

20 June 2012

Kevin Ward
Chief Executive
NZ Airports Association Inc
PO Box 11 369
Manners Street
Wellington 6142

Dear Kevin

Airport Services – s 56G reports, Process and Issues paper 31 May 2012

1. Thank you for your letter of 14 June 2012 in which you request that submissions on the Process and Issues paper be separated into two components, with the deadline for submissions from interested persons on process issues being extended to Friday 20 July 2012 and submissions on the substantive questions to be scheduled at a later date.
2. Following consideration of your correspondence and that of Wellington International Airport Limited (WIAL), we have decided to grant an extension to the due date for submissions on the Process and Issues Paper until 29 June 2012, and until 13 July for cross-submissions. Our response to WIAL is attached, for your information.
3. This extension provides all interested persons with a full six weeks to provide their views to the Commission on the proposed process and WIAL's disclosures. We consider that this is a generous amount of time, and reflects that submissions were asked not only on process but also on WIAL's disclosures and that further opportunities for providing information to the Commission are proposed. We also note that this amount of time is generous relative to timeframes provided on arguably more complex matters, such as input methodologies.
4. Your suggested timeframe of a total of 7 weeks to submit only on the proposed process is surprising. Not only do we consider that length of time inappropriate, it would cause an unreasonable delay in reporting to Ministers.
5. As stated in paragraph 31 of our Process and Issues paper, we provided our proposed approach in the context of questions on WIAL's submissions so that submissions may be better informed. If there are any follow-up questions on WIAL's disclosures as a result of any changes to our proposed approach, we will provide all interested persons with an opportunity to respond.
6. If interested persons are unable to provide their views on all the questions in relation to WIAL's disclosures by the new due date, and would like to do so, there

are other opportunities in our proposed process to engage with us, namely at the proposed conference and in submissions on our draft report.

7. In granting this extension, we note that we have provided all interested persons with an opportunity to submit information in relation to WIAL's disclosures early on in the process, rather than proceeding with our review and leaving consultation until we have published a draft report. Proceeding with the review without this extra round of consultation is possible given that WIAL has made its disclosures.
8. Section 56G implies that consultation should be undertaken after we have reviewed the disclosed information. However, we have included this extra consultation into the process. It will allow interested persons to give their views early on as to the type of questions we should be asking of the disclosures.
9. In your letter you indicate that NZ Airports believes it is premature to require feedback on the substantive issues raised in the Process and Issues paper as interested parties have not had the opportunity to consider the Commission's disclosure summaries required under s 53B(2). Your letter appears to be a submission on our Process and Issues paper. As such, we will consider this letter again when we consider all submissions on the proposed Process and Issues. However, our view on this matter at this point in time is that the tasks required of the Commission under ss 53B(2) and 56G are distinct, serve two different purposes and are intended for a different audience. The purpose of the summary analysis is to provide guidance and assistance to interested parties regarding the information disclosed. While some of the analysis may be useful for both the s53B(2) and s 56G tasks, there is no requirement as to the chronological order for compliance with, or interdependence of, these sections. While some of the analysis may be useful for both the s53B(2) and s 56G tasks, there is no requirement as to the chronological order for compliance with, or interdependence of, these sections.
10. In reflecting on how to make the most efficient use of Commission resources and the levy budget, our view is that to the extent possible, the analysis of disclosures should be undertaken at the same time as analysis required for the s 56G reports, rather than one before the other.
11. In accordance with usual practice, I have asked that your letter and this reply be published on our website.

Yours sincerely



Dr Mark Berry
Chair

Encl.