

ANNEX 4: AIRLINE CONSULTATION MEETINGS

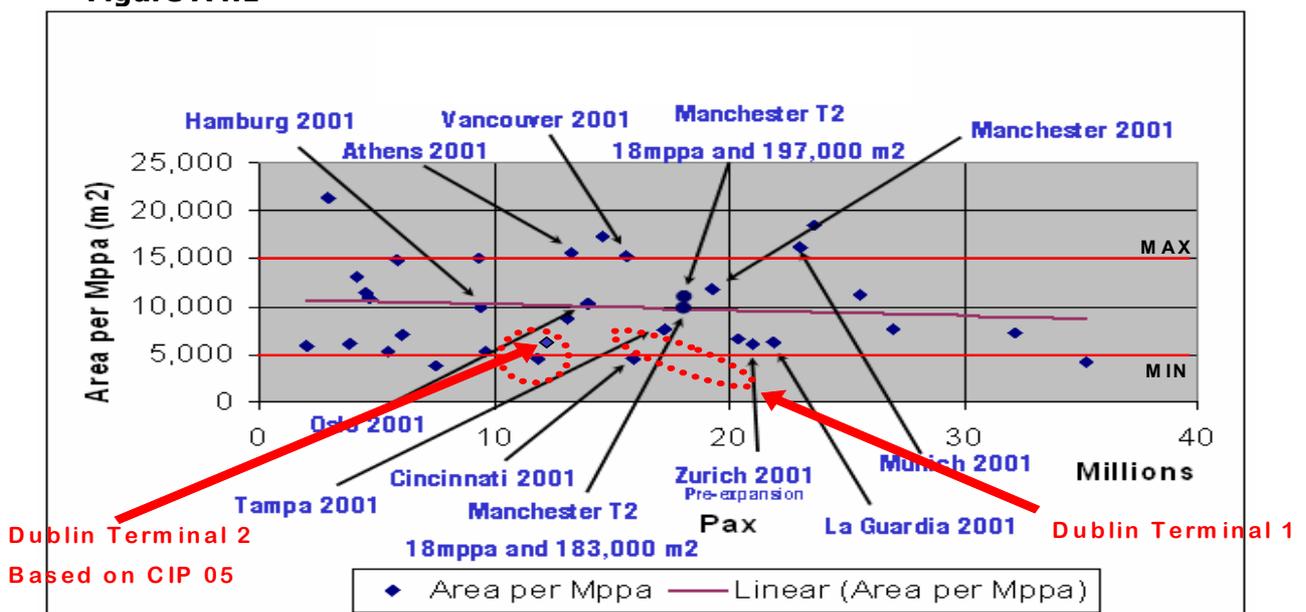
This annex summarises the CAR's understanding of what information airport users were provided with regarding the design and likely costs of T2, and at what point in the consultation such information may or may not have been provided to airport users. The information presented here is based on the slides used in the DAA (and its consultants) presentations and the minutes kept by the DAA as part of the consultation process.

24 March 2006 Meeting

At the **First** airline consultation (24 March 2006) stakeholders were shown a graphic, on the background of each slide of the presentation, with T2 and Pier E located broadly in the location finally decided. Stakeholders were also presented with the following:

- The "General Requirements" for T2 which included:
 - An "Inspirational New Gateway Entrance"; and,
 - The need to "(Meet) Airline Demands with Prudent Supply"
- "Specific Requirements" such as a location "Close to the Proposed Metro"
- The proposed "Rationale for Terminal 1/2 Airline Mix" was to "Identify users for Terminal 2 with mixed fleet to utilise narrow and wide bodied stands"
- A "Southern T2 Option" outlined as the "Preferred Option"
- The "Refine Design" section (see Figure 1 below), which suggested that T2 would be similar to T1 in area/mppa but smaller in total area. In addition the CIP section referred to the CIP 05 version being 50,000 sq.m.

Figure A4.1



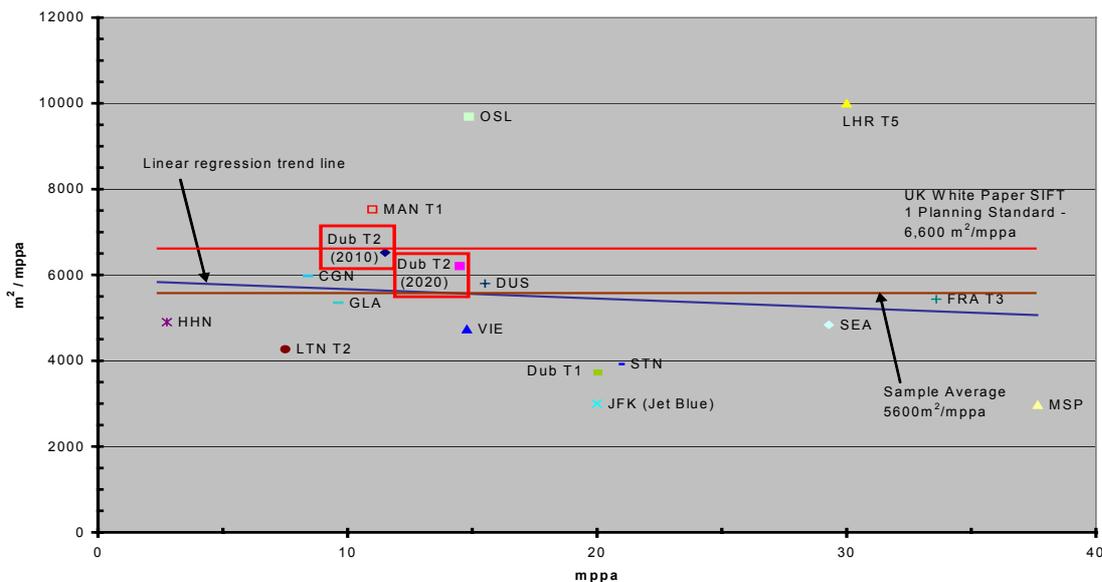
- A "Cost" slide which did not present substantive information, but included the following statements:
 - "Reviewed and verified CIP costings"
 - "Carried out further consultation with the home based carriers."
 - A CIP section which presented a revised cost for 2006-10 from €613m (May 05 CIP) to €755m (Sep 05 CIP), for 2006-14 from €1,004m to €1,200m and referred to the 2005 CAR determination being based only on May05 CIP.
- An "Airline Allocation" slide which made two proposals:
 - A Masterplan recommendation for a wide bodied/ narrow bodied mix in T2 – Aer Lingus being the largest of such airlines - questionnaires were issued to other potential tenants; and,
 - That T2 would bring "Maximum benefit to all airport users"

21 April 2006 Meeting

At the **Second** airline consultation presentation (21 April 2006) stakeholders were presented with the following:

- A proposal to build a 75,000 sq.m building with an initial capacity of 4200 departing passengers per hour ("ppa"), with a second phase expansion to 5,500 ppa. The following graphic, which contrasts with figure 1 above, suggested that T2's area/mppa would now be over 1.5 times T1's:

Figure A4.2
Benchmark Comparison
 Gross Terminal Processor Floor area per million passengers ($m^2/mppa$)



- An analysis of peak hour traffic that focused on 2-way peak comparisons with other airports
- An outline of Options 5, 6 & 7 designs

The minutes of the meeting noted that:

- "David O'Brien (Ryanair) asked when costings for the options would be made available. MF (DAA) stated that the cost plan would emerge over the next 4 weeks and that DAA will share this information with the airlines and ground handlers as soon as it is available."

26 May 2006 Meeting

The **Third** consultation meeting (26 May 2006) indicated:

- That an evaluation of options 5, 6 & 7, "Outline Overall Construction Cost" (including infrastructure/roads) was in the range €318m to €396m

The minutes of the meeting noted that

- "KM (Aer Lingus) . . . asked about . . . the impact of the costs on passenger charges. TH (DAA) . . . advised that DAA is on record as stating that it required €7.50 to fund the €1.2bn capital programme announced last year. The additional costs associated with the larger T2 project could add to this amount (before financing considerations). The regulator will have a key role in the process of analysing the effect on charges for the overall CIP when it is finalised."

The Stakeholder management report notes that:

- "At the third Consultation Event, the airlines and IATA were given the opportunity to discuss the Gateway 2 options amongst themselves and invited to offer feedback and comment, which they did with Colin Spears of IATA. Copies of comments received are available on request."

23 June 2006 Meeting

The **Fourth** consultation meeting (23 June 2006) presented:

- The results of an analysis of options 8 & 9, indicating a preference of Option 9 over Option 8
- A Reference to the new CIP, outlining content structure of CIP, but not CIP totals

The minutes of the meeting noted that:

- "MF (DAA) added that the DAA would likely face a . . . challenge in the future given the scale of the projects outlined so far and the failure of the Commission for Aviation Regulation to fully remunerate the Capex programme."

10 August 2006 Meeting

The **Fifth** consultation meeting (10 August 2006) presented:

- Refinements of Option 9
- A cost for the T2 building of €360m

The minutes of the meeting noted that,

- "AD (Ryanair) . . . asked if the cost figures included the cost of Pier E. MF (DAA) said these costs are separate and are being finalised."

28 September 2006 Meeting

The **Sixth** consultation meeting (28 September 2006) presented:

- Fleshed out details of plan for non-T2 projects, but with limited cost information
- A proposal to increase total terminal area at Dublin Airport from 75,000 sq.m in 2006 (which includes general office areas on top floors of T1) to 150,000 sq.m. by 2010
- A cost of €609m for T2, Enabling works, Access & Roads, Utilities/Energy Centre and Pier E.

The Minutes of the meeting, under "CIP update" documented the following:

- "MF (DAA) noted that the CIP was scrupulously grounded in the SOM Masterplan and the Pascall & Watson Framework Development Plan."
- "MF (DAA) said that the DAA could commit to giving the airlines and users the programme with a ten-year outlook in due course."
- "MF spoke about the need for a more workshop type of engagement on the CIP, particularly in the context of achieving deep understanding of the rationale for projects and their timing. Having opened the issue to the audience, there was general agreement on this approach. MF committed to ensuring that parties would receive copies of the document in advance of the meeting (agreed for 26 October 2006)."