

- 1.1 This document accompanies a report which we commissioned from Steer which sets out a proposed process for ongoing review of capital expenditure allowances across the period 2020-2024. It should be read in tandem with the Steer report and the Draft Determination on the maximum level of airport charges at Dublin Airport 2020-2024.
- 1.2 We propose to implement a 'StageGate' approach to the development of cost allowances, for certain projects, in the Final Determination. Based on the work carried out by Steer, Figure 1.1 sets out our proposal regarding various permutations that might arise following StageGate 1, and how the Commission would treat each of these potential outcomes at the time of the RAB roll-forward at the end of the forthcoming regulatory period. We propose that every three months, Dublin Airport would have the opportunity to advance a project or projects to StageGate 1 as described by Steer. We propose that user views changing or developing as set out in Figure 1.1 should be interpreted in the following way:
  - User views having changed implies that a user which supported or did not object to the project at the time it was consulted on as part of Dublin Airport's consultation on the Draft CIP, now opposes the project.
  - User views having developed implies that, regardless of the users initial view, there has since been a material change in the scope of the project or the scope of the project is more advanced, meaning that the user may not support the project as now presented. Alternatively, a user view may develop regardless of its initial view if there has been an increase in the estimated cost of the project from StageGate 0 to StageGate 1.
- 1.3 A 'user' for the purposes of paragraph 1.2 is any airline operating at Dublin Airport.
- 1.4 The Steer report sets out an 'Option B', which provides for continued IFS oversight of cost developments through the procurement and construction phase until the project is delivered, at the request of any stakeholder. We are proposing to include this option as part of the process.
- 1.5 This is a consultation document. The deadline for responses is aligned with the deadline for responses to the Draft Determination, namely **5 PM, Monday 8 July 2019**.<sup>1</sup> Respondents may make submissions either separately or as part of a broader response to the Draft Determination.

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<sup>1</sup>Respondents should be aware that we are subject to the provisions of the Freedom of Information legislation. Ordinarily we place all submissions received on our website. We may include the information contained in submissions in reports and elsewhere as required. If a submission contains confidential material, it should be clearly marked as confidential and a redacted version suitable for publication should also be provided.

We do not ordinarily edit submissions. Any party making a submission has sole responsibility for its contents and indemnifies us in relation to any loss or damage of whatever nature and howsoever arising suffered by us as a result of publishing or disseminating the information contained within the submission.

While we endeavour to ensure that information on our website is up to date and accurate, we accept no responsibility in relation to the accuracy or completeness of our website and expressly exclude any warranty or representations as to its accuracy or completeness.

Figure 1.1: Proposed StageGate 1 Permutations

