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**[DRAFT] Airport Services Information Disclosure Amendments Determination (No.1) 2017**

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Commerce Commission

Wellington, New Zealand

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| 20 December 2016 | NZCC 29 | Airport Services Information Disclosure Amendments Determination 2016 |
| [XX] | [XX] | Airport Services Information Disclosure Amendments Determination (No.1) 2017 |

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

1. General provisions
   * + 1. Principal determination amended
          1. This amendments determination amends the **principal determination**.
          2. Amendments to the body of the **principal determination** and Schedules 1b and 25 of the **principal determination** are marked as track changes in this amendments determination.
          3. Schedule 1b of this amendments determination replaces Schedule 1b of the **principal determination**.
       2. Commencement Date
          1. This amendments determination comes into force on [XX].
          2. Amendments to the body of the **principal determination** and Schedules 1b and 25 of the **principal determination** apply from the commencement of **disclosure year** 2019.
       3. Application

This determination applies to airport companies as suppliers of regulated goods and services under Part 4 of the Act.

* + - 1. Interpretation
         1. In this determination, unless the context otherwise requires––

terms in bold type have the meaning given to those terms in this clause 1.4;

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;

a word which denotes the singular also denotes the plural and vice versa;

any obligation to do something is deemed to include an obligation to cause that thing to be done;

financial items must be measured and disclosed in accordance with GAAP unless otherwise provided in the IM Determination; and

non-financial items must be measured and disclosed in accordance with standard industry practice.

* + - * 1. 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.
        2. In this determination, including in the schedule, the words or phrases in bold type bear the following meanings:

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| --- | --- |
| % variance | means the value of  calculated using the following formula:  =  where:  = actual for current disclosure year; and  = forecast for current disclosure year |
| 2009 disclosed assets | has the meaning set out in the IM determination |
| 2009 disclosure financial statements | has the meaning set out in the IM determination |

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| accounting-based allocation approach | has the meaning set out in the IM determination |
| Act | means the Commerce Act 1986 |
| actual for current disclosure year | means actual capital expenditure or actual operational expenditure, as the case may be, in the current disclosure year |
| actual for period to date | means the accumulated actual capital expenditure or actual operational 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 |
| adjustment resulting from cost allocation | means  in relation to the RAB, the value of calculated using the following formula:  =  where:  = the RAB value for the current disclosure year;  = the **RAB value** for the previous **disclosure year**;  = **regulatory depreciation**;  = **total revaluations**;  = **assets commissioned**;  = **asset disposals**;  = **lost and found assets adjustment**;  The formula must be calculated using component values that relate to the RAB. These inputs are the values that result from the application of the cost allocation requirements of the IM determination;  in relation to works under construction, the adjustment to the value of allocated works under construction to account for changes in allocation of capital expenditure in works under construction |
| affected line item | means the row reference in the Consolidation Statement set out in clause 8a of Schedule 8 |
| air passenger service | means an air operation operated by an air operator for the carriage of passengers |
| aircraft and freight activities | has the meaning set out in s 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. An aircraft movement is deemed to occur at the runway arrival time or the runway departure time as the case may be; |
| airfield activities | has the meaning set out in s 2 of the Airport Authorities Act 1966; |
| airport or airport business | means the parts of an airport company that provide specified airport services; |
| airport activity charge | means revenue earned by an airport in relation to a specific charge or group of charges, other than lease, rental and concession 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 2.5(1) |
| airport business––GAAP | means the financial performance of the airport business, disclosed in accordance with GAAP |
| airport company | means a company described in s 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 |
| airside circulation inbound—floor space | means the overall functional floor space, measured in square metres, of areas providing general circulation for:  inbound passengers;  travellators; and  concourse areas that provide access for:  inbound passengers to and/or from security screening and inbound passport control where provided;  airbridge and terminal doorways (where inbound passengers depart or arrive into corridors); and  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 outbound passengers;  travellators; and  concourse areas that provide access for:  outbound passengers to and/or from security screening and outbound passport control;  departure lounges;  airbridge and terminal doorways (where outbound passengers depart or arrive into corridors); and  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 non-current assets - year ended 2009 | means the allocated value of the 2009 disclosed assets as disclosed in the 2009 disclosure financial statements |
| allocator | means the quantifiable metric (such as employee numbers or floor space) 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 a **regulated** activity, being “directly attributable”, ”causal” or “proxy” |
| alternative methodology with equivalent effect | means an alternative methodology applied by an airport as specified in Part 3 of the IM Determination |
| 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 | has the meaning set out in the IM determination |
| asset category | means one of the following asset types:  land;  sealed surfaces;  infrastructure and buildings; and  vehicles, plant and equipment |
| asset category revaluation rate | means, for each asset category or parts of each asset category:  an indexed revaluation rate; or  a non-indexed revaluation rate |
| asset disposals | means calculated using the following formula:  in relation to allocated asset disposals:  =  where:  = asset disposals (other);  = assets disposed of to a regulated supplier;  = assets disposed of to a related party;  in relation to unallocated asset disposals:  =  where:  = **asset disposals (other)**;  = assets disposed of to a regulated supplier;  = **assets disposed of to a related party**;  in relation to forecast information, the regulatory carrying value of those assets which are forecast to be disposed of |
| asset disposals (other) | means the value of an asset disposal which is disposed of to a party other than a regulated supplier or a related party, and which is determined as follows:  in relation to the **unallocated** RAB, the unallocated opening RAB value less regulatory depreciation as determined in accordance with the input methodologies identified as applicable to that asset in the IM determination;  in relation to the RAB, the value of the assets (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| asset life | has the meaning set out in the **IM Determination** |
| 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 | has the meaning set out in the **IM determination** |
| assets acquired from a regulated supplier | means:  in relation to the **unallocated** RAB, the value of assets acquired from another regulated supplier as determined in accordance with Part 3 of the IM determination;  in relation to the RAB, the value of the assets (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| assets acquired from a related party | means:  in relation to the **unallocated** RAB the value of assets acquired from a related party as determined in accordance with Part 3 of the IM determination;  in relation to the RAB, means the value of the assets (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| assets commissioned | means:  in relation to the **unallocated** **RAB** or works under construction, the value of commissioned assets as determined in accordance with Part 3 of the IM determination;  in relation to the **RAB**, the value of the assets (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination;  in relation to forecast information, a forecast of the value of the assets (as determined in accordance with paragraph (b)) for a future **disclosure year** |
| assets disposed of to a regulated supplier | means:  in relation to unallocated RAB, the unallocated opening RAB value less regulatory depreciation immediately preceding the disposal to a regulated supplier, as determined in accordance with the IM determination;  in relation to the RAB, the value of the assets (as determined in accordance with paragraph (a)) which was allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| assets disposed of to a related party | means:  in relation to the **unallocated** RAB, the unallocated opening RAB value less regulatory depreciation immediately preceding the disposal to a related party, as determined in accordance with the input methodologies identified as applicable to that asset in the IM determination;  in relation to the RAB, the value of the assets (as determined in accordance with paragraph (a)) which was allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| assets with nil physical asset life | means:  in relation to the unallocated RAB, the sum of unallocated RAB values from the previous disclosure year of assets that will have a nil physical life at the end of this disclosure year;  in relation to the RAB, the sum of RAB values from the previous disclosure year of assets that will have a nil physical life at the end of this disclosure year |
| assets held for future use | means the value of assets as determined in accordance with Part 3 of the IM determination where the asset meets paragraph (a) of the definition of ‘excluded asset’ in the IM determination |
| assets held for future use additions | means any change in assets held for future use as determined in accordance with Part 3 of the IM determination |
| assets held for future use charge | means a charge associated with assets held for future use that forms part of an airport activity charge |
| assets held for future use charge | means a charge associated with assets held for future use that forms part of an airport activity charge |
| assets held for future use disposals | means assets held for future use that are disposed of. For the avoidance of doubt this excludes transfers to works under construction |
| assets held for future use forecast closing cost | means the value of calculated using the following formula:  =  where:  = assets held for future use opening cost;  = forecast holding costs;  = forecast assets held for future use net revenue;  = forecast assets held for future use additions;  e = forecast assets held for future use disposals;  **=** forecast **transfer to works under construction** |
| assets held for future use opening cost | means the cost of assets held for future use on the first day of the pricing period as determined in accordance with Part 3 of the IM Determination |
| assets held for future use net revenue | has the meaning set out in Part 3 of the IM determination, where references to 'excluded asset' should be read as references to assets held for future use, and includes an assets held for future use charge |
| assets not directly attributable | means the asset values that are not directly attributable to a **regulated activity** or the **unregulated component** |
| audited disclosure information | means information disclosed pursuant to any of clauses 2.3(1) or 2.4(1)of this determination |
| average charge from airfield activities and specified passenger terminal activities | means the value of calculated using the following formula:  *=*  where:  = the sum of:  net operating charges from airfield activities relating to domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW;  net operating charges from airfield activities relating to domestic flights of aircraft 30 tonnes MCTOW or more; and  net operating charges from specified passenger terminal activities relating to domestic passengers;  or  the sum of:  net operating charges from airfield activities relating to international flights; and  net operating charges from specified passenger terminal activities relating to domestic flights;  as the case may be;  and  = the sum of:  number of domestic passengers on flights of 3 tonnes or more but less than 30 tonnes MCTOW; and  number of domestic passengers on flights of aircraft with a MCTOW rating of 30 tonnes MCTOW or more;  or  total number of international passengers;  as the case may be |
| average charge from airfield activities relating to domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW | means the value of calculated using the following formula:  =  where:  = net operating charges from airfield activities relating to domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW;  and  = number of domestic passengers on flights of 3 tonnes or more but less than 30 tonnes MCTOW;  or  total MCTOW of domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW;  as the case may be |
| average charge from airfield activities relating to domestic flights 30 tonnes MCTOW or more | means the value of calculated using the following formula:  =  where:  = net operating charges from airfield activities relating to domestic flights of 30 tonnes MCTOW or more;  and  = number of domestic passengers on flights of 30 tonnes MCTOW or more;  or  total MCTOW of domestic flights of 30 tonnes MCTOW or more;  as the case may be |
| average charge from airfield activities relating to international flights | means the value of calculated using the following formula:  =  where:  = net operating charges from airfield activities relating to international flights;  and  = number of international passengers;  or  total MCTOW of international flights;  as the case may be |
| average charge from specified passenger terminal activities | means the value of calculated using the following formula:  =  where:  = net operating charges from specified passenger terminal activities relating to domestic passengers;  or  net operating charges from specified passenger terminal activities relating to international passengers;  as the case may be;  and  = number of domestic passengers;  or  number of international passengers;  as the case may be |
| 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 s 72B(2)(ca) of the Civil Aviation Act 1990 |

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| baggage outbound—make-up area floor space | means the overall functional floor space, measured in square metres, of areas occupied by:  baggage make-up conveyors;  loops and laterals;  dolly circulation and staging;  staff sorting and loading space; and  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:  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  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:  baggage reclaim belts;  waiting areas;  trolley storage areas;  baggage service counters; and  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 | 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 |
| base value | has the meaning given in Part 3 of the IM determination |
| bio-security screening and inspection and Customs secondary inspection—floor space | means the overall functional floor space, measured in square metres, of areas providing:  biosecurity screening and inspection for inbound passengers, including the areas occupied by booths, benches, screening equipment, and the MPI staff operating the screening and inspection areas;  Customs secondary inspection for inbound passengers, including the areas occupied by booths, benches, screening equipment, and Customs staff operating the screening and inspection areas;  queuing zones; and  an area up to two metres after the screening equipment or booths and benches on the landside of the screening and inspection points,  but excluding MPI and Customs offices and search rooms |
| bio-security screening and inspection and Customs secondary inspection—notional capacity | means throughput capacity expressed in passengers per hour based on the number of MPI screening stations and advice from MPI on the sustainable processing rate |
| business day | has the meaning set out in the IM determination |

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| capacity growth | means capital expenditure incurred predominantly to provide for increased capacity |
| capital expenditure | means:  subject to paragraph (c), for the purpose of unallocated works under construction, costs:  incurred in the acquisition or development of an asset during the disclosure year that is, or is intended to be, commissioned; and  that are included or are intended to be included in the value of assets commissioned relating to the **unallocated** RAB;  subject to paragraph (c), in all other instances, costs:  incurred or forecast to be incurred in the acquisition or development of an asset during the disclosure year that is, or is intended to be, commissioned; and  that are included or are intended to be included in the value of **assets** commissioned relating to the RAB;  costs incurred or forecast to be incurred in the acquisition of an asset as determined in accordance with Part 3 of the IM determination are deemed to have been incurred or forecast to be incurred in the year in which they are included in the value of transfer to works under construction; |
| causal relationship | has the meaning set out in the IM determination |
| capital expenditure on land for disclosure year 2010 | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| capital expenditure on land for disclosure year 2011 | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| change in asset allocator | means changes in any one of the following from the previous disclosure year:  the list of assets, the value of which has been allocated using an asset allocator;  the type of quantifiable measure used to allocate any asset value; or  the type of quantifiable measure used to allocate asset values, or the list of assets, included in a particular asset category |
| change in cost allocator | means changes in any one of the following from the previous disclosure year:  the list of operating costs, the value of which has been allocated using a cost allocator;  the type of quantifiable measure used to allocate any operating costs; or  the type of quantifiable measure used to allocate operating costs, or the list of operating costs, included in a particular operating cost category |
| change in forecast asset life | means a change to the weighted average forecast asset life that is greater than +/-10% for each **asset category** from the weighted average asset life that is implied in the most recent disclosure under clause 2.3 |
| charged services | means a category or group of specified airport services in respect of which a standard charge applies |
| 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:  check in counters;  kiosks;  help desks;  service desks;  ticketing counters;  baggage scales  baggage injector feeds;  takeaway baggage conveyors;  bag drop belts;  queuing zones;  seating and waiting areas associated with the check-in area; and  circulation areas directly associated with any of the above functions;  but excludes:  airline and airport offices, unless used directly by passengers as part of normal processing and services; and  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 |
| closing base value | means the value of calculated using the following formula:  =  where:  = opening base value;  = forecast assets held for future use revaluations |
| commencement date | means the date specified in clause 1.2 |
| Commission | has the meaning set out in s 2 of the Act |
| commissioned | has the meaning set out in the IM determination |
| commissioned project | means a project or programme of capital expenditure that involves total expenditure of more than $5 million over the life of the project or programme and that is first commissioned in the current disclosure year. For the purpose of this definition a programme is a group of projects that together contribute to one output (or a set of broadly overlapping outputs). Each project that the programme comprises must be separately disclosed |
| consumer | has the meaning set out in s 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:  corporate governance and management;  human resources;  information technology systems;  accounting services;  procurement; and  legal and risk management |
| corporate tax rate | has the meaning set out in the IM determination |
| cost allocator | has the meaning set out in the IM determination |
| cost of debt assumption | means the sum of the risk free rate, average debt premium estimates and debt issuance costs 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 |
| CPI | has the meaning set out in the IM determination |
| CPI reference date | means the date relating to the relevant CPI value in accordance with Part 3 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 |

D

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| default cash flow timing assumption | means an assumption under which all expenditure occurs 182 days before the end of the disclosure year and all revenue occurs 148 days before the end of the disclosure year |
| default revaluation gain/loss adjustment | means:  for indexed revaluations, periodic land revaluations from:  **disclosure year** 2010 onwards for the first **price setting event** after 31 December 2016, should an **Airport** choose such an approach; and  the previous **price setting event** for the second and subsequent **price setting events** after 31 December 2016;  for non-indexed revaluations, the sum of periodic land revaluations and indexed revaluations from:  **disclosure year** 2010 onwards for the first **price setting event** after 31 December 2016, should an **Airport** choose such an approach; and  the previous **price setting event** for the second and subsequent **price setting events** after 31 December 2016 |
| departure lounges—floor space | means the overall functional floor space, measured in square metres, of areas occupied by:  departure gate lounges, including seating waiting areas;  airline boarding control counters; and  areas occupied by airline staff controlling boarding;  but excluding:  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  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:  in respect of airport business––GAAP or airport company financial results, depreciation as determined in accordance with GAAP; and  in respect of airport business, regulatory depreciation |
| depreciation methodology | means either:  **standard** depreciation methodology; or  non-standard depreciation methodology |
| description of land | means the parcels of land identified in a valuation report prepared for the purposes of Part 3 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 |
| directly attributable | has the meaning set out in the IM determination |
| Director | means a person occupying the position of director of a company by whatever name called |
| disclosure year | means the 12 month period ending on, in the case of—  Wellington International Airport Limited, 31 March; and  all other airport companies, 30 June |
| domestic | means aircraft operations between airports within New Zealand |

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| 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 |
| estimated value of land assets for the 2009 year | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| estimated value of land assets for the 2011 year | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| excluded intangible assets | means, in respect of assets as at the year ended 2009, an intangible asset that is excluded in accordance with Part 3 of the IM determination |
| excluded services | has the meaning given in the IM Determination |

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| forecast asset base | means the forecast asset base for **regulated activities** rolled forward by an airport |
| forecast assets held for future use revaluations | means the forecast revaluations for **assets held for future use** used by an airport incorporating the values used, if any, for the purposes of consultation undertaken as part of a price setting event for each disclosure year of the pricing period |
| forecast asset life | has the meaning of 'asset life' given in Part 3 of the IM Determination |
| forecast closing asset base | means the forecast asset base as at the last day of the relevant pricing period |
| forecast closing carry forward adjustment | means an amount forecast by an airport as part of a price setting event that an airport intends to recover from or return to **Consumers** in a future price setting event |
| forecast closing investment value | means the value of calculated using the following formula:  =  where:  = forecast closing asset base; and  = forecast closing carry forward adjustment |
| forecast cost of capital | means the cost of capital determined by an airport when determining the forecast total revenue requirement incorporating the values used 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 forecast total revenue requirement incorporating the values used for the purposes of consultation undertaken as part of a price setting event |
| forecast for current disclosure year | means the most recent disclosure of forecast capital expenditure and forecast operational expenditure pertaining to the current disclosure year made in accordance with clause 2.5 |
| forecast for period to date | means the most recent disclosure of the accumulated forecast capital expenditure and forecast operational expenditure pertaining to the years from the beginning of the pricing period to the current disclosure year made in accordance with clause 2.5 |
| forecast net cash flows | means the value of calculated using the following formula:  =  where:  = forecast total revenue requirement;  = forecast assets commissioned;  = forecast asset disposals;  = forecast operational expenditure; and  = forecast unlevered tax |
| forecast operational expenditure | means the forecast operational expenditure used by an airport in determining the forecast total revenue requirement incorporating the values used for the purposes of consultation undertaken as part of a price setting event |
| forecast other operating revenue | means the forecast other operating revenue used by an airport in determining the forecast total revenue requirement incorporating the values used for the purposes of consultation undertaken as part of a price setting event |
| forecast post-tax IRR | means the forecast post-tax internal rate of return disclosed in the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 and the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19 for a pricing period, which is calculated based on the opening investment value, the forecast closing investment value and forecast net cash flows |
| forecast pricing CPI | means the CPI value used by an airport in setting prices as part of a price setting event |
| forecast revaluations | means the forecast revaluations used by an airport in determining the forecast total revenue requirement incorporating the values used for the purposes of consultation undertaken as part of a price setting event |
| forecast revenue for services applicable to the price setting event | means the revenue an airport is expecting to earn from charged services consulted on as part of the price setting event for that disclosure year |
| forecast unlevered tax | means forecast tax on an unlevered basis used by an airport in determining the forecast total revenue requirement incorporating the values used for the purposes of consultation undertaken as part of a price setting event |
| forecast total revenue requirement | means the revenue an airport has forecast to require for all specified airport services supplied by the airport for that disclosure year excluding forecast assets held for future use **net** **revenue** |
| full-time equivalent employees | means the average number of airport employees that are employed during a disclosure year in the provision of specified airport services |
| functional components | means:  in respect of an airport:  airfield;  apron; and  the functional components of the passenger terminal; and  in respect of a passenger terminal:  landside circulation outbound;  check-in;  passport control outbound;  security screening;  airside circulation outbound;  departure lounges;  airside circulation inbound;  passport control inbound;  landside circulation inbound;  baggage reclaim;  bio-security screening and inspection and Customs secondary inspection;  arrivals concourse;  outbound baggage sortation system; and  total terminal functional areas providing passenger facilities and services |

G

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| GAAP | means generally accepted accounting practice in New Zealand |
| gains / (losses) on asset sales | means, in respect of:  assets disposed of to a related party, zero;  **assets disposed of to a** **regulated supplier**, zero;  asset disposals (other), the values determined in accordance with:  sale price of an asset - assets disposals (other)  where each component has the value as allocated to **regulated activities** in accordance with Part 2 of the **IM determination**; and  the calculation of regulatory profit / (loss), means the unallocated gains / (losses) on asset sales which are allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| 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 |

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| highest rate of finance applied | means the highest rate of finance used to determine the cost of financing works under construction |
| holding costs | has the meaning set out in Part 3 of the IM determination, where references to 'excluded asset' should be read as references to assets held for future use |
| human resource costs | means the remuneration, including the value of benefits, that is payable to employees |

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| IM determination | means the Airport Services Input Methodologies Determination 2010 |
| inbound | means an aircraft or a passenger onboard an aircraft arriving at an airport |
| independent auditor | means a person who:  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 s 4 of the Public Audit Act 2001), is the Auditor-General;  has no relationship with, or interest in, the airport that is likely to involve a conflict of interest;  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  is not associated with nor directed by any person who has provided any such assistance, advice, or opinion |
| indexed revaluation | means:  in relation to the **unallocated RAB**, the unallocated revaluation values determined in accordance with Part 3 of the **IM determination**; and  in relation to the RAB, the revaluation values determined in accordance with Part 3 of the IM determination |
| indexed revaluation rate | has the meaning set out in Part 3 of the **IM Determination** |
| initial base value | has the meaning given in Part 3 of the IM determination, but does not include "the sum of tracking revaluations in respect of all prior disclosure years" as set out in that clause; |
| initial disclosure year | means the disclosure year ending in 2011; |
| initial RAB | has the meaning set out in the IM determination; |
| initial RAB value | has the meaning set out in the IM determination; |
| international | means aircraft operations at an airport that began outside New Zealand, or began in New Zealand and are to continue outside New Zealand; |
| interruption | means, in relation to any specified airport service provided by an airport, the withdrawal by the airport of that service for 15 minutes or longer, at a time when the service was required by a scheduled aircraft (or to process the passengers on a scheduled aircraft), but does not include:  planned withdrawals; or  the withdrawal of runway services necessitated by weather conditions; or  withdrawals of any services operated and managed by a third party and that are not being provided on behalf of, or under contract with, the airport |
| interruption to baggage reclaim belts | means an interruption to the baggage reclaim unit, where no equivalent alternative service is provided |
| interruption to baggage sortation system on departures | means an interruption to the baggage sortation system for departing bags such that the sortation system is materially unworkable, irrespective of where the breakdown occurs within the system |
| interruption to contact stands | means an interruption to a contact stand/airbridge, where no equivalent alternative service is provided |
| interruption to fixed electrical ground power (FEGP) units | means the percentage of time that all fixed electrical ground power service is unavailable during a disclosure year due to interruptions, calculated as the sum of the duration of each interruption during the disclosure year divided by the sum of the planned durations of FEGP supply to each aircraft during the disclosure year |
| interruption to remote stands and means of embarkation/disembarkation | means an interruption to a remote stand with concomitant bussing operations, or a remote stand where passengers walk to or from the terminal, and where no equivalent or better service is provided |
| interruption to runway services | means an interruption to a runway such that it is unusable by a scheduled aircraft and where no reasonable alternative service is provided |
| interruption to taxiway services | means an interruption to a taxiway such that a scheduled aircraft cannot land or depart and where no reasonable alternative service is provided |

J

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| justification for change in depreciation methodology | means an explanation which provides sufficient detail so that interested persons can assess how the introduction of, or change to the application of, a non-standard depreciation methodology meets the purpose of Part 4 of the Act |

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| key capital expenditure project | means a current or future project or programme of capital expenditure that involves total expenditure of more than $5 million over the life of the project or programme. For the avoidance of doubt, any amount of forecast capital expenditure that is planned to be incurred in a disclosure year, must be disclosed in the disclosure year it is incurred. For the purpose of this definition, a programme is a group of projects that together contribute to one output (or a set of broadly overlapping outputs). In making disclosures regarding programmes, airports must provide details of each individual project that the programme comprises |

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| 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, rental and concession income | means any income received from leases, rentals or concessions |
| line item | means the list of all assets 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 adjustment | means:  in relation to the **unallocated** RAB, the value of found assets as determined in accordance with the IM determination, less the value of lost assets. The value of a lost asset is its unallocated opening RAB value less its regulatory depreciation;  in relation to the RAB, the value of the asset (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| lost asset | has the meaning set out in the IM Determination |
| lost asset adjustment | means:  in relation to the unallocated RAB, the unallocated opening RAB value of lost assets;  in relation to the RAB, the value of the asset (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |

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| market value of asset disposals to related parties | means the value of assets disposed of to a related party as determined by a valuer. The valuer must meet the definition of valuer as defined in the IM Determination |
| 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 |
| MPI | means Ministry for Primary Industries or any successor ministry |

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| 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 charges from airfield activities | means the total, in relation to airfield activities, of airport activity charges, other operating revenue and lease, rental and concession income where the lease, rental or concession income is paid by an air transport operator and is essential for that (or other) air transport operator to be able to operate air transport services relating to:  domestic flights 3 tonnes or more but less than 30 tonnes MCTOW;  domestic flights of 30 tonnes MCTOW or more; or  international flights;  as the case may be, but does not include **assets held for future use net revenue** |
| net operating charges from specified passenger terminal activities | means the total, in relation to specified passenger terminal activities, of airport activity charges, other operating revenue and lease, rental and concession income where the lease, rental or concession income is one which is paid by an air transport operator and is essential for that (or other) air transport operator to be able to operate air transport services relating to:  domestic passengers;  international passengers;  as the case may be, but does not include **assets held for future use net revenue** |
| net operating revenue | means  in all instances other than related party transactions, the total of airport activity charges, other operating revenue, and lease rental and concession income;  in relation to related party transactions, net operating revenue (as determined in accordance with paragraph (a)) from related parties  but does not include **assets held for future use net revenue** |
| net revenue | has the meaning set out in Part 3 of the IM Determination; |
| net taxable income | means:  if regulatory taxable income / (loss) is positive, regulatory taxable income / (loss) less tax losses used; or  if regulatory taxable income / (loss) is negative, nil |
| new allocator or components | means:  if a change in the allocator type or cost allocator used, the asset allocator or cost allocator used; or  if a change in line item, the line item included in the asset allocator or cost allocator used |
| non taxable | means not included in ‘income subject to tax’ 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 value of the **2009 disclosed assets**, where the value of:  non-land assets are determined in accordance with Part 3 of the IM determination; and  land is the value of the assets disclosed in the **2009 disclosure financial statements** |
| non-indexed revaluations | means:  in relation to the **unallocated RAB**, has the meaning set out in Part 3 of the IM Determination, applying the revaluation rate specified in Part 3 of the IM Determination; and  in relation to the **RAB**, has the meaning set out in Part 3 of the IM Determination, applying the revaluation rate specified in Part 3 of the IM Determination |
| non-indexed revaluation rate | has the meaning set out in Part 3 of the IM Determination |
| non-standard depreciation | means:  in relation to the **unallocated** RAB, the value of regulatory depreciation relating to non-standard assets determined in accordance with Part 3 of theIM determination;  in relation to the RAB, the value of regulatory depreciation (as determined in accordance with paragraph (a)) which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| non-standard depreciation disclosure | means information about the introduction of or change to non-standard depreciation methodology. This includes a summary of change; a justification for change in depreciation methodology; and the extent of customer disagreement and supplier response |
| non-standard depreciation methodology | means a methodology used to determine depreciation that differs from the methodology used to determine standard depreciation |
| notional deductible interest | has the meaning given to that term in Part 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 |
| number of domestic passengers | means the sum of:  the number of inbound domestic passengers; and  the number of outbound domestic passengers;  on:  flights of 3 tonnes or more but less than 30 tonnes MCTOW; or  flights of 30 tonnes MCTOW or more;  as the case may be |
| 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 |

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| offsetting revenue | means:  in relation to the **unallocated** RAB, revenue derived in relation to works under construction as described in Part 3 of the IM Determination;  in relation to the RAB, the value of revenue (as determined in accordance with paragraph (a)) allocated to the regulated business using the same allocation that the value of the asset to which the revenue relates is allocated to the regulated business in accordance with Part 2 of the IM determination |
| 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 interruptions to one or more specified airport services |
| opening base value | means:  for the first disclosure year of a pricing period,  =  where:  = initial base value;  = opening tracking revaluations;  for subsequent disclosure years of a pricing period, the closing base value for the previous disclosure year |
| opening carry forward adjustment | means the sum of:  a forecast closing carry forward adjustment from the previous pricing period;  a default revaluation gain/loss adjustment;  a risk allocation adjustment; and  other carry forward adjustments that are intended to reflect the remaining capital to be recovered as at the start of the pricing period |
| opening investment value | means the value of calculated using the following formula:  =  where:  = opening RAB; and  = opening carry forward adjustment |
| opening RAB | means the **Airport’s** estimate of the RAB as at the first day of the **pricing period** by rolling forward the **RAB value** disclosed in the most recent disclosure made in accordance with clause 2.3 preceding a price setting event |
| opening tracking revaluations | means tracking revaluations as at the first day of the pricing period |
| 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:  corporate overheads;  asset management and airport operations; and  asset maintenance |
| operating cost | has the meaning set out in the IM determination, and excludes costs incurred in providing excluded services |
| 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:  in all instances other than related party transactions, operating costs after applying Part 2 of the IM determination;  in relation to related party transactions, operational expenditure (as determined in accordance with paragraph (a)) transacted with related parties |
| operational improvement processes | means processes implemented by the airport whereby airlines and airports meet regularly to:  identify any measures available either to:  reduce the likelihood of service losses which have caused loss of material services or on time departure delays from reoccurring; or  better manage such losses of service or on time departure delays so as to reduce the impact; and  review quarterly passenger satisfaction surveys to identify where remedial action is required by the airport, airline or border agencies |
| operational surplus / (deficit) before interest | means the value of calculated using the following formula:  =  where:  = operational surplus / (deficit) before interest, depreciation, revaluations and tax;  = depreciation;  = total revaluations; and  = 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:  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  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 |
| 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:  regulatory tax asset value of additions;  regulatory tax asset value of disposals;  regulatory tax asset value of assets transferred from / (to) unregulated asset base; and  tax depreciation |
| 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 key capital expenditure projects |
| other excluded assets | means assets as at the year ended 2009 that are excluded from the initial RAB in accordance with Part 3 of the IM determination and which are not assets held for future use |
| other factors | means the value of any factor used to determine the forecast total revenue requirement as required by clause 2.5(1) other than:  forecast asset base;  forecast operational expenditure;  forecast depreciation;  forecast unlevered tax;  forecast revaluations; and  forecast other operating revenue |
| other incentives | means the value of any arrangements where an airport agrees with a customer to provide goods or services, whether to the customer or a third party, in consideration for the customer taking specified airport services. 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 or gains / (losses) on asset sales but does not include assets held for future use net revenue |
| other operating revenue | means revenue earned by an airport business in relation to specific charges relating to a regulated activity, which has not been separately disclosed as an airport activity charge or lease, rental and concession 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 or capital expenditure; or  the value of transactions that are included in the market value of asset disposals to related parties |
| 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 |

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| passenger | means 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 |
| 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 theclock hour with the 30th highest ranked number of passengers in the 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:  passengers on outbound international aircraft;  passengers on inbound international aircraft;  passengers on outbound domestic aircraft;  passengers on outbound domestic aircraft that require security screening of passengers;  passengers on inbound domestic aircraft;  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  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 survey | means a passenger survey carried out under clause 2.4(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 |
| periodic land revaluation | means the value of calculated using the following formula:    where:  = the value of a revaluation resulting from the application of Schedule A of the IM Determination; and  = indexed revaluation for the year in which the revaluation resulting from the application of Schedule A of the IM Determination occurs |
| planned withdrawal | means in relation to a specified airport service a withdrawal of that service of which the airlines affected by the withdrawal had 24 hours or more notice |
| post-tax WACC | has the meaning set out in the IM determination |
| post-tax WACC at price setting event | has the meaning set out in 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 | has the meaning set out in the IM Determination |
| pricing asset base | means the asset base used by an airport to set prices at a price setting event |
| 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, route incentives 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:  the disclosure years between two consecutive price setting events, inclusive of the years in which the price setting events occur; or  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 | means the first disclosure year of a pricing period |
| principal determination | means the *Airport Services Information Disclosure Determination 2010*, as published on 22 December 2010 |
| property plant and equipment (excluding works under construction) | means:  in respect of an airport, the RAB value;  in respect of airport business––GAAP, the RAB value determined in accordance with GAAP but excluding works under construction; and  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 |
| proportion of year available | means the percentage of the disclosure year the commissioned project had been commissioned |
| proportionate regulatory value | means the assets commissioned-RAB value multiplied by the proportion of year available |
| proposed risk allocation adjustment | means an intention by an airport as part of a price setting event to adjust the opening investment value in a subsequent price setting event for a difference between:  any component in the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18, or the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19, or the Report on Demand Forecasts set out in Schedule 20; and  the equivalent component disclosed in accordance with clause 2.3. |
| proxy asset allocator | has the meaning set out in the IM Determination |
| proxy cost allocator | has the meaning set out in the IM Determination |
| publicly disclose | in relation to any information, means to:  disclose the information to the public on the Internet at the airport’s usual publicly accessible website;  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;  give notice in the *Gazette* of:  that disclosure; and  the uniform resource locator of the Internet site where the information disclosed can be found; and  where hard copies of the information disclosed may be inspected or obtained; and  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  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 |

R

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| RAB | means regulatory asset base |
| RAB (tax value) | means the value of calculated using the following formula:  =  where:  = RAB (tax value) for the previous disclosure year;  = **regulatory** tax asset value of additions;  = **regulatory** tax asset value of disposals;  = **regulatory** tax asset value of assets transferred from / (to) unregulated asset base;  = tax depreciation; and  = other adjustments to the RAB tax value;  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 |
| RAB investment | means the value of calculated using the following formula:  =  where:  = commissioned projects;  = other assets commissioned;  = adjustment for merger, acquisition or sale activity;  = asset disposals; |
| RAB proportionate investment | means the value of calculated using the following formula:  =  where:  = the sum of the proportionate regulatory value of commissioned projects;  = the proportionate regulatory value of other assets commissioned;  = the proportionate regulatory value of adjustments for merger, acquisitions or sale activity; and  = the proportionate regulatory value of asset disposals |
| RAB value | means:  in relation to the **unallocated** RAB, the value of calculated using the following formula:  =  where:  = RAB value for the previous disclosure year;  = asset commissioned;  = revaluations;  = regulatory depreciation;  = asset disposals;  = lost and found assets adjustments  = cost allocation adjustments;  in relation to the RAB, the **unallocated** RAB value which is allocated to the **regulated activity** in accordance with Part 2 of the IM determination |
| rates and levy costs | means:  rates on assets used in the provision of specified airport services paid or payable by an airport to a territorial local authority under the:  Ratings Powers Act 1988; or  Local Government (Rating) Act 2002; and  levies payable under s 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 set out in s 4 of the Public Records Act 2005 |
| regulated activity | has the meaning set out in the IM determination |
| regulated supplier | has the meaning set out in 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:  in relation to the **unallocated** RAB, unallocated depreciation as determined in accordance with Part 3 of theIM determination;  in relation to the RAB, depreciation as determined in accordance with Part 3 of theIM 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 |
| regulatory profit / (loss) before tax | means the value of calculated using the following formula:  =  where:  = operating surplus / (deficit);  = regulatory depreciation; and  = 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 tax asset value of additions | means the sum of the regulatory tax asset values of asset additions as determined in accordance with Part 4 of the **IM determination** |
| regulatory tax asset value of disposals | means the sum of the regulatory tax asset values of asset disposals immediately prior to the disposal as determined in accordance with Part 4 of the **IM determination** |
| regulatory tax asset value of assets transferred from/(to) unregulated asset base | means the sum of the regulatory tax asset values of assets transferred from/(to) the unregulated asset base immediately prior to the transfer as determined in accordance with Part 4 of the **IM determination**, where:  a transfer to the airport business is positive; and  a transfer from the airport business is negative |
| regulatory taxable income / (loss) | means the value of calculated using the following formula:  =  where:  = regulatory profit / (loss) before tax;  = regulatory depreciation;  = other permanent differences––not deductible;  = other temporary adjustments––current period;  = revaluations;  = tax depreciation;  = notional deductible interest;  = other permanent differences––non taxable; and  = other temporary adjustments––prior period |
| related party | has the meaning set out in the IM determination |
| related party relationship | means a brief description of the relationship between a related party and an airport |
| revaluation | means:  in relation to the **unallocated** RAB has the same meaning as ‘unallocated revaluation’ as set out in the IM determination.  in relation to the RAB and the calculation of regulatory profit / (loss) has the same meaning as ‘revaluation’ as set out in the IM determination |
| revalued land | means:  in relation to the unallocated RAB, the sum of unallocated RAB values from the preceding disclosure year of land that has been revalued in accordance with Part 3 of the IM Determination in this disclosure year;  in relation to the RAB, the sum of RAB values from the previous disclosure year of land that has been revalued in accordance with Part 3 of the IM Determination in this disclosure year |
| revenue requirement not applicable to price setting event | means forecast total revenue requirement that is forecast to be earned through specified airport services other than those charged services to which the price setting event relates |
| risk allocation adjustment | means an adjustment to the opening investment value made by an airport to reflect a proposed risk allocation adjustment from a previous pricing period |
| ROI––comparable to a post-tax WACC | means the value of calculated using the following formula:  =  where:  = adjusted regulatory profit; and  = regulatory investment value |
| ROI––comparable to a vanilla WACC | means the value of calculated using the following formula:  =  where:  = regulatory profit / (loss); and  = 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 day | in respect of an airport, means the calendar day during the 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 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 |

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| scheduled | means:  in relation to an interruption, an aircraft movement to or from an airport which is either published in an airline schedule or advised to the airport more than seven days in advance, where that aircraft arrived or departed within 15 minutes of that scheduled time, or would have done had it not been for an interruption to a specified airport service; and  in all other cases, an aircraft movement to or from an airport which is either published in an airline schedule or advised to the airport more than seven days in advance |
| 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 capacity | means 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:  security screening facilities other than those that cater for international transit and transfer passengers; and  security screening facilities that cater for international transit and transfer passengers |
| specified airport services | has the meaning set out in s 56A of the Act |
| specified passenger terminal activities | has the meaning set out in s 2 of the Airport Authority Act 1966 |
| standard depreciation | means:  in relation to the **unallocated** RAB, unallocated depreciation calculated in accordance with Part 3 of the IM determination;  in relation to the RAB, depreciation calculated in accordance with Part 3 of the IM determination |
| 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 |
| substantial customer | has the meaning set out in section 2A of the Airport Authorities Act 1966 |
| summary of change | means a summary of the change in depreciation approach including:  in respect of a change in asset life, the previous asset life and the current asset life; and  in respect of a change in methodology, the previous methodology and the current methodology |

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| tax depreciation | means depreciation determined in accordance with Part 4 of the IM determination |
| tax expense | means:  in respect of airport business––GAAP or airport company financial results, tax as determined in accordance with GAAP;  in respect of an airport business, the regulatory tax allowance |
| tax losses (regulated business) | means the value of calculated using the following formula:  =  where:  = tax losses (regulated business) for the previous disclosure year;  = current year tax losses; and  = 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 |
| 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 is 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 financial incentives | means the sum of pricing incentives and other incentives |
| total MCTOW | means the combined MCTOW of:  domestic flights of 3 tonnes or more but less than 30 tonnes MCTOW;  domestic flights of 30 tonnes MCTOW or more; or  international flights;  as the case may be |
| 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 (whichever is applicable) |
| total passenger terminal functional areas providing passenger facilities and service—floor space | means the aggregate of:  landside circulation outbound—floor space;  check-in—floor space;  passport control outbound—floor space;  security screening—floor space;  airside circulation outbound—floor space;  departure lounges—floor space;  airside circulation inbound—floor space;  passport control inbound—floor space;  landside circulation inbound—floor space;  baggage reclaim—floor space;  bio-security screening and inspection and Customs secondary inspection—floor space;  arrivals concourse—floor space; and  the floor space, measured in square metres, of areas providing general facilities for passengers, including:  toilets;  help desks;  information desks;  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:  net operating revenue;  gains / (losses) on asset sales; and  other income;  but does not include assets held for future use net revenue |
| total revaluations | means the sum of indexed revaluations and periodic land revaluations |
| tracking revaluations | has the meaning set out in Part 3 of the IM determination, where references to 'excluded asset' should be read as references to assets held for future use |
| transfer to works under construction | means the value of **assets** held for future use transferred to works under construction as determined in accordance with Part 3 of the IM determination |
| transit and transfer passenger | means:  in respect of domestic passengers, a 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, a 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 |

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| unallocated RAB | means the sum of the unallocated opening RAB values; or the sum of the unallocated closing RAB values; or the sum of any roll forward components (as the case may be), as determined in accordance with the IM determination |
| unallocated initial RAB value | has the meaning set out in the IM determination |
| unregulated activities—GAAP | means the difference between the airport company—GAAP and the airport business—GAAP |
| unregulated component | means the component of **operating costs** or the **unallocated** **RAB** value of assets not allocated to regulated activities in accordance with Part 2 the IM determination |

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| value | means the recorded value of similar related party transactions in respect of each related party during a disclosure **year**. For the avoidance of doubt, capital expenditure and asset disposal transactions require the separate disclosure of the value of each transaction |
| value of disposed assets on land for disclosure year 2010 | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| value of disposed assets on land for disclosure year 2011 | means the value of applied in the formula for calculation of the unallocated initial RAB value of land as set out in Part 3 of the **IM determination** |
| vanilla WACC | has the meaning set out in the IM determination |

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| **WACC percentile equivalent for forecast cost of capital** | has the meaning set out in the **IM Determination** |
| **WACC percentile equivalent for forecast post-tax IRR** | has the meaning set out in the **IM Determination** |
| working day | has the meaning given to that term in s 2 of the Act |
| works under construction | means:  subject to paragraphs (c) and (d), in relation to unallocated works under construction, the value of calculated using the following formula:    where:  = works under construction for the previous disclosure year;  = capital expenditure; and  = assets commissioned;  The formula is to be calculated using **unallocated RAB** values.  subject to paragraphs (c) and (d), in relation to allocated works under construction, the value of the unallocated works under construction (as determined in accordance with paragraph (a)), which is allocated to the **regulated activity** in a manner consistent with either the principles of Part 2 of the IM determination or the assumptions used in determining the forecast of key capital expenditure projects;  in relation to works under construction – year ended 2009, the value of those assets or collections of assets as disclosed in the **2009 disclosure financial statements** and which are defined as works under construction in accordance with Part 3 of the IM determination;  in relation to works under construction adjusted – year ended 2009, means works under construction as of the year ended 2009 plus the value of the MVAU valuation adjustment for those assets included in works under construction – year ended 2009 (as determined in accordance with paragraph (c)). |

1. Disclosure Requirements
   * + 1. Information Disclosure
          1. Subject to clauses 2.9 and 2.10, from the commencement date, every airport must comply with the information disclosure requirements set out in this determination and, in particular, must comply with:

the requirements to disclose financial and other information in clause ;

the requirements to disclose quality information in clause ;

the requirements to disclose forecast total revenue requirements and pricing information in clause 2.5;

the audit and certification requirements in clauses and ; and

the retention and continuous disclosure requirements in clause 2.8.

* + - 1. Applicable Input Methodologies
         1. Every airport must apply the following parts of the IM determination, when complying with this determination:

Part 2 – Cost Allocation;

Part 3 – Asset Valuation; and

Part 4 – Treatment of Taxation.

* + - 1. Annual Disclosure Relating to Financial Information
         1. Within five months after the end of each disclosure year, every airport must disclose information relating to its financial position by:

completing each of the following reports by inserting all information relating to the specified airport services supplied by the airport for that disclosure year:

the Report on Return on Investment set out in Schedule 1;

the Report on Regulatory Profit set out in Schedule 2;

the Report on Regulatory Tax Allowance set out in Schedule 3;

the Report on Regulatory Asset Base Roll Forward set out in Schedule 4;

the Report on Related Party Transactions set out in Schedule 5;

the Report on Actual to Forecast Expenditure set out in Schedule 6;

the Report on Segmented Information set out in Schedule 7;

the Consolidation Statement set out in Schedule 8;

the Report on Asset Allocations set out in Schedule 9;

the Report on Cost Allocations set out in Schedule 10; and

publicly disclosing each of those reports.

* + - * 1. For the purpose of clause 2.3(1)(a)(vi), the forecast figures that are entered in the Report on Actual to Forecast Expenditure in Schedule 6 must be the same as those that are entered in the most recent Report on the Forecast Total Asset Base Revenue Requirements disclosed in accordance with clause 2.5.
        2. For the purpose of clause 2.3(1)(a)(iv), the depreciation methodology disclosed in the Report on Regulatory Asset Base Roll Forward set out in Schedule 4 must be the same as the depreciation methodology in the forecast depreciation component of the latest Report on the Forecast Total Revenue Requirements set out in Schedule 18 that was disclosed in accordance with clause 2.5(1).

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 in accordance with Schedule A of the IM determination and included in the Report on Regulatory Asset Base Roll Forward set out in Schedule 4.

* + - * 1. For the purpose of clause 2.3(1)(a)(ix)-(x), in completing the Report on Asset Allocations in Schedule 9 and the Report on Cost Allocations in Schedule 10, **airports** must **publicly disclose**, for each **asset category** in Schedule 9 and each **operating cost category** in Schedule 10 that is not **directly attributable**, and for which the **accounting-based allocation approach** is used-

whether the **allocators** used are **proxy asset allocators** or **proxy cost allocators**; and

where **proxy asset allocators** or **proxy cost allocators** are used, explain-

why a **causal relationship** cannot be established; and

therationale for thequantifiable measure used for each **proxy asset allocator** or **proxy cost allocator**.

* + - 1. Annual Disclosure of Quality and Statistics
         1. 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:

subject to clause 2.4(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:

the Report on Reliability Measures set out in Schedule 11;

the Report on Capacity Utilisation Indicators for Aircraft and Freight Activities and Airfield Activities set out in Schedule 12;

the Report on Capacity Utilisation Indicators for Specified Passenger Terminal Activities set out in Schedule 13;

the Report on Passenger Satisfaction Indicators set out in Schedule 14;

the Report on Operational Improvement Processes set out in Schedule 15;

the Report on Associated Statistics set out in Schedule 16; and

the Report on Pricing Statistics set out in Schedule 17; and

publicly disclosing each of those reports.

* + - * 1. Every three months, for the purpose of completing and publicly disclosing the Report on Passenger Satisfaction Indicators set out in Schedule 14, every airport must complete a passenger satisfaction survey by questionnaire for each of the following passenger types, in accordance with clauses 2.4(3) and 2.4(4):

passengers about to board a domestic flight; and

passengers about to board an international flight.

* + - * 1. Each passenger survey must conform to the following requirements:

each respondent must be a passenger about to board a flight;

each survey questionnaire must be completed by one respondent only;

the margin of error of the surveyed responses to each question for the combined quarterly surveys completed in each disclosure year must be no greater than 5% with a 95% confidence level;

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;

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;

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

the quarterly score disclosed for each question in the passenger survey is a weighted average calculated using the following formula:



where:

each of the five possible responses are sequentially labelled with an integer value , ranging from 1 to 5 in accordance with clause 2.4(3)(f) above; and

** is the number of respondents that returned, in answer to the question, the response labelled *I*.

* + - * 1. 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 14.
        2. The fieldwork documentation required pursuant to clause 2.4(3)(e) above must be made publicly available at the same time as the Report on Passenger Satisfaction Indicators set out in Schedule 14 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 14.
      1. Disclosure Following Price Setting Event
         1. Within 40 working days following a decision by an airport to fix or alter a price that will cause 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:

completing each of the following reports by inserting all information relating to the specified airport services supplied by the airport for that disclosure year:

the Report on Forecast Total Asset Base Revenue Requirements set out in Schedule 18;

the Report on the Forecast Pricing Asset Base Revenue Requirements in Schedule 19 in respect of the pricing asset base, where any references to the RAB in Schedule 19 or in the definitions referred to in Schedule 19 should be read as references to the pricing asset base;

the Report on Demand Forecasts set out in Schedule 20; and

publicly disclosing each of those reports; and

in respect of each of the following components of the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 and the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19:

forecast asset base;

forecast cost of capital;

forecast operational expenditure;

forecast depreciation;

forecast unlevered tax;

forecast revaluations; and

other factors,

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

the rationale for the basis of preparing these components, and any related assumptions;

the extent to which each component is used to determine the forecast total revenue requirement; and

Subject to clause 2.10, the differences (if any) between the preparation of each component and the most recent corresponding historical financial information disclosed in accordance with clause 2.3.

where an airport has included a forecast closing carry forward adjustment or an opening carry forward adjustment in the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 or the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19, publicly disclosing:

a description of the opening carry forward adjustment or forecast closing carry forward adjustment and an explanation of how it has been calculated;

a summary of views expressed by **substantial customers** of the **airport** on the opening carry forward adjustment or forecast closing carry forward adjustment from the consultation undertaken as part of a price setting event;

where an airport has included a forecast closing carry forward adjustment, publicly disclosing:

an explanation of how the closing investment value accurately reflects the remaining capital that is intended to be recovered by the airport over the relevant pricing period;

the purpose and appropriateness of the forecast closing carry forward adjustment;

when the **forecast closing carry forward adjustment** will have been fully offset;

an explanation of why a **forecast closing carry forward adjustment** is the most appropriate method of accounting for the amount that would be offset as part of the **forecast closing carry forward adjustment**;

where an airport has not applied the default cash flow timing assumption in the calculation of the **forecast** post-tax IRR, publicly disclosing an explanation of and evidence of how forecast cash flow timing is different from the default cash flow timing assumption;

publicly disclosing an explanation of any differences between the forecast post-tax IRR in:

the Report on Forecast Total Asset Base Revenue Requirements set out in Schedule 18; and

the Report on the Pricing Asset Base Revenue Requirements in Schedule 19;

**publicly disclosing** the **post-tax WACC** **at price setting event** in the Report on Forecast Total Asset Base Revenue Requirements set out in Schedule 18;

**publicly disclosing** an explanation for any differences, and evidence supporting the explanation, between:

the post-tax WACC at price setting event and the **forecast cost of capital**; and

the **forecast cost of capital** and the **forecast** **post-tax IRR**;

where the forecast asset base is based on a value other than that used for the purposes of the latest disclosure under clause 2.3, publicly disclosing the valuation report on which the value of the forecast asset base is based;

where an airport has included an assets held for future use charge, publicly disclosing information relating to the airport's forecast assets held for future use as set out in Schedule 18 and the assumptions and justifications of the airport’s forecast assets held for future use net revenue;

publicly disclosing the airport’s forecast capital expenditure by category and the aims and objectives of key capital expenditure projects as disclosed in accordance with Schedule 18;

publicly disclosing, for the period of five consecutive years immediately following the price setting event, a description of each key capital expenditure project as disclosed in accordance with Schedule 18, including an explanation of:

the process by which the need for the key capital expenditure project was determined, including any assessment criteria;

any consumer engagement undertaken as part of the process referred to in clause 2.5(1)(m), including a description of how consumer demands have been assessed;

any alternative expenditure projects considered, and the rationale for excluding those alternative projects;

the extent to which the key capital expenditure project is reflected in pricing; and

any constraints or other factors on which successful completion of each key capital expenditure project is contingent; and

publicly disclosing any assumptions or justifications of the airport’s forecast operational expenditure by category as disclosed in accordance with Schedule 18.

publicly disclosing information relating to the airport's forecast total financial incentives in accordance with Schedule 18;

where an airport uses a non-standard depreciation methodology for the forecast depreciation component of the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 or the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19, publicly disclosing:

a description of the non-standard depreciation methodology,

an explanation of how the non-standard depreciation methodology is NPV neutral given the **Airport’s** **post-tax IRR** and its expected time profile of capital recovery;

an explanation of and evidence of how the non-standard depreciation methodology reflects the expected value or utilisation of the RAB or parts of the RAB, taking into account the expected time profile of capital recovery;

for the first price setting event in which the non-standard depreciation methodology is applied, the forecast depreciation component of the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 or the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19 that would result from the application of standard depreciation, for the duration of the relevant asset life or 10 years, whichever is lesser; and

an explanation of how the non-standard depreciation methodology is consistent with section 52A of the Act.

where an airport uses standard depreciation for the forecast depreciation component of the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 or the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19, publicly disclosing:

an explanation of and evidence of how the standard depreciation methodology reflects the expected value or utilisation of the RAB or parts of the RAB;

any change in forecast asset life; and

an explanation of any change in forecast asset life;

publicly disclosing the forecast revaluations of the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 and the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19;

publicly disclosing the forecast pricing CPI used as part of any revaluation approach that makes up the forecast revaluations component of:

the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18; and

the Report on the Forecast Pricing Asset Base Revenue Requirements set out in Schedule 19;

where an alternative methodology with equivalent effect is used as part of the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18, publicly disclosing:

a description of the alternative methodology with equivalent effect;

an explanation of how the **alternative methodology with equivalent effect** complies with the requirements set out in Part 3 of the **IM Determination**;

the component of the Report on the Forecast Total Revenue Requirements set out in Schedule 18 to which the alternative methodology with equivalent effect has been applied;

an explanation of the reasons for the application of the alternative methodology with equivalent effect; and

the evidence on which the certification in Schedule 23 that is disclosed in accordance with clause 2.7(3) is based; and

publicly disclosing for each service that is included in revenue requirement not applicable to price setting event as disclosed in accordance with Schedule 18:

a description of the service;

the forecast total revenue requirement that is forecast to be earned from the service for each disclosure year of the price setting event;

the revenue earned from the service during the most recent disclosure year; and

reference to any price setting event that the service has been applicable;

* + - * 1. Within 40 working days following a decision by an airport to fix or alter a price that will cause a price setting event, or within five consecutive years of the previous disclosure under this clause (whichever is the later), an airport may disclose information relating to its **forecast total revenue requirement** by disclosing the WACC percentile equivalent for forecast cost of capital and the WACC percentile equivalent for forecast post-tax IRR in the Report on Forecast Total Asset Base Revenue Requirements set out in Schedule 18;
        2. Within 40 working days following a decision by an airport to fix or alter a price that will cause 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 summary of the airport’s pricing methodology; and

to the extent related to the price setting event, a description of:

charged services; and

the relationship between the quality of service provided and the cost for each charged service; and

the methodology used to allocate costs to particular charged services; and

significant changes to prices for charged services, including any rebalancing of prices, compared with equivalent services provided during the previous pricing period; and

the methodology for determining the proposed prices for charged services, and how those prices are reconciled with the forecast total revenue requirement; and

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); and

an explanation of the extent to which the airport considers that the application of the pricing methodology will lead to efficient prices, including whether there are any cross-subsidies.

* + - * 1. Within 40 working days following a decision by an airport to fix or alter a price that will cause a price setting event, and within 5 months following the end of each disclosure year, an 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.
      1. Auditor’s Reports
         1. Where an airport is required to publicly disclose any audited disclosure information, the airport must:

procure a report by an independent auditor in respect of that audited disclosure information that is addressed to directors and signed by the independent auditor (either in his or her own name or that of his or her firm), stating:

a duty of care to the Commission;

the work done by the independent auditor; and

the scope and limitations of the audit; and

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

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

subject to clause 2.6(3), 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

subject to clause 2.6(2), 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

publicly disclose the independent auditor’s report prepared in accordance with clause at the same time as the airport publicly discloses the audited disclosure information.

* + - * 1. For the purpose of clause 2.6(1)(a)(vii), complies with this determination means:

in respect of historical financial information publicly disclosed pursuant to clause 2.3(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

subject to clause 2.6(3), in respect of historical non-financial information publicly disclosed pursuant to clause 2.4(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 clause 2.6(1)(vi).

* + - * 1. In respect of non-financial information, independent auditors may rely on records that are sourced from a third party.
      1. Certificates
         1. Where an airport is required to publicly disclose any information pursuant to either of clauses 2.3(1) or 2.4(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.
         2. Where an airport is required to publicly disclose any information pursuant to clause 2.5 (except pursuant to clause 2.5(1)(t), 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.
         3. Where an airport is required to publicly disclose any information pursuant to clause 2.5(1)(t), 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 one senior manager of the airport.
      2. Retention and Continuing Disclosure
         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.
      3. Exemptions
         1. The Commission may at any time, by written notice to an airport:

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

amend or revoke any such exemption.

* + - 1. Transitional Provisions
         1. When complying with clause 2.5(1) for the first price setting event after 31 December 2016, Auckland International Airport Limited and Christchurch International Airport Limited (or their subsidiaries and successors) must complete the Transitional Report on Regulatory Asset Base Value in Schedule 24 by:

inserting all information relating to the specified airport services supplied by the airport for the disclosure year ending on 30 June 2016, to the extent that the information required to be disclosed in Schedule 24 differs to the most recent corresponding historical financial information disclosed in accordance with clause 2.3;

publicly disclosing an explanation of the differences (if any) between the preparation of each component of the first Report on the Forecast Total Revenue Requirements set out in Schedule 18 prepared after 31 December 2016 and:

the corresponding historical financial information prepared and disclosed in accordance with clause 2.10(1)(a); and

for the financial information that was not disclosed under clause 2.10(1)(a), the most recent corresponding historical financial information disclosed in accordance with clause 2.3.

* + - * 1. Within five **months** after the end of **disclosure year** 2018, every **airport** must:

complete the Transitional Report on Regulatory Asset Base Value for Land set out in Schedule 25 by inserting all information relating to the **specified airport services** supplied by the **airport** relevant to the completion of that Report; and

**publicly disclose** that Report.

* + - * 1. For the purpose of subclause (2), **airports** must calculate the allocated **initial RAB value** as specified in Schedule 25 in accordance with its cost allocation approach used for **disclosure year** 2010.

1. Report on Return on Investment





1. Report on the Regulatory Profit





1. Report on the Regulatory Tax Allowance



1. Report on Regulatory Asset Base Roll Forward







1. Report on Related Party Transactions



1. Report on Actual to Forecast Expenditure





1. Report on Segmented Information



1. Consolidation Statement



1. Report on Asset Allocations







1. Report on Cost Allocations







1. Report on Reliability Measures





1. Report on Capacity Utilisation Indicators for Aircraft and Freight Activities and Airfield Activities



1. Report on Capacity Utilisation Indicators for Specified Passenger Terminal Activities







1. Report on Passenger Satisfaction Indicators



1. Report on Operational Improvement Processes



1. Report on Associated Statistics









1. Report on Pricing Statistics



1. Report on the Forecast Total Asset Base Revenue Requirements













1. Report on the Forecast Pricing Asset Base Revenue Requirements







1. Report on Demand Forecasts





1. Certification for Disclosed Information

Clause 2.7(1)

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 2.3(1) and 2.4(1) of the Airport Services Input Methodologies Determination 2010 in all material respects complies with that determination.

[Signature of 2 directors]

[Date]

1. Certification for Forecast Total Revenue Requirements and Pricing Disclosures

Clause 2.7(2)

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 and the following attached information of [name of Airport] prepared for the purposes of clause 2.5 of the Airport Services Information Disclosure Determination 2010 in all material respects complies with that determination.

[Signature of 2 Directors]

[Date]

1. Certification for Alternative Methodology with Equivalent Effect

Clause 2.7(3)

I, [insert full name], being a senior manager of [name of Airport], certify that, to the best of my knowledge, all reasonable enquiry has been made to ensure that the alternative methodologies with equivalent effect in the Report on the Forecast Total Asset Base Revenue Requirements set out in Schedule 18 of the Airport Services Information Disclosure Determination 2010 are likely to comply with clause 3.13(2)(a) and comply with clause 3.13(2)(b) of the Airport Services Input Methodologies Determination 2010.

I make this certification based on the evidence disclosed in accordance with clause 2.5(1)(t)(v).

[Signature of senior manager]

[Date]

1. Transitional Report on Regulatory Asset Base Value



1. Transitional Report on Regulatory Asset Base Value for Land

