

Catherine Mannion
Commissioner
Commission for Aviation Regulation
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Dublin
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16 October 2017

Re: Consultation on Passenger Representation in Regulatory Decision Making for Dublin Airport (CP 9/2017)

Dear Catherine,

Aer Lingus welcomes the opportunity to respond to the consultation on Passenger Representation in Regulatory Decision Making for Dublin Airport.

Aer Lingus firmly believes that listening to our guests is crucial to our success and we pride ourselves on placing the interests of guests at the forefront of our decision making. The Aer Lingus model is to be a value carrier. This means we provide the products, network schedule performance and pricing that appeals to the widest possible customer base. Aer Lingus continues to pursue a growth agenda and therefore it is in our commercial interest to take account of the requirements and preferences of our guests and potential guests both for point to point and connecting journeys.

There is ample evidence from our prior regulatory engagements to demonstrate our concern for guest related issues such as the quality of passenger experience at Dublin Airport, implementation of on-time performance enablers and achieving lowest possible input cost.

We firmly believe that the current framework for passenger representation is fit for purpose and this is evidenced by the growth in passenger numbers and increase in connectivity that Dublin Airport has enjoyed over the last number of years.

In addition, we would point out that the current regulatory process is already open to all stakeholders with an interest in Dublin Airport and, to the best of our knowledge, no concerns have been expressed by consumer groups in relation to the current framework.

Q1: Do you agree with the Commission's assessment that the level of customer engagement in our decision making could be improved? If not, please provide your views.

We believe that the current model of customer engagement, in which stakeholders represent the interests of passengers, is fit for purpose. By stakeholders encapsulating the concerns of customers into their respective submissions, it ensures that the CAR is informed and influenced on matters relating to passenger interests.

To ensure that Aer Lingus is responsive to passenger sentiment, we undertake significant levels of guest engagement which includes focus groups, Voice of the Guest surveys, comprehensive internal guest relations procedures and meticulous yield management (which ensures we price our services so as to maximise capacity utilisation). Aer Lingus invests significantly to ensure that we are always in tune with the interests of current and potential passengers. The information we gather informs our corporate strategy and this strategy informs our consultative submissions.

Q2 Do you agree with the selection of criteria chosen by the Commission to assess any customer engagement mechanism? If not, please provide the criteria you think should be applied.

As stated above, we do not believe there is any need to deviate from the status quo. Notwithstanding this position, and in the event that the CAR does decide to implement relevant measures, we believe the criteria stated in the consultation paper are appropriate to be included. However, there should be additional criteria that would require it to be demonstrated that the measures taken will actually result in benefits to passengers and do not just improve the perceived quality of passenger representation.

Q3: Do you agree with the Commission's proposals to (a) provide guidance to Dublin Airport about how to involve passengers in certain aspects of their business plans; (b) some form of incentive arrangement to underpin the guidance; and (c) establishment of an ad hoc panel to inform our decisions? Please provide any relevant evidence to support your views either in favour with the proposals or otherwise.

- (a) We do not believe that any changes from the status quo are warranted. If such changes are implemented they should go no further than the issuance of guidance. This guidance should take into account the criteria set out in the response to question 2 above. We believe that the guidance must include a requirement that any customer engagement would be objective and when

being used to assess any given proposal, the engagement must consider a range of options rather than focusing only on proposals Dublin Airport may be putting forward.

The guidance should include provisions to ensure that appropriate weighting is given to the views of different passengers groups. Under the current framework airlines provide the CAR with a consolidated consensus view of the highest priority requirements and preferences of passengers. This enables the CAR to concentrate on the issues with the most relevance to the greatest number of passengers. The guidance on passenger engagement should ensure that the CAR continues to focus on issues which have the greatest importance for consumers. Given that it is airlines who have the direct engagement with customers who use Dublin Airport, the guidance should also reaffirm that other stakeholders will have the opportunity to challenge the passenger representation data put forward by Dublin Airport.

- (b) We do not agree with the introduction of incentive arrangements. To do so, would reward Dublin Airport for something that it should be doing in any event (and for which they are already paid for under the single till). It would also reward Dublin Airport for doing something airlines are already doing, and for which airlines neither expect nor receive reward through the regulatory process.
- (c) With respect to consumer panels, we firmly believe that the CAR already receives the benefit of the customer engagement (including panels and focus groups) which airlines and Dublin Airport already undertake and which they include in representations to the CAR. There is no justification for further layers of complexity or cost over and above what already exists.

In conclusion, we strongly believe that the current framework includes significant and sufficient levels of customer engagement. We urge the CAR to consider the strengths of the current framework before reaching the conclusion that it should introduce changes that may result in unnecessary cost, distractions or ultimately be counter-productive.

Yours sincerely,

Laurence Gourley
General Counsel