

Dublin Airport has attained the First Trigger of the North Runway

We confirm that Dublin Airport has fulfilled the conditions required for the first of three triggers for the remuneration of the North Runway. We defined the three triggers in our Decision on the Interim Review of the 2014 Determination of Airport Charges at Dublin Airport Related to the North Runway (CP4/2017).¹ This first trigger adds €0.05 to the 2019 price cap. The €0.05 is calculated using the formula in CP4/2017 which adjusts the trigger with the latest estimate of 2018 passenger numbers: $€0.06 \times (25,000,000/31,400,000)$. As per the 2019 Determination on the Maximum Level of Airport Charges at Dublin Airport 2020-2024 (CP8/2019), the capital expenditure allowance corresponding to this trigger entered the 2020 RAB.² Consequently, the first trigger is hard coded in the base prices for each year from 2020 to 2024.

The Three North Runway Triggers

In the 2014 Determination on the Maximum Level of Airport Charges at Dublin Airport (CP2/2014), we made a provision for a triggered capital allowance of €246.7m to remunerate the North Runway.³ In our decision CP4/2017, we divided the remuneration of the project into three triggers. Each trigger enters the price cap when a certain milestone event is achieved. The first trigger (€24.7m) enters the price cap when preparatory works are complete and the work on the main project can commence. The second trigger (€209.7m) enters the price cap when an operational runway has been delivered. The third trigger (€12.3m) enters the price cap when the house buy-out is complete.

Evidence of Accomplishment of First Trigger

We received the following evidence from Dublin Airport to show attainment of the first trigger:

- Letters from Fingal County Council certifying that Dublin Airport is compliant with the 20 pre-commencement conditions, attached to the planning permission of the North Runway.⁴ Dublin Airport also provided evidence of a planning permission extension for the North Runway up to 28 August 2022.
- Contract for Construction Package 2 (main works) signed on the 23 October 2018 and letter stating that work on Package 2 commenced on 31 October 2018.
- Certificate of practical completion of the North Runway Construction Package 1 (enabling works) and letter of opinion of compliance of same dated 5 January 2018.

¹ [www.aviationreg.ie/ fileupload/Decision%20MASTERCOPY%202017-04-28.pdf](http://www.aviationreg.ie/fileupload/Decision%20MASTERCOPY%202017-04-28.pdf)

² [www.aviationreg.ie/ fileupload/2019%20Determination/Final%20Determination/2020-2024%20Determination.pdf](http://www.aviationreg.ie/fileupload/2019%20Determination/Final%20Determination/2020-2024%20Determination.pdf)

³ All amounts in July 2014 prices.

⁴ Pre-commencement conditions are conditions 6, 7, 9, 11-15, 17-20, 24, and 25-31.