

Dr. Adrian Corcoran
Director of Economics
Commission for Aviation Regulation
Alexandra House,
Earlsfort Terrace,
Dublin 2.

19 October 2016

Dear Adrian,

Further to the meeting on 18 October, we are contacting you in respect of the anticipated declaration of scheduling parameters for Dublin Airport to be announced by CAR in accordance with Council Regulation 95/93 on common rules for the allocation of slots at community airports (as amended) (the *Regulation*).

Having heard the representations of airlines and other third parties, daa maintains its view that the co-ordination parameters for Dublin Airport should be declared in accordance with the proposal presented on 27 September. In particular:

- The scheduling parameters presented on 27 September have been developed by NATS an
  independent company with significant expertise in runway capacity and airspace
  management. NATS developed the proposed scheduling parameters in accordance with the
  same methodology as all previous scheduling parameters since 2001. These scheduling
  parameters are based on verifiable and objective evidence.
- The scheduling parameters have been verified by and are supported by the IAA.
- No independently verifiable evidence has been put forward by the airlines or other third
  parties which contradicts the scheduling parameters or supports the adoption of
  alternatives. This follows, inter alia, from the ASA Report of 17 October.
- No airline (nor CAR itself) has expressed any concerns that the proposed scheduling parameters presented on 27 September are either inaccurate or otherwise inconsistent with the Regulation.

Given that CAR's statutory functions cover both the economic regulation of Dublin Airport and the declaration of capacity under the Regulation, it is imperative that CAR's decisions are (and are seen to be) based on independent, verifiable evidence. This is required to avoid any perceived conflict between CAR's role in declaring capacity and its responsibilities regarding (for example) capacity based triggers at Dublin Airport.

Further, in circumstances in which the above-mentioned independent verifiable evidence supports that additional slots can be accommodated in the most congested hours, daa is concerned that an outcome that would fail to deliver this additional capacity would risk being in breach of the Regulation which refers (inter alia) to the EU "...policy to facilitate competition and to encourage entrance into the market". If existing operators and new entrants are denied access to new slots in the busiest hours (despite evidence that these slots can be accommodated), end users would suffer as they would be denied the benefit of additional competition. This concern arises all the more as number of new entrant airlines have expressed interest to daa to begin operating at Dublin Airport in Summer 2017, and daa believes these airlines have filed for slots. This can be verified with ACL.

daa assumes that CAR agrees that the past practice whereby airlines have had the opportunity to approve the declared capacity (under the supervision of CAR) was never intended to facilitate inefficient outcomes or to operate to effectively block new entry or expansion at Dublin Airport.

daa has heard the views of airlines and continues to believe that the entry or expansion of airlines at Dublin Airport cannot be made dependent on the punctuality record of existing players and/or operational procedures at other airports. Such an outcome would not only be anticompetitive but would risk incentivising inefficiency and delays at Dublin Airport.

daa remains available to CAR should it require any additional information.

Yours sincerely,

Valerie Ní Fhaoláin

Valerie NI FLandos

Head of Economic Regulation, Pricing & Incentives