

# 1. Introduction

## 1.1 Context for Addendum

1.1.1 As the aviation sector recovers from the COVID-19 pandemic, Dublin Airport like many other airports, has found itself facing operational challenges that need to be resolved. This combined with the short timeframe for completing the 2022 Regulatory Proposition has necessitated an update to the current opex forecast. The evolving industry dynamics may require further revision of forecast estimates as the review period progresses.

1.1.2 Dublin Airport has reviewed our opex forecast and we now resubmit our opex forecast.

1.1.3 The purpose of this addendum is to set out our revised opex forecast for 2023-2026 and its implications for our price cap requirement for 2023-2026. Full details of our opex changes are provided in Appendix A.

## 1.2 Impact on Opex at Dublin Airport 2023-2026

1.2.1 Our overall opex forecast for 2023-2026 has now been updated to reflect required changes in our opex.

**TABLE 1: DUBLIN AIRPORT REVISED OPEX FORECAST 2022 – 2026**

	2022	2023	2024	2025	2026
	€'m	€'m	€'m	€'m	€'m
<b>Total Opex</b>	<b>274.5</b>	<b>310.1</b>	<b>344.3</b>	<b>365.1</b>	<b>377.5</b>
<b>FTEs</b>	<b>2,518</b>	<b>2,590</b>	<b>2,933</b>	<b>3,071</b>	<b>3,111</b>

## 1.3 Impact on Our Pricing Proposition for Dublin Airport 2023-2026

1.3.1 As a result of the change in our opex forecast for 2023-2026, our revenue requirement over the period 2023-2026 has now been altered resulting in the following proposed revised pricing proposition for 2023-2026.

1.3.2 It should be noted that all other assumptions underpinning our pricing proposition have been held constant.

**TABLE 2 SUMMARY OF DUBLIN AIRPORT'S REVISED PRICING PROPOSITION 2023-2026**

Pricing Proposition	2023	2024	2025	2026	Average Cap
Opex (€m)	310.1	344.3	365.1	377.5	
Commercial Rev (€m)	243.8	267.2	288.6	299.6	

Capital Costs (€m)	<b>289.4</b>	<b>335.6</b>	<b>379.4</b>	<b>425.0</b>	
<b>Required Revenue</b> (€m)	<b>361.2</b>	<b>412.6</b>	<b>455.5</b>	<b>502.5</b>	
Pax Forecast (m)	<b>27.7</b>	<b>30.3</b>	<b>32.8</b>	<b>34.0</b>	
<b>Price Cap<sup>1</sup></b>	<b>€13.04</b>	<b>€13.60</b>	<b>€13.89</b>	<b>€14.77</b>	<b>€13.83</b>

In the above the opex forecast and required revenue numbers have been updated while all other inputs remain unchanged. This has resulted in updated proposed pricing caps for 2023-2026.

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<sup>1</sup> Includes runway allowance as per the 2022 Regulatory Proposition