

INFORMATION DISCLOSURE (AIRPORT SERVICES) CONSULTATION UPDATE PAPER

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CHAPTER 1: INTRODUCTION

1.1 Overview

- 1.1.1 This paper sets out updates to the Commerce Act (Specified Airport Services Information Disclosure) Determination 2010¹ (draft Determination) published on 31 May 2010.
- 1.1.2 This is expected to be the final consultative step before the Commission makes its final Information Disclosure Determination for specified airport services in December 2010.
- 1.1.3 The Commission has made no final decisions in relation to information disclosure for specified airport services.

1.2 Scope

- 1.2.1 This paper provides for technical consultation on the revised draft Determination, attached as Appendix A. Submissions on the Draft Reasons Paper and draft Determination raised several issues and suggested a number of amendments. The revised draft Determination reflects the Commission's responses both to these submissions and to feedback received at the Technical Working Session held on 13 September 2010. The Commission's responses and updated draft decisions are set out in the summary table in Chapter 2, below.
- 1.2.2 The purpose of this technical consultation is to ensure that the Determination accurately reflects the Commission's updated draft decisions. The Commission seeks submissions from interested persons on whether the Determination achieves this purpose. Only issues raised that have resulted in changes to the Determination have been recorded.² Discussion of higher-level policy direction, or issues not included in the summary table, is out of the scope of this paper.

1.3 Next Steps

- 1.3.1 Following this technical consultation, the Commission intends to publish the Commerce Act (Specified Airport Services Information Disclosure) Determination 2010, together with the Final Reasons Paper.³

¹ Commerce Commission, Commerce Act (Specified Airport Services Information Disclosure) Determination 2010.

² A full summary of issues raised and the Commission's responses will be included in the final Reasons Paper.

³ These documents will be made available on the Commission's website, <http://www.comcom.govt.nz>.

1.4 Submissions

- 1.4.1 The Commission invites submissions on the technical drafting of the revised draft Determination (provided as Appendix A), and whether the revised draft Determination accurately reflects the Commission's updated draft decisions contained in this paper. Where a submitter considers that the updated draft decisions are not accurately reflected, the Commission requests that its submission include any necessary drafting amendments.
- 1.4.2 To facilitate feedback from submitters the Commission has provided electronic versions on its website of the Update Paper, revised draft Determination and Excel templates as follows:
- Update Paper, with Appendix A containing the revised draft Determination (pdf document);
 - Update Paper with Determination Markups — Update Paper, with Appendix A containing a marked up version of the revised draft Determination showing the changes since the draft version was published on 31 May 2010 (pdf document);
 - Draft templates of Schedules 2–20 & 26 — to enable interested parties to submit edits and inserted comments that illustrate proposed revisions to these Schedules (Microsoft Excel document); and
 - Revised draft Determination — to enable interested parties to submit marked-up edits that illustrate proposed revisions to the document text (Microsoft Word document).
- 1.4.3 The Commission has received a late submission from the New Zealand Airports Association regarding Director Certification. The Commission invites submissions from all interested persons on this late submission, as part of this consultation.⁴
- 1.4.4 All submissions should be received by the Commission no later than **5pm Friday, 5 November 2010**.
- 1.4.5 To foster an informed and transparent process, the Commission intends to publish all submissions on its website. Accordingly, the Commission requests an electronic copy of each submission and requests that hard copies of submissions not be provided (unless an electronic copy is not available). The Commission also requires that these electronic copies be provided in an accessible form (ie, they are 'unlocked' and text can be easily transferred). If the submission contains confidential information or if the submitter wishes that the published version be 'locked', an additional document labelled "public version" should be provided. Submissions should be sent to:

⁴ NZAA, *Topic for Technical Consultation Round—Director Consultation*, letter to Commerce Commission, 27 September 2010. A copy of this submission may be found on the Commission's website at <http://www.comcom.govt.nz/airports-information-disclosure/>

regulation.branch@comcom.govt.nz;
or
John Hamill
Manager
Airports and Input Methodologies
Commerce Commission
P.O. Box 2351
Wellington

Confidentiality

- 1.4.6 The Commission discourages requests for non-disclosure of submissions, in whole or in part, as it is desirable to test all information in a fully public way. It is unlikely to agree to any requests that submissions in their entirety remain confidential. However, the Commission recognises there will be cases where interested persons making submissions may wish to provide confidential information to the Commission.
- 1.4.7 If it is necessary to include such material in a submission the information should be clearly marked and preferably included in an appendix to the submission. Interested persons should provide the Commission with both confidential and public versions of their submissions in both electronic and hard-copy formats. The responsibility for ensuring that confidential information is not included in a public version of a submission rests entirely with the party making the submission.
- 1.4.8 Interested persons can also request that the Commission makes orders under s 100 of the Act in respect of information that should not be made public. Any request for a s 100 order must be made when the relevant information is supplied to the Commission and must identify the reasons why the relevant information should not be made public. The Commission will provide further information on s 100 orders if requested by interested persons, including the principles that are applied when considering requests for such orders. A key benefit of such orders is to enable confidential information to be shared with specified parties on a restricted basis for the purpose of making submissions. Any s 100 order will apply for a limited time only as specified in the order. Once an order expires, the Commission will follow its usual process in response to any request for information under the Official Information Act 1982.

CHAPTER 2: UPDATES TO DRAFT DETERMINATION

2.1 Introduction

2.1.1 In updating its draft Determination the Commission has considered submissions on the draft Determination and draft decisions; has taken into account input from interested persons at the Airports Information Disclosure Working Session held at Wellington Airport on 13 September 2010 (“working session”); and has considered submissions received in response to matters raised at that working session.

2.2 Summary of Updates

2.2.1 The Commission received submissions on its draft Determination from the following interested persons:

- Auckland International Airport Limited (“AIAL”), including a cross-submission;
- Board of Airline Representatives New Zealand Inc (“BARNZ”), including a cross-submission;
- Christchurch International Airport Limited (“CIAL”), including a cross-submission;
- New Zealand Airports Association (“NZAA”), including advice prepared by Airbiz Aviation Strategies Limited (“Airbiz”) for the Joint Working Group and a cross-submission; and
- Wellington International Airport Limited (“WIAL”).

2.2.2 Submissions were received from the following parties on matters raised at the working session concerning the disclosure of information to allow interested persons to assess whether assets in the disclosed asset base are used and useful:

- Air New Zealand Limited (“Air NZ”);
- AIAL, including a cross-submission;
- BARNZ, including a cross-submission; and
- NZAA, including a cross-submission.

2.2.3 A submission was received from NZAA and a cross submission was received from BARNZ on matters raised at the working session concerning the definition of terms.

2.2.4 Having considered these submissions,⁵ the Commission has updated the Determination in the following categories of information disclosure for specified airport services:

- Historical Financial Information disclosures;

⁵ These submissions are available on the Commission’s website at: <http://www.comcom.govt.nz/information-disclosure/>

- Quality disclosures;
- Forecast Total Revenue and supporting information;
- Pricing and related disclosures; and
- Certification and Audit.

2.2.5 The Commission notes that substantial changes have been made to the information disclosure requirements relating to pricing statistics in Schedule 18. Details of these changes are set out in the pricing and related disclosures table in Chapter 2.

2.3 Issues Raised in Submissions and Commission Responses— Summary Table

2.3.1 The following table summarises issues raised in submissions and cross submissions to the Commission's Information Disclosure (Airport Services) Draft Reasons Paper and draft Commerce Act (Specified Airport Services Information Disclosure) Determination 2010, published on 31 May 2010. It also records the Commission's responses and resulting changes to the draft Determination. The table excludes suggested changes by submitters which, following Commission consideration, have not resulted in changes to the draft Determination.

Historical Financial Information

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
1	<p>Used and useful assets</p> <p>In the Input Methodologies Airport Services Draft Reasons Paper, the Commission proposed that the matter of whether an asset is both used and useful is appropriately left for interested persons to assess based on disclosed information.¹</p> <p>BARNZ considered that if the RAB was to contain assets regardless of their usefulness, then interested persons should be provided with sufficient information to make their own assessments of the asset's usefulness. NZAA considered that the RAB should contain all used assets regardless of their usefulness.^{2 3}</p> <p>NZAA opposed the Commission's September 2010 proposal to disclose additional information relating to the usefulness of assets. NZAA considered that the proposal was backward looking, resulted in considerable compliance costs and would not assist interested persons to assess if the purpose of Part 4 is being met.⁴</p>	<p>Airports should disclose sufficient information about assets such that interested persons can make their own assessments as to whether assets are 'useful'.</p> <p>The Commission considers that the compliance costs of preparing this information should be reasonable given the airports can present it in a summarised form and have flexibility in how the information is aggregated. It is reasonable to expect that the airports would maintain financial information on significant assets.</p> <p>As many assets in the RAB will contribute to future operations and reported costs (eg depreciation), providing information about these assets has a forward looking nature. The Commission notes that Schedule 26b(iv) also includes disclosure of asset life information. Refer to Input Methodologies consultation paper for further explanation.⁵</p> <p>Implementation</p> <p>The template for the initial RAB has been amended to provide information regarding the description and use of assets included in the initial RAB.</p> <p>New terms have been added to list of defined terms to support Schedule 26:</p> <ul style="list-style-type: none"> ▪ allocated value; ▪ asset life; ▪ description of land; ▪ description of use (land); ▪ description of use (significant assets); ▪ Initial RAB; ▪ Initial RAB value; ▪ other assets; and ▪ significant assets.

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
2	<p>Non-Standard depreciation</p> <p>NZAA and BARNZ both submitted that there should be a provision to disclose changes to both asset lives, and depreciation rates.^{6 7}</p> <p>This issue includes changes relating to assets which have become stranded.</p>	<p>Airports should be required to disclose changes to asset lives and depreciation rates which result in the introduction of or change to non-standard depreciation approaches. Airports should provide sufficient explanation to allow interested persons to make their own assessments regarding the changes adopted by the airport.</p> <p>Implementation</p> <p>A definition of 'Justification for change re non-standard depreciation methodology' was added to make the Commission's intent for the Schedules dealing with non-standard depreciation clear.</p> <p>In Schedule 5 'flexible depreciation' has been renamed 'non-standard depreciation' to reflect Input Methodologies terminology.</p> <p>As any write-downs for stranded assets will be covered by the Schedule describing changes for non-standard depreciation, there is no need for a separate statement for stranded assets. Hence the Commission has removed the separate statement for stranded assets from Schedule 5b(iii) and the list of defined terms.</p>
3	<p>Segmented regulatory profit Schedule</p> <p>NZAA proposed that in Schedule 6 (now Schedule 8), which reports on segmented regulatory profit, that the column 'eliminations/transfers' should be removed.⁸</p> <p>BARNZ proposed maintaining it to provide disclosure of asset transfers.⁹</p>	<p>The correct implementation of the cost allocation methodology and reporting of revenue in accordance with the requirements will eliminate the need for this column. This is because for any line item the sum of the values for segmented businesses should by definition equal the value of the regulated airport business.</p> <p>Accordingly there will be no need to eliminate the effect of inter-segmental transactions to produce the aggregate view of the regulated airport business.</p> <p>Retention of this column would not provide details about the transfer of assets between segmented businesses, as for assets the column only provides a year end view.</p> <p>Implementation</p> <p>Schedule 8 (formerly Schedule 6) amended by removing the 'eliminations/transfers' column.</p> <p>Removed reference to the 'elimination/transfers' column from Schedule 9b(i) Regulatory/GAAP Adjustments.</p>

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
4	<p>Safety, security and environmental expenditure</p> <p>NZAA proposed removing the separate disclosure as it would be difficult to implement. NZAA was concerned that a broad approach to airport security, safety and environmental expenditure might be adopted.¹⁰</p> <p>BARNZ did not support NZAA's proposal and submitted that safety is an important service provided by airports and therefore should be disclosed. BARNZ suggested that a narrower approach could be used to define this expenditure.¹¹</p>	<p>Due to the integral nature of safety and security to airports there is considerable scope in how this item could be defined.</p> <p>Aviation Security Service (AVSEC) performs many airport security tasks (eg, passenger screening and perimeter security). AVSEC recovers their costs by fees levied on airlines on a per passenger basis.¹²</p> <p>Hence, reporting airports' expenditure on safety, security and environment using a narrower definition would have limited benefit, due to the role performed by AVSEC.</p> <p>The use of a broader definition which included expenditure with a safety, security or environmental component would be problematic as it could extend to a high percentage of the airports activities (eg, the RESA component of a runway or runway lighting), and cost allocations would be arbitrary and difficult.</p> <p>Implementation</p> <p>The Commission has removed separate disclosure of safety and security operational expenses, or security, safety and environmental' capital expenditure from Schedules 3a, 5b, 7a and 7b, and defined terms.</p>
5	<p>Capital contributions</p> <p>The Commission had previously proposed that capital contributions payable to an airport should be disclosed as regulatory income.</p> <p>NZAA and BARNZ responded to this proposal by suggesting an amendment as to the scope of the consideration that was treated as income.¹³</p> <p>The Input Methodologies project has subsequently considered the issue of capital contributions and proposed that capital contributions should be netted off against the cost of the asset when it is recognised in the RAB, and hence not recognised as income.</p>	<p>To give effect to the approach proposed in the revised draft the Input Methodologies Determination, the Commission has revised the reporting templates to remove capital contributions from regulatory income. The netting off of the capital contributions against the value of the RAB is applied in the Determination through the definition of Assets Commissioned, which has been updated in the revised draft Input Methodologies Determination.</p> <p>Implementation</p> <p>The Commission has deleted capital contributions from income in Schedule 3a and Schedule 8. The Commission has deleted non-taxable capital contributions from Schedule 4.</p>

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
6	<p>Level of Disaggregation for Airport Activity Income</p> <p>The Commission previously proposed that airports should disaggregate operating revenue from airfield activities into several categories defined by the Commission.</p> <p>Submissions from both NZAA and BARNZ identified problems with the proposed category terminal services income with NZAA arguing it was too small to warrant separate disclosure.¹⁴</p> <p>BARNZ and NZAA differed over the relevance of separate disclosure of income related to safety and security (see item 4 above).</p> <p>Discussion at the industry workshop indicated that there are differences in the pricing structures used by airports. An issue is whether Schedules 3a and 6a should include separate disclosure of charges for the transportation of passengers between a terminal and an aircraft or other separated income relating to terminal services.</p> <p>NZAA proposed that income should be disclosed at a level sufficiently high 'to have application across all three airports'.</p>	<p>Due to differences in how each airport charges its customers for airport activities, it will be difficult to implement predefined generic revenue categories which provide a meaningful level of disaggregation. The use of predefined categories could create difficulties for an airport should the categories not correspond with its pricing structure and for interested persons may imply a higher level of comparability than is warranted.</p> <p>Having Schedules 3a and 6a include revenue figures which correspond with each airport's pricing structure will allow interested persons to compare the revenues which airports have received to known price lists.</p> <p>To simplify compliance airports may combine the smaller line items.</p> <p>Revenue from leases, rentals and concessions should continue to be disclosed in its own predefined category.</p> <p>Implementation</p> <p>In Schedules 3a and 6a (new Schedule 8) the predefined income categories relating to safety and security, airfields, terminal services and passenger services have been removed. Instead, the Schedule has line items for airports to disclose the revenue received for each material charge for airport activities (eg, landing charges, passenger services charges).</p> <p>A separate line item 'other operating revenue' has been added to report smaller revenue flows to Schedules 3a and 8.</p> <p>Accordingly, all references to terminal services income have been removed from the Schedules and defined terms.</p> <p>New defined terms were added:</p> <ul style="list-style-type: none"> ▪ airport activity charge; and ▪ other operating revenue.
7	<p>Disclosure of land revaluation reports</p> <p>BARNZ proposed that the airports should publicly disclose valuation reports.¹⁵</p> <p>NZAA responded to BARNZ that it agreed 'that valuation reports may be provided when valuations of regulated assets are undertaken'.</p> <p>NZAA considered that the BARNZ proposal was beyond the 'point of sufficiency' and that a high level summary should be sufficient.¹⁶</p>	<p>Public disclosure of the most recent land revaluation report is important as it will inform interested persons about the RAB which affects airports' disclosed capital costs.</p> <p>Implementation</p> <p>The Commission has added a new requirement (sub-clause 7.2) that the airports must disclose a recent valuation report when the report relates to land which is used in full or part in the provision of specified airport services.</p>

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
8	<p>Adjustments to Initial RAB</p> <p>BARNZ proposed that detailed disclosures should be required “on adjustments to the 2009 disclosed asset base when setting the initial RAB”.¹⁷</p>	<p>The Commission considers that for the purpose of Part 4 it is only necessary to provide disclosure of the value of the initial adjustments to the initial RAB to the level shown in Schedule 27a.</p> <p>The Commission notes, however, that:</p> <ul style="list-style-type: none"> ▪ adjustments for 'assets held for future use' and 'works under construction' are rolled forwards under the reporting regime; and ▪ airports must disclose the valuation reports for their MVAU land valuations under other parts of the Requirements. <p>For the initial adjustments the Commission considers that requiring the airports to complete Schedule 10a for the disclosure years ended 2009 and 2010 will assist interested persons to understand the initial regulatory asset base.</p> <p>Implementation</p> <p>The Commission has amended clause 15.1 of the Requirements to require the airports to publish Schedule 10a ‘Report on Asset Allocations’ for the disclosure years ended 2009 and 2010, as part of the transitional provisions.</p>
9	<p>Order of Schedules</p> <p>BARNZ proposed that Schedule 6 and 7 should be located next to schedule 10 and 11 (presentation only issue).¹⁸ NZAA had no objection to this proposal.¹⁹</p>	<p>The proposed repositioning will improve the readability of the regulatory reporting.</p> <p>Implementation</p> <p>Reorder schedules such that Schedules 6 and 7 become Schedules 8 and 9 respectively.</p>
10	<p>Credit spread differential</p> <p>The draft Determination specified that the term of the debt premium will match the term of the risk-free rate and did not include a separate allowance for long term credit spread differential.</p> <p>Airports considered that prudent firms in a competitive market will match their debt maturities to the life of the assets.²⁰</p>	<p>As part of the Input Methodologies project, the Commission considered the issue of long term credit spread differential. To give effect to the approach proposed by the Input Methodologies project, the Commission will recognise an allowance for long term credit spread. The new allowance applies only to airports whose debt portfolio has a weighted average original tenor greater than five years.</p> <p>Further explanation is provided in the Input Methodologies consultation papers.</p> <p>Implementation</p> <p>In the Report on Regulatory Profit (Schedule 3a) the line item ‘Allowance for long term credit spread’ has been added.</p> <p>Schedule 3b(i) has been added to explain the allowance for long term credit spread. Subsequent 3b Schedules have been renumbered.</p> <p>New terms has been added to list of defined terms to support Schedule 27b(i):</p> <ul style="list-style-type: none"> ▪ allowance for long term credit spread;

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
		<ul style="list-style-type: none"> ▪ business day; ▪ book value; ▪ coupon rate; ▪ execution cost for an interest rate swap; ▪ issue date; ▪ notional debt issue cost readjustment; ▪ non-qualifying debt; ▪ original tenor; ▪ pricing date; ▪ qualifying debt; ▪ term credit spread difference; ▪ unweighted market bid yield equal to the original tenor; ▪ unweighted market bid yield of five year debt; and ▪ vanilla NZ\$ denominated nominal bonds. <p>The Commission has renamed 'regulatory profit / (loss) before tax' to 'regulatory profit / (loss) before tax & allowance for long term credit spread'.</p> <p>The Commission has redefined 'regulatory profit / (loss)' to reflect the allowance for long term credit spread.</p>
11	<p>Other changes to existing defined terms</p> <p>Revisions to defined terms to improve accuracy, clarity and/or consistency with the Input Methodologies Determination.</p>	<p>Existing defined terms should be amended to improve accuracy; consistency with the Input Methodologies draft Determination; and/or to assist the airports prepare the Schedules and/or interested persons understand the information disclosed.</p> <p>Implementation</p> <p>The following defined terms have been amended:</p> <ul style="list-style-type: none"> ▪ asset allocator; ▪ asset category; ▪ asset maintenance opex; ▪ asset management and airport operations opex; ▪ assets held for future use additions; ▪ assets not directly attributable; ▪ capital expenditure;

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
		<ul style="list-style-type: none"> ▪ cost allocation adjustment; ▪ cost allocator; ▪ cost of financing works under construction; ▪ financial year (replaced by disclosure year); ▪ flexible depreciation methodology has been replaced with Non-Standard Depreciation Methodology; ▪ gains / (losses) on asset sales; ▪ line item; ▪ net operating revenue; ▪ new allocator or components; ▪ non-standard depreciation disclosure; ▪ operating cost category; ▪ original allocator or components; ▪ property plant and equipment (excluding works under construction); ▪ RAB (tax value); ▪ RAB investment; ▪ Rationale; ▪ revaluation rate; ▪ tax depreciation; ▪ tax value of asset disposals; ▪ total directly attributable; ▪ total not directly attributable; ▪ unregulated activities (renamed unregulated services; and ▪ works under construction.

#	Topic and Submitters' Views—Historical Financial Information	Commission's Response
12	<p>Other new defined terms Add definitions for terms used in the templates or other parts of the Determination.</p>	<p>New defined terms should be added to explain terms used in the templates or other parts of the Determination. When appropriate these terms should refer to, or be consistent with, the Input Methodologies draft Determination. Defining terms will assist the airports prepare the Schedules and/or interested persons understand the information disclosed.</p> <p>Implementation The following defined terms have been added:</p> <ul style="list-style-type: none"> ▪ asset value; ▪ other assets; ▪ holding cost; ▪ initial value; ▪ net revenue; and ▪ tracking revaluations.

Quality Disclosures

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
1	<p>Definition of arrival & departure times</p> <p>BARNZ proposed that arrival and departure time be defined in respect of on-block and off-block apron times, and noted that this would be in accordance with an overseas definition of on-time delays.²¹</p> <p>Working session attendees proposed that arrival and departure definitions be applied as follows: Schedule 12 on-time departure delay disclosures are based on off-block times; Schedule 13 busy periods on touchdown and lift-off times; and Schedule 14 busy periods on on-block/off-block times.</p>	<p>The draft Determination (through its arrival and departure time definitions) required that the busy hour and busy days in the throughput and departure delay disclosures be time-stamped using the touchdown and lift-off times provided to the airport by Airways Corporation.</p> <p>Passenger terminal utilisation can be more accurately assessed by using passenger volume data time-stamped with on-block and off-block apron times, as this will more closely reflect terminal egress and ingress times.</p> <p>The Commission understands taxiway congestion does not contribute significantly to flight delays at present (although it may do so in the future). The airlines prefer to use off-block times when assessing on-time departure delays. The process to be developed by airports for establishing which party is responsible for each on-time delay will require involvement of both airports and airlines, and the Commission considers that defining departure delays in terms of off-block times may expedite the development of this process by providing consistency with current reporting practices.</p> <p>Attendees at the working session considered that airlines could provide information held on Airways' Collaborative Arrival Manager (CAM) system to airports to assist with the preparation of these disclosures.</p> <p>Implementation</p> <p>Schedule 12 on-time departure delay disclosures are now based on off-block times.</p> <p>Schedule 13 busy periods continue to be based on touchdown and lift-off times.</p> <p>Schedule 14 busy periods are now based on on-block/off-block times.</p> <p>Arrival time and departure time definitions have been replaced by terminal arrival time, runway arrival time, terminal departure time, and runway departure time definitions.</p> <p>The definition of on-time departure delays now specifies terminal departure time.</p> <p>The definition of passenger busy hour specifies terminal arrival time and terminal departure time.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
2	<p>Schedule 13 (aircraft movements) busy day stand access</p> <p>Submitting parties proposed changing the aircraft categories.²² NZAA also indicated that disclosure of stand use for each category may be impractical as aircraft movement data from Airways Corporation does not record the stand allocated to each flight, and proposed that instead total runway movements and an average 'per stand' figure be disclosed.²³</p> <p>The Sept 2010 workshop attendees agreed that contributing information can be sourced from airport/airlines allocation records, but noted that the stand allocation processes from which this information is derived will not pick up all stand usage (including parking spaces leased or reserved for military flights).</p>	<p>Disclosure of busy day stand access is important as it will contribute to an understanding of future investment requirements and the extent to which airports are able to meet the needs of passengers and air operators during periods of high demand.</p> <p>Aircraft categories that better reflect the type of aircraft than the flight route are appropriate to busy hour stand access disclosures. The revised draft Schedule 13 contains four aircraft categories for the disclosure of busy day aircraft movements. Of these, three categories relate to air passenger service flights with the fourth category consisting of all other flights which use airport apron stands.</p> <p>Passenger flights that take place within New Zealand and which do not land at any other airport (eg, scenic flights) do not constitute domestic flights under the definition of domestic and so would be included, along with non-passenger flights, in the 'Other' category. Also included in the 'Other' category are general aviation flights that take place within New Zealand.</p> <p>Implementation</p> <p>The aircraft categories for aircraft movements disclosure have been changed to:</p> <ul style="list-style-type: none"> ▪ Air passenger services: <ul style="list-style-type: none"> - International; - Domestic jet, - Domestic turbo-prop; ▪ Other (incl. General Aviation). <p>Calculated totals are labelled 'Total aircraft movements during busy day'.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
3	<p>Definition of passenger</p> <p>Working session attendees agreed that 'passenger' should be a defined term and not be limited to revenue passengers.</p> <p>NZAA proposed that the definition of passenger should refer to persons transported by an operator of regular air passenger transport services. The definition of 'regular air passenger transport services' would replace the definition of 'scheduled operation', and would mean a service offered by an operator consisting of four or more air transport operations for the carriage of passengers between two or more aerodromes within any consecutive 28 day period, excluding charter, non scheduled and general aviation operations.²⁴</p> <p>BARNZ disagreed, commenting that limiting passengers to those carried on regular air transport passenger services will not capture all passengers using terminal facilities. BARNZ proposed that 'passenger' be defined to mean any person carried on an aircraft, excluding:</p> <ul style="list-style-type: none"> (a) Persons that do not use the specified passenger terminal activity facilities provided at that Airport; and (b) Crew operating the service. <p>BARNZ also rejected NZAA's suggestion that the definition 'scheduled operation' be replaced, noting that the term 'scheduled' applies to a number of definitions that concern interruptions to service.²⁵</p>	<p>Including a definition of passenger will improve comparability of passenger number information. The definition should reflect the number of people using the functional components of the terminal, irrespective of whether charges are levied on, or on behalf of, them by airports and airlines.</p> <p>The term 'scheduled operations' referred to scheduled movements which occurred within 15 minutes of the scheduled time. Although the term 'scheduled' appears in a number of the interruption to service definitions, it is not used in the sense of scheduled movements which occurred within 15 minutes of the scheduled time.</p> <p>Implementation</p> <p>'Passenger' is defined to mean a person transported by an operator of an air passenger service, including airline staff on duty travel and passengering crew, excluding crew operating the service and excluding persons that do not pass through the passenger terminal while disembarking or embarking.</p> <p>'Air passenger service' is defined to mean an air operation operated by an air operator for the carriage of passengers.</p> <p>The definition of 'scheduled operation' has been removed.</p>
4	<p>Schedule 12 interruptions to material services should exclude 3rd party services</p> <p>NZAA proposed that, due to the difficulty of collecting information, the scope of this disclosure be limited to airbridges owned by the airport.²⁶ BARNZ proposed that an explanatory note be added to Schedule 12 stating "Disclosure of interruptions should not include interruptions to any assets owned and managed by a third party, and which are not being provided on behalf of, or under contract with, the Airport".²⁷</p>	<p>Disclosures concerning interruptions to material services (including airbridges) are limited to interruptions to the supply of specified airport services. As defined in section 56A of the Commerce Act 1986, any specified airport service must be a service that is supplied by AIAL, CIAL or WIAL. In the Commission's view, services that are operated and managed by a third party and are not being provided on behalf of, or under contract with, the airport are not specified airport services.</p> <p>Implementation</p> <p>To provide clarification, the definition of interruptions has been expanded. Disclosure of interruptions should not include interruptions to any services that are operated and managed by a third party and are not being provided on behalf of or under contract with the airport.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
5	<p>Schedule 12 fixed electrical ground power units</p> <p>NZAA proposed that the requirement to disclose the proportion of time that FEGP supply is unavailable be removed since FEGP is an elective service not available at all airports. NZAA suggested FEGP is not sufficiently important to warrant additional disclosure and notes that it is not clear how non-availability would be calculated and planned maintenance treated.²⁸</p> <p>BARNZ noted that CIAL is currently discussing with airlines whether to install ground power units as part of the current terminal project and suggested that the use of ground power units is likely to become more common given the environmental benefits of reducing aviation fuel usage through Auxiliary Power Units.²⁹</p>	<p>The provision of FEGP units is likely to become increasingly important to airlines and other interested persons. Attendees at the working session agreed that FEGP reliability information should be disclosed at airports where the service is provided.</p> <p>Implementation</p> <p>A requirement to disclose FEGP availability has been added to Schedule 12.</p> <p>The term 'Interruption to fixed electrical ground power units' has been defined to mean that a fixed electrical ground power unit was scheduled for supply to an aircraft but was not available. The percentage of time that FEGP is not available due to interruptions is defined as the sum of the duration of each interruption during the financial year divided by the sum of the scheduled durations of FEGP supply to each aircraft during the financial year.</p>
6	<p>Schedule 12 transitional provisions</p> <p>NZAA proposed (supported by BARNZ) that the requirement to disclose interruptions by party responsible be removed in the transitional year, and that this be effected by inserting the following subclause in the Determination:</p> <p>"15.6(c) interruptions by party responsible, as otherwise required to be disclosed in accordance with the Report on Reliability Measures as set out in Schedule 12".³⁰</p>	<p>As noted in the draft Reasons Paper³¹, although airports were required to collect loss of material service data, they were not required under the AAA disclosure requirements to categorise this information by party responsible. The Commission considered that no transitional provisions should be required in respect of the loss of material service indicators since the draft Determination provides for these indicators to be categorised as occurring for undetermined reasons.</p> <p>Implementation</p> <p>Subclause 15.6(c) has been added to clarify that during the transitional year information should be entered in the 'undetermined reasons' entry boxes of Schedule 12.</p>
7	<p>Schedule 12 clarification of 'party responsible'</p> <p>In submissions, BARNZ proposed that the requirement to disclose 'interruptions by party responsible' be clarified as 'interruptions by party predominantly responsible'. This proposal was supported by NZAA.³²</p>	<p>These measures are intended to provide interested persons with information concerning the reliability of the airport's provision of service. There may be instances where other parties have contributory responsibility for the interruption and sole responsibility cannot be ascribed. Disclosures should be categorised by the party (airport or airline) primarily responsible for causing the interruption.</p> <p>Implementation</p> <p>The references in Schedule 12 to 'party responsible' have been changed to 'party primarily responsible'.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
8	<p>Schedule 12 airbridge service interruptions and availability</p> <p>Submitting parties considered the disclosure requirement at lines 51–54 of the draft Schedule 12 (airbridge availability) to be unnecessary as it is already reflected in the disclosure requirements at lines 24–29 of the Schedule (contact stands and airbridges) and line 42 of the draft Schedule 13 (airbridges).³³</p>	<p>The line 52 disclosure requirement in the draft Schedule 12 (the average number of working airbridges) effectively duplicated other draft disclosure requirements.</p> <p>The Commission notes that the description of the disclosure requirement in line 54 of Schedule 12 was missing from both the draft schedule and the template. This requirement was described in the Draft Reasons Paper³⁴, and also was discussed by participants at the working session.</p> <p>Implementation</p> <p>The requirement to disclose the average number of working airbridges (line 52) has been removed from Schedule 12.</p> <p>The disclosure requirement in line 54 of the draft Schedule 12 is now labelled 'The total number of aircraft movements during financial year where an airbridge was requested but was not available'.</p>
9	<p>Schedule 13 aircraft parking stands</p> <p>Submitting parties proposed that the primary use of the parking stands be categorised as: International jet, Domestic jet, Domestic turbo-prop; and with the total labelled 'Total stands'.³⁵</p>	<p>The Commission understands that these categories of air passenger service are sufficient to reflect the primary use of all stands.</p> <p>Implementation</p> <p>The primary use categories have been changed to:</p> <ul style="list-style-type: none"> ▪ Air passenger services: ▪ International; ▪ Domestic jet; ▪ Domestic turbo-prop. <p>Calculated totals have been labelled Total stands.</p>
10	<p>Schedule 13 aircraft parking stands</p> <p>Parties propose relabelling column headings as 'airbridge', 'contact stand—walking' and 'remote stand—bus'.³⁶</p>	<p>The Commission understands that the revised terms reflect standard industry usage.</p> <p>Implementation</p> <p>The stand types in the Schedule 13 busy day stand access disclosure, the Schedule 13 aircraft parking stands disclosure, and the Schedule 16b terminal access disclosure have been renamed, from aerobridge, ground, and remote to:</p> <ul style="list-style-type: none"> ▪ Contact stand—airbridge ▪ Contact stand—walking ▪ Remote stand—bus.

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
11	<p>Number of definitions concerning functional components</p> <p>Definitions: Parties consider that the number of definitions relating to functional components should be reduced, largely to reduce the risk of confusion and error.³⁷</p>	<p>At the working session Airbiz and NZAA suggested that specificity would be retained if terms similar to 'making adjustment for...' were used in the busy hour and passenger throughput definitions.</p> <p>Implementation</p> <p>Busy hours and passenger throughput definitions were previously defined for each functional component of the passenger terminal. These separate definitions have been replaced with two definitions:</p> <ul style="list-style-type: none"> ▪ 'passenger busy hour'; and ▪ 'passenger throughput'. <p>A new definition, 'passenger category', lists the categories of passenger (eg, passengers on outbound international aircraft and passengers on inbound domestic aircraft) used for determining passenger busy hours. Rather than separately define each passenger category, the four component terms:</p> <ul style="list-style-type: none"> ▪ 'inbound' ▪ 'outbound' ▪ 'domestic and' ▪ 'international' <p>are defined.</p> <p>The passenger category 'that best reflects the passenger usage of the functional component' is used to derive the busy hour for a functional component of the passenger terminal. Passenger throughput during the busy hour is equal to the number of passengers in this passenger category adjusted, 'if transit and transfer passengers do not normally pass through the functional component', by an estimate of the number of transit and transfer passengers contained in the passenger category.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
12	<p>Schedule 14 floor area definitions</p> <p>Submitting parties proposed excluding 'landside circulation inbound' from the definition of functional components for capacity utilisation reporting as this component exists only at Wellington airport.</p> <p>In submissions, BARNZ proposed that the definition of 'passenger facilities functional floor space' be deleted.³⁸</p>	<p>Wellington Airport has an identifiable landside circulation area that provides landside passageway for both inbound and outbound passengers. Utilisation of this area would be under-represented if it were considered to provide passageway for only outbound passengers. At the working session, attendees agreed that it made sense to retain 'landside circulation inbound' as a functional component for Wellington Airport.</p> <p>Although passenger facilities are part of the 'total passenger terminal functional areas providing passenger facilities and service', the disclosure requirements do not consider passenger facilities to be a stand-alone functional area. Consequently, a stand-alone definition of 'passenger facilities functional floor space' is not required.</p> <p>Implementation</p> <p>The definitions of 'Landside circulation inbound' and 'landside circulation outbound' specify that floor areas which are shared by inbound and outbound passengers at any airport be equally allocated between the two functional areas. The redundant definition 'landside circulation overall functional floorspace' has been removed.</p> <p>The definition of 'passenger facilities—functional floor space' has been deleted and floor space that it describes has been moved into the definition of 'total passenger terminal functional areas providing passenger facilities and service—floor space'.</p>
13	<p>Schedule 14 disclosure of passenger numbers, passenger/m² ratios, or both</p> <p>Parties proposed in submissions that, for each functional component of the passenger terminal, the throughput of passengers during the busy hour be disclosed as a ratio (passengers per 100m²) rather than as a headcount.³⁹</p>	<p>Separately disclosing the numerator and denominator of the capacity utilisation ratios improves clarity and assists interested persons to identify trends. Disclosing the derived capacity utilisation ratios can make this information more readily available and may make it easier for airports to provide commentary concerning the ratios.</p> <p>Implementation</p> <p>Schedule 14 disclosures require disclosure of passenger throughput by headcount in respect of each functional component. Cells for displaying the calculated capacity utilisation ratios have been added to Schedule 14.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
14	<p>Schedule 14 standardisation of the terms describing service points in floor area definitions and schedules</p> <p>Parties proposed a number of terms to describe the service points in a passenger terminal.⁴⁰</p>	<p>The Determination should use industry-agreed terms.</p> <p>Implementation</p> <p>The following terminology is used in the floor area definitions and in Schedule 14:</p> <ul style="list-style-type: none"> ▪ a generic term is applied to the SmartGate automated border processing system with the units described as 'kiosks'; ▪ security 'screening points' rather than 'screening counters' (Schedule 14) and booths and benches rather than 'counters' (definition of biosecurity and customs screening floor space; and ▪ Emigration and immigration booths rather than 'counters' (Schedule 14).
15	<p>Schedule 14 transit and transfer passenger figures</p> <p>Airbiz noted and other parties acknowledged that the transit and transfer passenger numbers used by airports for their busy hour capacity utilisation calculations may be estimates and proposed that these be labelled as such.⁴¹</p>	<p>The Commission recognises that airports may have limited information concerning the passenger composition of domestic flights to accurately report the numbers of domestic transit and transfer passengers during a busy period. The airports may also not have precise information concerning the dwell times of international transit and transfer passengers. The estimated figures should be disclosed to allow interested persons to understand the effect of these assumptions.</p> <p>Implementation</p> <p>Transit and transfer passenger numbers are labelled 'estimated' in the definitions and in Schedule 14.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
16	<p>Schedule 14 baggage outbound—capacity and throughput</p> <p>BARNZ proposed changing the units in the baggage outbound—notional capacity definition from passengers per hour to bags per hour.⁴²</p> <p>Airbiz and NZAA agreed with this proposal and proposed that Schedule 14 be revised such that disclosure is made only in terms of bags per hour. NZAA also proposed technical wording changes to the capacity and throughput definitions.⁴³</p>	<p>Schedule 14 to the draft Determination required that baggage system capacity be expressed in both bags per hour and passengers per hour. The latter reflected an initial preference that all terminal capacity utilisation measures be directly assessable in passenger per hour terms.</p> <p>However baggage processing capacity, when expressed in passengers per hour, is dependent on the average number of bags checked in by each passenger—an estimated figure that can vary with the timing of the busy hour.</p> <p>The Commission's draft view is that baggage processing capacity should be expressed in bags per hour as it is the more accurate and consistent indicator. For comparability, the utilisation indicator should also be expressed in the same units. The Commission notes that the passengers per busy hour and the bags per busy hour disclosures will provide interested persons with sufficient information to convert the disclosed capacity into passenger per hour terms if necessary.</p> <p>Implementation</p> <p>'Baggage outbound—notional capacity' is defined in units of bags per hour.</p> <p>'Baggage outbound—notional capacity' and 'Baggage outbound—throughput of bags' contains technical wording changes.</p> <p>The Schedule 14 busy hour baggage outbound disclosures now list:</p> <ul style="list-style-type: none"> ▪ Capacity, expressed solely in bags per hour; and ▪ Throughput, expressed in bags per hour.
17	<p>Schedule 14 outbound turboprop passenger</p> <p>Parties proposed replacing references to 'outbound turboprop passengers' with 'outbound domestic passengers not requiring security screening'. The term described an adjustment to calculate passenger throughput for domestic security screening. Following a subsequent proposal for a new passenger category to define a domestic security screening busy hour (see item 'Schedule 14 busy hour—for passenger number' below), NZAA and BARNZ proposed that the new passenger category be then defined as 'outbound domestic passengers requiring security screening'.⁴⁴</p>	<p>The proposed terminology accurately reflects the meaning of the term and the purpose of the reference.</p> <p>Implementation</p> <p>The definition of passenger categories includes 'passengers on outbound domestic aircraft that require security screening of passengers'.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
18	<p>Schedule 14 total (inbound and outbound) capacity utilisation of each terminal</p> <p>Submitting parties note that volumes of inbound and outbound passengers each move through the terminal as a wave, and although the separate flows can be used effectively to assess utilisation of individual functional areas, the aggregate flow cannot be applied to the whole terminal. Parties proposed that the requirement to disclose the total number of passengers in the terminal in the busy hour (utilisation for all inbound and outbound passengers) is removed, and that lines 101 (Busy hour start time ...) and 105 (Throughput of passengers in the busy hour) of Schedule 14 be deleted.⁴⁵</p>	<p>Implementation</p> <p>Total (inbound plus outbound) passenger flows have been excluded from the 'busy hour—for passenger number' and 'throughput of passengers at a functional component of a passenger terminal' definitions.</p> <p>The disclosure requirements have been removed from Schedule 14.</p>
19	<p>Schedule 14 baggage reclaim capacity</p> <p>Airbiz proposed that the disclosure of baggage reclaim capacity be expressed in bags per hour. NZAA proposed that the definition of baggage reclaim capacity be expressed only in bags per hour. NZAA also proposed a revised definition that does not associate wide-body jet requirements with international baggage reclaim facilities.⁴⁶</p>	<p>Schedule 14 to the draft Determination required that baggage system capacity be expressed in passengers per hour, reflecting an initial preference that all terminal capacity utilisation measures be directly assessable in passenger per hour terms.</p> <p>As with baggage make-up measures, measures that express baggage reclaim capacity and throughput in units of bags per hour provide a relatively accurate and consistent indicator of utilisation.</p> <p>Implementation</p> <p>'Baggage reclaim—notional capacity' is now defined only in bags per hour, and means the capacity of baggage reclaim facilities is expressed in bags per hour, assessed using accepted industry practice taking account of the numbers, types and sizes of aircraft expected to usually arrive in the passenger busy hour applicable to the baggage reclaim functional component.</p> <p>'Baggage reclaim—throughput of bags' is defined to mean an estimation of the number of bags being delivered through the system during the relevant hour, based on the throughput of passengers in that hour and an assumed number of bags per passenger.</p> <p>The Schedule 14 busy hour baggage reclaim disclosures now list:</p> <ul style="list-style-type: none"> ▪ Notional reclaim unit capacity during the busy hour (bags/hour); ▪ Bags processed during the busy hour (bags/hour).

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
20	<p>Schedule 14 busy hour—for passenger numbers</p> <p>At the October workshop Airbiz noted that the busy hour for outbound domestic passengers and the busy hour for outbound domestic passengers requiring security screening do not coincide, meaning that the disclosed utilisation of the security screening functional component may not be a true representation of utilisation. Airbiz proposed that a separate 'outbound domestic passengers requiring security screening' busy hour be disclosed. NZAA agreed with this proposal.⁴⁷</p>	<p>As capacity utilisation changes significantly with time of use, it is important that the selected busy hour be representative of a high use period. The cost to airports of deriving this additional busy hour is relatively small.</p> <p>Implementation</p> <p>The definition of 'passenger category' lists the categories of passenger flow for which the busy hours are disclosed (and from which the passenger throughputs at each functional component are derived). A new passenger category, 'passengers on outbound domestic aircraft that require security screening of passengers' has been included in the definition.</p>
21	<p>Schedule 15 fieldwork documentation</p> <p>NZAA proposed including in schedule 15 an entry field for disclosing the date on which the survey fieldwork documentation was made public.⁴⁸</p>	<p>Publicly available information is to be posted on the Internet and should be easily accessible by interested persons.</p> <p>Implementation</p> <p>A requirement that the Internet location of the fieldwork documentation be provided in the Schedule 15 commentary box has been added to the Determination (clause 8.5 and Schedule 15).</p>
22	<p>Definition of MCTOW</p> <p>BARNZ proposed that the definition of MCTOW specify that it be the value contained in the aircraft's Certificate of Registration.⁴⁹ NZAA agreed, noting that this would enable independent verification of the reported values.⁵⁰</p>	<p>The proposed change better reflects the purpose of the referenced term.</p> <p>Implementation</p> <p>The definition of MCTOW has been revised.</p>
23	<p>Schedule 16(a) aggregation of aircraft types</p> <p>In submission, NZAA proposed aggregating the last 20% of aircraft in each weight category as 'Others'.⁵¹</p> <p>BARNZ noted in cross submission that this could result in as few as 2 or 3 aircraft types being disclosed and that even with a lower threshold this would have excluded the need to disclose A380 usage following the expansion of the AIAL runway. BARNZ suggested listing 95% of aircraft types per weight category plus all types for which capex was expended in last 10 years.⁵²</p>	<p>The Draft Reasons Paper stipulates that aircraft types should be differentiated by the manufacturer's model. The Commission understands that the information requirements can be disclosed to within the specific model of aircraft type eg, 777-300, but not to sub-type level eg, 777-300 ER without resulting in excessively long disclosure lists.</p> <p>Implementation</p> <p>A description of the required level breakdown of aircraft types is included in Schedule 16a.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
24	<p>Schedule 16(d) international freight statistics</p> <p>NZAA indicated that new information feeds will be required from airlines to verify the actual international freight base volumes on airport.⁵³</p>	<p>The Draft Reasons Paper noted that, although freight operations are a potential driver of airport growth, information concerning the annual volumes of domestic freight will not assist interested persons sufficiently to justify the cost of collecting the domestic data. The Commission considered that the annual international freight volumes should be disclosed as these would still provide a useful indicator of consumer value that is provided by the airports.⁵⁴</p> <p>The Commission notes however that interested persons can source annual figures on export and import volumes at each airport from the Statistics Department.⁵⁵</p> <p>Particularly as comparable information is available elsewhere, the Commission considers the cost to airports of disclosing annual freight volumes in a timely manner would exceed the value of the information to interested persons.</p> <p>Implementation</p> <p>Schedule 16(d) requirement to disclose international freight volumes for the financial year has been removed.</p>
25	<p>Schedule 16 human resources statistics</p> <p>In submissions, BARNZ proposed disaggregating HR disclosures by segmented activity. BARNZ noted that it has found tracking FTEs per passenger separately within airfield activities and specified passenger terminal activities over the past 10 years to be a useful litmus test of efficiency improvements. BARNZ also noted that these disclosures provided a transparent indicator of the degree of change in allocation methodologies.⁵⁶</p> <p>In cross submission NZAA noted that some FTEs are common to all three activities and observed that allocators are available from the Schedule 11a disclosures.⁵⁷</p> <p>In cross submission BARNZ considered that very little additional work would be involved for airports to prepare cost disclosures by segmented activity as the allocations will have been undertaken to prepare the Schedule 6 and 11 disclosures.⁵⁸</p>	<p>Under the AAA regulations, specified airport companies are required to disclose both FTE employee numbers and remuneration payable to employees by segmented activity.</p> <p>Disaggregation of FTEs can also provide interested persons with information concerning the effectiveness of capital investment (such as automation systems). The Commission considers that disclosure of FTEs by segmented activity would be of benefit to interested persons assessing efficiency improvements.</p> <p>The Commission considers that disclosure of total human resource costs assists interested persons to compare the costs of remuneration with those applicable to a competitive market. However, the Commission does not consider disclosure of human resource costs by segmented activity would significantly assist interested persons to assess whether the purpose of Part 4 is being met.</p> <p>Implementation</p> <p>Schedule 16 requires segmented disclosure of FTEs.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
26	<p>Schedule 16 domestic transfer and transit passenger figures</p> <p>Parties proposed removing the requirement to disclose annual domestic transfer and transit passenger numbers as there is no source of data readily available which provides a reliable and meaningful statistic to report.⁵⁹</p>	<p>Particularly since some airports set charges that are based on passenger volumes, the Commission considers that annual passenger volumes are of relevance to interested persons and provide comparative pricing information irrespective of whether an airport prices on a per passenger basis. The number of inbound and outbound passengers also provides contextual information concerning passenger terminal services. Although transit and transfer passengers only visit the airport once on a trip, they are counted twice, once as an inbound and once as an outbound passenger.</p> <p>The annual number of international transit and transfer passengers at international terminals with a security area for transit and transfer passengers is required to be disclosed. This allows interested persons to reduce the effect of double counting when combining international inbound and outbound passenger numbers.</p> <p>Although a similar effect occurs when adding domestic inbound and outbound passenger numbers, the Commission considers that the cost to airports of disclosing annual domestic transit and transfer passenger numbers exceeds the value of the information to interested persons.</p> <p>Implementation</p> <p>The Schedule 16 requirement to disclose the number of domestic transit and transfer passenger has been removed. The requirement to disclose the number of international transit and transfer passengers has been retained, but it is acknowledged that this figure may, at least in part, be estimated.</p> <p>The definition 'total number of domestic passengers' has been revised to mean 'the sum of the number of inbound domestic passengers and the number of outbound domestic passengers during a specified period of time.'</p> <p>'Total number of international passengers' is defined as 'the sum of the number of inbound international passengers and the number of outbound international passengers, less the estimated number of international transit and transfer passengers during a specified period of time'.</p>

#	Topic and Submitters' Views—Quality Disclosures	Commission's Response
27	<p>Schedule 16(a) aircraft statistics</p> <p>As noted in item 3 above, the revised draft Determination does not limit the definition of 'passengers' to revenue passengers on scheduled flights. Accordingly, 'air passenger service' has been defined as an 'air operation operated by an air operator for the carriage of passengers'. This effectively replaces the term 'scheduled operation'.</p>	<p>The Commission considers that this change will assist interested persons to relate the Schedule 16(a) aircraft statistics to net operating revenue from specified passenger terminal activities.</p> <p>Implementation</p> <p>The references in Schedule 16(a)(i) and 16(a)(ii) to 'scheduled landings of international flights' and 'scheduled landings of international flights' are replaced with 'landings of international air passenger service flights' and 'landings of domestic air passenger service flights'.</p>

Forecast Total Revenue and supporting information

#	Topic and Submitter’s Views—Forecast Total Revenue	Commission’s Response
1	<p>Forecast Asset Base</p> <p>BARNZ proposed that the Forecast Asset Base (FAB) be added to the clause 9.1(c) list of forecast total revenue components that should be disclosed following a Price Setting Event.</p> <p>BARNZ considered the asset base is one of the most important material inputs when determining charges under the building blocks methodology currently used by the airports. BARNZ noted that interested persons need to be able to understand the composition and value of the asset base used by each airport to set charges as well as any difference between it and the RAB used for disclosure purposes.⁶⁰</p> <p>NZAA noted that the requirements in Tables 19(b)(i) and 19(b)(ii) of Schedule 19 to disclose 10 year roll-forward calculations for the Forecast Asset Base and Works under Construction, was inconsistent with the 5 year requirements specified in Table B (p. 88) of the Draft Reasons Paper.</p> <p>In its submission, NZAA proposed that the Schedule 19 requirement to disclose roll-forward calculations for the Forecast Asset Base and Works under Construction be removed. In cross-submission, NZAA amended this view to agree with BARNZ that the Forecast Asset Base be added to the clause 9.1(c) list of Forecast Total Revenue components.⁶¹</p>	<p>The Commission considers that the FAB should be included in the disclosure requirements. This was a drafting error - was included in Schedules but not within the draft Determination or the Draft Reasons Paper.</p> <p>Implementation</p> <p>The Commission has included the FAB in clause 9.1(c) of the final Determination as ‘Forecast value of assets employed’.</p>
2	<p>Disclosure of Valuation Report</p> <p>In regard to clause 9.1(c) BARNZ considered that “where the asset base used for pricing differs from the RAB, the Airport should be required to disclose any valuation report which exists”.⁶² NZAA agreed that valuation reports may be provided when valuations of regulated assets are undertaken (typically at least every 5 years).⁶³</p>	<p>The Commission considers that where forecast revenue is based on an asset value different to that used in the most recently disclosed RAB, a valuation report should be disclosed to support that different value. This will allow interested persons to assess its reasonableness. The Commission also considers that disclosure following a Price Setting Event (rather than at the time the valuation is undertaken) increases the utility of the information to interested persons by putting it in an appropriate context.</p> <p>Implementation</p> <p>The Commission has added a clause to require the disclosure of a valuation report where the value of assets employed used for the forecast is based on a value different to that of the most recently disclosed RAB value.</p>
3	<p>Proposed definition for Price Setting Event</p>	<p>The Commission considers that definition of a Price Setting Event should avoid</p>

#	Topic and Submitter's Views—Forecast Total Revenue	Commission's Response
	<p>BARNZ noted that AIAL resets the terminal services charge and jet fuel pipeline charge annually. Airlines prefer it this way as airlines value the transparency the annual forecasting and wash-up processes provide, as well as the opportunities these processes provide for airlines to engage with the airport.</p> <p>BARNZ stated that AIAL may seek to move away from the annual resetting process if the Commission requires airports to disclose information as described in clause 9.⁶⁴</p> <p>The definition of a Price Setting Event was discussed at the September working session. NZAA, as part of its mark-ups on the draft Determination, submitted alternative wording for the definition of a Price Setting Event for the Commission's consideration.⁶⁵ BARNZ submitted changes to this proposed wording following the working session, including inserting a provision into clause 9 specifying that disclosures under clause 9 must occur within five years of a previous prices setting event.⁶⁶</p>	<p>triggering an Event where this is not useful in promoting the provision of sufficient information to interested persons.</p> <p>The Commission considers that NZAA's proposed technical drafting better meets the policy objective than the definition in the draft Determination; the Commission also notes BARNZ's view that wash-ups will usually involve consultation, and should therefore be separately noted as an exclusion.</p> <p>Implementation</p> <p>The definition of a Price Setting Event has been amended to read as below:</p> <p>“means the fixing or altering of price by an airport in respect of a specified airport service, pursuant to sections 4A and 4B of the Airport Authorities Act 1966 excluding where the price is:</p> <ul style="list-style-type: none"> a) subject to adjustment as a result of a wash-up; b) reset or adjusted annually, without further consultation; or c) subject to separate negotiation for inclusion in the terms of a lease or licence; or d) not required to be consulted on by virtue of section 4B(3) of the Airport Authorities Act 1966. <p>A price setting event is deemed to occur on the date that a new price comes into effect”.</p> <p>The Commission has also amended clause 9.1 to require disclosure following a Price Setting Event within five consecutive years of the previous disclosure under the clause.</p> <p>In addition, ‘wash-up’ has become a defined term as follows:</p> <p>“a ‘wash-up’ means an annual adjustment to prices reflecting actual use and actual costs incurred for the current financial year”.</p>

#	Topic and Submitter's Views—Forecast Total Revenue	Commission's Response
4	<p>Key Capital Expenditure Projects: disclosure threshold</p> <p>BARNZ considered the threshold of \$30 million proposed in the Draft Reasons Paper was too high, as the vast majority of airport capital expenditure would be forecast and disclosed as a single lump sum under each of the three activity categories. BARNZ noted that this would limit the ability of interested persons to assess the innovation and investment being undertaken, and whether it will enable services to be provided at a level that reflects consumer demands. BARNZ proposed a lower threshold of \$5 million be applied or, alternatively, a requirement to disclose the 5 largest projects (as has been proposed for EDBs and GDBs).⁶⁷ The BARNZ proposal was supported by Air NZ.⁶⁸ NZAA, in cross-submission, considered \$5m too low and supported a threshold of \$30 million or the disclosure of the 5 largest projects.⁶⁹ At the working session both airports and airlines agreed that a \$5 million threshold was acceptable. BARNZ provided a breakdown of major capital expenditure in relation to aeronautical activities.</p> <p>In its Cross-submission NZAA also considered that space for a description of how consumer demands have been assessed should be included in the Schedules.⁷⁰</p>	<p>The Commission notes that a threshold must capture a significant proportion of capital expenditure, rather than a certain number of projects, to provide sufficient and meaningful information to interested persons. Accordingly, the Commission considers that a lower threshold than originally proposed is appropriate. Analysis of the data provided by BARNZ at the working session indicates that a threshold level of \$5 million is likely to capture a significant proportion of forecast capital expenditure that is relevant to pricing for the forecast period.</p> <p>A threshold may also require scaling to individual airports' circumstances and over time to remain meaningful. The Commission therefore intends to monitor performance against the threshold over time, and to revisit the threshold level if deemed necessary. This is consistent with the Commission's undertaking to work with disclosers to resolve any implementation issues that may arise.</p> <p>The Commission considers that specifically requiring airports to disclose how they have undertaken an assessment of consumer demands, in relation to the objectives of Key Capital Expenditure Projects is helpful. The Commission considers that it is more consistent with drafting practice and provides more flexibility for disclosers if this is included in the Determination, rather than as a box or item in the Schedules.</p> <p>Implementation</p> <p>The Commission has changed the Key Capital Expenditure project threshold within the draft Determination to \$5 million.</p> <p>The Commission has also inserted into the draft Determination a specific requirement (clause 9.1(f)(iii)) to include a description of how consumer demands in relation to Key Capital Expenditure Projects have been assessed.</p>

#	Topic and Submitter's Views—Forecast Total Revenue	Commission's Response
5	<p>Key Capital Expenditure Projects: inclusion of regulated vs. unregulated assets</p> <p>BARNZ asks if the Key Capital Expenditure Projects definition include both regulated and unregulated assets (eg, terminal expansion that provides both regulated (aeronautical space) and unregulated (retail space)).⁷¹ NZAA considers that disclosures should not include any component of unregulated activities as this is outside the scope of the Act.</p> <p>NZAA also submits that airports should explain the allocation basis for the estimated project expenditure.⁷²</p>	<p>The Commission considers it is consistent with the purpose of Part 4 to distinguish between regulated and unregulated assets within information disclosure. The Commission notes that unregulated assets are excluded from the definition of Key Capital Expenditure Projects, consistent with the definition of Capital Expenditure adopted in the Revised Draft Input Methodologies Determination.⁷³</p> <p>Consistent with this, the Commission further considers it important to determine the proportion of shared assets and associated expenditure related to provision of specified airport services.</p> <p>Implementation</p> <p>A commentary box has been added to Schedule 19 for the explanation of allocation between regulated and unregulated assets, and an explanation of differences with the cost-allocation input methodology.</p>
6	<p>Demand forecast (Schedule 20): international transit and transfer passengers</p> <p>BARNZ considered that it would be useful if international transit and transfer passengers were forecast.⁷⁴ NZAA disagreed with BARNZ in cross-submission, viewing such a requirement as unnecessary as the information is specific to AIAL.⁷⁵ In cross-submission, BARNZ amended its initial view to suggest a materiality threshold of 5% of international passenger volumes could be adopted.⁷⁶ At the working session, attendees considered that a materiality threshold would be superfluous as only AIAL currently has transit/transfer passenger numbers of any volume. Attendees considered that disclosure as relevant to the situation of the individual airport concerned would be sufficient.</p>	<p>The Commission considers that transit and transfer passengers should be disclosed as the information would be useful to interested persons to track expenditure associated with changes in transit and transfer passenger numbers over time. The Commission considers that airports should have this information available. Following discussion at the working session, the Commission considers that a materiality threshold would not be useful, and if not relevant to the situation of the individual airport, that a nil disclosure would be acceptable.</p> <p>Implementation</p> <p>The Commission has amended Schedule 20 to include lines for disclosure of international transit and transfer passengers.</p>
7	<p>Demand Forecast (Schedule 20): terminology relating to capacity</p> <p>Changes to terminology - BARNZ noted that 'landings' is the most commonly used term rather than 'inbound flights'. 'Landings' should be used in its place in lines 41, 45, 49, 53.⁷⁷</p>	<p>The Commission considers that commonly used industry terminology should be adopted.</p> <p>Implementation</p> <p>The Commission has inserted 'landings' and 'movements' in Schedule 20, in place of 'inbound flights'.</p>

#	Topic and Submitter's Views—Forecast Total Revenue	Commission's Response
8	<p>Demand Forecast (Schedule 20): aircraft runway movements (busy hour) BARNZ considered that disclosure of inbound flights during the busy period would be of 'total aircraft movements during the runway movement busy hour'.⁷⁸ NZAA agreed in Cross-submission.⁷⁹</p>	<p>Following consultation the Commission considers that a split into inbound and outbound flights may not be relevant to actual capacity calculations undertaken by airports, and therefore may not reflect actual capital expenditure decisions.</p> <p>Implementation The Commission has changed Schedule 20 by replacing the reference in line 38 'Inbound flights during busy period' with 'Movements during busy period'. The terms 'Runway movement busy hour' and 'Runway movement busy day' have been changed to 'Runway busy hour' and 'Runway busy day'.</p>
9	<p>Demand Forecast (Schedule 20): domestic and international passenger aircraft BARNZ considers that forecast demand should separately show 'scheduled international passenger aircraft' and 'scheduled domestic passenger aircraft'.⁸⁰ NZAA agreed in Cross-submission.⁸¹</p>	<p>The Commission considers that splitting forecast passenger aircraft landings into international and domestic would be helpful for forecasting revenues from each source.</p> <p>Implementation The Commission has inserted lines to separately disclose international and domestic Landings of Total number of aircraft, and Landings by MCTOW, in Schedule 20.</p>
10	<p>Demand Forecast (Schedule 20): 'Scheduled Passenger Aircraft' replaced with 'Air Passenger Services' BARNZ noted that NZAA's proposed definition of regular air passenger services, which excludes chartered, non-schedules, and general aviation operations, does not capture all passengers using specified passenger terminal facilities.⁸²</p>	<p>The Commission considers that all passenger flights should be included in the disclosure.</p> <p>Implementation The Commission has changed the term 'Scheduled Passenger Aircraft' in lines 49-55 of Schedule 20 to 'Air Passenger Services'.</p>
11	<p>Demand Forecast (Schedule 20): aircraft weight categories BARNZ considered that disclosure of inbound forecast flights should be broken down into three weight categories, rather than the two currently proposed.⁸³ NZAA accepted this recommendation.⁸⁴</p>	<p>The Commission considers that this change would be beneficial as it would provide further information to interested persons on airports' forecast revenue related to aircraft size and category. The Commission also considers that an additional weight category may increase the relevance of the requirements over time. The Commission further expects that this information would be readily available.</p> <p>Implementation The Commission has inserted the additional aircraft size category into Schedule 20.</p>

#	Topic and Submitter's Views—Forecast Total Revenue	Commission's Response
12	<p>Demand Forecast (Schedule 20): explanation of basis for forecasts BARNZ suggested (following the AirBiz report) adding a box for commentary explaining the basis for forecasts and any assumptions made.⁸⁵ NZAA agreed in Cross-submission.⁸⁶</p>	<p>The Commission considers that this is beneficial, as it would provide further information for interested persons to understand the basis for forecasts, and the relationship of forecasts to prices and capital expenditure.</p> <p>Implementation The Commission has inserted a commentary box into Schedule 20 for explanations of the basis for forecasts and any assumptions made.</p>
13	<p>Pricing period starting year The Commission identified that it was not clear as to when a pricing event occurs or when the starting year of a pricing period begins.</p>	<p>The Commission considers it appropriate that the starting year of a pricing period should start from the beginning of the disclosure year to which a price change is to occur.</p> <p>The Commission notes that the starting year of a pricing period may not be consecutive to the year to which a disclosure was most recently made under the Determination. Accordingly, to ensure the RAB roll-forward is available to interested persons, supporting forecast asset base information needs to relate to the 10 years following the most recent disclosure year.</p> <p>Implementation The Commission has</p> <ul style="list-style-type: none"> ▪ amended the definitions of Price Setting Event and Pricing Period; ▪ clarified when information is to be disclosed (clause 9); and ▪ amended Schedule 19 to set Year 1 of the 5-year forecasts at the Pricing Period starting year, and so that Year 1 of the forecast asset base information starts from the year following the latest disclosure under the Determination.

Pricing and related disclosures

#	Topic and Submitter's Views—Pricing	Commission's Response
1	<p>Pricing statistics purpose, scope and terminology BARNZ and NZAA raised a number of points, including in discussion at working session, relating to the scope of pricing statistics and the terminology used therein.⁸⁷</p>	<p>The Commission has considered the submissions relating to pricing statistics and revised the requirements set out in Schedule 18.</p> <p>The pricing statistics should assist interested persons to compare proxies of average prices on a like-for-like basis between airports. This requires using measures of 'average price' that are comparable across airports even in the light of differences between pricing structures and potential changes to these over time.</p> <p>The revised Schedule 18 requires the disclosure of average revenue statistics as a proxy for average prices. The pricing statistics no longer refer to revenue from (potentially) airport specific charges.</p> <p>The numerators of the pricing statistics are revenue categories split into types of passenger (domestic and international) and different MCTOW categories relating to Airport Activities and Specified Passenger Terminal Activities.</p> <p>The denominators of the pricing statistics are relevant measures of MCTOW and total passenger numbers.</p> <p>To ensure transparency, Schedule 18 requires the relevant numerators and denominators to be disclosed separately.</p> <p>The Commission considers that the revenue from leases and rental is to be included in the revenue used for pricing statistics such that comparisons are not affected by differences in airports' business structures.</p> <p>A new weight break of 30 tonnes has been introduced recognising that aircraft over 30 tonnes are generally used on the main trunk routes whereas smaller aircraft are generally used on regional routes.</p> <p>Implementation</p> <p>In line with the revised requirements in Schedule 18 several new definitions have been added to the Determination:</p> <ul style="list-style-type: none"> ▪ average revenue from airfield activities relating to domestic flights of 3 to 30 tonnes MCTOW; ▪ average revenue from airfield activities relating to domestic flights 30 tonnes MCTOW and over; ▪ average revenue from airfield activities relating to international flights; ▪ average revenue from specified passenger terminal activities; and ▪ average revenue from airfield activities and specified passenger terminal activities.

#	Topic and Submitter's Views—Pricing	Commission's Response
		<p>The definitions relating to previously used pricing statistics have been deleted from the Determination.</p>
2	<p>Materiality of revenue covered by certain Pricing Statistics and relevance BARNZ and NZAA highlighted, including in discussion at Working Session of 13 September 2010, that certain pricing statistics cover revenues of low value or are not relevant therefore should not be required.⁸⁸</p>	<p>The Commission has considered the submissions relating to pricing statistics and removed several requirements from Schedule 18.</p> <p>Pricing statistics relating to parking charges have been removed as revenues from these are modest.</p> <p>Pricing statistics relating to domestic flights of less than 3 tonnes MCTOW per passenger have been removed as there do not tend to be passengers carried on these flights and airports may not collect relevant records for these.</p> <p>Pricing statistics relating to freight services have been removed since most freight is transported in the belly-hold and airports current pricing structures do not directly relate to freight transported.</p> <p>Implementation</p> <p>The following definitions have been removed from the Determination:</p> <ul style="list-style-type: none"> ▪ Average parking charge per aircraft per day; ▪ Average freight landing charges per tonne MCTOW; and ▪ Average freight income per tonne MCTOW.
3	<p>Standard Price BARNZ highlighted that the definition of Standard Price only relates to airline customers and should also refer to passengers.⁸⁹ NZAA agreed with this view.⁹⁰</p>	<p>The Commission has considered the submission and agrees that the definition should also refer to passengers.</p> <p>Implementation</p> <p>The definition of Standard Price has been amended.</p>

Certification and Audit

#	Topic and Submitter's Views—Certification and Audit	Commission's Response
1	<p>Comparative disclosures – Schedule 2A NZAA was concerned that the Commission's proposed approach to the initial disclosure was retrospective. Under Schedule 2a for the financial year ended 2011 the airports would also be required to report comparative disclosures for 2010 and 2009.⁹¹</p>	<p>The previously drafted transitional provision inadvertently omitted the exclusion of comparatives for 2010 and 2009.</p> <p>Implementation A transitional provision has been added, stipulating prior period columns in Schedule 2a are not required to be completed prior to the 2011 disclosure year.</p>
2	<p>Certification — statutory declarations NZAA considered that the obligation placed on directors to declare that information provided to the Commission is a true copy of the publicly disclosed information may be unnecessarily onerous, in light of reviewing the range of declarations proposed under the Commission's draft Schedules 21-27.⁹²</p>	<p>The assurance provided by the statutory declaration declaring 'that having made all reasonable enquiry, to the best of my knowledge, the information attached to this declaration is a true copy of information made available to the public...' is significantly achieved via Schedules 21, 22, 23 and 24.</p> <p>Implementation The Commission has deleted clause 13.1 and Schedule 25 in the requirements.</p>
3	<p>Transitional –Operating expenditure breakdown BARNZ suggested that , for the year ended 2011 disclosures, airports should be required to break down operating expenditure either using the categories provided in clause 6 of the Schedule to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 or as provided under Schedule 3 of the Commerce Commission ID Determination.⁹³ NZAA considered the operating expenditure categories proposed are largely workable.⁹⁴</p>	<p>Given NZAA believes the categories are workable, the Commission considers the transitional provision should be amended to require new categories currently proposed to be disclosed in the initial disclosures.</p> <p>Implementation The Commission has amended the transitional provision to remove the exemption relating to line items 21 – 24 in Schedule 3.</p>
4	<p>Audit of Report on Initial Regulatory Asset Base Value The Commission notes that no audit assurance was provided for in the draft Determination.</p> <p>References N/A</p>	<p>The Commission considers audit assurance is required for this disclosure.</p> <p>Implementation The Commission has added Schedule 26 (Report on Initial RAB value) to the disclosures required to be audited.</p>

CHAPTER 3: DISCLOSURE TEMPLATE CHANGES

3.1.1 These tables in this chapter set out the changes to Schedules 2–20 and Schedule 26 (previously schedule 27) of the draft Determination (ie, the images of the Excel disclosure templates). Minor changes (such as corrections to typographical errors) to the Draft Determination, are shown in Appendix A of the Update Paper with Determination Markups.

Historical Financial Information Disclosures

Template Sheet Name ⁶	Line reference and Changed Entry ⁷
S2.Return on Investment	Row 55 'regulatory asset base value' changed to 'RAB value'
S3.Regulatory Profit Statement	Rows 7, 8 Added new generic boxes for charging category line items Rows 7, 8 Deleted revenue line items 'Airfield income', 'Terminal services income' and 'Passenger services income' Row 9 Added new line item 'Other operating revenue' Row 13 Capital contributions: deleted Row 24 Safety and security: deleted Rows 32, 35 Added line item Allowance for Long Term Credit Spread Pagination Revised the schedule layout so that it is spread over two rather than three pages Schedules Added new Schedule 3b(i): Allowance for Long Term Credit Spread
S4.Tax Allowance	Row 15 Deleted non-taxable capital contributions

⁶ In this chapter, 'Template sheet names' refers to the worksheet tab names of the revised draft Excel template workbook.

⁷ In this chapter, unless specified the row and cell references refer to the row and cell locations in the 1 June 2010 draft Excel template.

Template Sheet Name ⁶	Line reference and Changed Entry ⁷
S5.RAB Roll-Forward	Row 86 Deleted row 86 'Security safety and environment' Row 29 Made 'Cost allocation adjustment' singular to match defined term Rows 41, 43, 50 Replaced 'Flexible' with 'Non-Standard' in headings Row 41 Renamed the heading to '5b(ii): 'Non-standard depreciation disclosure' from 'Flexible Annual Depreciation Disclosure' Rows 55 to 59 Statement for Stranded Assets: deleted Row 51 Heading renamed 'Justification for change re: non-standard depreciation methodology', to provide consistency of terminology Rows 22, 23 Replaced 'assets disposed of' with 'asset disposals' as the latter is a defined term Rows 52, 53 Changed widths of entry cells in 5b(iii): non-standard depreciation disclosure for year of change Row 22 Line item 'Assets disposals to a regulated supplier' renamed 'Assets disposed of to a regulated supplier' to match defined terms Row 23 Line item 'Assets disposals to a related party' renamed 'Assets disposed of to a related party' to match defined terms Row 110 Renamed from 'Cost of Financing capitalised' to 'Cost of financing works under construction'
S6.Related Party Transactions	Schedule number changed from Schedule 8 to Schedule 6
S7.Expenditure Statement	Row 11, 82 Deleted former rows 11 and 82 'Safety, security and environment' Row 17, 88 Deleted former rows 17 and 88 'Safety and security' Cells E7, G7 Changed financial year to disclosure year Schedule Schedule number changed from 9 to 7 Schedule 7b Column headers changed from 'Pricing year' or 'PY' to 'Pricing Period Starting Year'
S8.Segmented Information	Rows 9 to 11 Deleted revenue line items 'Airfield income', 'Terminal services income' and 'Passenger services income' Rows 9 & 10 Add new generic boxes for charging category line items Row 11 Added new line item 'other operating revenue' Row 15 Deleted former row 15 'Capital contributions' Column J Deleted former column J 'Eliminations / Transfers' Column J Revised formulas in Airport Business column (new cells J9:J30) to reflect deletion of Eliminations/Transfers column Column I Deleted former column I for presentation reasons as a result of deletion of former column J Schedule Schedule number changed from Schedule 6 to Schedule 8
S9.Consolidation Statement	Cell C36 Amended cell C36 by changing the reference to Schedule 6a to read schedule 9a Cell B26 Schedule 7b(i) renamed from Accounting Adjustments to Regulatory / GAAP Adjustments Schedule Schedule number changed from Schedule 7 to Schedule 9
S10.Asset Allocation	New rows 11, 15, 19 & 23 New total value rows added in each asset category Cell P8 Renamed to Unregulated Services - previously Unregulated Activities Cell F39 Changed 'Asset Allocator' to 'Allocator'

Template Sheet Name ⁶	Line reference and Changed Entry ⁷	
S11.Cost Allocation	Cell P8	Renamed to ‘Unregulated Services’ - previously ‘Unregulated Activities’
	Cell F35	Changed Cost Allocator to Allocator
S26.Initial RAB Value	Rows 12 & 13	Swapped rows 12 and 13 around to improve presentation
	Row 20	Renamed row 20 Initial Regulatory asset base value—year ended 2009 (added ‘Initial’ and used RAB acronym)
	Row 39	Renamed row 39 to ‘Lost and found assets’ (deleted ‘adjustment’)
	Row 41	Renamed row 41 to ‘Cost allocation adjustment’ (dropped ‘s’ from adjustments)
	Row 54	Renamed row 54 to ‘Regulatory asset base value—year ended 2009’ (added ‘value’ and used RAB acronym)
	Schedule	Deleted previous Schedule 27b(iv) ‘Asset Lives’ and replaced it with ‘Asset Lives & Asset Uses’. Changes are from new row 77 to new row 128
	Schedule	Schedule number changed to 26

Quality disclosures

Template Sheet Name	Line reference and Changed Entry
S12.Reliability	Rows 7, 13, 19, 25, 31, 37 & 43 Party responsible changed to ‘party primarily responsible’ Row 48-50 Fixed electrical ground power disclosure description changed; ‘availability’ added to heading Row 51-54 Average number of airbridge disclosure requirement removed, label added Row 51 ‘Aerobridge availability’ becomes ‘Airbridge’ availability’ Row 52 ‘Dual capability’ box deleted Row 54 Input boxes deleted Row 62 Commentary box heading added
S13.Airfield Capacity & Utilisation	Row 4 Title changed to ‘Report on Capacity Utilisation Indicators for Aircraft and Freight Activities and Airfield Activities’ Rows 24-28 Busy period disclosures moved to below Aircraft parking stands Rows 29 ‘stand’ changed to ‘stands’ Rows 30 Description changed to ‘Number of apron stands available during the runway busy day categorised by primary stand use and flight category’ Rows 31, 45 Stand use labels changed to ‘Contact stand–airbridge, Contact stand–walking, Remote stand–bus’ Rows 32-40 Flight categories changed to: Air passenger services International, Domestic jet, Domestic turbo-prop Row 44 Description changed to ‘Number of aircraft runway movements during the runway busy day categorised by stand use and flight category’ Rows 46-54 Flight categories changed to: Air passenger services International, Domestic jet, Domestic turbo-prop; Other (incl. General Aviation) Row 56 ‘Total aircraft runway movements during busy day’ changed to ‘Total aircraft movements during the runway busy day’ Row 58 ‘busy hour’ changed to ‘runway busy hour’ Row 59 Commentary box heading changed

Template Sheet Name	Line reference and Changed Entry
S14.Terminal Capacity & Utilisation	<p>Rows 4, 47, 98 Title changed to ‘Report on Capacity Utilisation Indicators for Specified Passenger Terminal Activities’</p> <p>Row 19 ‘Notional capacity during the busy hour, passengers/hour’ removed. Replaced by ‘Bags processed during the busy hour (bags/hour)’</p> <p>Row 20 ‘Passengers processed during the busy hour’ replaced by ‘Throughput of passengers during the passenger busy hour (passengers/hour)’</p> <p>Rows 25, 67 Passport control immigration and emigration ‘counters’ renamed ‘booths and kiosks’</p> <p>Rows 31, 36 Unused data input cells removed</p> <p>Row 33, 38 Security screening ‘counters’ renamed screening ‘points’</p> <p>Row 79 Baggage reclaim: notional capacity changed from passengers/hour to bags/hour</p> <p>New row (103) Baggage reclaim: ‘Bags processed during the passenger busy hour (passengers/hour)’</p> <p>New row (130) Heading added (for clarity on new page): ‘International terminal, Domestic terminal, Common area’</p> <p>Row 101 ‘busy hour start time’ removed</p> <p>Row 103 ‘Number of working baggage trolleys available to passengers during the busy hour’ changed to ‘Number of working baggage trolleys available for passenger use at end of financial year’</p> <p>General Throughput of passengers: units added (passengers/hour) Other units added where missing Units placed in brackets Busy hour start time disclosure labels refer to the name of the functional component ‘busy hour’ renamed ‘passenger busy hour’ Utilisation ratios added (busy hour passengers per 100m², passengers per seat, % of processing capacity)</p>
S15.Passenger Surveys	<p>Row 50 Commentary box heading added</p>

Template Sheet Name	Line reference and Changed Entry
S16.Statistics	<p>Row 7 'The total number and MCTOW of scheduled landings of international flights' replaced by 'The total number and MCTOW of landings of international air passenger flights'</p> <p>Row 60 'The total number and MCTOW of scheduled landings of domestic flights...' replaced by 'The total number and MCTOW of landings of domestic air passenger service flights...'</p> <p>Rows 8, 62, 81, 109 'Headings: 'Number of landings, MCTOW (tonnes)'' replaced by 'Total number of landings', 'Total MCTOW (tonnes)'</p> <p>Rows 61-79 Disclosure of individual aircraft types for aircraft less than 3 tonnes MCTOW replaced with 'Air passenger service aircraft less than 3 tonnes MCTOW' (new row 123)</p> <p>Rows 80-107 'Aircraft 3 tonnes MCTOW or more' replaced by '(1). Aircraft 3 tonnes or more but less than 30 tonnes MCTOW' (new rows 81-87) and '(2). Aircraft 30 tonnes MCTOW or more' (new rows 88-113)</p> <p>Row 110 Military and diplomatic aircraft: Row removed</p> <p>Row 112 'Other aircraft' replaced by 'Other aircraft (including General Aviation'</p> <p>New rows 126-127 '(iv) The total number and MCTOW of landings during the financial year', new total added: 'Total number of landings, Total MCTOW (tonnes)'</p> <p>Row 122 'Number of aircraft movements' replaced by 'Number of air passenger service aircraft movements'.</p> <p>Rows 124-126 stand descriptions changed to 'Contact stand-airbridge, contact stand-walking, remote stand-bus'</p> <p>Row 133 'Transit and transfer passengers' relabelled 'Estimated number of transit and transfer passengers'. Entry cell for the number of domestic transit and transfer passengers removed</p> <p>Rows 135-140 Freight statistics: Rows removed</p> <p>Row 155 Number of FTEs: Entry cells added in respect of 'Specified Terminal Activities, Airfield Activities, Aircraft and Freight Activities, Total'</p> <p>Row 156 Total human resource costs (\$000): Moved to below heading 'Total'</p>
S17.Forum	<p>Row 4 Title changed to 'Report on Operational Improvement Processes'</p>

Forecast Total Revenue and supporting information

Template Sheet Name	Changed Entry
S19.Revenue Methodology	<p>New Rows 98-119</p> <p>Commentary box added: An explanation of where and why disclosures differ from the cost-allocation Input Methodology AND/OR Where costs are shared between regulated and non-regulated assets, an explanation of the basis for that allocation</p> <p>Row 99 New heading: 'Capital Expenditure by Key Capital Expenditure Project'</p> <p>Row 2 Pricing Period starting year amended: Year 1 of the 5-year forecasts is set at the Pricing Period starting year</p> <p>Row 68 Year 1 of the 10-year forecast asset base information starts from the year following the latest disclosure under the Determination. New heading 'For prices taking effect in year ended'</p> <p>New Row 54 New Input box entitled 'Year of most recent disclosure (year ended)'</p> <p>Rows 58-63 Forecast Operating Expenditure moved to position below Forecast Capital Expenditure input area</p>
S20.Demand Forecasts	<p>Row 25: New line for disclosure of 'International Transit and Transfer passengers'</p> <p>Row 38 'Inbound Flights' replaced with 'Movements'</p> <p>Row 41, 45, 49, 53 'Inbound flights' replaced with 'Landings'</p> <p>Row 41-3, 46-9</p> <p>Aircraft weight categories changed: less than 3 tonnes and 3 tonnes or more replaced with 3 weight categories: 30 tonnes MCTOW or more, 3 tonnes or more but less than 30 tonnes MCTOW; and 30 tonnes MCTOW or more</p> <p>Row 51-4, 56-8</p> <p>Aircraft categories changed: from Schedule passenger/Military/diplomatic and Freight, to Air Passenger services: international and domestic</p> <p>New Rows 58-72</p> <p>Commentary box added for explanations of the basis for forecasts and any assumptions made</p>

Pricing and related disclosures

Template Sheet Name	Changed Entry
S18.Pricing Stats	Schedule 18 has been redrafted following consultation

ENDNOTES

- 1 Commerce Commission, *Input Methodologies Airport Services Draft Reasons Paper*, 31 May 2010,
paragraph 4.4.79.
- 2 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, p. 2 & 24; BARNZ Submission 16/9/10
- 3 NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft Reasons
Paper*, 3 August 2010, p. 10; NZAA NZ Airports, *Cross submissions following submissions on draft input
methodologies determination and draft reasons paper*, para 88-96
- 4 NZ Airports, *Submission on Used and Useful Assets, Technical Working Session supplementary working
item 3.3*, 17 September 2010; Air New Zealand Ltd., *Submission to the Commerce Commission on the Input
Methodologies Airport Services Draft Reasons Paper*, 12 July 2010, pp. 47-48
- 5 Commerce Commission, *Input Methodologies Airport Services Draft Reasons Paper*, 31 May 2010,
paragraph 4.4.79.
- 6 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, p. 17
- 7 NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft Reasons
Paper*, 3 August 2010, p. 29
- 8 NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft Reasons
Paper*, 3 August 2010, Attachment: draft templates (Microsoft Excel revisions), Schedule 6a
- 9 BARNZ, *Cross Submission on Information Disclosure (Airport Services) Draft Reasons Paper and Draft
Determination*, 3 August 2010, p. 12
- 10 NZ Airports, *Submission on Draft Information Disclosure Determination and Draft Reasons Paper*, 12 July
2010, para 52-54
- 11 BARNZ, *Cross Submission on Information Disclosure (Airport Services) Draft Reasons Paper and Draft
Determination*, 3 August 2010, p. 10
- 12 Aviation Security Service (Avsec), *Information for the Consultation on the Review of the Domestic and
International Passenger Security Charges*, 5 November 2009, paragraph 23. Cited at
<http://www.avsec.govt.nz>
- 13 NZ Airports, *Submission on Draft Information Disclosure Determination and Draft Reasons Paper*, 12 July
2010, Attachment: draft Determination (Microsoft Word mark-ups), p. 27; BARNZ, *Cross Submission on
Information Disclosure (Airport Services) Draft Reasons Paper and Draft Determination*, 3 August 2010, p.
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- 14 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, p. 16, BARNZ Cross-submission p. 11; NZ Airports, *Cross
Submission on the Draft Information Disclosures Determination and Draft Reasons Paper*, 3 August 2010,
p. 28
- 15 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, p. 10; BARNZ letter 16/9/10
- 16 NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft Reasons
Paper*, 3 August 2010, p. 19
- 17 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, pp. 1, 24, 25; Air New Zealand Ltd., *Submission to the
Commerce Commission on the Input Methodologies Airport Services Draft Reasons Paper*, 12 July 2010,
para 183; NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft
Reasons Paper*, 3 August 2010, p. 9; BARNZ, *Cross Submission on Information Disclosure (Airport
Services) Draft Reasons Paper and Draft Determination*, 3 August 2010, p. 1; BARNZ letter 16/9/10
- 18 BARNZ, *Submission on Commerce Commission Information Disclosure (Airport Services) Draft Reasons
Paper and Draft Determination*, 12 July 2010, p. 17, 18
- 19 NZ Airports, *Cross Submission on the Draft Information Disclosures Determination and Draft Reasons
Paper*, 3 August 2010, p. 30
- 20 Christchurch International Airport Limited, *Submission on Input Methodologies and Information Disclosure
Draft Determination and Reasons Papers for Airport Services*, 12 July 2010, p. 42; NZ Airports, *Cross
Submission following Submission on Draft Input Methodologies Determination and Draft Reasons Paper*, 3
August 2010, Attachment: Uniservices, *Comments on Air New Zealand's and BARNZ's Submissions to the
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**APPENDIX A: REVISED DRAFT DETERMINATION FOR
SPECIFIED AIRPORT SERVICES**



COMMERCE COMMISSION

Decision No. []

Airports information disclosure determination pursuant to Part 4 of the Commerce Act 1986 (the Act).

The Commission:
Dr M Berry
PJM Taylor
S Begg
P Duignan

Summary of the Determination: Pursuant to Part 4 of the Act, the Commerce Commission has determined information disclosure requirements that apply to suppliers of specified airport services. The attached determination sets these requirements as required under section 56E of the Act. The determination takes effect on and from 1 January 2011.

Date of Decision: [December 2010]

Regulation Branch
Commerce Commission
Wellington
NEW ZEALAND

[11] October 2010

ISBN: 978-1-869450-71-7

DRAFT COMMERCE ACT (SPECIFIED AIRPORT SERVICES INFORMATION DISCLOSURE) DETERMINATION 2010

Pursuant to Part 4 of the Commerce Act 1986, the Commerce Commission makes the following determination:

1. Title

1.1 This determination is the *Commerce Act (Specified Airport Services Information Disclosure) Determination 2010*.

2. Commencement Date

2.1 This determination comes into force on 1 January 2011.

3. Application

3.1 This determination applies to **airports** as suppliers of regulated goods and services under Part 4 of the **Act**.

4. Interpretation

4.1 In this determination, unless the context otherwise requires,—

- (a) terms in bold type have the meaning given to those terms in Schedule 1;
- (b) terms used in this determination that are defined in the **Act**, but not in this determination, have the same meanings in this determination as in the **Act**;
- (c) a word which denotes the singular also denotes the plural and vice versa;
- (d) any obligation to do something is deemed to include an obligation to cause that thing to be done;
- (e) financial items must be measured and disclosed in accordance with **GAAP**; and
- (f) non-financial items must be measured and disclosed in accordance with standard industry practice.

4.3 If there is any inconsistency between the main body of this determination and any schedule to this determination, the main body of this determination prevails.

5. Information Disclosure

Subject to clauses 14 and 15, from the **commencement date**, every **airport** must comply with the information disclosure requirements set out in this determination and, in particular, must:

- (a) comply with the requirements to disclose financial and other information in accordance with clause 7;
- (b) comply with the requirements to disclose quality information in accordance with clause 8;
- (c) comply with the requirements to disclose forecast total revenue requirements and pricing information in accordance with clause 9; and
- (d) comply with the audit, certification and verification requirements in accordance with clauses 10, 11 and 13.

6. **Applicable Input Methodologies**

Every **airport** must apply the following parts of the **IM determination**, when complying with this determination:

- (a) Part 2 – Cost and Asset Value Allocation;
- (b) Part 3 – Asset Valuation; and
- (c) Part 4 – Treatment of Taxation.

7. **Annual Disclosure Relating to Financial Information**

7.1 Subject to clause 15, within five **months** after the end of each **disclosure year**, every **airport** must disclose information relating to its financial position by:

- (a) completing each of the following reports by inserting all information relating to the **specified airport services** supplied by the **airport** for that **disclosure year**:
 - (i) the Report on Return on Investment set out in Schedule 2;
 - (ii) the Report on Regulatory Profit set out in Schedule 3;
 - (iii) the Report on Regulatory Tax Allowance set out in Schedule 4;
 - (iv) the Report on Regulatory Asset Base Roll Forward set out in Schedule 5;
 - (v) the Report on Related Party Transactions set out in Schedule 6;
 - (vi) the Report on Actual to Forecast Expenditure set out in Schedule 7;
 - (vi) the Report on Segmented Information set out in Schedule 8;
 - (vii) the Consolidation Statement set out in Schedule 9;
 - (viii) the Report on Asset Allocations set out in Schedule 10;

- (ix) the Report on Cost Allocations set out in Schedule 11; and
 - (b) **publicly disclosing** each of those reports.
- 7.2 Subject to clause 15, within five **months** after the end of each **disclosure year**, every **airport** must **publicly disclose** each land valuation report prepared for the purpose of revaluing land under clause 3.6 of the **IM determination** and included in the Report on Regulatory Asset Base Roll Forward set out in Schedule 5.

8. Annual Disclosure of Quality and Statistics

- 8.1 Subject to clause 15, within five **months** after the end of each **disclosure year**, every **airport** must disclose information relating to the quality of its **specified airport services** by:
- (a) subject to clause 8.2, completing each of the following reports by inserting all information relating to the **specified airport services** supplied by the **airport** for that **disclosure year**:
 - (i) the Report on Reliability Measures set out in Schedule 12;
 - (ii) the Report on Capacity Utilisation Indicators for Aircraft and Freight Activities and Airfield Activities set out in Schedule 13;
 - (iii) the Report on Capacity Utilisation Indicators for Specified Passenger Terminal Activities set out in Schedule 14;
 - (iv) the Report on Passenger Satisfaction Indicators set out in Schedule 15;
 - (v) the Report on Associated Statistics set out in Schedule 16;
 - (vi) the Report on Operational Improvement Processes set out in Schedule 17; and
 - (vii) the Report on Pricing Statistics set out in Schedule 18; and
 - (b) **publicly disclosing** each of those reports.
- 8.2 Every three **months**, for the purpose of completing and **publicly disclosing** the Report on Passenger Satisfaction Indicators set out in Schedule 15, every **airport** must complete a **passenger** satisfaction survey by questionnaire for each of the following **passenger** types, in accordance with clauses 8.3 and 8.4:
- (a) **passengers** about to board a domestic flight; and
 - (b) **passengers** about to board an international flight.

8.3 Each passenger survey must conform to the following requirements:

- (a) each respondent must be a **passenger** about to board a flight;
- (b) each survey questionnaire must be completed by one respondent only;
- (c) the margin of error of the surveyed responses to each question, and in respect of each survey, must be no greater than 5% with a 95% confidence level;
- (d) the survey design must account for any selection bias arising out of the respondent's choice of destination, airline and date of travel to the extent that such selection bias does not materially affect the accuracy of the results;
- (e) the process for undertaking fieldwork in a manner that avoids bias must be documented, and that documented process must be made available to all individuals undertaking fieldwork;
- (f) survey questionnaires must invite the respondent to assess the quality of each of the service aspects on a five point rating scale, where:

1 = "very dissatisfied" or "poor";

2 = "somewhat dissatisfied" or "fair";

3 = "neither satisfied or dissatisfied" or "good";

4 = "satisfied" or "very good"; and

5 = "very satisfied" or "excellent"; and

- (g) the quarterly score S disclosed for each question in the passenger survey is a weighted average calculated using the following formula:

$$S = \frac{\sum_{I=1}^5 (I \times R(I))}{\sum_{I=1}^5 R(I)}$$

where:

- (i) each of the five possible responses are sequentially labeled with an integer value I , ranging from 1 to 5 in accordance with clause 8.3(f) above; and
- (ii) $R(I)$ is the number of respondents that returned, in answer to the question, the response labeled I .

- 8.4 If the design of the passenger survey, including fieldwork and result compilation procedures, changes to the extent that it may materially affect the comparability of results from one disclosed quarter to the next, the nature of the change and the effect of that change on the comparability of the survey must be noted in the survey comments box contained in the Report on Passenger Satisfaction Indicators set out in Schedule 15.
- 8.5 The fieldwork documentation required pursuant to clause 8.3(e) above must be made publicly available at the same time as the Report on Passenger Satisfaction Indicators set out in Schedule 15 is **publicly disclosed**. The Internet address of the site containing this documentation must be noted in the survey comments box contained in the Report on Passenger Satisfaction Indicators set out in Schedule 15.

9. Disclosure Following Price Setting Event

- 9.1 Within 20 **working days** following a decision to fix or alter prices as part of a **price setting event**, or within five consecutive years of the previous disclosure under this clause, an **airport** must disclose information relating to its forecast total revenue requirement by:
- (a) completing each of the following reports by inserting all information relating to the **specified airport services** supplied by the **airport** for that **disclosure year**:
 - (i) the Report on Forecast Total Revenue Requirements set out in Schedule 19;
 - (ii) the Report on Demand Forecasts set out in Schedule 20; and
 - (b) **publicly disclosing** each of those reports; and
 - (c) in respect of each of the following components of the Report on the Forecast Total Revenue Requirements set out in Schedule 19:
 - (i) **forecast value of assets employed;**
 - (ii) **forecast cost of capital;**
 - (iii) **forecast operational expenditure;**
 - (iv) **forecast depreciation;**
 - (v) **forecast tax;**
 - (vi) **forecast revaluations;** and
 - (vii) any other components,

publicly disclosing a description of how each of those components has been determined, including an explanation of:

- (viii) the rationale for the basis of preparing those components, and any related assumptions;
 - (ix) the extent to which each component is used to determine the forecast total revenue requirement; and
 - (x) the differences (if any) between the preparation of each component and the most recent corresponding historical financial information disclosed in accordance with clause 7.
- (d) where the **forecast value of assets employed** is based on a value other than that used for the purposes of the latest disclosure under clause 7, **publicly disclosing** the valuation on which the value of the **forecast value of assets employed** is based;
- (e) **publicly disclosing** a high-level description of the **airport's** forecast **capital expenditure** by category and project as disclosed in accordance with Schedule 19, including the aims and objectives of any proposed investments;
- (f) **publicly disclosing**, for the period of five consecutive years immediately following the **price setting event**, a description of each **key capital expenditure project**, including an explanation of:
- (i) the aims and objectives of each **key capital expenditure project**;
 - (ii) the process by which the need for the **key capital expenditure project** was determined, including any assessment criteria;
 - (iii) any **consumer** engagement undertaken as part of the process referred to in clause 9.1(f), including a description of how **consumer** demands have been assessed;
 - (iv) any alternative expenditure projects considered, and the rationale for excluding those alternative projects; and
 - (v) any constraints or other factors on which successful completion of each **key capital expenditure project** is contingent; and
- (g) **publicly disclosing** any assumptions or justifications of the **airport's** forecast **operational expenditure** by category as disclosed in accordance with Schedule 19.

9.2 Within 20 **working days** following a decision to fix or alter prices as part of a **price setting event**, the **airport** must **publicly disclose** an overview of the **airport's pricing methodology** used to set prices as part of the **price setting event**, including:

- (a) a summary of the **airport's pricing methodology**; and

- (b) a description of:
- (i) categories or groups of **specified airport services** that are provided together in respect of which individual charges apply (**charged services**); and
 - (ii) the relationship between the quality of service provided and the cost for each **charged service**; and
 - (iii) the methodology used to allocate costs to particular **charged services**; and
 - (iv) significant changes to prices for **charged services**, including any rebalancing of prices, compared with equivalent services provided during the previous **pricing period**; and
 - (v) the extent to which any prices for particular **charged services** are priced below incremental cost, and thereby involve cross-subsidies; and
 - (vi) the methodology for determining the proposed prices for **charged services**, and how those prices are reconciled with the forecast total revenue requirement; and
 - (vii) any terminal access charges (even if these are bundled into other charges) and the methodology for determining any differentiation in terminal access charges on the basis of the means of access to the terminal (such as airbridge access, transfer bus access or walking access).

9.3 Within 20 **working days** following a decision to fix or alter prices as part of a **price setting event**, the **airport** must **publicly disclose** a list of the **airport's standard prices** for all **specified airport services**, including whether the **standard prices** are inclusive or exclusive of **GST**.

10. Auditor's Reports

10.1 Where an **airport** is required to **publicly disclose** any **audited disclosure information**, the **airport** must:

- (a) procure a report by an **independent auditor** in respect of that **audited disclosure information**, signed by the **independent auditor** (either in his or her own name or that of his or her firm), stating:
 - (i) the work done by the **independent auditor**; and
 - (ii) the scope and limitations of the audit; and

- (iii) the existence of any relationship (other than that of auditor) which the **independent auditor** has with, or any interests which the **independent auditor** has in, the **airport** or any of its subsidiaries; and
 - (iv) whether the **independent auditor** has obtained all information and explanations that he or she required and, if not, the information and explanations not obtained; and
 - (v) whether, in the **independent auditor's** opinion, as far as appears from an examination of them, proper **records** to enable the complete and accurate compilation of required information have been kept by the **airport** and, if not, the **records** not so kept; and
 - (vi) whether (and, if not, the respects in which it does not), in the **independent auditor's** opinion, the **audited disclosure information** complies with this determination; and
 - (vii) in respect of any historical financial information **publicly disclosed** pursuant to clause 7.1, whether (and, if not, the respects in which it does not), in the **independent auditor's** opinion, that information has been prepared in all material respects in accordance with this determination; and
 - (viii) in respect of any historical non-financial information **publicly disclosed** pursuant to clause 8.1, whether (and, if not, the respects in which it does not), in the **independent auditor's** opinion, the **airport** has complied in all material respects with the requirements, including guidance (if any) issued pursuant to this determination, and the information is based on the **records** examined under subsection (v); and
 - (ix) in respect of the Report on the Initial Regulatory Asset Value pursuant to clause 15.1, whether (and, if not, the respects in which it does not), in the **independent auditor's** opinion, that information has been prepared in all material respects in accordance with this determination; and
- (b) **publicly disclose** the **independent auditor's** report prepared in accordance with clause 10.1(a) at the same time as the **airport publicly discloses** the **audited disclosure information**.

11. Certificates

- 11.1 Where an **airport** is required to **publicly disclose** any information pursuant to either of clauses 7.1 or 8.1, the **airport** must at that time **publicly disclose** a certificate in the form set out in Schedule 21 in respect of that information, duly signed by two **directors** of the **airport**.
- 11.2 Where an **airport** is required to **publicly disclose** any information pursuant to any of clauses 9.1(a)-(f), the **airport** must at that time **publicly disclose** a certificate in the

form set out in Schedule 22 in respect of that information, duly signed by two **directors** of the **airport**.

- 11.3 Where an **airport** is required to **publicly disclose** any information pursuant to either of clauses 9.1(g) or 9.2, the **airport** must at that time **publicly disclose** a certificate in the form set out in Schedule 23 in respect of that information, duly signed by two **directors** of the **airport**.
- 11.4 Where an **airport** is required to **publicly disclose** any information pursuant to clause 15.1, the **airport** must at that time **publicly disclose** a certificate in the form set out in Schedule 24 in respect of that information, duly signed by two **directors** of the **airport**.

12. Retention and Continuing Disclosure

- 12.1 An **airport** that is required by this determination to **publicly disclose** any information must retain, and continuously **publicly disclose**, that information for at least seven years from the date that information is first required to be **publicly disclosed**.

13. Statutory Declarations

- 13.1 Where an **airport** is required to provide any further statements, reports, agreements, particulars, or other information to the **Commission** pursuant to section 53B(1)(c) of the **Act**, the **airport** must at that time:
- (a) verify those further statements, reports, agreements, particulars, or other information by completing a statutory declaration in the form set out in Schedule 25; and
 - (b) provide that completed statutory declaration to the **Commission**.

14. Exemptions

- 14.1 The **Commission** may at any time, by written notice to an **airport**:
- (a) exempt the **airport** from any or all of the requirements of this determination, for a period and on such terms and conditions as the **Commission** specifies in the notice; and
 - (b) amend or revoke any such exemption.

15. Transitional Provisions

- 15.1 Within 11 **months** after the end of the first **disclosure year** in which an **airport** is subject to this determination, the **airport** must disclose information relating to its **RAB** by:
- (a) completing the Report on Initial Regulatory Asset Value set out in Schedule 26 by inserting all information relating to the **specified airport services** supplied by the **airport**;

- (b) completing the Report on Asset Allocations set out in Schedule 10 by inserting all information relating to the initial cost allocation adjustment in Schedule 27 for the:
 - (i) **RAB value** for the year ended 2009; and
 - (ii) **disclosure year** ending 2010; and
 - (c) **publicly disclosing** those reports.
- 15.2 Notwithstanding any requirements set out in clauses 7 or 8 of this determination, but subject to clause 15.5 below, any information that would otherwise be required to be **publicly disclosed** pursuant to clauses 7 or 8 in respect of the **disclosure year** ending 2011 is required to be disclosed within 11 **months** after the end of the **disclosure year** ending 2011.
- 15.3 Notwithstanding any requirements set out in clause 9 of this determination on or before 30 September 2011, each **airport** must **publicly disclose** the information required to be disclosed pursuant to clause 9 for the **price setting event** in respect of that **airport** immediately preceding the **commencement date**.
- 15.4 For the avoidance of doubt:
- (a) clauses 15.2 or 15.3 relates to the timing of **public disclosure** only; and
 - (b) nothing in clauses 15.2 or 15.3 affects the content of any information required to be **publicly disclosed** in this determination.
- 15.5 Notwithstanding any requirements set out in clauses 7 or 8 of this determination, the following information is not required to be **publicly disclosed** in respect of the **disclosure year** ending 2011:
- (a) line items 8-17 of the Report on Return on Investment set out in Schedule 2 for years ended **CY-2** and **CY-1**;
 - (b) line items 75-76 of the Report on Regulatory Asset Base Roll Forward set out in Schedule 5 (though line item 77 is still required to be **publicly disclosed**);
 - (c) **interruptions** identified by party responsible, as otherwise required to be disclosed in accordance with the Report on Reliability Measures set out in Schedule 12 (**interruptions** must instead be **publicly disclosed** as occurring for undetermined reasons);
 - (d) line items 9-10, and 13-15, of the Report on Actual to Forecast Expenditure set out in Schedule 7;
 - (e) on-time departure delay indicators, airbridge availability indicators, and the fixed electrical ground power indicator as otherwise required to be disclosed

in accordance with the Report on Reliability Measures set out in Schedule 12; and

- (f) where an **airport** has not undertaken some or all of the **passenger surveys** or similar surveys during the **disclosure year** ending 2011, the Report on Passenger Satisfaction Indicators set out in Schedule 15, or part thereof, as the case may be (although details of less than full compliance must be noted in the comments box).
- 15.6 Notwithstanding any requirements set out in clauses 7 or 8 of this determination, line items 8-17 of the Report on Return on Investment as set out in Schedule 2 for the year ended **CY-2** are not required to be **publicly disclosed** in respect of the **disclosure year** ending 2012.
- 15.7 For the avoidance of doubt, nothing in clauses 15.5 or 15.6 affects any requirement to disclose any information in respect of the **disclosure year** ending 2013 or any subsequent **disclosure year**.

Dated at Wellington this 30th day of November 2010.
COMMERCE COMMISSION

SCHEDULE 1

Clause 4

DEFINED TERMS

% variance

means the value of q calculated with reference to the following formula:

$$q = \frac{a - b}{b} \times 100$$

where:

a = **actual for current disclosure year**; and

b = **forecast for current disclosure year**

Act

means the Commerce Act 1986

actual for current disclosure year

means:

(a) in respect of **capital expenditure**, the actual **capital expenditure** in the current **disclosure year**; and

(b) in respect of **operational expenditure**, the actual **operational expenditure** in the current **disclosure year**

actual for period to date

means the accumulated actual **capital expenditure** or actual **operating expenditure**, as the case may be, from the beginning of the current **pricing period**, and including the **actual for current disclosure year**

adjusted regulatory profit

means the **regulatory profit / (loss)** less the **notional interest tax shield**

adjustment for merger, acquisition or sale activity

means the value of regulatory assets that are added to, or removed from, the **RAB** by way of merger, acquisition or sale by an **airport** to another **airport**, multiplied by the proportion of the **disclosure year** the assets are available to the **airport** making the disclosure, where added assets have a positive value and removed assets have a negative value

affected line item

means the row reference in the Consolidation Statement set out in Schedule 9

air passenger service	means an air operation operated by an air operator for the carriage of passengers
aircraft and freight activities	has the meaning given to that term in section 2 of the Airport Authorities Act 1966
aircraft movement	means an aircraft take-off or landing at an airport , so that one arrival and one departure in respect of the same aircraft is treated as two movements
airfield activities	has the meaning given to that term in section 2 of the Airport Authorities Act 1966
airport activity	means any one or more of the following, as the case may be: <ul style="list-style-type: none"> (a) airfield activities; (b) aircraft and freight activities; and (c) specified passenger terminal activities
airport activity charge	means revenue earned by an airport in relation to a specific charge or group of charges, other than lease, rentals and concessions income . In determining how charges are disclosed, consideration must be given to the charging structure outlined in the pricing methodology disclosed in accordance with clause 9.2
airport business—GAAP	means the financial performance of the airport disclosed in accordance with GAAP
airport company	means a company described in section 56A(2) of the Act
airport company—GAAP	means the financial performance of the airport company , which includes both regulated and unregulated services , disclosed in accordance with GAAP
airport or airport business	means the parts of an airport company that provide specified airport services
airside circulation inbound—floor space	means the overall functional floor space, measured in square metres, of areas providing general circulation for: <ul style="list-style-type: none"> (a) inbound passengers; (b) travellers; and (c) concourse areas that provide access for: <ul style="list-style-type: none"> (i) inbound passengers to and/or from security

screening and **inbound** passport control where provided;

- (ii) airbridge and terminal doorways (where **inbound passengers** depart or arrive into corridors); and
- (iii) airside retail/concessions areas, but excluding retail and concession areas and floor curtilage spaces of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

**airside circulation
outbound—floor space**

means the overall functional floor space, measured in square metres, of areas providing general circulation for:

- (a) **outbound passengers**;
- (b) travellers; and
- (c) concourse areas that provide access for:
 - (i) **outbound passengers** to and/or from security screening and **outbound** passport control;
 - (ii) departure lounges;
 - (iii) airbridge and terminal doorways (where **outbound passengers** depart or arrive into corridors); and
 - (iv) airside retail/concessions, but excluding retail and concession areas and floor curtilage spaces of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

allocated value

means the value of an asset included in the closing **RAB** in accordance with clause 3.3 of the **IM determination**

allocator

means the quantifiable metric (e.g. employee numbers, floor spare etc) used as the numerator and denominator in determining a **cost allocator** or **asset allocator**

allocator type

means the basis for the attribution or allocation of an **operating cost** or **asset value** to an **airport activity**, being “directly attributable”, “causal” or “proxy”

allowance for long term credit spread

means:

- (a) if at the end of the **disclosure year**, the weighted average **original tenor** of the airport's **qualifying debt** and **non-qualifying debt** is less than five years, a value of nil; or
- (b) the value of q calculated with reference to the following formula:

$$q = (a + b + c) \times d$$

where:

- a = the sum of the **term credit spread difference** for each **qualifying debt**;
- b = the sum of the **execution cost of an interest rate swap** when this cost is incurred for each **qualifying debt**;
- c = the sum of the **notional debt issue cost readjustment** for each **qualifying debt**;
- d = **attribution rate**

arrivals concourse—floor space

means the overall functional floor space, measured in square metres, of areas occupied by the landside public meeting areas, including seating and waiting areas, but excluding retail and concession areas and floor curtilage area of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

asset allocator

means a proportion of a quantifiable measure used to allocate **asset values** that are not **directly attributable asset values** as determined in accordance with Part 2 of the **IM determination**

asset category

means one of the following asset types:

- (a) land;
- (b) sealed surfaces;
- (c) infrastructure and buildings; and
- (d) vehicles, plant and equipment;

asset disposals	means the value of assets disposed of as determined in accordance with clause 3.9 of the IM determination
asset life	means the useful life of an asset as on the last day of the disclosure year 2009 as determined in accordance with the disclosure financial statements completed by the airport under regulation 4 of the <i>Airport Authorities (Airport Companies Information Disclosure) Regulations 1999</i> for the accounting period (as defined in regulation 2(1) of those regulations) ending in 2009
asset maintenance	means operational expenditure that is incurred with the intention of maintaining the life of an existing asset and includes emergency maintenance
asset management and airport operations	means operational expenditure , but excludes asset maintenance and corporate overheads operational expenditure
asset replacement and renewal	means capital expenditure predominantly associated with the progressive physical deterioration of assets or their immediate surrounds, or capital expenditure arising as a result of the obsolescence of assets and excludes capacity growth capital expenditure
asset value	means the value of an asset used in or in relation to the undertaking of regulated activities , and is determined in accordance with Part 3 of the IM determination as if Part 2 of the IM determination had never applied
assets acquired from a regulated supplier	means the value of an asset acquired from another regulated supplier as determined in accordance with clause 3.8(2)(d) of the IM determination
assets acquired from a related party	means the value of an asset acquired from a related party as determined in accordance with clause 3.8(2)(e) of the IM determination
assets commissioned	means the value of commissioned assets as determined in accordance with clause 3.8 of the IM determination
assets disposed of to a regulated supplier	means the value of assets disposed of to another regulated supplier as determined through clause 3.9 of the IM determination
assets disposed of to a	means the value of assets disposed of to a related party as

related party	determined in accordance with clause 3.9 of the IM determination , excluding land disposals
assets held for future use	means the value of assets as determined in accordance with clause 3.12 of the IM determination
assets held for future use additions	means any change in value in respect of the initial value, holding costs, net revenue or tracking revaluations as determined in accordance with clause 3.12 of the IM determination
assets not directly attributable	means the asset values that are not directly attributable to each asset category determined in accordance with Part 2 of the IM determination
attribution rate	means in respect of the allowance for long term credit spread , the value of q calculated with reference to the following formula: $q = (a \times b) / c$ <p>where:</p> <ul style="list-style-type: none"> a = the RAB value for the previous disclosure year b = a leverage rate of 40% c = the sum of the book value of each qualifying debt and each non-qualifying debt as of the end of the disclosure year
audited disclosure information	means information disclosed pursuant to any of clause 7.1, 8.1 or 15.1 of this determination
average revenue from airfield activities and specified passenger terminal activities	means the value of q calculated with reference to the following formula: $q = \frac{a}{b}$ <p>where:</p> <ul style="list-style-type: none"> a = the sum of: <ul style="list-style-type: none"> net operating revenue from airfield activities relating to domestic flights of aircraft with a MCTOW rating of 3 tonnes or more but less than 30 tonnes; net operating revenue from airfield activities relating to domestic flights of aircraft with a

MCTOW rating of 30 tonnes or more; and
net operating revenue from **specified passenger terminal activities** relating to **domestic flights**;

or

the sum of:
net operating revenue from **airfield activities** relating to **international flights**; and
net operating revenue from **specified passenger terminal activities** relating to **domestic flights**;

and

- b = the sum of:
total number of domestic passengers on flights of aircraft with a **MCTOW** rating of 3 tonnes or more but less than 30 tonnes; and
total number of domestic passengers on flights of aircraft with a **MCTOW** rating of 30 tonnes or more;
or **total number of international passengers**

average revenue from airfield activities relating to domestic flights of 3 to 30 tonnes MCTOW

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b}$$

where:

- a = **net operating revenue** from **airfield activities** relating to **domestic** flights of aircraft with a **MCTOW** rating of 3 tonnes or more but less than 30 tonnes;

and

- b = **total number of domestic passengers** on flights of aircraft with a **MCTOW** rating of 3 tonnes or more but less than 30 tonnes;

or total **MCTOW** of **domestic** flights aircraft with a **MCTOW** rating of 3 tonnes or more but less than 30 tonnes

**average revenue from
airfield activities relating to
domestic flights 30 tonnes
MCTOW and over**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b}$$

where:

- a = **net operating revenue** from **airfield activities** relating to **domestic** flights of aircraft with a **MCTOW** rating of 30 tonnes or more; and
- b = **total number of domestic passengers** on flights of aircraft with a **MCTOW** rating of 30 tonnes or more;
or total **MCTOW** of **domestic** flights of aircraft with a **MCTOW** rating of 30 tonnes or more

**average revenue from
airfield activities relating to
international flights**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b}$$

where:

- a = **net operating revenue** from **airfield activities** relating to **international** flights ; and
- b = **total number of international passengers**;
or total **MCTOW** of **international** flights

**average revenue from
specified passenger terminal
activities**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b}$$

where:

- a = **net operating revenue** from **specified passenger terminal activities** relating to **domestic passengers**;
or **net operating revenue** from **specified passenger terminal activities** relating to **international passengers**
and
- b = **total number of domestic passengers**;

or **total number of international passengers**

average unit price	means the average price paid for each unit acquired or sold in a transaction between the airport and a related party
Aviation Security Service	means the aviation security service established under section 72B(2)(ca) of the Civil Aviation Act 1990
baggage outbound—make-up area floor space	means the overall functional floor space, measured in square metres, of areas occupied by: <ul style="list-style-type: none"> (a) baggage make-up conveyors; (b) loops and laterals; (c) dolly circulation and staging; (d) staff sorting and loading space; and (e) hold baggage screening equipment
baggage outbound—notional capacity	means the practical capacity of an airport’s outbound baggage sortation system(s), expressed in bags per hour, based on its configuration, conveyor speeds and continuous (x-ray or similar) inspection capacities where applicable
baggage outbound—throughput of bags	means: <ul style="list-style-type: none"> (a) in respect of manual sortation/make-up systems, an estimation of the number of bags being processed by the system during the relevant hour, based on the throughput of passengers in that hour and an assumed number of bags per passenger; and (b) in respect of automated baggage sortation/make-up systems, the actual number of bags processed through the system during the relevant hour
baggage reclaim—floor space	means the overall functional floor space, measured in square metres, of areas occupied by: <ul style="list-style-type: none"> (a) baggage reclaim belts; (b) waiting areas; (c) trolley storage areas; (d) baggage service counters; and (e) areas occupied by airline staff directly interfacing with passengers,

but excluding areas in the baggage room such as the drop-off

	belt
baggage reclaim—notional capacity (bags)	means the capacity of baggage reclaim facilities expressed in bags per hour, assessed using accepted industry practice taking account of the numbers, types and sizes of aircraft expected to usually arrive in the passenger busy hour applicable to the baggage reclaim functional component
baggage reclaim—throughput of bags	means an estimation of the number of bags being delivered through the system during the relevant hour, based on the throughput of passengers in that hour and an assumed number of bags per passenger
bio-security screening and inspection and Customs secondary inspection—floor space	<p>means the overall functional floor space, measured in square metres, of areas providing:</p> <ul style="list-style-type: none"> (a) biosecurity screening and inspection for inbound passengers, including the areas occupied by booths, benches, screening equipment, and the Ministry of Agriculture and Forestry (MAF) staff operating the screening and inspection areas; (b) Customs secondary inspection for inbound passengers, including the areas occupied by booths, benches, screening equipment, and Customs staff operating the screening and inspection areas; (c) queuing zones; and (d) an area up to two metres after the screening equipment or booths and benches on the landside of the screening and inspection points, <p>but excluding MAF and Customs offices and search rooms</p>
bio-security screening and inspection and Customs secondary inspection— notional capacity	means throughput capacity expressed in passengers per hour based on the number of Ministry of Agriculture and Forestry (MAF) screening stations and advice from MAF on the sustainable processing rate
book value	is the book value in New Zealand dollars of a qualifying debt or non-qualifying debt as at either the end of the disclosure year or on the issue date as the context requires
business day	has the meaning given to that term in clause 1.4 of the IM determination

capacity growth	means capital expenditure incurred predominantly to provide for increased capacity
capital contributions	means cash or other forms of consideration received in a disclosure year from other parties, including consumers , for the predominant purpose of asset construction or enhancement
capital expenditure	has the meaning given to that term in clause 1.4 of the IM determination
capital expenditure projects	means projects or programmes of capital expenditure , including financing and escalation costs, that collectively include expenditure of more than \$5 million in the current pricing period , the value of which is recognised in respect of the disclosure year in which the expenditure is incurred
change in asset allocator	means changes in any one of the following from the previous disclosure year : <ul style="list-style-type: none"> (a) the list of assets, the value of which has been allocated using a specific asset allocator; (b) calculated metrics to be used as the basis of allocations made using a specific cost allocator; or (c) asset allocators or the list of assets allocated to a specific asset category
change in cost allocator	means changes in any one of the following from the previous disclosure year : <ul style="list-style-type: none"> (a) the list of operating costs allocated using a specific cost allocator; (b) calculated metrics to be used as the basis of allocations made using a specific cost allocator; or (c) cost allocators or the list of operating costs allocated to a specific operating cost category
charged services	has the meaning given to that term in clause 9.5(b)
check-in—floor space	means the overall floor space, measured in square metres, of areas utilised by passengers, and check-in staff when in direct contact with passengers, including: <ul style="list-style-type: none"> (a) check in counters; (b) kiosks;

- (c) help desks;
- (d) service desks;
- (e) ticketing counters;
- (f) baggage scales
- (g) baggage injector feeds;
- (h) takeaway baggage conveyors;
- (i) bag drop belts;
- (j) queuing zones;
- (k) seating and waiting areas associated with the check-in area; and
- (l) circulation areas directly associated with any of the above functions,

but excludes:

- (i) airline and airport offices, unless used directly by passengers as part of normal processing and services; and
- (ii) retail concession areas and floor curtilage area of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

commencement date	means the date specified in clause 2
Commission	means the Commerce Commission, established by section 8 of the Commerce Act 1986
commissioned project	means projects or programmes of capital expenditure that include total expenditure of more than \$5 million and that are commissioned in the current disclosure year
consumer	has the meaning set out in section 52C of the Act
corporate overheads	means operational expenditure that is incurred predominantly with respect to administration functions, but is not directly incurred in the operation and maintenance of assets necessary for the provision of specified airport services , including expenditure on: <ul style="list-style-type: none"> (a) corporate governance and management; (b) human resources;

- (c) information technology systems;
- (d) accounting services;
- (e) procurement; and
- (f) legal and risk management

corporate tax rate	has the meaning given in clause 1.4 of the IM determination
cost allocation adjustment	means the sum of each value of cost allocation adjustment, as that term is defined in clause 3.11 of the IM determination
cost allocator	means a proportion of a quantifiable measure used to allocate operating costs that are costs not directly attributable , as determined in accordance with Part 2 of the IM determination
cost of debt assumption	means the sum of the risk free rate and debt premium estimates as published by the Commission in accordance with Part 5 of the IM determination
cost of financing works under construction	means the cost of finance included in capital expenditure in relation to works under construction
costs not directly attributable	means the value of operating costs that are not directly attributable costs for each operating cost category , determined in accordance with Part 2 of the IM determination
coupon rate	is the nominal coupon rate of interest of a qualifying debt on the issue date
CPI	has the meaning given in clause 1.4 of the IM determination
current year tax losses	means net taxable income where the value of net taxable income is negative
Customs	means the New Zealand Customs Service
CY	means current year
departure lounges—floor space	means the overall functional floor space, measured in square metres, of areas occupied by: <ul style="list-style-type: none"> (a) departure gate lounges, including seating waiting areas;

- (b) airline boarding control counters; and
- (c) areas occupied by airline staff controlling boarding,

but excluding:

- (d) retail and concession areas and floor curtilage area one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions; and
- (e) airport lounges, pay-per-use lounges and facilities such as showers

departure lounges—number of seats means the number of **passengers** that could reasonably be seated on the seating facilities provided for **passenger** use within the departure lounges floor space

depreciation means:

- (a) in respect of **airport business—GAAP** or **airport company** financial results, depreciation as determined in accordance with **GAAP**; and
- (b) in respect of **airport business, regulatory depreciation**

description of land means the parcels of land identified in the valuation report prepared for the purposes of clause 3.6 of the **IM determination**

description of regulatory / GAAP adjustment means a brief description of the different approach used in preparing the **airport** performance compared to preparing **GAAP** compliant financial statements

description of transaction means a brief description of the transaction with a **related party**, including the goods or services provided to or by the **related party** as part of that transaction

description of use (land) means a description of how each parcel of land is used to provide **specified airport services** sufficiently detailed to allow interested persons to assess the usefulness of the asset in providing **specified airport services**

description of use (significant assets) means a description of how **significant assets** are used to provide **specified airport services** that is sufficiently detailed to allow interested persons to assess the usefulness of the asset in providing **specified airport services**

directly attributable	has the meaning given to that term in Part 2 of the IM determination
Director	in respect of a particular company, means a person occupying the position of director of that company by whatever name called
disclosure year	means 12 month period ending on, in the case of- <ul style="list-style-type: none"> (a) Wellington International Airport Limited, 31 March, and (b) all other airport companies, 30 June;
domestic	means aircraft operations between airports within New Zealand
effect of change	means the difference between the value allocated to the airport using the original allocator or components and the value allocated to the airport using the new allocator or components
entity name	means the legal name of a related party
excluded intangible assets	means, in respect of assets as at the year ended 2009, an intangible asset that is excluded in accordance with clause 3.1(b) of the IM determination
execution cost for an interest rate swap	in respect of a qualified debt , half the wholesale bid offer spread of an interest rate swap where that interest rate swap was executed within one week of either the pricing date or the issue date .
forecast cost of capital	means the cost of capital used by an airport in determining the airport's total revenue requirement for the purposes of consultation undertaken as part of a price setting event
forecast depreciation	means the forecast depreciation used by an airport in determining the airport's total revenue requirement for the purposes of consultation undertaken as part of a price setting event
forecast for current disclosure year	means the forecast capital expenditure and operational expenditure pertaining to the current disclosure year as disclosed in the most recent disclosure made in accordance with clause 9
forecast for period to date	means the accumulated forecast capital expenditure and

operational expenditure pertaining to the years from the beginning of the **pricing period** to the current **disclosure year**, as disclosed in the most recent disclosure made in accordance with clause 9

forecast operational expenditure

means the forecast **operational expenditure** used by an **airport** in determining the **airport's** total revenue requirement for the purposes of consultation undertaken as part of a **price setting event**

forecast other income

means the forecast other income used by an **airport** in determining the **airport's** total revenue requirement for the purposes of consultation undertaken as part of a **price setting event**

forecast return on assets employed

means the product of the **forecast value of assets employed** and the **forecast cost of capital**

forecast revaluations

means the forecast revaluations used by an **airport** in determining the **airport's** total revenue requirement for the purposes of consultation undertaken as part of a **price setting event**

forecast tax

means forecast tax used by an **airport** in determining the **airport's** total revenue requirement for the purposes of consultation undertaken as part of a **price setting event**

forecast value of assets employed

means the value of assets used by an **airport** in determining the **airport's** total revenue requirement for the purposes of consultation undertaken as part of a **price setting event**

functional components

means, in respect of an **airport**:

- (a) airfield;
- (b) apron; and
- (c) the functional components of the passenger terminal, and

in respect of a passenger terminal:

- (i) landside circulation outbound;
- (ii) check-in;
- (iii) passport control outbound;
- (iv) security screening;
- (v) airside circulation outbound;

- (vi) departure lounges;
- (vii) airside circulation inbound;
- (viii) passport control inbound;
- (ix) landside circulation inbound;
- (x) baggage reclaim;
- (xi) bio-security screening and inspection and **Customs** secondary inspection;
- (xii) arrivals concourse;
- (xiii) outbound baggage sortation system; and
- (xiv) total terminal functional areas providing passenger facilities and services

GAAP means generally accepted accounting practice as defined in section 3 of the Financial Reporting Act 1993

gains / (losses) on asset sales means:

- (a) in respect of **assets disposed of to a related party**, the difference between the **market value of assets disposed** and the value of the assets included in the **RAB value**;
- (b) in respect of assets disposed of to an **airport**, zero; and
- (c) in respect of other **assets disposed**, the difference between the sale price of an asset and the **value** of the assets included in the **RAB value**

GST means any tax required to be paid by an **airport** in accordance with the Goods and Services Tax Act 1985 as amended from time to time, and any equivalent preceding legislation, or any subsequent legislation that supplements or replaces that Act

highest rate of finance applied means the highest rate of finance used to determine the **cost of financing works under construction**

holding cost has the meaning given in clause 3.12(7)(b) of the **IM determination**

IM determination means the *Input Methodologies (Specified Airport Services) Determination 2010*

inbound	means an aircraft or a passenger onboard an aircraft arriving at an airport
independent auditor	means, in relation to any information that relates to an airport , a person who: <ul style="list-style-type: none"> (a) is qualified for appointment as auditor of a company under the Companies Act 1993 or, where the airport is a public entity (as defined in section 4 of the Public Audit Act 2001), is the Auditor-General; (b) has no relationship with, or interest in, the airport that is likely to involve a conflict of interest; (c) has not assisted with the compilation of the information or provided advice or opinions (other than in relation to audit reports) on the methodologies or processes used in compiling the information; and (d) is not associated with nor directed by any person who has provided any such assistance, advice, or opinion
indexed revaluation	means the product of the RAB value for the previous disclosure year and the revaluation rate
initial cost allocation adjustment	means the decrease in the RAB value as a result of complying with clause 3.2(3) of the IM determination
initial disclosure year	means the disclosure year ending in 2011
initial RAB	has the meaning given in clause 3.1 of the IM determination
initial RAB value	has the meaning given in clause 3.2 of the IM determination
initial value	has the meaning given in clause 3.12(7)(a) of the IM determination
international	means aircraft operations at an airport that began outside New Zealand, or began in New Zealand and is to continue outside New Zealand
interruption	means, in relation to any service provided by an airport , the withdrawal by the airport of the service for 15 minutes or longer, but does not include planned withdrawals, or the withdrawal of runway services necessitated by weather

	conditions, or withdrawals of any services that are operated and managed by a third party and are not being provided on behalf of, or under contract with, the airport
interruption to baggage reclaim belts	means that the baggage reclaim unit scheduled was not available and no baggage reclaim unit alternative was available for use
interruption to baggage sortation system on departures	means that the baggage sortation system for departing bags was unavailable for more than 15 minutes, irrespective of where the breakdown was within the system
interruption to contact stands	means that a contact stand/airbridge was scheduled and no alternative contact stand/airbridge was provided
interruption to fixed electrical ground power (FEGP) units	means the percentage of time that all fixed electrical ground power units (FEGP) were scheduled for supply to an aircraft but were unavailable due to interruptions , calculated as the sum of the duration of each interruption during the financial year divided by the sum of the scheduled durations of FEGP supply to each aircraft during the financial year
interruption to remote stands and means of embarkation/disembarkation	means that a remote stand with bussing operations or walking to or from the terminal was scheduled, but the remote stand and/or means of passengers accessing the terminal was not available and no alternative was provided
interruption to runway services	means that a scheduled aircraft cannot land or depart due to closure of a runway
interruption to taxiway services	means that the taxiway is unusable by scheduled aircraft and there is no alternative path reasonably available
issue date	means the day on which a qualifying debt or non-qualifying debt is issued
justification for change re non-standard depreciation methodology	means an explanation which provides sufficient detail so that interested persons can make their own assessments about the introduction of, or charge to the application of, a non-standard depreciation methodology
key capital expenditure projects	means a projects or programmes of capital expenditure that collectively include expenditure of more than \$5 million in the 10 year forecast period, the value of which is recognised in respect of the disclosure year in which the expenditure is incurred. For the avoidance of doubt, if there are separate capital expenditure projects that contribute to one output (or a set of broadly overlapping outputs) these projects should be

reported as a single programme, together with details of each individual project comprising it

land disposals

means the value of land assets disposed of as determined through clause 3.9 of the **IM determination**

**landside circulation
inbound—floor space**

means 50% of the overall functional floor space, measured in square metres, of areas providing general circulation to provide common access for both **inbound** and **outbound passengers** to and from check-in, security and landside retail/concessions, but excluding retail and concession areas and floor curtilage area of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

**landside circulation
outbound—floor space**

means the overall functional floor space, measured in square metres, of areas providing general circulation to provide segregated access for outbound passengers to and from check-in, security and landside retail/concessions, and 50% of the overall functional floor space, measured in square metres, of areas providing general circulation to provide common access for inbound and outbound passengers to and from check-in, security and landside retail/concessions, but excluding retail and concession areas and floor curtilage area of one metre in width at entries and/or exits to retail/concessions and adjacent to shop-front window displays for retail/concessions

**lease, rentals and concessions
income**

means any income received from leases, rentals or concessions

line item

means the list of all **asset values** or **operating costs** included within the **asset category** or **operating cost category** for which the same **asset allocator** or **cost allocator** is used to allocate their **asset values** or **operating costs** between **airport activities**

lost and found assets

means the net value of lost and found assets as determined in accordance with clause 3.10 of the **IM determination**, where lost assets have a negative value and found assets have a positive value

market value of asset

means the market value of assets disposed of to **related**

disposals	parties as determined by an independent valuer
MCTOW	means maximum certificated take-off weight measured in tonnes as contained in the aircraft's Certificate of Registration
merger and acquisition expenses	means expenditure related to merger and acquisition activities irrespective of the outcome of the merger or acquisition, but proportionate to the extent the benefits of the merger or acquisition would relate to the airport
month	means calendar month
MVAU valuation adjustment	means the increase or decrease in the RAB value or works under construction , where an increase is recorded as a positive value and a decrease is recorded as a negative value, as result of complying with the requirement in clause 3.6 of the IM determination
net income	means the revenue of the airport , including gains and/or losses on assets sales and other income For the avoidance of doubt, the net income for the airport business is the total regulatory income
net operating revenue	means the total of airport activity charges , other operating revenue , and lease rentals and concessions income
net revenue	has the meaning given in clause 3.12(7)(c) of the IM Determination
net taxable income	means either: <ul style="list-style-type: none"> (a) regulatory taxable income / (loss) less tax losses used, if regulatory taxable income / (loss) is positive; or (b) nil, if regulatory taxable income / (loss) is negative
new allocator or components	means: <ul style="list-style-type: none"> (a) if a change in the allocator type or cost allocator used, the asset allocator or cost allocator used; or (b) if a change in line item, the line item included in the asset allocator or cost allocator used
non taxable	means not included in assessable income for income tax

	purposes in accordance with the Income Tax Act 2007 as amended from time to time, and any equivalent preceding legislation, or any subsequent legislation that supplements or replaces that Act
non-current assets – year ended 2009	means the 2009 disclosed assets as defined in Part 3 of the IM determination
non-indexed revaluations	means the value of revaluations which are not indexed revaluations
non-qualifying debt	means a line of debt, other than trade debt, issued by an airport company that is not a qualifying debt
non-standard depreciation disclosure	has the meaning set out in clause 1.4 of the IM determination
non-standard depreciation methodology	means a description of the depreciation methodology which (i) relates to the making of a non-standard depreciation disclosure and (ii) is applied to in accordance with clause 3.4 of the IM determination
notional debt issue cost readjustment	means in respect of a qualifying debt , the value of q calculated with reference to the following formula: $q = ((1.75\% / a) - 0.35\%) \times b$ <p>where:</p> <p>a = original tenor of the qualifying debt</p> <p>b = book value of the qualifying debt at issue date</p>
notional deductible interest	has the meaning given to that term in clause 4.1(4) of the IM determination
notional interest tax shield	means the product of notional deductible interest and the corporate tax rate applicable to the current disclosure year
on time departure delay	means that the terminal departure time of a scheduled service has been delayed by more than 15 minutes primarily as a result of unavailability of identified airport activity services or facilities
operating cost category	means one of the categories in the following list which comprises, for the purpose of a proposal, a classification of the types of operating costs that airports make when providing airport activities to consumers and operating

cost categories means all of the following categories:

- (a) **corporate overheads;**
- (b) **asset management and airport operations;** and
- (c) **asset maintenance**

operating costs

has the meaning set out in clause 1.4 of the **IM determination**

operating surplus / (deficit)

means **total regulatory income** less **operational expenditure**

operating surplus / (deficit) before interest depreciation, revaluations and tax

means **net income** less **operational expenditure**
For the avoidance of doubt, the **operating surplus / (deficit) before interest depreciation, revaluations and tax** for the **airport business** is the **operating surplus / (deficit)**

operational expenditure

means **operating costs** after applying Part 2 of the **IM determination**

operational surplus / (deficit) before interest

means the value of q calculated with reference to the following formula:

$$q = a - b - c - d$$

where:

- a = **operational surplus / (deficit) before interest, depreciation, revaluations and tax;**
- b = **depreciation;**
- c = **total revaluations;** and
- d = **tax expense**

For the avoidance of doubt, operational surplus / (deficit) Before Interest for the **airport business** is **regulatory profit / (loss)**

original allocator or components

means:

- (a) in respect of a change in the **cost allocator** or **allocator type** used, the **cost allocator** or **asset allocator** used directly prior to the change in allocator; or
- (b) in respect of a change in **line item**, the **line item** included in the **cost allocator** or **asset allocator** directly prior to the change in components

original tenor	means the term of a qualifying debt or non-qualifying debt at the issue date
other adjustments to the RAB tax value	means any adjustment to the RAB (tax value) made in accordance with Part 4 of the IM determination other than: <ul style="list-style-type: none"> (a) tax value of asset additions; (b) tax value of asset disposals; (c) tax value of assets transferred from / (to) unregulated asset base; and (d) tax depreciation
other assets	means assets included in the initial RAB that are not significant assets
other assets commissioned	means assets commissioned that have not been separately disclosed as commissioned projects
other capital expenditure	means aggregate capital expenditure for the disclosure year that has not been separately disclosed as capital expenditure projects
other excluded assets	means assets as at the year ended 2009 defined as excluded assets in accordance with subparagraphs (b) and (c) of clause 3.1 of the IM determination
other factors	means the value of any factor used to determine the total revenue requirement as required by clause 9.1 other than: <ul style="list-style-type: none"> (a) return on regulated assets; (b) forecast operating expenditure; (c) forecast depreciation; (d) forecast tax; (e) forecast revaluations; and (f) forecast other income
other incentives	means the value of any arrangements where an airport agrees with an customer to provide goods or services, whether to the customer or a third party, in consideration for the airport providing specified airport services to the customer For the avoidance of doubt other incentives excludes pricing

incentives

other income	means any income received from the provision of specified airport services that is not captured by total operating revenue, capital contributions or gains / (losses) on asset sales .
other non-standard asset depreciation	means the value of regulatory depreciation relating to non-standard assets determined in accordance with Part 3 of the IM determination
other operating revenue	means revenue earned by an airport business in relation to specific charges relating to an airport activity , which has not been separately disclosed as an airport activity charge or lease, rentals and concessions income . Other operating revenue must not exceed 10% of net operating revenue
other permanent differences—non deductible	means the non deductible non-reversing differences between regulatory profit / (loss) before tax and regulatory taxable income / (loss) calculated for income tax purposes in respect of the airport
other permanent differences—non taxable	means the non taxable non-reversing differences between regulatory profit / (loss) before tax and regulatory taxable income / (loss) calculated for income tax purposes in respect of the airport
other related party transactions	means the value of any related party transactions that are not disclosed as related party net operating revenue, operational expenditure, capital expenditure or fair value of asset disposals
other temporary adjustments—current period	means adjustments for temporary differences, as determined in accordance with GAAP which arise in respect of the current disclosure year , excluding depreciation
other temporary adjustments—prior period	means adjustments for temporary differences, as determined in accordance with GAAP , which arise from previous disclosure years , including depreciation
outbound	means an aircraft or a passenger onboard an aircraft departing from an airport
passenger	means a person transported by an operator of a air passenger service , including airline staff on duty travel and

passenger crew, excluding crew operating the service and excluding persons that do not pass through the passenger terminal while disembarking or embarking

passenger aircraft landing charge

means any price charged to an operator of a passenger aircraft by an **airport** for landing that aircraft at that **airport**

passenger busy hour

in respect of a functional component of a passenger terminal, means the clock hour with the 30th highest ranked number of **passengers** in the previous **disclosure year** for that **airport** in the **passenger category** that best reflects the **passenger** usage of the functional component and whose **terminal arrival time** or **terminal departure time** fell within the clock hour.

For the avoidance of doubt, although the passenger busy hours must be calculated without reference to the number of transit and transfer **passengers** onboard, disclosed figures for **passenger throughput** at functional components of the terminal during the busy hour will be adjusted where relevant for the estimated number of transit and transfer **passengers** arriving or departing during the busy hour

passenger category

means one of the following:

- (a) **passengers** on **outbound international** aircraft;
- (b) **passengers** on **inbound international** aircraft;
- (c) **passengers** on **outbound domestic** aircraft;
- (d) **passengers** on **outbound domestic** aircraft that require security screening of **passengers**;
- (e) **passengers** on **inbound domestic** aircraft;
- (f) **passengers** on **outbound** aircraft (applies only to **airports** with a functional component that is used as a combined facility by **passengers** on **international** and **domestic outbound** aircraft); or
- (g) **passengers** on **inbound** aircraft (applies only to **airports** with a functional component that is used as a combined facility by **passengers** on **international** and **domestic inbound** aircraft)

passenger service income

means income derived from any charge payable to an **airport** for provision of services by that **airport** related to use of a terminal or terminal facilities

For the avoidance of doubt passenger service income includes income derived from any departure fee charged to a **passenger**

passenger survey	means a passenger survey carried out under clause 8.2
passenger throughput	in respect of a functional component of a passenger terminal, means the estimated number of passengers passing through the functional component during the relevant busy hour; and is equal to the number of passengers in the passenger category that best reflects the passenger usage of the functional component during the passenger busy hour for that functional component, and (if transit and transfer passengers normally bypass the functional component or if the functional component is used to process only transit and transfer passengers) adjusted using an estimate of the number of transit and transfer passengers contained in the passenger category
passport control (inbound)—floor space	means the overall functional floor space, measured in square metres, of areas providing passport control for inbound passengers, including the areas occupied by booths and kiosks, and the Customs staff operating the control point screening, queuing zones and an area up to two metres after the booths and kiosks on the airside of the control point, but excludes Customs and Immigration offices
passport control (outbound)—floor space	means the overall functional floor space, measured in square metres, of areas providing passport control for outbound passengers, including the areas occupied by booths and kiosks, and the Customs staff operating the control point screening, queuing zones and an area up to two metres after the booths and kiosks on the airside of the control point, but excluding Customs and Immigration offices
passport control inbound— notional capacity	means the throughput capacity expressed in passengers per hour based on the number of Customs booths and automated border processing system kiosks and Customs advice regarding the sustainable processing rates for Customs booth and kiosk processing, unless a separate agreement has been reached between the airport and Customs , in which case the agreed maximum rate applies
passport control outbound— notional capacity	means the throughput capacity expressed in passengers per hour, based on the number of Customs booths and automated border processing system kiosks and Customs advice regarding the sustainable processing rates for Customs booth and kiosk processing, unless a separate

	agreement has been reached between the airport and Customs , in which case the agreed maximum rate applies
post-tax WACC	has the meaning given to that term in clause 5.1(2) of the IM determination
previous year	means the disclosure year immediately prior to the current disclosure year , and previous years has an associated meaning
price setting event	means the fixing or altering of price by an airport in respect of a specified airport service , pursuant to sections 4A and 4B of the Airport Authorities Act 1966 excluding where the price is: <ul style="list-style-type: none"> (a) subject to adjustment as a result of a wash-up; (b) reset or adjusted annually, including without further consultation; or (c) subject to separate negotiation for inclusion in the terms of a lease or licence; or (d) not required to be consulted on by virtue of section 4B(3) of the Airport Authorities Act 1966. A price setting event is deemed to occur on the date that a new price comes into effect
pricing date	is the day on which a qualifying debt is priced
pricing incentives	means the value of incentives provided to customers by an airport that have the effect of lowering the price paid for specified airport services including discounts, rebates, credits or reimbursements
pricing methodology	means the methodology or methodologies used by an airport to set standard prices , including all material assumptions, pricing principles, models, estimates, calculations and processes used as part of a price setting event
pricing period	means: <ul style="list-style-type: none"> (a) the disclosure years between two consecutive price setting events, inclusive of the years in which the price setting events occur; or (b) where a price setting event is not followed by another price setting event, a period of 5 consecutive years starting with a pricing period starting year
pricing period starting year	the first disclosure year of a pricing period

property plant and equipment (excluding works under construction)

means:

- (a) in respect of an **airport**, the **RAB value**;
- (b) in respect of **airport business—GAAP**, the **RAB value** determined in accordance with **GAAP** but excluding **works under construction**; and
- (c) for **airport company—GAAP**, the value of property plant and equipment of the **airport company** determined in accordance with **GAAP**, but excluding **works under construction**

proportionate regulatory value

means the proportion of the total value of any asset that is equivalent to the proportion of the **disclosure year** that the assets are used by the **airport**

publicly disclose

in relation to any information, means to:

- (a) disclose the information to the public on the Internet at the **airport's** usual publicly accessible website;
- (b) make copies of the information available for inspection by any person during ordinary office hours, at the principal office of the **airport** making the public disclosure;
- (c) give notice in the *Gazette* of:
 - (i) that disclosure; and
 - (ii) the uniform resource locator of the Internet site where the information disclosed can be found; and
 - (iii) where hard copies of the information disclosed may be inspected or obtained; and
- (d) within 10 **working days** of being requested to do so by any person, provide that person with a copy of the information, either by post or for collection (during ordinary office hours) from that principal office, whichever the person prefers; and
- (e) within 5 **working days** after the information is disclosed to the public, provide a copy of the information to the **Commission** in the form that it is disclosed to the public and in an electronic format that is compatible with Microsoft Excel or

Microsoft Word (as the case may be),
and **public disclosure** and **publicly disclosing** have
corresponding meanings

qualifying debt

means a line of debt, issued by an **airport company** with an
original tenor greater than five years.

RAB

means regulatory asset base

RAB (tax value)

means the value of q calculated with reference to the
following formula:

$$q = a + b - c +/- d - e +/- e$$

where:

- a = **RAB (tax value)** for the **previous disclosure year**;
- b = **tax value of asset additions**;
- c = **tax value of asset disposals**;
- d = **tax value of assets transferred from / (to) unregulated asset base**;
- e = **tax depreciation**; and
- f = **other adjustments to the RAB tax value**,

and where:

- (a) in the **initial disclosure year** the **RAB (tax value)** for the previous **disclosure year** will be the tax value of assets included in the RAB as at the beginning of the **initial disclosure year**, to the extent the asset is allocated to the RAB under Part 2 of the **IM determination**; and
- (b) the **RAB (tax value)** for the previous **disclosure year** in the **initial disclosure year** will not be greater than the **RAB value**

RAB investment

means the value of q calculated with reference to the
following formula:

$$q = a + b + c - d$$

where:

- a = **commissioned projects**;
- b = **other assets commissioned**;

c = **adjustment for merger, acquisition or sale activity**

d = **asset disposals**

RAB proportionate investment

means the value of q calculated with reference to the following formula:

$$q = a + b + c - d$$

where:

a = the sum of the **proportionate regulatory value of commissioned projects**;

b = the **proportionate regulatory value of other assets commissioned**;

c = the **proportionate regulatory value of adjustments for merger, acquisitions or sale activity**; and

d = the **proportionate regulatory value of asset disposals**

RAB value

means the value of q calculated with reference to the following formula:

$$q = a + b + c - d - e + f + g$$

where:

a = **RAB value** for the previous **disclosure year**;

b = **asset commissioned**;

c = **revaluations**;

d = **regulatory depreciation**;

e = **asset disposals**;

f = **lost and found assets adjustments**

g = **cost allocation adjustments**; and

in the **initial disclosure year**, the **RAB value** for the previous **disclosure year** is the **RAB value** for the year ended 2010 as disclosed in accordance with clause 15.1

rates and levy costs

means:

- (a) rates on assets used in the provision of **specified airport services** paid or payable by an **airport** to a territorial local authority under the:

- (i) Ratings Powers Act 1988; or
- (ii) Local Government (Rating) Act 2002; and

(b) levies payable under section 53ZE of the **Act**

rationale	means a description of the criteria applied and/or the fundamental reasons used for selecting and/or determining each asset allocator and associated asset allocator and for selecting and/or determining each cost allocator and associated cost allocator as determined in accordance with Part 2 of the IM determination
record	has the meaning given to that term in section 4 of the Public Records Act 2005
regulated supplier	has the meaning given to that term in clause 1.4 of the IM determination
regulatory / GAAP adjustments	means the difference between the financial performance of the airport business and the airport business—GAAP
regulatory depreciation	means depreciation as determined in accordance with Part 3 of the IM determination
regulatory investment value or RIV	means the sum of the RAB value for the previous disclosure year and the RAB proportionate investment
regulatory profit / (loss)	means the regulatory profit / (loss) before tax less the regulatory tax allowance and the allowance for long term credit spread
regulatory profit / (loss) before tax & allowance for long term credit spread	means the value of q calculated with reference to the following formula: $q = a - b + c$ where: $a =$ operating surplus / (deficit); $b =$ regulatory depreciation; and $c =$ revaluations
regulatory tax allowance	means the product of the corporate tax rate and net taxable income , where net taxable income is greater than zero
regulatory taxable income /	means the value of q calculated with reference to the

(loss)

following formula:

$$q = a + b + c + d - e - f - g - h - i - j$$

where:

- a = **regulatory profit / (loss) before tax;**
- b = **regulatory depreciation;**
- c = **other permanent differences—not deductible;**
- d = **other temporary adjustments—current period;**
- e = **revaluations;**
- f = **non taxable capital contributions;**
- g = **tax depreciation;**
- h = **deductible interest;**
- i = **other permanent differences—non taxable;**
and
- j = **other temporary adjustments—prior period**

related partyhas the meaning given to that term in Part 3 of the **IM determination****related party relationship**means a brief description of the relationship between a related party and an **airport****revaluation rate**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b} - 1$$

where:

- a = means **CPI** for the quarter which coincides with the end of the **disclosure year; and**
- b = **means CPI** for the quarter which coincides with the end of the preceding **disclosure year**.

In the **initial disclosure year**, the **revaluation rate** 0 is nil.**ROI—comparable to a post-tax WACC**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b} \times 100$$

b

where:

a = **adjusted regulatory profit**; andb = **regulatory investment value****ROI—comparable to a vanilla WACC**

means the value of q calculated with reference to the following formula:

$$q = \frac{a}{b} \times 100$$

where:

a = **regulatory profit / (loss)**; andb = **regulatory investment value****runway arrival time**

means the time recorded by air traffic controllers when an arriving aircraft touches down on the runway

runway busy dayin respect of an **airport**, means the calendar day during the previous **disclosure year** with the 18th highest number of daily aircraft movements for that **airport****runway busy hour**in respect of an **airport**, means the clock hour during the previous **disclosure year** with the 30th highest number of hourly aircraft movements for that **airport****runway departure time**

means the time recorded by air traffic controllers when a departing aircraft lifts off the runway

security screening—floor space

means the overall functional floor space, measured in square metres, of areas providing security screening services for passengers, including the areas occupied by screening equipment and benches, and the staff operating the screening, queuing zones and an area up to two metres after the benches on the airside of the screening zone, but excludes aviation security offices

security screening—notional capacitymeans realistic hourly throughput capacity expressed in passengers per hour, based on the number of screening stations and the sustainable processing rate advised by the **Aviation Security Service**, and determined in respect of both

- (a) security screening facilities other than those that cater for international transit and transfer

passengers; and

- (b) security screening facilities that cater for international transit and transfer passengers

significant assets	means an airport's largest assets, as measured by its initial RAB value, cumulatively comprising at least 80 percent of the total value of non-land assets in the initial RAB . The list of significant assets should separately disclose assets that are not included in the asset base used for consultation under section 4B of the Airport Authorities Act 1966.
specified airport services	has the meaning given to that term in section 56A of the Act
specified passenger terminal activities	has the meaning given to that term in section 2 of the Airport Authority Act 1966
standard price	means the headline price set by an airport for the provision of one or more specified airport services to airline customers or passengers , including where applicable as the result of a price setting event
summary of change	means a summary of the change in depreciation approach including: <ul style="list-style-type: none"> (a) in respect of a change in asset life, the previous asset life and the current asset life; and (b) in respect of a change in methodology, the previous methodology and the current methodology
tax depreciation	means depreciation determined in accordance with clause 4.1(3)(b) of the IM determination
tax expense	means: <ul style="list-style-type: none"> (a) in respect of airport business—GAAP or airport company financial results, tax as determined in accordance with GAAP; (b) in respect of an airport business, the regulatory tax allowance
tax losses (regulated business)	means the value of q calculated with reference to the following formula:

$$q = a + b - c$$

where:

- a = **tax losses (regulated business)** for the previous **disclosure year**;
- b = **current year tax losses**; and
- c = **tax losses used**,

and where in the **initial disclosure year**, **tax losses (regulated business)** for the previous **disclosure year** is zero

tax losses used

means the lesser of **tax losses (regulated business)** for the previous **disclosure year** and the **regulatory taxable income**

tax value of asset additions

means the tax value of **assets commissioned**

tax value of asset disposals

means the tax value of **asset disposals**

tax value of assets transferred from/(to) unregulated asset base

means the tax book value of assets that are transferred either to or from (as the case may be) the **airport business**, where:

- (a) a transfer to the **airport business** is positive; and
- (b) a transfer from the **airport business** is negative

term credit spread difference

means, in respect of a **qualifying debt**, the value of q calculated with reference to the following formula:

$$q = ((a - b) - (c - d)) \times e$$

where:

- a = **unweighted market bid yield equal to the original tenor**
- b = is the swap rate with a tenor equal to the **original tenor** at the **pricing date**
- c = **unweighted market bid yield of five year debt**
- d = the swap rate with a tenor of five years at the **pricing date** of the **qualifying debt**
- e = **book value** of the **qualifying debt** at **issue date**

terminal arrival time

means the “on-blocks” time recorded by the airline when an aircraft arrives and stops at its allocated aircraft parking stand

terminal departure time

means the “off-blocks” time recorded by the airline when an aircraft starts to move off its allocated aircraft parking stand for departure, provided that if an aircraft has to return to a parking stand for any reason, then the terminal departure time shall be the time the aircraft finally leaves the parking

	stand
total directly attributable	means the sum of all directly attributable operating costs or directly attributable asset values
total incentives	means the sum of pricing incentives and other incentives
total not directly attributable	means the sum of all operating costs not directly attributable or asset values not directly attributable ; For the avoidance of doubt, the sum of total directly attributable is the total operating costs or asset values (which ever is applicable)
total number of domestic passengers	means the sum of the number of inbound domestic passengers and the number of outbound domestic passengers during a specified period of time
total number of international passengers	means the sum of the number of inbound international passengers and the number of outbound international passengers , less the estimated number of international transit and transfer passengers during a specified period of time
total passenger terminal functional areas providing passenger facilities and service—floor space	means the aggregate of: <ul style="list-style-type: none"> (a) landside circulation outbound—floor space; (b) check-in—floor space; (c) passport control outbound—floor space; (d) security screening—floor space; (e) airside circulation outbound—floor space; (f) departure lounges—floor space; (g) airside circulation inbound—floor space; (h) passport control inbound—floor space; (i) landside circulation inbound—floor space; (j) baggage reclaim—floor space; (k) bio-security screening and inspection and Customs secondary inspection—floor space; (l) arrivals concourse—floor space; and (m) the floor space, measured in square metres, of areas providing general facilities for passengers,

including:

- (i) toilets;
 - (ii) help desks;
 - (iii) information desks;
 - (iv) telephone and internet facilities,
- but excluding plant/service areas and cleaners' rooms.

For the avoidance of doubt, **total passenger terminal functional areas providing passenger facilities and service—floor space** does not include the floor space of the outbound baggage sortation system.

total regulatory income

means the sum of:

- (a) **net operating revenue;**
- (b) **capital contributions;**
- (c) **gains / (losses) on asset sales;** and
- (d) **other income**

total revaluations

means the sum of **indexed revaluations** and **non-indexed revaluations**

tracking revaluations

has the meaning set out in clause 3.12(7)(d) of the **IM determination**

transfer to capital expenditure

means the value of **land held for future use** transferred to **works under construction** as determined in accordance with clause 3.12 of the **IM determination**

transit and transfer passenger

in respect of **domestic passengers**, means any **passenger** departing on a domestic flight, who arrived at the **airport** on a domestic flight and was through-checked onto an outward domestic flight such that he or she was not required to reclaim any baggage or check in again at the airport; and

in respect of **international passengers**, means any **passenger** departing on an international flight, who arrived at the **airport** on an international flight and was not required to pass through passport control outbound

unregulated business units—GAAP

means the difference between the **airport company—GAAP** and the **airport business—GAAP**

unregulated services	means the costs incurred or assets used, wholly or partially, during a disclosure year by business units of an airport company that are not involved in the provision of specified airport services , expressed as a proportion of operating costs or asset values (as the case may be) of the relevant airport company
unweighted market bid yield equal to the original tenor	<p>means the unweighted average of the interpolated wholesale market bid yield to maturity of publicly traded vanilla NZ\$ denominated bonds, with a remaining tenor equal to the original tenor of the qualifying debt and a Standard & Poor's credit rating of A- or an equivalent rating from another rating agency, for each business day in the month preceding the issue date of the qualifying debt.</p> <p>This value is to be determined as closely as reasonably possible to the approach outlined in clause 5.4(1) of the IM determination except that references to five years shall be read as references to a period of time equal to the remaining tenure of the qualifying debt</p>
unweighted market bid yield of five year debt	<p>means the unweighted average of the interpolated wholesale market bid yield to maturity of publicly traded vanilla NZ\$ denominated bonds, with a remaining tenor of five years and a Standard & Poor's credit rating of A- or an equivalent rating from another rating agency, for each business day in the month preceding the start of the disclosure year.</p> <p>This value is to be determined as closely as reasonably possible to the approach outlined in clause 5.4(1) of the IM determination except that references to five years shall be read as references to a period of time equal to the remaining tenure of the qualifying debt</p>
value	<p>means the recorded value of similar related party transactions in respect of each related party during a disclosure year</p> <p>For the avoidance of doubt, capital expenditure and asset disposal transactions require the separate disclosure of the value of each transaction</p>
vanilla NZ\$ denominated nominal bonds	has the meaning set out in clause 1.4 of the IM determination
vanilla WACC	has the meaning given to that term in clause 5.1(1) of the IM

determination

wash-up	means an annual adjustment to prices reflecting actual use and actual costs incurred for the current financial year
working day	has the meaning given to that term in section 2 of the Act
works under construction	means: <ul style="list-style-type: none"> (a) for the purpose of Schedule 5, the value of q calculated with reference to the following formula: $q = a + b - c$ where: <ul style="list-style-type: none"> a = works under construction for the previous disclosure year; b = capital expenditure; and c = assets commissioned; (b) for the purpose of Schedule 26, the value of those assets or collections of assets which are works under construction as determined by Part 3 of the IM determination
works under construction adjusted – year ended 2009	means works under construction as of the year ended 2009 plus (or minus) an MVAU valuation adjustment for the those works under construction

SCHEDULE 2

Clause 7

REPORT ON RETURN ON INVESTMENT

Regulated Airport				
For Year Ended				
SCHEDULE 2a: REPORT ON RETURN ON INVESTMENT				
ref	Consultation draft 11 October 2010			
6		CY-2	CY-1	Current Year CY
7	Return on Investment (ROI)	<i>for year ended</i>		
8	Regulatory profit / (loss)	-	-	-
9	<i>less</i> Notional interest tax shield	-	-	-
10	Adjusted regulatory profit	-	-	-
11	Regulatory investment value	-	-	-
12				
13	ROI—comparable to a post tax WACC	-	-	-
14	Post tax WACC			
15				
16	ROI—comparable to a vanilla WACC	-	-	-
17	Vanilla WACC			
18	Commentary on Return on Investment			
19				
20				
21				
22				
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28				
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46				

**Regulated Airport
For Year Ended**

SCHEDULE 2b: NOTES TO REPORT ON RETURN ON INVESTMENT

ref Consultation draft 11 October 2010

53	2b(i): DEDUCTIBLE INTEREST AND INTEREST TAX SHIELD	\$000
54	RAB value - previous year	-
55	Debt leverage assumption	40%
56	Cost of debt assumption	-
57	Notional deductible interest	-
58	Tax rate	-
59	Notional interest tax shield	-

60	2b(ii): REGULATORY INVESTMENT VALUE	(\$000)
61	Regulatory asset base value - previous year	-

	Commissioned Value (\$000)	Proportion of Year Available (%)	Proportionate Regulatory Value
62	Commissioned Projects		
63	[Commissioned Project 1]		-
64	[Commissioned Project 2]		-
65	[Commissioned Project 3]		-
66	[Commissioned Project 4]		-
67	[Commissioned Project 5]		-
68	[Commissioned Project 6]		-
69	[Commissioned Project 7]		-
70	[Commissioned Project 8]		-
71	[Commissioned Project 9]		-
72	plus Other assets commissioned	50%	-
73	plus Adjustment for merger, acquisition or sale activity		-
74	less Asset disposals	50%	-
75	RAB investment		-
76	RAB proportionate investment		-
77			-
78	Regulatory investment value		-

SCHEDULE 3

REPORT ON THE REGULATORY PROFIT

Clause 7

Regulated Airport		[]	
For Year Ended		[]	
SCHEDULE 3a: REPORT ON THE REGULATORY PROFIT			
ref	Consultation draft 11 October 2010		
6	Income		(\$000)
7	[Airport activity charge 1]	[]	
	[Airport activity charge 2]	[]	
	[Airport activity charge 3]	[]	
10	[Airport activity charge 4]	[]	
11	Lease, rentals and concessions income	[]	
12	Other operating revenue	[]	
13	Net operating revenue	[]	-
14			
15	Gains / (losses) on sale of assets	[]	
16	Other income	[]	
17	Total regulatory income	[]	-
18	Expenses		
19	Operational expenditure:		
20	Corporate overheads	[]	
21	Asset management and airport operations	[]	
22	Asset maintenance	[]	
23	Total operational expenditure	[]	-
24			
25	Operating surplus / (deficit)	[]	-
26			
27	Regulatory depreciation	[]	-
28			
29	<i>plus</i> Indexed revaluation	[]	-
30	<i>plus</i> Non-indexed revaluation	[]	-
31	Total revaluations	[]	-
32			
33	Regulatory Profit / (Loss) before tax & allowance for long term credit spread	[]	-
34			
35	<i>less</i> Regulatory tax allowance	[]	-
36	<i>less</i> Allowance for long term credit spread	[]	-
37			
38	Regulatory Profit / (Loss)	[]	-
39	Commentary on Regulatory Profit Statement		
40			
41			
42			
43			
44			
45			
46			
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60			
61			

Regulated Airport
 For Year Ended

SCHEDULE 3b: NOTES TO REPORT ON REGULATORY PROFIT

ref Consultation draft 11 October 2010

68 **3b(i): ALLOWANCE FOR LONG TERM CREDIT SPREAD**

69 Schedule 3b(i) is only to be completed if at the end of the disclosure year, the weighted average original tenor of the airport's qualifying debt and non-qualifying debt is greater than five years.

70 Qualifying debt	Issue date	Pricing date	Original tenor (in years)	Coupon rate	Book value	Term Credit Spread Difference	Execution cost for an interest rate swap	Notional debt issue cost readjustment
71								
72								
73								
74						-	-	-

75

76 Attribution Rate

77 Allowance for long term credit spread

81 **3b(ii): FINANCIAL INCENTIVES**

82			(\$000)
83	Pricing incentives	<input type="text"/>	
84	Other incentives	<input type="text"/>	
85	Total financial incentives	<input type="text" value="-"/>	

86 **3b(iii): RATES AND LEVY COSTS**

87		(\$000)
88	Rates and levy costs	<input type="text"/>

89 **3b(iv): MERGER AND ACQUISITION EXPENSES**

90		(\$000)
91	Merger and acquisition expenses	<input type="text"/>

92 **Justification for Merger and Acquisition Expenses**

93

94

95

96

97

98

99

SCHEDULE 4

Clause 7

REPORT ON THE REGULATORY TAX ALLOWANCE

Regulated Airport			
For Year Ended			
SCHEDULE 4a: REPORT ON THE REGULATORY TAX ALLOWANCE			
<i>ref</i> Consultation draft 11 October 2010			
6			(\$000)
7	Regulatory profit / (loss) before tax		-
8			
9	<i>plus</i> Regulatory depreciation	-	
10	Other permanent differences—not deductible		*
11	Other temporary adjustments—current period		*
12			-
13			
14	<i>less</i> Total revaluations	-	
15	Tax depreciation	-	
16	Notional deductible interest	-	
17	Other permanent differences—non taxable		*
18	Other temporary adjustments—prior period		*
19			-
20			
21	Regulatory taxable income (loss)		-
22			
23	<i>less</i> Tax losses used		
24	Net taxable income		-
25			
26	Statutory tax rate		
27	Regulatory tax allowance		-
28	* Workings to be provided		
SCHEDULE 4b: NOTES TO REPORT ON THE REGULATORY TAX ALLOWANCE			
31	4b(i): DISCLOSURE OF PERMANENT DIFFERENCES AND TEMPORARY ADJUSTMENTS		
32	<i>The Airport Business is to provide descriptions and workings of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).</i>		
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44	4b(ii): TAX DEPRECIATION ROLL-FORWARD		
45			(\$000)
46	Opening RAB (Tax Value)		
47	<i>plus</i> Tax value of asset additions		
48	<i>less</i> Tax value of asset disposals		
49	<i>plus/(less)</i> Tax value of assets transferred from/(to) unregulated asset base		
50	<i>less</i> Tax depreciation		
51	<i>plus/(less)</i> Other adjustments to the RAB tax value		
52	Closing RAB (tax value)		-
53	4b(iii): RECONCILIATION OF TAX LOSSES (AIRPORT BUSINESS)		
54			(\$000)
55	Tax losses (regulated business)—prior period		
56	<i>plus</i> Current year tax losses	-	
57	<i>less</i> Tax losses used	-	
58			
59	Tax losses (regulated business)		-
60	Page 4		

SCHEDULE 5

Clause 7

REPORT ON REGULATORY ASSET BASE ROLL FORWARD

		Regulated Airport			
		For Year Ended			
SCHEDULE 5a: REPORT ON REGULATORY ASSET BASE ROLL FORWARD					
ref	Consultation draft 11 October 2010				
6		(\$000)	(\$000)		
7	Regulatory Asset Base Value				
8	RAB value—previous year				
9	<i>less</i>				
10	Regulatory depreciation			-	
11	<i>plus</i>				
12	Indexed revaluations	-			
13	Non-indexed revaluations				
14	Total revaluations			-	
15	<i>plus</i>				
16	Assets commissioned (other than below)				
17	Assets acquired from a regulated supplier				
18	Assets acquired from a related party				
19	Assets commissioned			-	
20	<i>less</i>				
21	Asset disposals (other than below)				
22	Asset disposals to a regulated supplier				
23	Asset disposals to a related party				
24	Land disposals				
25	Asset disposals			-	
26					
27	<i>plus (less)</i> Lost and found assets adjustment				
28					
29	<i>plus (less)</i> Cost allocation adjustment				
30					
31	RAB value—current year			-	
32					
SCHEDULE 5b: NOTES TO REPORT ON REGULATORY ASSET BASE ROLL FORWARD					
ref					
35	5b(i): REGULATORY DEPRECIATION		(\$000)		
36					
37	Standard depreciation				
38	Other non-standard depreciation				
39	Regulatory depreciation			-	
40	5b(ii): NON-STANDARD DEPRECIATION DISCLOSURE				
41			(\$000 unless otherwise specified)		
42	Non-standard Depreciation Methodology	Depreciation charge for the period	Year change made (text entry)	RAB value under 'non-standard' depreciation	RAB value under 'standard' depreciation
43					
44					
45					
46					
47					
48	5b(iii): NON-STANDARD DEPRECIATION DISCLOSURE FOR YEAR OF CHANGE				
49	Summary of Change	Justification for change re non-standard depreciation methodology		Extent of customer disagreement and supplier response	
50					
51					
52					

Regulated Airport
For Year Ended

SCHEDULE 5b: NOTES TO REPORT ON REGULATORY ASSET BASE ROLL FORWARD (cont)

ref Consultation draft 11 October 2010

5b(iv): CALCULATION OF REVALUATION RATE AND INDEXED REVALUATION OF FIXED ASSETS

CPI at CPI reference date—previous year	-	
CPI at CPI reference date—current year	-	
Revaluation rate	-	
RAB value—previous year	-	
Indexed revaluation	-	

5b(v): WORKS UNDER CONSTRUCTION

	(\$000)	(\$000)
Works under construction—previous year	-	
plus Capital expenditure	-	
less Asset commissioned	-	
Works under construction		-

5b(vi): CAPITAL EXPENDITURE BY PRIMARY PURPOSE

	(\$000)	(\$000)
Capacity growth	-	
Asset replacement and renewal	-	
Total capital expenditure		-

5b(vii): ASSET CLASSES

	Land (\$000)	Sealed Surfaces (\$000)	Infrastructure & Buildings (\$000)	Vehicles, Plant & Equipment (\$000)	Total (\$000)
Opening value	-	-	-	-	-
less Depreciation					-
plus Indexed revaluations					-
plus Non-indexed revaluations					-
plus Assets commissioned					-
less Asset disposals					-
plus/less Lost and found assets adjustments					-
plus/less Cost allocation adjustments					-
Closing value	-	-	-	-	-

5b(viii): ASSETS HELD FOR FUTURE USE

	Initial Value (\$000)	Holding Costs (\$000)	Net Revenues (\$000)	Total (\$000)
Assets held for future use—previous year	-	-	-	-
plus Assets held for future use additions				-
less Transfer to capital expenditure				-
Assets held for future use	-	-	-	-

5b(ix): COST OF FINANCING WORKS UNDER CONSTRUCTION

Cost of financing works under construction	-	(\$000)
Highest rate of finance applied	-	%

SCHEDULE 7

Clause 7

REPORT ON ACTUAL TO FORECAST EXPENDITURE

Regulated Airport
For Year Ended

SCHEDULE 7a: REPORT ON ACTUAL TO FORECAST EXPENDITURE

ref Consultation draft 11 October 2010

							(\$000)
	Actual for Current Disclosure Year (a)	Forecast for Current Disclosure Year (b)	% Variance (a)/(b)-1	Actual for Period to Date (a)	Forecast for Period to Date (b)	% Variance (a)/(b)-1	
Expenditure by Category							
Capacity growth	-		Not defined			Not defined	
Asset replacement and renewal	-		Not defined			Not defined	
Total capital expenditure	-	-	Not defined	-	-	Not defined	
Corporate overheads	-		Not defined			Not defined	
Asset management and airport operations	-		Not defined			Not defined	
Asset maintenance	-		Not defined			Not defined	
Total operational expenditure	-	-	Not defined	-	-	Not defined	
Capital Expenditure Projects							
[Project 1]			Not defined			Not defined	
[Project 2]			Not defined			Not defined	
[Project 3]			Not defined			Not defined	
[Project 4]			Not defined			Not defined	
[Project 5]			Not defined			Not defined	
[Project 6]			Not defined			Not defined	
[Project 7]			Not defined			Not defined	
[Project 8]			Not defined			Not defined	
[Project 9]			Not defined			Not defined	
Other capital expenditure			Not defined			Not defined	
Total capital expenditure	-	-	Not defined	-	-	Not defined	

Explanation of Variances

Airport Companies must provide a brief explanation for any line item variance of more than 10%

Regulated Airport
For Year Ended

SCHEDULE 7b: REPORT ON ACTUAL TO FORECAST EXPENDITURE

ref Consultation draft 11 October 2010

71 **FORECAST DISCLOSURES**

72 From most recent disclosures following a price setting event

		Pricing Period Starting Year	Pricing Period Starting Year + 1	Pricing Period Starting Year + 2	Pricing Period Starting Year + 3	Pricing Period Starting Year + 4
73 Expenditure by Category						
74	<i>for year ended</i>					
75	Capacity growth					
76	Asset replacement and renewal					
77	Total Forecast Capital Expenditure					
78						
79	Corporate Overheads					
80	Asset management and airport operations					
81	Asset maintenance					
82	Total Forecast Operational Expenditure					
		Pricing Period Starting Year	Pricing Period Starting Year + 1	Pricing Period Starting Year + 2	Pricing Period Starting Year + 3	Pricing Period Starting Year + 4
83 Capital Expenditure Project						
84	<i>for year ended</i>					
85	[Project 1]					
86	[Project 2]					
87	[Project 3]					
88	[Project 4]					
89	[Project 5]					
90	[Project 6]					
91	[Project 7]					
92	[Project 8]					
93	[Project 9]					
94	Other capital expenditure					
95	Total Forecast Capital Expenditure					
96						

SCHEDULE 8

Clause 7

REPORT ON SEGMENTED INFORMATION

Regulated Airport For Year Ended					
SCHEDULE 8: REPORT ON SEGMENTED INFORMATION					
ref	<i>Consultation draft 11 October 2010</i>				
6	(\$000)				
7	Specified Passenger Terminal Activities	Airfield Activities	Aircraft and Freight Activities	Airport Business*	
8	[Airport activity charge 1]				-
	[Airport activity charge 2]				
	[Airport activity charge 3]				
11	[Airport activity charge 4]				-
12	Lease, rentals and concessions income				
13	Other operating revenue				-
14	Net operating revenue	-	-	-	-
15					
16	Gains / (losses) on asset sales				-
17	Other income				-
18	Total regulatory income	-	-	-	-
19					
20	Total operational expenditure				-
21					
22	Regulatory depreciation				-
23					
24	Regulatory tax allowance				-
25					
26	Total revaluations				-
27					
28	Regulatory profit/ loss	-	-	-	-
29					
30	Regulatory investment value				-
31	<i>* Corresponds to the Regulatory Profit Statement</i>				
32					

SCHEDULE 9

Clause 7

CONSOLIDATION STATEMENT

**Regulated Airport
For Year Ended**

SCHEDULE 9a: CONSOLIDATION STATEMENT

ref Consultation draft 11 October 2010

6		(\$000)				
7		Airport Businesses	Regulatory/ GAAP Adjustments	Airport Business- GAAP	Unregulated Activities- GAAP	Airport Company- GAAP
8						
9	Net income	-				
10						
11	Total operational expenditure	-				
12	Operating surplus / (deficit) before interest, depreciation, revaluations and tax	-	-	-	-	-
13						
14						
15	Depreciation	-				
16	Revaluations	-				
17	Tax expense	-				
18						
19	Net operating surplus / (deficit) before interest	-	-	-	-	-
20						
21	Property plant and equipment	-				
22						

SCHEDULE 9b: NOTES TO CONSOLIDATION STATEMENT

ref

9b(i): REGULATORY / GAAP ADJUSTMENTS

25			(\$000)
26			
27	Description of Regulatory / GAAP Adjustment	Affected Line Item	Regulatory / GAAP Adjustments *
28		[Select one]	
29		[Select one]	
30		[Select one]	
31		[Select one]	
32		[Select one]	
33		[Select one]	
34		[Select one]	

* To correspond with the Schedule 9a column Regulatory/GAAP adjustments

SCHEDULE 10

Clause 7

REPORT ON ASSET ALLOCATIONS

		Regulated Airport					
		For Year Ended					
SCHEDULE 10a: REPORT ON ASSET ALLOCATIONS							
ref	Consultation draft 11 October 2010						(\$000)
6							
7		Specified Terminal Activities	Airfield Activities	Aircraft and Freight Activities	Airport Business	Unregulated Services	Total
8	Land						
9	Directly attributable assets				-		-
10	Assets not directly attributable				-		-
11	Total value land				-		-
12	Sealed Surfaces						
13	Directly attributable assets				-		-
14	Assets not directly attributable				-		-
15	Total value sealed surfaces				-		-
16	Infrastructure and Buildings						
17	Directly attributable assets				-		-
18	Assets not directly attributable				-		-
19	Total value infrastructure and buildings				-		-
20	Vehicles, Plant and Equipment						
21	Directly attributable assets				-		-
22	Assets not directly attributable				-		-
23	Total value vehicles, plant and equipment				-		-
24							
25	Total directly attributable assets	-	-	-	-		-
26	Total assets not directly attributable	-	-	-	-	-	-
27	Total assets	-	-	-	-	-	-
28							

SCHEDULE 11

Clause 7

REPORT ON COST ALLOCATIONS

		Regulated Airport					
		For Year Ended					
SCHEDULE 11a: REPORT ON COST ALLOCATIONS							
ref	Consultation draft 11 October 2010						(\$000)
6		Specified Terminal Activities	Airfield Activities	Aircraft and Freight Activities	Airport Business	Unregulated Services	Total
7	Corporate Overheads						
8	Directly attributable operating costs				-		-
9	Costs not directly attributable				-		-
10	Asset Management and Airport Operations						
11	Directly attributable operating costs				-		-
12	Costs not directly attributable				-		-
13	Asset Maintenance						
14	Directly attributable operating costs				-		-
15	Costs not directly attributable				-		-
16	Security and Safety						
17	Directly attributable operating costs				-		-
18	Costs not directly attributable				-		-
19							
20							
21	Total directly attributable costs	-	-	-	-		-
22	Total costs not directly attributable	-	-	-	-	-	-
23	Total operating costs	-	-	-	-	-	-
24							

Regulated Airport
 For Year Ended

SCHEDULE 11a: REPORT ON COST ALLOCATIONS (cont)

ref Consultation draft 11 October 2010

31 **Public Information**
 32 **Cost Allocators**

33	Operating Cost Category	Allocator	Allocator Type	Rationale	Operating Cost Line Items
34			[Select one]		
35			[Select one]		
36			[Select one]		
37			[Select one]		
38			[Select one]		
39			[Select one]		
40			[Select one]		
41			[Select one]		
42			[Select one]		
43			[Select one]		
44			[Select one]		
45			[Select one]		
46			[Select one]		
47			[Select one]		
48			[Select one]		
49			[Select one]		
50			[Select one]		
51			[Select one]		
52			[Select one]		
53			[Select one]		
54			[Select one]		
55			[Select one]		
56					

SCHEDULE 11b: NOTES TO REPORT ON COST ALLOCATIONS

ref

59 **11b(i): CHANGES IN COST ALLOCATORS**

60			Effect of Change (\$000)		
61				Current Year	
62			CY-1	(CY)	CY+1
63	Operating cost category	<input type="text"/>			
64	Original allocator or components	<input type="text"/>	Original	<input type="text"/>	<input type="text"/>
65	New allocator or components	<input type="text"/>	New	<input type="text"/>	<input type="text"/>
66	Rationale	<input type="text"/>	Difference	<input type="text"/>	<input type="text"/>
67					
68	Operating cost category	<input type="text"/>			
69	Original allocator or components	<input type="text"/>	Original	<input type="text"/>	<input type="text"/>
70	New allocator or components	<input type="text"/>	New	<input type="text"/>	<input type="text"/>
71	Rationale	<input type="text"/>	Difference	<input type="text"/>	<input type="text"/>
72					
73	Operating cost category	<input type="text"/>			
74	Original allocator or components	<input type="text"/>	Original	<input type="text"/>	<input type="text"/>
75	New allocator or components	<input type="text"/>	New	<input type="text"/>	<input type="text"/>
76	Rationale	<input type="text"/>	Difference	<input type="text"/>	<input type="text"/>
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SCHEDULE 12

Clause 8

REPORT ON RELIABILITY MEASURES

Regulated Airport For Year Ended			
SCHEDULE 12: REPORT ON RELIABILITY MEASURES			
<small>ref Consultation draft 11 October 2010</small>			
6	Runway	Number	Total Duration
	The number and duration of interruptions to runway(s) during financial year by party primarily responsible		Hours Minutes
7	Airports		
8	Airlines/Other		
9	Undetermined reasons		
10	Total	-	-
11			
12	Taxiway		
	The number and duration of interruptions to taxiway(s) during financial year by party primarily responsible		
13	Airports		
14	Airlines/Other		
15	Undetermined reasons		
16	Total	-	-
17			
18	Remote stands and means of embarkation/disembarkation		
	The number and duration of interruptions to remote stands and means of embarkation/disembarkation during financial year by party primarily responsible		
19	Airports		
20	Airlines/Other		
21	Undetermined reasons		
22	Total	-	-
23			
24	Contact stands and airbridges		
	The number and duration of interruptions to contact stands during financial year by party primarily responsible		
25	Airports		
26	Airlines/Other		
27	Undetermined reasons		
28	Total	-	-
29			
30	On-time departure delay		
	The total number of flights affected by on time departure delay and the total duration of the delay during financial year by party primarily responsible		
31	Airports		
32	Airlines/Other		
33	Undetermined reasons		
34	Total	-	-
35			
36	Baggage sortation system on departures		
	The number and duration of interruptions to baggage sortation system on departures during financial year by party primarily responsible		
37	Airports		
38	Airlines/Other		
39	Undetermined reasons		
40	Total	-	-
41			
42	Baggage reclaim belts		
	The number and duration of interruptions to baggage reclaim belts during financial year by party primarily responsible		
43	Airports		
44	Airlines/Other		
45	Undetermined reasons		
46	Total	-	-
47			
48			

Regulated Airport
For Year Ended

SCHEDULE 12: REPORT ON RELIABILITY MEASURES (cont)

ref Consultation draft 11 October 2010

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Fixed electrical ground power availability (if applicable)

The percentage of time that FEGP is not available due to interruptions*
** Applies to airports where fixed electrical ground power is available.*

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Airbridge availability

The total number of aircraft movements during financial year where an airbridge was requested but was not available

**Domestic
terminal**

**International
terminal**

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Commentary concerning reliability measures

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SCHEDULE 13

Clause 8

REPORT ON CAPACITY UTILISATION INDICATORS FOR AIRCRAFT AND FREIGHT ACTIVITIES AND AIRFIELD ACTIVITIES

Regulated Airport					
For Year Ended					
SCHEDULE 13: REPORT ON CAPACITY UTILISATION INDICATORS FOR AIRCRAFT AND FREIGHT ACTIVITIES AND AIRFIELD ACTIVITIES					
<small>ref Consultation draft 11 October 2010</small>					
6	Runway				
7	Description of runway(s)	Designations	Runway #1	Runway #2	Runway #3
8		Length of pavement (m)			
9		Width (m)			
10		Shoulder width (m)			
11		Runway code			
12		ILS category	[Select one]	[Select one]	[Select one]
13	Declared runway capacity for specified meteorological condition	VMC (movements per hour)			
14		IMC (movements per hour)			
15					
16	Taxiway				
17	Description of main taxiway(s)	Name	Taxiway #1	Taxiway #2	Taxiway #3
18		Length (m)			
19		Width (m)			
20		Status	[Select one]	[Select one]	[Select one]
21		Number of links			
22					
23	Aircraft parking stands				
24	Number of apron stands available during the runway busy day categorised by primary stand use and flight category				
25	Air passenger services	International	Contact stand-airbridge	Contact stand-walking	Remote stand-bus
26		Domestic jet			
27		Domestic turbo-prop			
28	Total parking stands		-	-	-
29					
30	Busy periods for runway movements				
31		Date			
32	Runway busy day				
33	Runway busy hour start time (day/month/year hour)				
34					
35	Aircraft movements				
36	Number of aircraft runway movements during the runway busy day categorised by stand use and flight category				
37	Air passenger services	International	Contact stand-airbridge	Contact stand-walking	Remote stand-bus
38		Domestic jet			
39		Domestic turbo-prop			
40	Other (incl. General Aviation)				
41	Total aircraft movements during the runway busy day		-	-	-
42					
43	Number of aircraft runway movements during the runway busy hour				
44					
45	Commentary concerning capacity utilisation indicators for aircraft and freight activities and airfield activities				
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SCHEDULE 14

Clause 8

REPORT ON CAPACITY UTILISATION INDICATORS FOR SPECIFIED PASSENGER TERMINAL ACTIVITIES

Regulated Airport				
For Year Ended				
SCHEDULE 14: REPORT ON CAPACITY UTILISATION INDICATORS FOR SPECIFIED PASSENGER TERMINAL ACTIVITIES				
<i>ref Consultation draft 11 October 2010</i>				
		International terminal	Domestic terminal	Common area
Outbound (Departing) Passengers				
Landside circulation (outbound)				
7	Passenger busy hour for landside circulation (outbound)—start time (day/month/year hour)			
8	Floor space (m ²)			
9	Throughput of passengers during the passenger busy hour (passengers/hour)			
10	Utilisation (busy hour passengers per 100m ²)	-	-	-
11				
12				
Check-in				
13	Passenger busy hour for check-in—start time (day/month/year hour)			
14	Floor space (m ²)			
15	Throughput of passengers during the passenger busy hour (passengers/hour)			
16	Utilisation (busy hour passengers per 100m ²)	-	-	-
17				
Baggage (outbound)				
18	Passenger busy hour for baggage (outbound)—start time (day/month/year hour)			
19	Make-up area floor space (m ²)			
20	Notional capacity during the passenger busy hour (bags/hour)*			
21	Bags processed during the passenger busy hour (bags/hour)*			
22	Throughput of passengers during the passenger busy hour (passengers/hour)			
23	Utilisation (% of processing capacity)	-	-	-
24				
25	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity and bags throughput has been assessed.</i>			
Passport control (outbound)				
26	Passenger busy hour for passport control (outbound)—start time (day/month/year hour)			
27	Floor space (m ²)			
28	Number of emigration booths and kiosks			
29	Notional capacity during the passenger busy hour (passengers/hour) *			
30	Throughput of passengers during the passenger busy hour (passengers/hour)			
31	Utilisation (busy hour passengers per 100m ²)	-		
32	Utilisation (% of processing capacity)	-		
33				
34	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity has been assessed.</i>			
Security screening				
35	Passenger busy hour for security screening—start time (day/month/year hour)			
36	Facilities for passengers excluding international transit & transfer			
37	Floor space (m ²)			
38	Number of screening points			
39	Notional capacity during the passenger busy hour (passengers/hour) *			
40	Throughput of passengers during the passenger busy hour (passengers/hour)			
41	Utilisation (busy hour passengers per 100m ²)	-	-	
42	Utilisation (% of processing capacity)	-	-	
43	Facilities for international transit & transfer passengers			
44	Floor space (m ²)			
45	Number of screening points			
46	Notional capacity during the passenger busy hour (passengers/hour)*			
47	Estimated throughput of passengers during the passenger busy hour (passengers/hour)			
48	Utilisation (busy hour passengers per 100m ²)	-		
49	Utilisation (% of processing capacity)	-		
50				
51	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity has been assessed.</i>			
52				
53				
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Regulated Airport
For Year Ended

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SCHEDULE 14: REPORT ON CAPACITY UTILISATION INDICATORS FOR SPECIFIED PASSENGER TERMINAL ACTIVITIES (cont 1)

ref Consultation draft 11 October 2010

		International terminal	Domestic terminal	Common area
61	Airside circulation (outbound)			
62				
63	Passenger busy hour for airside circulation (outbound)—start time (day/month/year hour)			
64	Floor space (m ²)			
65	Throughput of passengers during the passenger busy hour (passengers/hour)			
66	Utilisation (busy hour passengers per 100m ²)	-	-	
67				
68	Departure lounges			
69	Passenger busy hour for departure lounges—start time (day/month/year hour)			
70	Floor space (m ²)			
71	Number of seats			
72	Throughput of passengers during the passenger busy hour (passengers/hour)			
73	Utilisation (busy hour passengers per 100m ²)	-	-	
74	Utilisation (passengers per seat)	-	-	
75	Inbound (Arriving) Passengers			
76	Airside circulation (inbound)			
77	Passenger busy hour for airside circulation (inbound)—start time (day/month/year hour)			
78	Floor space (m ²)			
79	Throughput of passengers during the passenger busy hour (passengers/hour)			
80	Utilisation (busy hour passengers per 100m ²)	-	-	-
81				
82	Passport control (inbound)			
83	Passenger busy hour for passport control (inbound)—start time (day/month/year hour)			
84	Floor space (m ²)			
85	Number of immigration booths and kiosks			
86	Notional capacity during the passenger busy hour (passengers/hour) *			
87	Throughput of passengers during the passenger busy hour (passengers/hour)			
88	Utilisation (busy hour passengers per 100m ²)	-		
89	Utilisation (% of processing capacity)	-		
90				
91	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity has been assessed.</i>			
92	Landside circulation (inbound)			
93	Passenger busy hour for landside circulation (inbound)—start time (day/month/year hour)			
94	Floor space (m ²)			
95	Throughput of passengers during the passenger busy hour (passengers/hour)			
96	Utilisation (busy hour passengers per 100m ²)	-	-	-
97				
98	Baggage reclaim			
99	Passenger busy hour for baggage reclaim—start time (day/month/year hour)			
100	Floor space (m ²)			
101	Number of reclaim units			
102	Notional reclaim unit capacity during the passenger busy hour (bags/hour)*			
103	Bags processed during the passenger busy hour (bags/hour)*			
104	Throughput of passengers during the passenger busy hour (passengers/hour)			
105	Utilisation (% of processing capacity)	-	-	
106	Utilisation (busy hour passengers per 100m ²)	-	-	
107	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity has been assessed.</i>			
108	Bio-security screening and inspection and customs secondary inspection			
109	Passenger busy hour for bio-security screening and inspection and customs secondary inspection—start time (day/month/year hour)			
110	Floor space (m ²)			
111	Notional MAF secondary screening capacity during the passenger busy hour (passengers/hour)*			
112	Throughput of passengers during the passenger busy hour (passengers/hour)			
113	Utilisation (% of processing capacity)	-		
114	Utilisation (busy hour passengers per 100m ²)	-		
115				
116	<i>* Please describe in the capacity and utilisation indicators commentary box how the notional capacity has been assessed.</i>			
117				
118	Arrivals concourse			
119	Passenger busy hour for arrivals concourse—start time (day/month/year hour)			
120	Floor space (m ²)			
121	Throughput of passengers during the passenger busy hour (passengers/hour)			
122	Utilisation (busy hour passengers per 100m ²)	-	-	-
123				

Regulated Airport <input style="width: 150px; height: 15px;" type="text"/> For Year Ended <input style="width: 150px; height: 15px;" type="text"/>				
SCHEDULE 14: REPORT ON CAPACITY UTILISATION INDICATORS FOR SPECIFIED PASSENGER TERMINAL ACTIVITIES (cont 2)				
ref	<i>Consultation draft 11 October 2010</i>			
130		International terminal	Domestic terminal	Common area
131	Total terminal functional areas providing facilities and service directly for passengers			
132	Floor space (m ²)	<input style="width: 80px; height: 15px;" type="text"/>	<input style="width: 80px; height: 15px;" type="text"/>	<input style="width: 80px; height: 15px;" type="text"/>
134	Number of working baggage trolleys available for passenger use at end of financial year	<input style="width: 80px; height: 15px;" type="text"/>	<input style="width: 80px; height: 15px;" type="text"/>	<input style="width: 80px; height: 15px;" type="text"/>
135	Commentary concerning passenger terminal activity capacity and utilisation indicators			
136	<div style="border: 1px solid black; height: 150px; width: 100%;"></div>			
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150	<i>Commentary must include an assessment of the accuracy of the passenger data used to prepare the utilisation indicators.</i>			
151	Page 21			

SCHEDULE 15

Clause 8

REPORT ON PASSENGER SATISFACTION INDICATORS

Regulated Airport							
For Year Ended							
SCHEDULE 15: REPORT ON PASSENGER SATISFACTION INDICATORS							
<small>ref Consultation draft 11 October 2010</small>							
6	Survey organisation						
7	Survey organisation used	[Select one]					
8	If "Other", please specify						
9							
10	Passenger satisfaction survey score						
11	(average quarterly rating by service item)						
12	Domestic terminal	<small>Quarter</small>	1	2	3	4	Annual
13		<small>Quarter ended</small>	30 Jun 10	30 Sep 10	31 Dec 10	31 Mar 11	average
14	Ease of finding your way through an airport						-
15	Ease of making connections with other flights						-
16	Flight information display screens						-
17	Walking distance within and/or between terminals						-
18	Availability of baggage carts/trolleys						-
19	Courtesy, helpfulness of airport staff (excluding check-in and security)						-
20	Availability of washrooms/toilets						-
21	Cleanliness of washrooms/toilets						-
22	Comfort of waiting/gate areas						-
23	Cleanliness of airport terminal						-
24	Ambience of the airport						-
25	Security inspection waiting time						-
26	Check-in waiting time						-
27	Feeling of being safe and secure						-
28	Average survey score		-	-	-	-	-
29	International terminal	<small>Quarter</small>	1	2	3	4	Annual
30		<small>Quarter ended</small>	30 Jun 10	30 Sep 10	31 Dec 10	31 Mar 11	average
31	Ease of finding your way through an airport						-
32	Ease of making connections with other flights						-
33	Flight information display screens						-
34	Walking distance within and/or between terminals						-
35	Availability of baggage carts/trolleys						-
36	Courtesy, helpfulness of airport staff (excluding check-in and security)						-
37	Availability of washrooms/toilets						-
38	Cleanliness of washrooms/toilets						-
39	Comfort of waiting/gate areas						-
40	Cleanliness of airport terminal						-
41	Ambience of the airport						-
42	Passport and visa inspection waiting time						-
43	Security inspection waiting time						-
44	Check-in waiting time						-
45	Feeling of being safe and secure						-
46	Average survey score		-	-	-	-	-
47	Commentary concerning report on passenger satisfaction indicators						
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63	<small>Commentary must include an assessment of the accuracy of the passenger data used to prepare the utilisation indicators and the internet location of fieldwork documentation.</small>						
64	<small>Page 22</small>						

Regulated Airport
For Year Ended

SCHEDULE 16: REPORT ON ASSOCIATED STATISTICS (cont 2)

ref Consultation draft 11 October 2010

121	(iii) The total number and MCTOW of landings of aircraft not included in (i) and (ii) above during financial year		
122		Total number of landings	Total MCTOW (tonnes)
123	Air passenger service aircraft less than 3 tonnes MCTOW		
124	Freight aircraft		
125	Other aircraft (including General Aviation)		

126	(iv) The total number and MCTOW of landings during the financial year		
127		Total number of landings	Total MCTOW (tonnes)
128	Total		

129	16b: Terminal access			
130		Domestic	International	Total
131	Number of air passenger service aircraft movements during financial year categorised by the main form of passenger access to and from terminal			
132	Contact stand-airbridge			—
133	Contact stand-walking			—
134	Remote stand-bus			—

135	16c: Passenger statistics			
136		Domestic	International	Total
137	The total number of passengers during financial year			
138	Inbound passengers			—
139	Outbound passengers			—
140	Estimated number of transfer and transit passengers			—

141	16d: Airline statistics		
142		Domestic	International
143	Name of each commercial carrier providing a regular air transport passenger service through the airport during financial year		
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153	16f: Human Resource Statistics				
154		Specified Terminal Activities	Airfield Activities	Aircraft and Freight Activities	Total
155	Number of FTEs				
156	Total human resource costs (\$000)				

157 **16g: Commentary concerning the report on associated statistics**

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SCHEDULE 17

Clause 8

REPORT ON OPERATIONAL IMPROVEMENT PROCESSES

Regulated Airport

For Year Ended

SCHEDULE 17: REPORT ON OPERATIONAL IMPROVEMENT PROCESSES

ref Consultation draft 11 October 2010

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Disclosure of the operational improvement process

The process put in place by the Airport for it to meet regularly with airlines to improve the reliability and passenger satisfaction performance consistent with that reflected in the indicators.

SCHEDULE 18

Clause 8

REPORT ON PRICING STATISTICS

Regulated Airport			
For Year Ended			
SCHEDULE 18: REPORT ON PRICING STATISTICS			
<small>ref Consultation draft 11 October 2010</small>			
6	Components of Pricing Statistics		
7	Net operating revenue from airfield activities relating to domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW	(\$000)	
8	Net operating revenue from airfield activities relating to domestic flights of 30 tonnes MCTOW or more		
9	Net operating revenue from airfield activities relating to international flights		
10	Net operating revenue from specified passenger terminal activities relating to domestic passengers		
11	Net operating revenue from specified passenger terminal activities relating to international passengers		
12			
13			
14	Total number of domestic passengers on flights of 3 tonnes or more but less than 30 tonnes MCTOW	Number of passengers	
15	Total number of domestic passengers on flights of 30 tonnes MCTOW or more		
16	Total number of international passengers		-
17			
18			
19		Total MCTOW (tonnes)	
20	Total MCTOW of domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW		
21	Total MCTOW of domestic flights of 30 tonnes MCTOW or more		
22	Total MCTOW of international flights		
23	Pricing Statistics		
24	Average revenue from airfield activities relating to domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW	Average revenue (\$ per passenger)	-
25	Average revenue from airfield activities relating to domestic flights of 30 tonnes MCTOW or more	Average revenue (\$ per tonne MCTOW)	-
26	Average revenue from airfield activities relating to international flights		-
27			-
28		Average revenue (\$ per domestic passenger)	-
29	Average revenue from specified passenger terminal activities	Average revenue (\$ per international passenger)	-
30			-
31	Average revenue from airfield activities and specified passenger terminal activities	Average revenue (\$ per domestic passenger)	-
32		Average revenue (\$ per international passenger)	-

SCHEDULE 19

Clause 9

REPORT ON THE FORECAST TOTAL REVENUE REQUIREMENTS

		Regulated Airport Pricing Period Starting Year				
		Year 1	Year 2	Year 3	Year 4	Year 5
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17	Overview of the methodology used to determine the revenue requirement					
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SCHEDULE 19a: REPORT ON THE FORECAST TOTAL REVENUE REQUIREMENTS

ref Consultation draft 11 October 2010

Overview of the methodology used to determine the revenue requirement

[Empty box for methodology overview]

	for year ended				
(\$000)	Year 1	Year 2	Year 3	Year 4	Year 5
Forecast value of assets employed					
Forecast cost of capital					
Forecast return on assets employed					
Forecast operating expenditure					
Forecast depreciation					
Forecast tax					
Forecast revaluations					
Forecast other income					
Other factors					
Forecast total revenue requirement					
Forecast total revenue requirement for the following airport activities					
Airfield activities					
Aircraft and freight activities					
Specialised passenger terminal activities					
Total					

Description of any other factors that are considered in determining the forecast total revenue requirement

[Empty box for other factors description]

Regulated Airport

For Prices taking effect in Year Ended

SCHEDULE 19b: NOTES ON REPORT ON THE FORECAST TOTAL REVENUE REQUIREMENTS (cont)

ref Consultation draft 11 October 2010

ref	Year of most recent disclosure (year ended) for year ended	30 March 2010										Total	
		Year 1 30 Mar 11	Year 2 30 Mar 12	Year 3 30 Mar 13	Year 4 30 Mar 14	Year 5 30 Mar 15	Year 6 30 Mar 16	Year 7 30 Mar 17	Year 8 30 Mar 18	Year 9 30 Mar 19	Year 10 30 Mar 20		
53													
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Note: Additional rows to be added if required

		Regulated Airport For Year Ended
SCHEDULE 19b: NOTES ON REPORT ON THE FORECAST TOTAL REVENUE REQUIREMENTS (cont)		
<i>ref. Consultation draft 11 October 2010</i>		
An explanation of where and why disclosures differ from the cost-allocation Input Methodology AND/OR Where costs are shared between regulated and non-regulated assets, an explanation of the basis for that allocation. Continue on a separate sheet if necessary.*		
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	for year ended				
	Year 1	Year 2	Year 3	Year 4	Year 5
(S000)					
19b(v) FORECAST OPERATING EXPENDITURE					
Corporate overheads					
Asset management and airport operations					
Asset maintenance					
Safety and security					
Total operational expenditure	-	-	-	-	-

SCHEDULE 20

REPORT ON DEMAND FORECASTS

Clause 9

		Regulated Airport Pricing Period Starting Year												
		Year 1 30 Mar 11	Year 2 30 Mar 12	Year 3 30 Mar 13	Year 4 30 Mar 14	Year 5 30 Mar 15	Year 6 30 Mar 16	Year 7 30 Mar 17	Year 8 30 Mar 18	Year 9 30 Mar 19	Year 10 30 Mar 20			
6														
7														
8	Passenger terminal demand													
9	Inbound passengers													
10	Busy/hour passenger numbers													
11														
12														
13	Outbound passengers													
14	Domestic International Combined *													
15														
16														
17	Number of passengers during year													
18	Inbound passengers													
19	International Total													
20														
21	Outbound passengers													
22	Domestic International Total													
23														
24														
25	International transit and transfer passengers†													
26														
27	Freight Volume													
28	International freight volume (tonnes)													
29	Inbound													
30	Outbound													

* No disclosure of combined terminal forecasts is required for airports with no shared passenger terminal functional components.

† NB: Forecasts of international transit and transfer passenger numbers relate only to airports with extant or planned international transit and transfer facilities

SCHEDULE 20: REPORT ON DEMAND FORECASTS (cont)		Regulated Airport For Year Ended											
37	Aircraft Runway Movements												
38	Movements during busy period (total number of aircraft)												
39	During the runway busy hour												
40	During the runway busy day												
41	Landings during Year (total number of aircraft)												
42	Aircraft 30 tonnes MCTOW or more												
43	Aircraft 3 tonnes or more but less than 30 tonnes MCTOW												
44	Aircraft less than 3 tonnes MCTOW												
45	Total												
46	Landings during Year (total MCTOW in tonnes)												
47	Aircraft 30 tonnes MCTOW or more												
48	Aircraft 3 tonnes or more but less than 30 tonnes MCTOW												
49	Aircraft less than 3 tonnes MCTOW												
50	Total												
51	Landings during Year (total number of aircraft)												
52	Air passenger services—international												
53	Air passenger services—domestic												
54	Other aircraft												
55	Landings during Year (total MCTOW in tonnes)												
56	Air passenger services—international												
57	Air passenger services—domestic												
57	Other aircraft												
58	Description of the basis for forecasts, and/or assumptions made in forecasting												
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64													
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72													

SCHEDULE 21*Clause 11***CERTIFICATION FOR DISCLOSED INFORMATION**

We, [*insert full names*], being directors of [*name of Airport*] certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of [*name of Airport*] prepared for the purposes of clauses 7.1 and 8.1 of the *Commerce Act (Specified Airport Services Information Disclosure) Determination 2010* complies with that determination.

[*Signature of 2 directors*]

[*Date*]

SCHEDULE 22*Clause 11***CERTIFICATION FOR FORECAST TOTAL REVENUE
REQUIREMENTS DISCLOSURE**

We, [*insert full names*], being directors of [*name of Airport*] certify that, having made all reasonable enquiry, to the best of our knowledge, the attached Report on Forecast Total Revenue Requirements and Report on Demand Forecasts of [*name of Airport*] prepared for the purposes of clause 9.1 of the *Commerce Act (Specified Airport Services Information Disclosure) Determination 2010* complies with that determination.

[*Signature of 2 Directors*]

[*Date*]

SCHEDULE 23*Clause 11***CERTIFICATION FOR PRICING DISCLOSURES**

We, [*insert full names*], being directors of [*name of Airport*] certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached information in respect of Pricing Methodology and Standard Prices of [*name of Airport*] prepared for the purposes of clauses 9.1(g) and 9.2 of the *Commerce Act (Specified Airport Services Information Disclosure) Determination 2010* complies with that determination, that that the Standard Prices have been derived from the application of the Pricing Methodology.

[*Signature of 2 directors*]

[*Date*]

SCHEDULE 24*Clause 11***CERTIFICATION FOR INITIAL REGULATORY ASSET VALUE
DISCLOSURE**

We, [*insert names*], being directors of [*name of Airport*] certify that, having made all reasonable enquiry, to the best of our knowledge the attached Report on Initial Regulatory Asset Value of [*name of Airport*], prepared for the purposes of clause 15.1 of the *Commerce Act (Specified Airport Services Information Disclosure) Determination 2010* complies with that determination.

[*Signatures of 2 directors*]

[*Date*]

SCHEDULE 25*Clause 13***STATUTORY DECLARATION FOR ADDITIONAL INFORMATION**

I, [*insert full name*], of [*insert address*], being a director of [*insert name of Airport*] solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge, the document(s) attached to this declaration:

- (a) is/are the statement(s), report(s), agreement(s), particular(s), information [*specify*] requested by the Commerce Commission on [*insert date*] pursuant to section 53B(1)(c) of the Commerce Act 1986; and
- (b) contain(s) all the statement(s), report(s), agreement(s), particular(s), information [*specify*] in the possession, or under the control, of [*insert name of Airport*] that relate to that request,

and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at [*insert place*] this [*insert day of month*] day of [*insert month and year*].

[*Signature of Director*]

[*Signature of Justice of the Peace (or solicitor or other person authorised to take a statutory declaration)*].

SCHEDULE 26

Clause 15

REPORT ON INITIAL REGULATORY ASSET BASE VALUE

		Regulated Airport For Year Ended	
		[]	
		[]	
SCHEDULE 26a: REPORT ON INITIAL REGULATORY ASSET BASE VALUE			
ref	Consultation draft 11 October 2010		
6		(\$000)	(\$000)
7			
8	Non-current assets—year ended 2009		[]
9	<i>less</i>		
10	Assets held for future use—year ended 2009	[]	
11	Works under construction—year ended 2009	[]	
12	Excluded intangible assets	[]	
13	Other excluded assets	[]	
14			-
15	<i>plus/less</i>		
16	MVAU valuation adjustment		[]
17	<i>less</i>		
18	Initial cost allocation adjustment		[]
19			
20	Initial RAB value—year ended 2009		-
21	<i>less</i>		
22	Regulatory depreciation		[]
23	<i>plus</i>		
24	Indexed revaluations	-	
25	Non-indexed revaluations	[]	
26	Revaluations		-
27	<i>plus</i>		
28	Assets commissioned (other than below)	[]	
29	Assets acquired from a regulated supplier	[]	
30	Assets acquired from a related party	[]	
31	Assets commissioned		-
32	<i>less</i>		
33	Asset disposals (other than below)	[]	
34	Assets disposed of to a regulated supplier	[]	
35	Assets disposed of to a related party	[]	
36	Land Disposals	[]	
37	Asset disposals		-
38			
39	<i>plus (less)</i> Lost and found assets		[]
40			
41	<i>plus (less)</i> Cost allocation adjustment		[]
42			
43	RAB Value—year ended 2010		-
44			
SCHEDULE 26b: NOTES TO REPORT ON INITIAL REGULATORY ASSET BASE VALUE			
ref			
26b(i): CALCULATION OF REVALUATION RATE AND INDEXED REVALUATION			
47			
48	CPI at CPI reference date—2009	[]	
49			
50	CPI at CPI reference date—2010	[]	
51	Revaluation Rate	-	
52			
53	RAB value—year ended 2009	-	
54	Indexed revaluation	-	
55	26b(ii): WORKS UNDER CONSTRUCTION		
56		(\$000)	(\$000)
57	Works under construction—year ended 2009	-	
	<i>plus (less)</i> MVAU valuation adjustment	[]	
	Works under construction adjusted—year ended 2009		-
60	<i>plus</i> Capital expenditure	[]	
61	<i>less</i> Assets commissioned	-	
62	Works under construction—year ended 2010		-
63			

Regulated Airport
For Year Ended

SCHEDULE 26b: NOTES TO REPORT ON INITIAL REGULATORY ASSET BASE VALUE (cont)

ref Consultation draft 11 October 2010

26b(iii): ASSETS HELD FOR FUTURE USE				
	Initial Value (\$000)	Holding Costs (\$000)	Net Revenues (\$000)	Total (\$000)
Assets held for future use—year ended 2009				-
plus Assets held for future use additions				-
less Transfer to capital expenditure				-
Assets held for future use—year ended 2010	-	-	-	-

26b(iv): ASSET LIVES & ASSET USES		
Land		
Description of Land	Allocated value	Description of use (land)
[Asset 1]		
[Asset 2]		
[Asset 3]		
[Asset 4]		
[Asset 5]		
[Asset 6]		
[Asset 7]		
Total value land	<input type="text"/>	

Sealed Surfaces:			
Significant asset	Allocated value	Description of use (significant assets)	Asset life (years)
[Asset 1]			
[Asset 2]			
[Asset 3]			
[Asset 4]			
[Asset 5]			
[Asset 6]			
[Asset 7]			
Other assets sealed surfaces	<input type="text"/>		
Total value sealed surfaces	<input type="text"/>		

Infrastructure and Buildings			
Significant asset	Allocated value	Description of use (significant assets)	Asset life (years)
[Asset 1]			
[Asset 2]			
[Asset 3]			
[Asset 4]			
[Asset 5]			
[Asset 6]			
[Asset 7]			
Other assets infrastructure and buildings	<input type="text"/>		
Total value infrastructure and buildings	<input type="text"/>		

Vehicles, Plant and Equipment			
Significant asset	Allocated value	Description of use (significant assets)	Asset life (years)
[Asset 1]			
[Asset 2]			
[Asset 3]			
[Asset 4]			
[Asset 5]			
[Asset 6]			
[Asset 7]			
Other assets vehicles, plant and equipment	<input type="text"/>		
Total value vehicles, plant and equipment	<input type="text"/>		