



Monday, 26 July 2010

John Feil
Executive Director
National Competition Council
GPO Box 250
Melbourne VIC 3000

By email: john.feil@ncc.gov.au

Dear John,

Application for Declaration

In relation to the Pacific National application for declaration of QR the NCC sought clarity on several issues via an email on 18 June 2010.

On 14 July Asciano sent a letter to the NCC addressing various issues on which the NCC sought clarity. One of these issues was the status of the Moranbah siding where Asciano stated:

Pacific National uses this asset to complete unscheduled, in-field maintenance and repairs. This siding is generally unused, except when used by Pacific National for this purpose. QR National has refused Pacific National access to this siding, limiting our ability to maintain and repair rolling stock. This means that Pacific National is unable to repair rolling stock in an efficient and timely manner, putting us at a competitive disadvantage to the QR above rail operator.

However, the above contains a potential incorrect implication in that it implies that Pacific National has used, or currently uses, the asset. This is not correct as Pacific National has not used the asset (although it wishes to use the asset). In addition access has been refused by ARG (a QR subsidiary) rather than QR National.

A more correct version of the paragraph (with amended sections underlined) would be

Pacific National wishes to use this asset to complete unscheduled, in-field maintenance and repairs. This siding is generally unused. ARG, a QR subsidiary, has refused Pacific National access to this siding, limiting our ability to maintain and repair rolling stock. This means that Pacific National is unable to repair rolling stock in an efficient and timely manner, putting us at a competitive disadvantage to the QR above rail operator.

Asciano does not believe the potential incorrect implication materially changes the position being put forward by Asciano.

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In order to address this issue Asciano is willing to supply amended version of the Asciano letter of 14 July 2010 with the above alterations if requested by the NCC.

If you wish to discuss this issue please contact me on (02) 8484 8043.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Tim Kuypers".

for

Dr Tim Kuypers
Group General Manager Safety, Access and Regulation

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