

Jeff Helliwell
Chair Consumer Challenge Board
By email -

22 May 2018

Dear Jeff

Reporting by Heathrow Consumer Challenge Board (CCB) on development of expansion masterplan

As you know, on 30 April the CAA issued two documents related to regulation of capacity expansion at Heathrow airport; '*A policy update and consultation*', and our '*Final s16 report on airport-airline engagement*'¹.

In both these documents, we reaffirmed our view that HAL's future regulatory business plans and its expansion masterplan must be informed by a strong understanding of consumer views. In particular, we expect HAL to fully deliver on its integrated consumer strategy. We also noted that we would be asking the CCB to prepare a report assessing how well HAL has reflected consumers' views and other evidence on consumer preferences in its 2018 masterplan.

I am now writing to formally request the CCB's assistance through the provision of a report to the CAA on how well HAL has reflected consumers' views and other evidence on consumer preferences in its masterplan. The current timetable envisages that HAL will identify a preferred masterplan in Q3 2018 (likely to be in September). HAL will then further refine its masterplan in advance of its second statutory public consultation in early 2019 as part of the planning process.

It would be particularly helpful if the CCB could identify any gaps it perceives in HAL's evidence or processes, and highlight any other reasonable ways that HAL could improve its understanding of consumer preferences in refining its expansion masterplan ahead of its preferred scheme design in summer 2019 and its DCO application scheduled for early 2020. In order to maximise the impact of your work it would also be advantageous if the CCB could aim to finalise this report within a month of HAL providing you with a Q3 masterplan. Precise timings for these milestones will be confirmed in due course.

We look forward to working closely with the CCB as it continues its good work in assisting HAL to develop a robust and thorough understanding of consumer views and preferences.

¹ 'Economic regulation of capacity expansion at Heathrow: policy update and consultation' Available online: <http://publicapps.caa.co.uk/modalapplication.aspx?appid=11&mode=detail&id=8370>

Andrew Walker and Beth Corbould are both available to discuss these matters further if that would be helpful.

Yours sincerely

A handwritten signature in black ink, consisting of a series of fluid, connected strokes that form a stylized, elongated shape.

Richard Moriarty

Director, Consumers and Markets Group

Cc: John Holland-Kaye – Heathrow Airport Ltd

Mark Gardiner – AOC

Simon Arthur - AOC