

# **Auckland International Airport Limited**

Schedule of Standard Aeronautical Charges &  
Payment Policy

1 July 2017 – 30 June 2022

The table below summarises the Standard Charges that take effect on or after 1 July 2017 and any significant differences from charges in effect to 1 July 2017.

Structure	Note	Effective date
Landing Charges	No material change. MCTOW covers all direct airfield costs.	1 July 2017
International Passenger Charge (IPC)	No material change. IPC makes no contribution to airfield direct costs	1 July 2017
Domestic Passenger Charge (DPC) and Regional Passenger Charge (RPC)	<p>A domestic passenger charge will apply to all users of domestic facilities.</p> <p>There will be differentiation of charges between domestic passengers on trunk and regional services. Differential charges for passengers travelling on:</p> <ul style="list-style-type: none"> <li>- trunk routes<sup>1</sup> – attract the Domestic Passenger Charge (DPC)</li> <li>- regional routes – attract the Regional Passenger Charge (RPC)</li> </ul>	1 July 2017
Transit Passenger Charge (TPC)	No material change. The discount to the IPC has been reduced over the period	1 July 2017
Runway Land Charge (RLC)	<p>A small recovery on the holding costs of land set aside for the second runway</p> <p>RLC introduced no earlier than FY21 and only if triggers are met</p>	No earlier than 1 July 2020, see attached Schedule of Charges for details
Parking charges	Structure of charges has changed and is targeted toward improving stand and apron efficiency.	1 November 2017
International check-in and bag drop charge	A range of options will be available for airlines to provide check-in and bag drop services to passengers. The differentiated charges are supported by a check-in and bag drop policy.	<p>Mixed dates</p> <p>1 July 2018 for new products</p>

<sup>1</sup> Trunk routes are those which are primarily serviced by jet aircraft. Currently Wellington, Queenstown, Dunedin and Christchurch.

**Schedule of Standard Charges**  
Effective from 1 July 2017

	Metric	FY18	FY19	FY20	FY21	FY22
All \$ are GST exclusive						
<b>Maximum Certified Take-Off Weight (MCTOW) charges</b> <i>Note 1</i>						
< 6 tonne	\$ / landing	\$57.00	\$58.35	\$59.78	\$61.28	\$62.79
6 - 40 tonne	\$ / tonne per landing	\$9.11	\$8.96	\$9.02	\$9.05	\$9.10
> 40 tonne		\$14.78	\$14.54	\$14.61	\$14.69	\$14.80
<b>Parking charges</b> <i>Note 2</i>						
ICAO aircraft code A or B	\$ / hour in excess of 6 hours	Standard Charges N/A (1 July 17 - 31 Oct 17) \$10.00 (1 Nov 17 – 30 June 18)	\$12.50	\$15.00	\$17.50	\$20.00
ICAO Code C aircraft parked on designated apron <sup>A</sup>	\$ / hour in excess of 6 hours	Standard Charges N/A (1 July 17 - 31 Oct 17) \$23.00 (1 Nov 17 – 30 June 18)	\$30.00	\$40.00	\$50.00	\$60.00
ICAO aircraft code C or D	\$ / hour in excess of 6 hours	Standard Charges N/A (1 July 17 - 31 Oct 17) \$120.00 (1 Nov 17 – 30 June 18)	\$122.40	\$124.85	\$127.34	\$129.89
ICAO aircraft code E or F	\$ / hour in excess of 6 hours	Standard Charges N/A (1 July 17 - 31 Oct 17) \$240.00 (1 Nov 17 – 30 June 18)	\$244.80	\$249.70	\$254.69	\$259.78
<b>Passenger charges per arriving and departing passenger</b> <i>Note 3</i>						
DPC (Domestic Passenger Charge) <i>Note 4</i>	\$ / pax*†	\$2.28	\$2.48	\$2.73	\$2.98	\$3.23

	<b>Metric</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>
RPC (Regional Passenger Charge) <i>Note 4</i>	\$ / pax*†	\$2.13	\$2.29	\$2.45	\$2.60	\$2.75
IPC (International Passenger Charge)	\$ / pax*†	\$15.65	\$15.44	\$15.54	\$15.85	\$16.15
TPC (Transit Passenger Charge) <i>Note 5</i>	\$ / pax**†	\$4.27	\$4.82	\$5.33	\$5.90	\$6.50
<b>Runway Land Charge <i>Note 6</i></b>						
RLC (Runway Land charge)	\$ / pax*†	Standard Charges N/A	Standard Charges N/A	Standard Charges N/A	\$1.19 <i>Note 7</i>	\$1.19 <i>Note 7</i>
<b>International Check-in standard allocation package charges <i>Note 8</i></b>						
Traditional counter	\$ / counter per hour	\$17.50	\$25.00	\$27.50	\$30.25	\$33.28
Dedicated kiosk and bag drop	\$ / per customs departing pax***†	Standard Charges N/A	\$1.00	\$1.10	\$1.21	\$1.33
Common use kiosk and bag drop (CUSS)	\$ / per customs departing pax***†	Standard Charges N/A	\$0.80	\$0.88	\$0.97	\$1.07
<b>Check-in charges for units above the standard allocation <i>Note 9</i></b>						
Counter or bag drop counter	\$ / counter per hour	Standard Charges N/A	\$45.00	\$49.50	\$54.45	\$59.90
Kiosk	\$ / kiosk per hour	Standard Charges N/A	\$10.00	\$11.00	\$12.10	\$13.31
Mobile exception desk	\$ / desk per hour	Standard Charges N/A	\$7.50	\$8.25	\$9.08	\$9.98

<sup>Δ</sup> Category applicable only to itinerant Code C aircraft ground handled by the current fixed base operators and parked on apron designated for this purpose by Auckland Airport

\* Per arriving and departing passenger

\*\* Per transit passenger

\*\*\* Customs departing pax is the number of departing passengers excluding transits as per customs records

† No charge for infants between 0 and 2 years of age.

## EXPLANATORY NOTES

The standard charges (“charges”) for Auckland Airport (“Airport”) are set by Auckland International Airport Limited (“Auckland Airport”) under the Airport Authorities Act 1966 (“AAA”) and may be varied from time to time. The charges are applicable to all flights and are separate from any Government charges and charges levied by Airways Corporation of New Zealand Limited for aircraft traffic control. The charges are payable on the basis of the terms of payment detailed below, unless otherwise agreed in writing with Auckland Airport.

**Note 1:** These charges apply based on the single weight applicable to the relevant aircraft and not on an incremental basis, and include time on the ground for an efficient turn-around (up to six hours).

**Note 2:** Parking charges will be calculated for time on the ground (ie from the time of landing to take off time) over six hours, less any exempt parking periods. Exempt parking periods are:

- Between 11pm and 5am for scheduled passenger aircraft arriving domestically and regionally
- Between 1.30am and 4.30am on Mondays for scheduled maintenance (or such other time as may be notified from time to time)
- Where an aircraft is in a leased area, and proof is provided through the RMS system.

Parking charges will be applied on an hourly pro rata basis beyond the six hour period and billed on a monthly basis. Parking charges will not apply to freighters arriving domestically where time on the ground (ie from time of landing to take off time) is less than 48 hours. Periods over that will be charged on an hourly pro-rata basis.

**Note 3:** Passenger charges do not to apply to helicopter passengers.

**Note 4:** The DPC applies to all arriving or departing passengers to Auckland, Wellington, Christchurch, Dunedin or Queenstown (and any other domestic location primarily serviced by jet aircraft). The RPC applies to all other destinations.

**Note 5:** The TPC applies to transit passengers. A transit passenger is defined as a passenger who gets off an international flight and does not pass through customs. This charge shall apply in relation to a combined arrival and departure at the Airport of a transit passenger and shall be payable by the carrier of the arriving passenger.

**Note 6:** The RLC applies to all departing and arriving passengers. For transit passengers (as defined) the charge shall apply in relation to a combined arrival and departure at the Airport of a transit passenger and shall be payable by the carrier of the arriving passenger.

**Note 7:** The RLC will apply from the later of (1) 1 July 2020 or (2) the first day of the month following the month in which the board of Auckland Airport:

- (a) determines that Auckland Airport has, including expenditure in prior periods, incurred expenditure of more than \$50 million associated with development of a second runway, with such costs including (but not limited to) design, planning, and construction; and
- (b) resolves to proceed with construction of a second runway.

For the avoidance of doubt, reference to ‘construction’ in this clause includes any earthworks or other preparatory and/or enabling works.

**Note 8:** Refer to check in allocation policy document for the standard allocation of counters, kiosks, bag drops and mobile exception desks. Note that check in charges are applied to allocated periods under the policy rather than actual usage.

**Note 9:** Additional CUSS units, counters, kiosks, or exception desks will be charged via the airline ground handler. All other charges will be invoiced to the airline direct.

## TERMS OF PAYMENT

Unless otherwise expressly agreed in writing, the following are the terms of payment for all fees, charges, expenses and other payments ("amounts") due to Auckland Airport from time to time by the Customer for which Auckland Airport provides tax invoices to the Customer:

1. Goods and Services Tax is payable in addition to all above charges.
2. The Customer will pay all amounts to Auckland Airport by the due date stated on the relevant invoices, together with any goods and services tax payable in respect of those amounts.
3. If the Customer does not pay any amount to Auckland Airport when due ("overdue amount"), default interest will accrue on that overdue amount, calculated on a daily basis at Auckland Airport's commercial overdraft rate plus 5% per annum from the due date until the overdue amount is paid in full (both before and after any judgment).
4. On the 7<sup>th</sup> day following the due date for payment of the overdue amount, Auckland Airport may, in its sole discretion, charge to the Customer's account either:
  - a) the default interest referred to in paragraph 3, together with a credit recovery fee equal to 2% of the overdue amount; or
  - b) a credit recovery fee of \$50, whichever is the greater.
 If the applicable interest and credit recovery fees are also not paid, they shall themselves become overdue amounts and shall compound on a monthly basis until they are paid in full.
5. All amounts due to Auckland Airport are payable in New Zealand dollars. New Zealand law governs, and New Zealand courts have exclusive jurisdiction in respect of, agreements between Auckland Airport and the Customer (including, but not limited to, these terms of payment).
6. All airfield charges are payable by the 20<sup>th</sup> of the month following the month of landing.
7. The IPC will be payable by airlines by the 20<sup>th</sup> of the month following that in which the passenger travelled, based on actual passenger volumes carried as provided by Cusmod data (or, where Cusmod data is unavailable, based on self-invoicing by each airline, which Auckland Airport shall have the right to audit).
8. The DPC and RPC will be payable by airlines by the 20<sup>th</sup> of the month following that in which the passenger travelled, based on actual passenger volumes carried as provided by airlines or designated handlers in the required format (which Auckland Airport shall have the right to audit). Where passenger volumes are not provided by airlines or designated handlers, the DPC or RPC (as the case may be) will be based on an assumed load factor of 90% for the relevant aircraft.
9. The TPC will be payable by airlines by the 20<sup>th</sup> of the month following that in which the arriving passenger travelled, based on actual arriving passenger volumes carried as provided by Immigration New Zealand data (or, where Immigration New Zealand data unavailable, based on self-invoicing by each airline, which Auckland Airport shall have the right to audit).
10. The RLC will be payable by airlines by the 20<sup>th</sup> of the month following that in which the passenger travelled, based on passenger volumes calculated under clauses 7 – 9 above.
11. All Check-in charges are payable by the 20<sup>th</sup> of the month following that in which the check facility is used.
12. Where the Regulatory or Requested Investment is payable by airlines, it will be due by the 20<sup>th</sup> of the month following notification of any adjustment of Standard Charges in terms of Auckland Airport's Regulatory or Requested Investment Policy (see below).
13. Aircraft include helicopters and reference to all airlines include all aircraft operators. Helicopters will be billed via their fixed based operator. The Auckland Airport charge excludes handling / facility costs levied by the fixed based operator.
14. A 50% discount applies to training flights (multiple touch-and-go training flights are counted as one landing) for aircraft over 6,000kg.
15. All airlines or designated handlers must provide monthly certified freight volumes carried.
16. Any aircraft departing from Auckland, turning around en-route, and returning will, on application, be granted the following:
  - a) For a technical fault, a 50% discount on landing charges for aircraft over 6 tonne.
  - b) For a non-technical emergency (i.e. medical emergency) a 100% discount on landing charges for aircraft over 6 tonne.
  - c) No re-charge of Passenger Charges.
17. For new scheduled carriers without existing credit terms with Auckland Airport, a performance bond equivalent to 25% of forecast landings for the first year of operation may be required, prior to commencing services.
18. The charges are applicable to all flights and are separate from any Government charges and charges levied by Airways Corporation of NZ Ltd for aircraft traffic control.
19. Auckland Airport may amend these terms of payment at any time by notice to the Customer.

## LANDING CHARGES POLICY

1. Auckland Airport has a Schedule of Standard Charges, which is published from time to time. The present Schedule of Standard Charges, effective from 1 July 2017, is attached.
2. The tariff per landing, per day and per tonne of MCTOW is defined in the Schedule of Standard Charges. The alteration of tariffs is a process that involves consultation with airlines and is regulated by the Airport Authorities Act 1966 and supplementary regulations.
3. If not available from the Civil Aviation Authority of New Zealand ("CAANZ") each airline shall submit, for all aircraft operating into Auckland Airport, a schedule that includes aircraft type and model, aircraft registration code and the operating MCTOW as authorised by the aircraft manufacturer and approved by the CAANZ or the equivalent agency in the operator's country of origin. Should Auckland Airport have any doubt about an aircraft's MCTOW information, Auckland Airport will request a copy of the relevant page of the aircraft flight manual (or flight manual supplement), which states the MCTOW for operations, authorised by the agencies as stated above.
4. Airlines are to advise Auckland Airport immediately of any additions or deletions to their schedule of aircraft or changes to CAANZ certification. Auckland Airport will not retrospectively alter charges for reductions in MCTOW

certification but may retrospectively recover underpayments made by an airline for increases in MCTOW certification.

5. In the absence of advice regarding changes, as described in paragraph 3 above, Auckland Airport will charge according to the aircraft manufacturer's MCTOW for that model. The carrier shall pay such charges until they submit the required information set out in paragraph 3 above.
6. Auckland Airport may amend this policy at any time by notice to the Customer.

#### **REGULATORY OR REQUESTED INVESTMENT POLICY**

1. Regulatory or Requested Investment is capital expenditure of at least \$5,000,000 or operating expenditure of at least \$1,000,000 within any 5 year pricing period in relation to identified airport activities (as defined in the Airport Authorities Act 1966) provided by Auckland Airport primarily for purposes associated with the servicing of scheduled and non-scheduled passenger and freight services, that was not factored into Standard Charges at the time of the last price setting event, and that is either:
  - a) required as a consequence of changes mandated by government agencies or local body authorities; or
  - b) requested by any airline or aircraft operator.
2. Capital or operating expenditure requested by any airline or aircraft operator (clause 1(b) above) is only Regulatory or Requested Investment if that expenditure, in Auckland Airport's view:
  - a) achieves a measurable enhancement in the quality of an existing facility or service; or
  - b) significantly increases the capacity or resilience of the relevant areas, facilities, equipment or services at the Airport.
3. Where Auckland Airport incurs costs during the pricing period as a result of Regulatory or Requested Investment, Auckland Airport will pass through to the airlines and aircraft operators:
  - a) In relation to Regulatory Investment (clause 2(a) above) 80% of actual costs incurred; and
  - b) In relation to Requested Investment (clause 2(b) above) 100% of actual costs incurred
 by way of an annual adjustment (as required) to the Standard Charges.
4. For the avoidance of doubt, if capital or operating expenditure requested by any airline or aircraft operator does not fall within clause 2(a) or (b) above, Auckland Airport will not seek to recover this expenditure via an adjustment to Standard Charges. However, this does not necessarily mean that Auckland Airport will be unwilling to make that investment, but recovery of that investment will have to be arranged on a commercial basis, outside the Standard Charges.
5. Any operating expenditure incurred by Auckland Airport as a direct consequence of Regulatory or Requested Investment may be recovered by Auckland Airport via an adjustment to Standard Charges.
6. Auckland Airport will consult annually with Substantial Customers on any annual adjustment to Standard Charges under this policy. In determining whether expenditure meets the requirements of this clause, Auckland Airport may consult the BARNZ Regulatory and Cost Committee and/or seek other airline or aircraft operator views directly.
7. Annual adjustments to Standard Charges are to be calculated in accordance with relevant principles applied in standard building block methodologies.

This policy is effective from 1 July 2017.