

**Trigger Changes – Guidance Slides**  
**February 2010**  
**Draft and Confidential**



## In Summary

- With the evolution of passenger forecasts and fleet mix, changes are being made to the airfield strategy.
- Therefore 3 joint submissions are required to the CAA, regarding triggers, that reflect these changes
- The submissions concentrate on the *immediate need* to change Pier 1 trigger and North West Zone trigger and are:
  1. North West Zone – Scope/Date change
  2. Pier 1 – Turn off the current trigger which is inappropriate
  3. Pier 2 – Turn on an appropriate trigger
- The Pier 7 / Pier 1 triggers will be re-visited when we jointly confirm the appropriate phasing and final solutions which will take into consideration the phasing / build of the agreed Alpha Hold project.
- The proposal is to maintain (at least) the same level of trigger value at Gatwick



## Trigger Change Control Timescale – To Date

<b>Aug 2009</b>	<b>Triggers workshop</b>
<b>Aug/Sept 2009</b>	<b>Airfield strategy change control signed</b>
<b>Oct 2009</b>	<b>Input regarding alternative triggers collated</b>
<b>Nov 2009</b>	<b>Alternative triggers proposal presented (JSG)</b>
<b>Dec 2009</b>	<b>Trigger proposal process presented (JSG)</b>
<b>Jan/Feb 2010</b>	<b>Joint submission drafted (DG/SE)</b>
<b>Feb 2010</b>	<b>Trigger proposal agreed (JSG 22<sup>nd</sup> Feb 2010)</b>
<b>Feb 2010</b>	<b>Joint submission – trigger changes</b>
<b>June 2010</b>	<b>Pier 1 trigger</b>

**Next Step : CAA review (expedited)**



# Original Trigger Values

All costs 07/08 prices

Table 13-3 Potential capital investment trigger payments during Q5 at Gatwick

Project	Monthly Penalty £m	Trigger Month	2008/09	2009/10	2010/11	2011/12	2012/13	Q5 Total
1 North West Zone	£0.25	Jun-10			£2.25	£3.00	£3.00	£8.25
2 North Terminal Check-in Extension	£0.30	Nov-11				£1.20	£3.60	£4.80
3 North terminal Reclaim Extension	£0.14	Nov-11				£0.56	£1.68	£2.24
4 Pier 7	£1.01	Jan-12				£2.02	£12.12	£14.14
5 South Terminal Baggage	£0.53	Jan-13					£1.06	£1.06
6 South terminal Check-in Environment	£0.10	Jun-10			£0.90	£1.20	£1.20	£3.30
7 North Terminal Short Term Parking (MSCP6)	£0.14	Apr-11				£1.54	£1.68	£3.22
8 Inter terminal Transit System	£0.19	Oct-10			£0.95	£2.28	£2.28	£5.51
9 South Terminal Forecourt	£0.26	Jun-09		£2.34	£3.12	£3.12	£3.12	£11.70
10 Pier 1	£0.10	Jun-10			£0.90	£1.20	£1.20	£3.30
Annual Total			£0.00	£2.34	£8.12	£16.12	£30.94	£57.52

CAA decision - Economic Regulation of Heathrow and Gatwick Airports 2008 - 2013

*Please Note:* - The total value of the trigger associated with Pier 1 is **£3.30 million**

- There is **no** trigger associated to **Pier 2**



# Proposed Trigger Values

## All costs 07/08 prices

Potential capital investment trigger payments during Q5 at Gatwick

Project	Monthly Penalty £m	Trigger Month	2008/09	2009/10	2010/11	2011/12	2012/13	Q5 Total
1 North West Zone	£0.25	Jun-10			£2.25	£3.00	£3.00	£8.25
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9 South Terminal Forecourt	£0.26	Jun-09		£2.34	£3.12	£3.12	£3.12	£11.70
10 Pier 1	£0.00	N/A			£0.00	£0.00	£0.00	£0.00
11a Pier 2 (South Side)	£0.19	Mar-11				£2.33	£2.33	£4.66
11b Pier 2 (North Side)	£0.10	Nov-11				£0.40	£1.20	£1.60
Annual Total			£0.00	£2.34	£7.22	£17.65	£33.27	£60.48

*Please Note:* - There is **no** trigger associated to **Pier 1**

- The total value of the **new** trigger associated with Pier 2 is **£6.26 million**

- Total value associated to all triggers in Q5 increases by **£2.96 million**  
**from £57.52 million to £60.48 million**

