



Deutsche Lufthansa AG, Lufthansa Aviation Center  
Airportring, 60546 Frankfurt/Main, Germany

Mr Andrew Macmillan,  
Chief Carbon & Strategy Officer  
Mr Ross Baker,  
Chief Commercial Officer  
**Heathrow Airport Ltd**  
Sent by email

Ihr Zeichen/Your Reference

Unser Zeichen/Our Reference  
FRA GK/A

Telefon/Phone  
+ 49 (0)69 / 696 37508

Telefax/Fax

Datum/Date  
7. August 2020

## HAL's Application to the CAA for RAB Adjustment

Dear Andrew and Ross,

At the H7 Building Block Update on 31<sup>st</sup> July 2020, Lufthansa was formally made aware of HAL's Application to the CAA for an unprecedented RAB adjustment to compensate for revenue not achieved as a result of Covid-19.

Lufthansa wants to express its significant concerns at HAL's application. We are therefore writing to flag these concerns, which are also shared by all other Lufthansa Group carriers and the Star Alliance Services GmbH, aligning with the community feedback you have already received.

We have provided input to and fully endorse the 4<sup>th</sup> August letter sent to you from the AOC/LACC. This provides more details on the key concerns, so the following simply summarises and echoes the points:

- During Q6, HAL has been rewarded for the risk it accepted through the agreed regulatory settlement. It now seeks to unload this risk with little financial downside by transferring the burden of realised risk to its customers and their passengers.
- Aviation is one of the industries which has been worse-hit by the Covid-19 pandemic. Many airlines, including Lufthansa, are facing genuine financial hardship and existential risk as a result. Just like airlines, it is reasonable for HAL and its owners to consider and exhaust all other sources of funding before simply demanding that its customers cover most of the revenue impact.



Datum/Date  
7. August 2020

Seite/Page  
2

- We were astounded that the H7 Building Block Update as presented last Friday **only** offered scenarios which assumed that the RAB adjustment application had been accepted by the CAA. For this tone to be set at the beginning of the formal Constructive Engagement period is counter-productive and totally contrary to the spirit in which the airline community had hoped to work throughout CE. Revised scenarios must be prepared which show H7 without any RAB adjustment.

In light of the above factors, we respectively request that:

1. HAL withdraws its RAB adjustment application
2. Provides as a matter of urgency a BBU which reflects current reality (i.e. without any RAB adjustment).

Lufthansa appreciates any possibility to engage with the parties covered under this consultation on either bi- or multilateral basis. If there are any questions or remarks regarding our statement please do not hesitate to contact us.

Yours sincerely

Dr. Holger Benjamin Koch  
Senior Director Airport / Industry Charges &  
Commercial Provider Management FRA

benjamin.koch@dlh.de

Stephan Weidenhiller  
Senior Manager Group Regulatory & Industry Charges

stephan.weidenhiller@dlh.de

Mitglied der IATA/Member of IATA

Telefon/Phone +49 69 696-0  
lufthansagroup.com

Deutsche Bank AG, Köln  
Kto. Nr. 106 141 500  
BLZ 370 700 60  
IBAN DE95 3707 0060 0106 1415 00  
SWIFT-Code DEUT DEDK XXX

Citibank N.A., New York  
(nur Zahlungen/only payments in USD)  
Kto. Nr. 405 628 92  
BLZ 021 000 089  
SWIFT-Code CITI US 33

USt-ID-Nr./Tax ID number DE 122 652 565

Sitz der Gesellschaft/Corporate Headquarters  
Deutsche Lufthansa Aktiengesellschaft, Köln

Registereintragung/Registration  
Amtsgericht Köln HRB 2168

Vorsitzender des Aufsichtsrats/  
Chairman of the Supervisory Board  
Dr. Karl-Ludwig Kley

Vorstand/Executive Board  
Carsten Spohr (Vorsitzender/Chairman)  
Christina Foerster  
Harry Hohmeister  
Dr. Detlef Kayser  
Dr. Michael Niggemann