

easyJet response to the CAA Initial Consultation on Future Economic Regulation of Gatwick Airport Limited

easyJet supports the joint Gatwick ACC/GAL response to the CAA consultation, and this response does not repeat the points made in that response.

We would simply like to make two additional comments to that response on the overall approach to the next Gatwick regulatory period.

The first is that we remain concerned about the length of the proposed process - at over two years. Given that the CAA recognises that Gatwick has relatively commercial arrangements with its airlines, and it applies a licence as effectively a backstop it is unclear why the regulatory process needs to provide for this timeline. We recognise that the CAA can not plan on the basis that the relatively commercial arrangements will continue and that a more intensive regulatory regime may be required. But we remain concerned that not enough has been done to develop a solution that would ensure the CAA retains flexibility without the addition of unnecessary time to the process.

Our second, and related, concern is the potential resource intensity of the process. The process for Q6 at Gatwick was not built around the more flexible Commitments regime but instead essentially was designed to provide for a RAB type regulatory outcome. As the working basis for the next regulatory period is that there will be some kind of Commitments regime, it would seem odd if there is similar resource intensity as would be required for a RAB regime.

easyJet

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