but has since been decided in the Access Seeker's favour.

5. Cessations		
Access Applications where Queensland Rail has issued a Negotiation Cessation Notice	Number	0
Percentage of Access Applications in which a Negotiation Cessations Notice was issued	%	0
6. Access Agreements		
Access Agreements executed by Queensland Rail	Number	41 ⁵
The number of Access Agreements (<i>excluding agreements which extend or renew an Access Holder's Access Rights that existed immediately prior to execution of the agreement</i>) executed by Queensland Rail for which the negotiation period was:	Number	4
	3 months or less	2
	more than 3 months but not more than 6 months	1
	more than 6 months but not more than 12 months	1
	more than 12 months	0

Performance measures explained

Performance Measure 1 — Requests for Capacity Information Clause 5.2.2 (a)

Clause 2.1.2(b) of AU1 states that 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 ten Business Days after receiving that request.

Performance Measure 2 — Access Applications Clause 5.2.2 (b)—(c)

This measure reports the number and percentage of Access Applications acknowledged in accordance with AU1 and within the applicable timeframe nominated in clause 2.3.2.

Clause 2.3.2 of AU1 requires that, within five Business Days after the later of the receipt of:

- (a) an Access Application; or
- (b) the additional or clarified information required under clause 2.3.1 in respect of that Access Application,

Queensland Rail will give the Access Seeker a written acknowledgement of receipt of the Access Application.

Requests for additional information or clarification by Queensland Rail under clause 2.3.1 of AU1 are not included in this KPI.

The calculation of the 'average delay' excludes the first five business days where the Access Application acknowledgement was still on time, with the calculation only including the additional days after the on-time period. This provides the average business day delay.

⁵ Access agreements executed includes all access agreements signed for the financial year. This includes extensions (including short term) and amendments to existing agreements which may not have required the submission of an access application and for which an IAP would not have been required.

Performance Measure 3 — Pre Negotiations Clause 5.2.2 (d)

Clause 2.4.1 of AU1 sets a time period of 20 Business days in which Queensland Rail is to provide an Indicative Access Proposal after acknowledging a completed Access Application.

Clause 2.5.1 of AU1 provides that if an Access Seeker intends to start the Negotiation process and proceed with its Access Application on the basis of the relevant Indicative Access Proposal, it must provide Queensland Rail written notice of its intention to do so as soon as reasonably possible.

This measure indicates the number of Indicative Access Proposals provided by Queensland Rail within 20 Business Days as well as the time taken for the relevant Access Seekers to provide their notice of their Intention to Negotiate.

Performance Measure 4 — Disputes 5.2.2 (e)

This measure reports on total disputes in the subject Year and the number of these where the Access Seeker has been successful. Refer to clause 6.1 of AU1 for detailed information on the dispute resolution process.

Performance Measure 5 — Cessations Clause 5.2.2 (f)

Clause 2.8.1(a) of AU1 provides a number of scenarios in which Queensland Rail may at any time give an Access Seeker notice that it does not intend to enter into an Access Agreement with the Access Seeker (a Negotiation Cessation Notice).

This measure indicates the number and percentage of Negotiation Cessation Notices provided by Queensland Rail. Examples of where a Negotiation Cessation Notice may be given include where, Queensland Rail (acting reasonably) is of the opinion that:

- (a) there is no reasonable likelihood of material compliance by the Access Seeker with the terms and conditions of an Access Agreement; or
- (b) the Access Seeker has no genuine intention of obtaining, or has no reasonable likelihood of using, the Access Rights requested.

Refer to clause 2.8 of AU1 for information relation to the negotiation cessation process.

Performance Measure 6 — Access Agreements Clause 5.2.2(g)—(h)

This measure shows the total number of Access Agreements executed by Queensland Rail.

The measure shows number of new Access Applications that have resulted in an Access Agreement being executed by Queensland Rail and the negotiation period for the execution. This measure does not include agreements which extend or renew an Access Holder's Access Rights that existed immediately prior to execution of the agreement.

West Moreton Network



Clause 5.2.2 (i) of AU1 requires Queensland Rail to report on a range of measures for the West Moreton Network. The measures to be reported on include:

- maintenance costs and scope of any maintenance performed compared with the maintenance forecasts used to develop the reference tariff
- operating expenditure compared with the forecasts used to develop the reference tariff
- the capital investment in the relevant financial year and the roll-forward of the relevant Regulatory Asset Base
- the aggregate gross tonne kilometres (gtk) for Train Services of the type to which the Reference Tariff applies
- volumes for non-passenger Train Services including the aggregate Train Paths used by those Train Services, the aggregate net tonnes; and the aggregate gross tonne kilometres, broken down by commodity where appropriate; and for passenger Train Services, the aggregate Train Paths used by those Train Services.

The 2016–17 Below Rail Financial Statements provides the comprehensive details about the revenue and expenditure for the major Regional Networks.

Section 6.4 (f) of AU1 also requires Queensland Rail to report on actual maintenance, changes in the regulatory asset base; and system volumes for the period 1 July 2013 to 30 June 2016.

Maintenance costs and scope

Maintenance costs

Queensland Rail's total maintenance cost for 2016–17 was forecast by the QCA to be \$21.1 million, compared to actual maintenance expenditure of \$22.9 million. Figure 1 shows actual maintenance costs compared to the QCA forecast maintenance costs and actual maintenance costs from 2013–14 to 2016–17.

Figure 1: West Moreton QCA forecast and actual maintenance costs — 2013–14 to 2016–17 (\$ million)

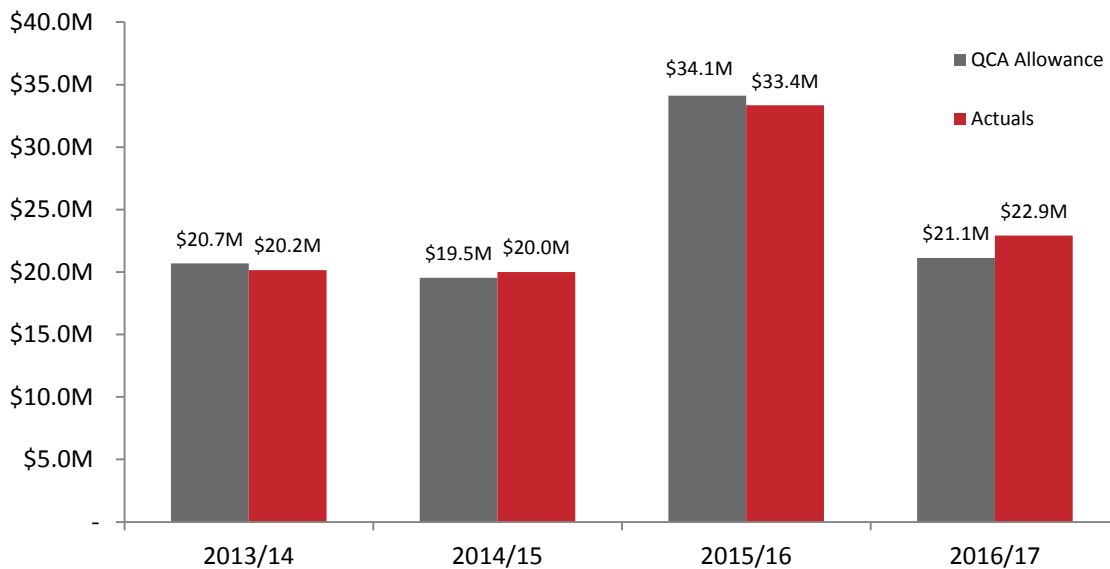
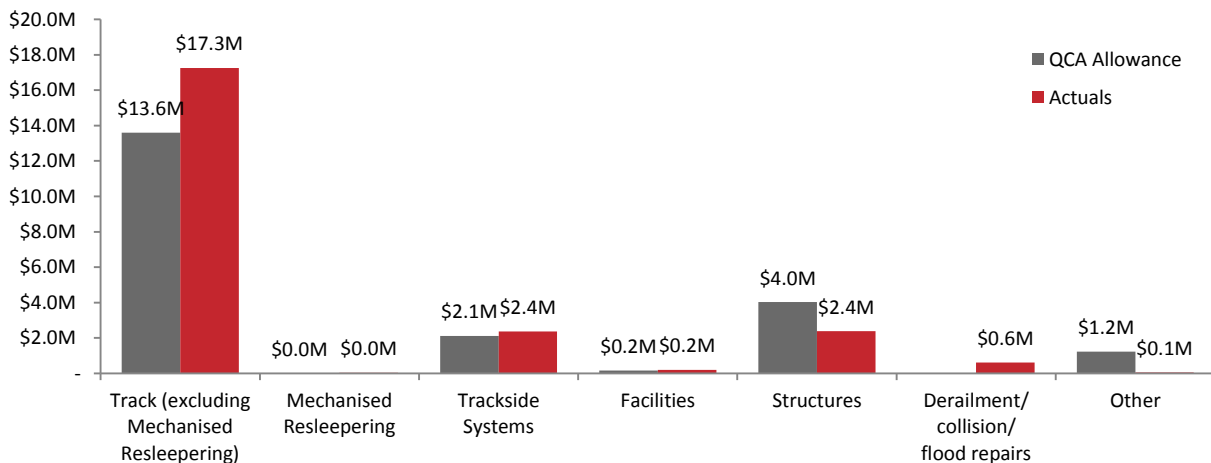


Figure 2 provides the breakdown of the maintenance costs in the relevant categories for 2016–17.

Figure 2: West Moreton QCA forecast and actual maintenance costs by category — 2016–17 (\$ million)



Track

Track maintenance includes rail, ballast, sleepers and formation. The main track-related activities performed in 2016–17 included:

- Periodic inspections
- General repairs, including replacement of defective components
- Sleeper replacement
- Ballast renewal
- Mechanised rail grinding
- Rail lubrication and joint management, including welding/destressing
- Track resurfacing and geometry recording
- Ballast undercutting and re-profiling
- Fire and vegetation management and control

Expenditure on track maintenance in 2016–17 was \$3.7 million higher than the QCA forecast maintenance allowance. The higher costs were largely due to \$3.1 million on mechanised resurfacing, compared to the \$2.6 million included in the QCA forecast maintenance allowance and \$2.4 million was spent on ballast undercutting, with no maintenance cost allowance provided for this activity.⁶

Table 1 shows the estimated scope of maintenance and actual maintenance by major function for 2016–17.

Table 1: Forecast and scope maintenance 2016–17

	Estimated	Actual
Mechanised resurfacing	227 km	291.123 km
Ballast Undercutting	Nil	10.923 km
Ballast maintenance	7500 m ³	9912 m ³
Minor yard maintenance	10 km	n.a. ⁷
Rail renewal	2 km	0.648 km
Rail stress adjustment	32 km	25.888km
Rail grinding (Mainline)	65 km	63km
Rail grinding (Turnouts)	13	13

Source: QCA, Queensland Rail

Trackside systems

Trackside system assets include signalling (interlocking, train detection, level crossings and power supplies) telecommunications (radio and transmission) and traction power assets (overhead, switchgear and transformers).

⁶ The QCA's Final Decision on the Queensland Rail Access Undertaking (June 2016) concluded that ballast undercutting should be treated as capital expenditure. Queensland Rail has included the \$2.4 million in ballast undercutting expenditure in its 2013–14 to 2016–17 Capital Expenditure Submission.

⁷ Difficult to measure and report on Minor Yard Maintenance with respect to linear length (km), however Queensland Rail spent \$238,545 compared to the \$50,000 estimated by the QCA.

The main activities performed in 2016–17 were the periodic inspections and general repairs, including the replacement of defective components.

Facilities

Facilities costs are for the maintenance of water, power and lighting facilities in below rail yards and the maintenance of infrastructure depots and associated amenities. The main activities performed in 2016–17 were the periodic inspections in compliance with Network's obligations as an asset manager and general repairs, including the replacement of defective components. There was no material variation between the forecast costs of trackside system maintenance on the West Moreton Network and actual costs in 2016–17.

Structures

Structures include bridges (concrete, steel or timber) and culverts/drains. The main structures-related activities performed in 2016–17 were:

- Periodic inspections
- General repairs, including replacement of defective components
- Bridge bearing replacement
- Pier replacement

Maintenance costs relating to structures on the West Moreton system were \$1.6 million lower than forecast in 2016–17. This is primarily due to the QCA spreading the estimated cost of repainting of the Lockyer Creek Bridge over three years and making the assumption that work would commence in 2016–17, rather than applying Queensland Rail's assumption that all work would occur in 2017–18. The QCA included \$1.9 million for repainting of the Lockyer Creek Bridge in its forecast maintenance costs for 2016–17.

Derailment/Floods

No budget was allocated for derailments or flooding. Two derailments and some localised minor flooding occurred during the year, with the costs of repairs \$0.6 million.

Other

Other includes inventory, consulting/technical advice, project management and asset management. There was limited spend of this nature in 2016–17 that was not directly attributable to the above maintenance activities.

Operating Expenditure

Queensland Rail's total operating expenditure for 2016–17 was forecast by the QCA to be \$7.2 million. This compares to actual operating expenditure of \$8.1 million. Figure 3 shows the West Moreton QCA forecast operated expenditure and actual operated expenditure for the period 2013–14 to 2016–17.

Figure 3: West Moreton QCA forecast and actual operating expenditure — 2013–14 to 2016–17 (\$million)

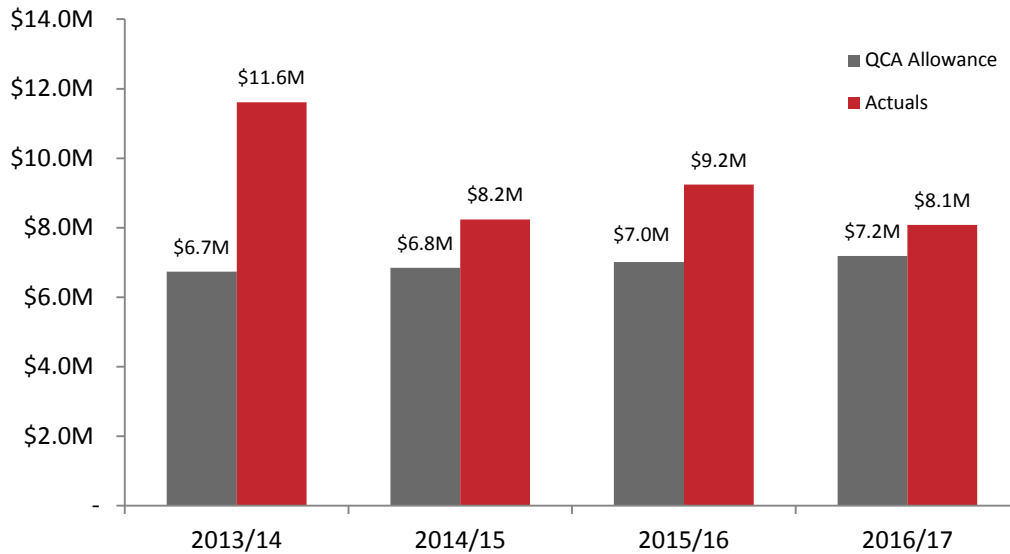
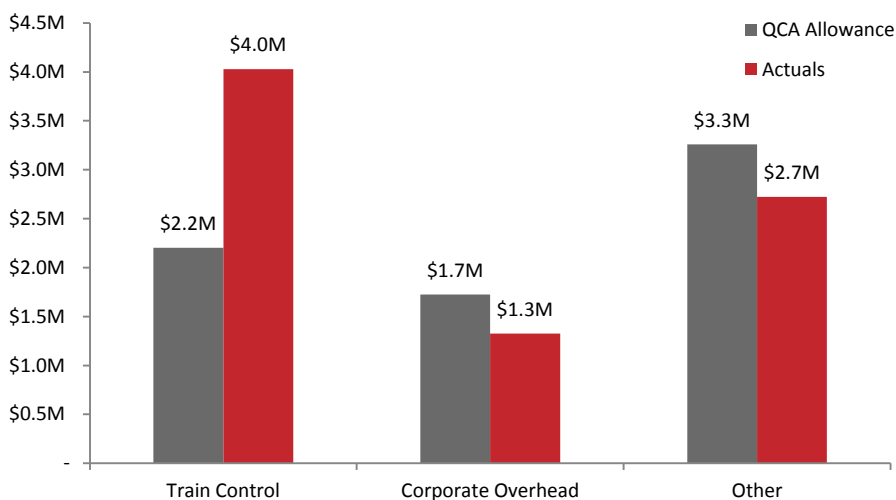


Figure 4 provides the breakdown of the operating expenditure in the relevant categories for 2016–17. Higher train control costs than those estimated by the QCA has been the main reason for operated expenditure exceeding the QCA forecast.

Figure 4: West Moreton QCA forecast and actual operating expenditure by category — 2016–17 (\$ million)



Capital Investment and RAB roll-forward

Total capital investment for 2016–17 on the West Moreton Network was \$27.4 million including expenditure on the following projects:

- Relay Oakey to Jondaryan \$5.3 million
- Toowoomba Range Clearance upgrade \$3.8 million
- West Moreton Formation Strengthening \$3.8 million
- Check Rail Curves — Toowoomba and Little Liverpool Range \$2.6 million
- Timber Bridge Elimination — West Moreton \$2.3 million

Queensland Rail is submitting a separate 2013–14 to 2016–17 Capital Expenditure Report for the QCA to assess the assets it considers should be rolled into the RAB for the period.

Volumes

Aggregate gross tonne kilometres (gtk) on the West Moreton Network for 2016–17 was 2.4 billion. Table 2 provides a summary of Train Paths, net tonnes and gtk by commodity for the West Moreton Network.

Table 2: West Moreton Network volumes 2016–17, by commodity

Measure	Minerals	Intermodal ⁸	Other Bulk	Agriculture ⁹ (unprocessed)	Coal	Passenger	Other
NT('000s)	0.0	0.2	0.0	589	5,947	0	38
GTKs (million)	0.0	0.1	0.0	157	2,208	17	12

Table 3 shows coal volumes moved on the West Moreton and Brisbane Metropolitan Network for 2013–14 to 2016–17.

Table 3: West Moreton and Brisbane Metropolitan Network coal volumes 2013–14 to 2016–17

Measure	2013–14	2014–15	2015–16	2016–17
Train Paths	7,448	6,905	6,361	6,604
NT('000s)	7,724	6,704	6,331	6,370
GTKs (million)	3,680	3,348	3,171	3,302

⁸ Intermodal freight includes: Containerised intermodal

⁹ Agriculture (unprocessed) includes: livestock, grains, cotton

Other Regional Networks



Queensland Rail is required to report on a range of measures for each major Regional Network where there is no reference tariff (ie. excluding the West Moreton Network). AU1 defined the Regional Networks as Mount Isa, North Coast and Metropolitan.

The measures to be reported on include:

- maintenance costs of the Regional Network and scope of maintenance performed
- operating costs of the Regional Network
- the capital investment in the previous financial Year and expected capital investments over the next one and four years
- volumes for non-passenger Train Services including the aggregate Train Paths used by those Train Services, the aggregate net tonnes; and the aggregate gross tonne kilometres, broken down by commodity where appropriate; and for passenger Train Services, the aggregate Train Paths used by those Train Services.

The 2016-17 Below Rail Financial Statements, prepared consistent with the Costing Manual 2017 provides the details about the revenue and expenditure for the major Regional Networks.

Below Rail Financial Statements for the Mount Isa Line 2016–2017

The 2016–17 Below Rail Financial Statements show total Earnings Before Interest and Tax of \$25.01 million for the Mount Isa Line. This is equivalent to a return on assets (ROA) of 10% ROA when compared to the Queensland Rail book value of total assets on the Mount Isa Line of \$250.069 million as at 30 June 2017. The book value for this line has reduced substantially over time and the ROA on book value should not be used when comparing the regulated returns that would be set by the QCA.

To make a like-for-like comparison between the return on the Mount Isa Line and the return on assets regulated by the QCA would require the Mount Isa Line assets to be valued in the same way. The modified Depreciated Optimised Replacement Cost (DORC) valuation for the Mount Isa Line (the methodology the QCA applied to the West Moreton regulated asset base) was estimated at \$1.343 billion as at 1 October 2016.

Maintenance costs and scope

Maintenance costs

Table 4 summarises maintenance costs by Regional Network and category of work performed.

Table 4: Maintenance costs by Regional Network and Category 2016–17 (\$ million)

Network	Track (excl. Mechanised Resleeping)	Mechanised Resleeping	Trackside Systems	Facilities	Structures	Other works	Derailment/ Collision/ Flood Repair	Total
Mount Isa	35.9	0.0	2.8	0.1	0.7	0.4	2.7	42.6
North Coast	55.2	2.3	17.4	0.4	13.5	1.6	4.1	94.4
Metropolitan	96.0	0.5	26.6	1.3	14.4	10.9	0.8	150.4

Notes:

- Mount Isa — extends from Stuart (near Townsville) to Mount Isa and includes the Phosphate Hill branch
- North Coast includes North Coast (North) and North Coast (South).
 - North — extends from Rocklands to Cairns, excluding the track which is between Durrobbara to Kaili (which is part of Aurizon’s Newlands Coal system) and branch lines
 - South — extends from Nambour to Parana and includes the Maryborough branch line.
- Metropolitan system is the centralised network radiating from the Central Business District to Nambour in the north, Cleveland to the east, Varsity Lakes to the south and Rosewood to the west.

Maintenance scope performed 2016–17

Track

Track includes rail, ballast, sleepers and formation. The main track-related activities performed in 2016–17 included:

- Periodic inspections
- General repairs, including replacement of defective components
- Sleeper replacement
- Ballast renewal
- Mechanised rail grinding
- Rail lubrication and joint management, including welding/destressing
- Track resurfacing and geometry recording
- Ballast undercutting and re-profiling
- Fire and vegetation management and control

Table 5 shows the estimated scope of maintenance by function and Network for 2016–17.

Table 5: Maintenance scope by major function 2016–17

	Mount Isa	North Coast	Metropolitan
Mechanised resurfacing km			
Mainline (km)	700 km	300 km	468 passenger km
Turnouts (Number)	70	20	227
Mechanised re-sleepering (Number sleepers)	1,240 (concrete)	5,200 (timber)	800
Ballast maintenance (m ³) ¹⁰	46,080 m ³	10,550 m ³	Nil
Distance (km)	(92.160 km)	Not available	
Ballast undercutting (km) ¹¹	14.3 km	4.2 km	9.0 km
	(24,000 m ³)	(6,000 m ³)	
Rail renewal (rail km) ^{12,13}	23.3 km	4.7 km	Nil
Rail stress adjustment (Km)	14.5 km	17.2 km	0.5 km
Rail grinding			
Mainline (track km)	290 km	397 km	481 km
Turnouts (Number)	45	82	209

¹⁰ In the Metropolitan network, ballast undercutting was performed as part of the capital program

¹¹ Km which is not resurfacing

¹² Maintenance only

¹³ In the Metropolitan network, rail renewal was performed as part of the capital program

Mechanised re-sleeping

Mechanised re-sleeping is track-related maintenance, involving the use of dedicated machines to replace large volumes of life-expired sleepers. Specific 2016–17 scopes completed included:

- Cairns to Kuranda
- Townsville to Cairns
- Mackay Harbour.

Trackside systems

Trackside systems assets include signalling (interlocking, train detection, level crossings and power supplies) telecommunications (radio and transmission) and traction power assets (overhead, switchgear and transformers).

The main activities performed in 2016–17 were the periodic inspections in compliance with Network's obligations as an asset manager and general repairs, including the replacement of defective components.

Structures

Structures include bridges (concrete, steel or timber) and culverts/drains. The main structures-related activities performed in 2016–17 were:

- Periodic inspections
- General repairs, including replacement of defective components
- Camera-operated culvert inspections and repairs within the metropolitan area
- Bridge painting of steel bridges including Albert and Merivale bridges in the metropolitan area
- Bridge bearing replacement
- Pier replacement.

Facilities

Facilities costs are for the maintenance of water, power and lighting facilities in below rail yards and the maintenance of infrastructure depots and associated amenities. The main activities performed in 2016–17 were the periodic inspections and general repairs, including the replacement of defective components.

Other works

Other Works includes all works not costed in any of the work categories specified above including audits and inspections and associated facilities and telecommunications works.

Derailments/Collisions/Flood Repairs

Derailments/Collisions/Flood Repairs in 2016–17 included the following works

- Reinstatement of washouts and repair of level crossings on the North Coast Line south of Ayr from Cyclone Debbie that crossed the Queensland coast near Bowen in March 2017

- Reinstatement of the track following two derailments near Julia Creek on 27 December 2015 and 2 July 2016.

Operating costs

Table 6 shows operating expenditure by Regional Network for 2016–17.

Table 6: Operating expenditure costs by Regional Network and Category 2016–17 (\$ million)

Network	Train Control	Corporate Overhead	Other	Total
Mount Isa	4.3	2.5	3.9	10.7
North Coast	13.4	5.2	10.9	29.5
Metropolitan	21.5	9.5	29.0	60.0

Capital expenditure costs and forecasts

Table 7 provides a summary of capital investment in below rail infrastructure (excluding stations and platforms) for 2016-17 and forecast capital expenditure for 2017-18 to 2020-21.

Table 7: Actual and forecast capital expenditure by Regional Network — 2016–17 to 2020–21 (\$ million)

Network	Actuals 2016–17	Budget 2017–18	Budget 2018–19	Budget 2019–20	Budget 2020–21
Mount Isa	17.1	14.1	18.5	18.0	16.7
North Coast	39.2	77.6	115.9	108.4	63.2
Metropolitan	251.6	252.0	346.5	291.2	307.6

Mount Isa

Completed 2016–17

- Concrete sleeper replacement on main line — \$9.7 million
- Sleeper renewals: Nonda to Nelia — \$3.1 million
- Asset protection – Stage 2 — \$1.8 million

Major capital investment planned 2017–18 to 2020–21

- Rerail 41kg on concrete sleepers — \$14.8 million
- Culvert renewals — \$10.8 million
- Mount Isa Sleeper Replacement program — \$8.0 million

North Coast Line

Completed 2016–17

- Trackwork Cobarra to Cairns — \$5.2 million
- WESTECT ATP System Upgrade — \$4.6 million
- North Coast Line Capacity Improvement — \$3.6 million

Major capital investment planned 2017–18 to 2020–21

- North Coast Line Capacity Improvement — \$76.9 million
- Timber Bridge Program Cairns to Ayr — \$41.2 million
- Timber Bridge Program Nambour to Parana — \$37.0 million

Metropolitan

Completed 2016–17

- Coomera to Helensvale duplication — \$72.7 million
- Roma St to Corinda signalling renewal — \$25.7 million
- SEQ turnout and diamond replacement — \$16.8 million

Major capital investment planned 2017–18 to 2020–21

- European Train Control System (ETCS) L2 — Inner City — \$461.5 million
- SEQ Track and Level Crossing Upgrade — \$68.0 million
- Coomera to Helensvale Duplication — \$50.4 million

Volumes

Table 8 shows commodities hauled on the Regional network by gtk, net tonne and train path, where the information is available.

Table 8: Volumes by Regional Network and commodity 2016–17

Network	Measure (Aggregate)	Minerals ¹⁴	Intermodal ¹⁵	Other Bulk ¹⁶	Agriculture ¹⁷ (Unprocessed)	Coal	Passenger	Other	Total
Mount Isa	Train Paths	380	269	1,947	150	7	108	553	3,414
	NT ('000s)	879.4	792.6	2,312.0	20.3	0.0	0.0	83.9	4,088.0
	gtk (million)	1,280.3	1,253.0	2,416.8	71.7	0.0	45.1	38.2	5,105.1
North Coast	Train Paths ¹⁸	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	NT ¹⁹	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	gtk (million)	20.0	5,551.0	311.9	223.6	17.3	514.8	60.5	6,699.1
Metropolitan	Train Paths	-	2,800	-	638	4,031	316,808	1,814	326,091
	NT ('000s)	0.0	3,097.1	0.0	588.7	6,511.1	0.5	105.8	10,303.2
	gtk (million)	0.0	677.8	0.0	108.2	979.3	3,630.8	19.4	5,415.6

¹⁴ Minerals includes: metals and mineral concentrates (copper, lead, zinc etc)

¹⁵ Intermodal freight includes: containerised intermodal and fuel

¹⁶ Other Bulk freight includes: bulk sugar (processed) acid and fertiliser

¹⁷ Agriculture (unprocessed) includes: livestock, grains, cotton

¹⁸ Trains on the North Coast Network may travel through up to three segments on a journey, with a single origin destination journey counting up to three paths. The North Coast Network train path data has been excluded as it is not comparable to the other data.

¹⁹ Net tonnes on the North Coast Network may travel through up to three segments on a single origin-destination journey and may be counted up to three times. The North Coast Network net tonne data has been as it is not comparable to the other data.

Definitions

Where a term is capitalized and is not included in the below definitions it is taken to have the definition in AU1.

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 of AU1; and
- (b) all additional or clarified information required by Queensland Rail through the acknowledgement of an Access Application processed described in Section 2.3 of AU1.

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;

AU1 means Queensland Rail's Access Undertaking 1;

Below Rail Financial Statements has the same meaning as Financial Statements in AU1;

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:
 - Network Control; and
 - 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;

Capacity Information means the information referred to under schedule A of AU1;

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

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;

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 Competing Access Seekers and one of those Access Seekers (Principal Access Seeker) is the Customer for the other Competing Access Seekers, the Principal Access Seeker;

Dispute means, any dispute, complaint or question arises between Queensland Rail and an Access Seeker in relation to any provision of AU1,

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;

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;

Indicative Access Proposal means a non-binding written response from Queensland Rail to an Access Application which includes the information set out in clause 2.4.2 of AU1;

Metropolitan Network 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;

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

Negotiation Cessation Notice means 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

Network means the rail transport infrastructure (as defined in the TIA) the use of which is taken, pursuant to section 250(1)(b) of the QCA Act, to be a service declared under Part 5, Division 2 of the QCA Act (but excluding any rail transport infrastructure (as defined in the TIA) the use of which is referred to in section 249(2) of the QCA Act);

North Coast Network 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;

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;

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

Queensland Rail means Queensland Rail Limited ACN 132 181 090;

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

Reference Tariff means an Access Charge, calculated in accordance with schedule D of AU1, applicable for a specified Reference Train Service;

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 3.8 of AU1;

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 3.3(f) of AU1;

Renewal Access Seeker means, in relation to an Access Holder's Access Rights that are to expire:

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

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

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

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

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 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;

Undertaking means a document created by Queensland Rail and approved by the QCA, which provides a framework to manage negotiations with Access Seekers for access to Queensland Rail's rail infrastructure for the purpose of operating train services.

West Moreton Network 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.