



Aurizon Holdings Limited
ABN 14 146 335 622

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

1 September 2016

Update on timing of Aurizon Network UT5 submission

Please find attached for release to the market.

Kind regards

A handwritten signature in black ink, appearing to read "D. Smith", with a horizontal line underneath the first name.

Dominic D Smith
VP & Company Secretary

ASX Announcement

1 September 2016

Update on timing of Aurizon Network UT5 submission

The Queensland Competition Authority (QCA) has approved a request by Aurizon Network to extend the deadline for the submission of the 2017 Draft Access Undertaking (UT5) to 30 November 2016, to enable UT4 to be finalised.

Under the timeline in the compulsory undertaking notice issued by the QCA on 11 May 2016, Aurizon Network had been previously required to provide the UT5 submission by 9 September.

Working toward that original deadline Aurizon Network has been preparing the UT5 submission on the basis that a final, approved UT4 Undertaking would be in place before lodgement of UT5. However it is now apparent the final terms of UT4 will not be approved until after the date the QCA had originally required the lodgement of the UT5 undertaking.

Today the QCA has issued a further draft decision on UT4 in response to matters raised by Glencore in relation to Wiggins Island Rail pricing. Aurizon Network welcomes the QCA's draft decision and will participate in the additional three week period of stakeholder consultation, which precedes the QCA's final decision on UT4.

Aurizon Network considers the extension for UT5 necessary to allow a logical sequence of the two undertakings, ensuring regulatory stability and allowing incremental development of the current policy framework. This sequencing is also important given the compulsory process proposed by the QCA does not allow Aurizon Network to amend UT5 post submission to accommodate changes related to the outcome of UT4 or stakeholder consultation.

The QCA's consultation process means that it is unlikely that UT4 will be approved prior to the current expiry date of UT3 (30 September 2016). As a result, Aurizon Network has applied to the QCA for a further extension of UT3 until the earlier of 30 November 2016 or the approval of UT4.

The FY2017 transitional tariffs within the UT3 extension are unchanged from those approved by the QCA in June 2016 and include the true-up relating to the under collection of revenue from FY2014 and FY2015. Aurizon Network intends to deal with any difference between the approved Undertaking and transitional tariffs by way of an adjustment charge.

Aurizon Network remains committed to a prompt submission of UT5 after UT4's approval to ensure regulatory certainty for all stakeholders.

For more information:

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