

Friday 9 July 2010

Chief Executive
New Zealand Airports Association
PO Box 11369 Manners Street
Wellington 6011

Attention: Mr Kevin Ward



Dear Kevin

COMMERCE ACT (SPECIFIED AIRPORT SERVICES INFORMATION DISCLOSURE) DETERMINATION 2010

Airbiz has been engaged by the Joint Working Group (JWG), comprising Auckland, Wellington and Christchurch Airports and the Board of Airlines Representatives (BARNZ), via your office with the New Zealand Airports Association (NZAA), to provide advice relating to various aspects of the input methodologies for Specified Airport Services Information Disclosure that fall within our professional expertise.

This letter reports our comments, for which we understand there is a consensus view within the JWG, arising from our review of Schedules 1, 12, 13, 14, 15 and 16 in the following Commerce Commission documents:

- Commerce Act (Specified Airport Services Information Disclosure) Determination 2010
- Input Methodology (Specified Airport Services) Determination 2010

Our comments are:

Schedule 1 - Defined Terms

With reference to Schedule 1 of the Information Disclosure (ID) Determination, we have the following comments:

1. In our view, the Commission is creating an unnecessary level of complexity in the definition of the various busy hours and passenger throughputs (with a possible consequential risk of confusion or error) by providing numerous "low level" definitions of:
 - Airside circulation inbound – busy hour
 - Airside circulation inbound – throughput of passengers
 - Airside circulation outbound – busy hour
 - Airside circulation outbound – throughput of passengers
 - Arrivals concourse – busy hour
 - Arrivals concourse – throughput of passengers, etc.

Each of these definitions refers directly to the “higher level” definitions (inbound international busy hour; the number of inbound international passengers during the inbound international busy hour; outbound international busy hour, etc.) and it is these higher level defined terms that would be identified (date/time) and quantified (passenger throughput) as part of each year’s traffic analysis, and then subsequently applied against the corresponding floor space measurement.

2. The various references to the numbers of transit and transfer passengers (international and domestic) should not be qualified by the terms “inbound” and “outbound”.
3. The various references to the numbers of transit and transfer passengers (international and domestic), in our view, should be qualified by the term “estimated”.
4. The categories referred to at the definition of “busy hour – for passenger numbers” should not include items:
 - c. All international passengers
 - f. All domestic passengers
 - i. All combined passengers

The rationale for this is that it is not practical to apply a total passenger number in order to measure a throughput of passengers. The reasons are:

- The peaks of arriving and departing passengers are not necessarily and usually not at the same time.
- A peak of departing (or arriving) passengers is not everywhere in the whole terminal at the same time but instead moves through the terminal like a “wave”. Therefore, that peak can be applied sequentially to different functional areas but not realistically to the whole terminal.
- Application of the peak number of departing (or arriving) passengers could be applied to the aggregate of departure (or arrival) functional areas to provide an overall gross index of demand/capacity but this could not be consistently interpreted as a measure of utilisation.

5. The categories referred to at the definition of “functional components” should be modified as follows:
 - (a) “Airfield” replaced with “Runway”.
 - (ix) “Landside circulation inbound” deleted

The rationale for this is:

- The measure of utilisation on the airfield is aircraft movements on the runway.
- The measure of utilisation for “Landside circulation inbound” is effectively covered by the measure of utilisation for “Arrivals concourse”.

6. And as a consequence of the preceding comment, all subsequent definitions relating to “Landside circulation inbound” should be deleted.
7. The definition of “domestic transit and transfer passenger” (without the qualifiers “inbound” or “outbound”) may be better as “means any passenger on a flight that arrived at the Airport from a location within New Zealand, and who is connecting with and is through-checked on to an onward domestic flight, such that he/she does not require to reclaim baggage or check-in again at the Airport”.
8. The references to “combined transit and transfer passengers” (whether “inbound” or “outbound”) should be deleted.

The rationale for this is that:

- International transit and transfer passengers and domestic transit and transfer passengers do not occupy the same areas, even in a “combined terminal”, and

- Each has somewhat different effects on the assessment of utilisation of various functions
 - The adjustments to the numbers of busy hour passengers will be done separately for international and domestic, and there should never be a need to have an aggregate of the two.
9. There is a minor typo in the definition of “interruption to contact stands” – “schedule” should read “scheduled”.
 10. It may be better (more generic in the long term) to change the term “outbound turboprop passenger” to say “outbound domestic passenger not requiring security screening” and to change the definition to read “any passenger on a flight that departs from the Airport for a location within New Zealand on a category of aircraft that does not require that passenger to be subject to security screening”. It should be noted that this proposed amendment applies only to domestic passengers not requiring to be security screened, and not to turboprop aircraft for which data is still required for runway and apron utilisation.
 11. For the definition of “passenger busy hour” it would be better to refer this directly to the earlier definition of “busy hour – for passenger numbers” (or vice versa), rather than providing another definition.
 12. For the definition of “security screening—throughput of passengers (via facilities other than those that cater for international transit and transfer passengers)” we suggest replacing the references at (b) and (c) to “outbound turboprop passengers” with “outbound domestic passengers not requiring security screening”. It should be noted that this proposed amendment applies only to domestic passengers not requiring to be security screened, and not to turboprop aircraft for which data is still required for runway and apron utilisation.
 13. We recommend that the definition and measure of “total passenger terminal functional areas providing passenger facilities and service—throughput of passengers” should be deleted and not reported, for the reasons given in 4 above. (However, the preceding term which is the aggregation of the “total passenger terminal functional areas providing passenger facilities and service—floor space” is still useful information and should be retained and reported).

Schedule 12 – Report on Reliability Measures

With reference to Schedule 12 of the Information Disclosure (ID) Determination, we have the following comments:

1. We suggest the measure at Line 51 (Aerobridge availability) is unnecessary as it is covered by the measure at Line 24 (Contacts stands and aerobridges).
2. For consistency with other Schedules, the heading on the Commentary box may need to be expanded.

Schedule 13 – Report on Capacity Utilisation Measures for Aircraft, Freight & Airfield Activities

With reference to Schedule 13 of the Information Disclosure (ID) Determination, we have the following comments:

1. We recommend moving the section at Line 29 titled “Aircraft Parking Stand” up to be at Line 24, and amending:
 - “Stand” to read “Stands” in the title.
 - “Number of apron stands during the busy day” to read “Number of apron stands **available** during the busy day”.
 - The heading over the third column to read “Remote Stand / Bus”.
 - The categories to be measured to be:
 - International jet
 - Domestic jet

- Domestic turboprop
 - Total stands
2. In the section at Line 43 titled “Aircraft movements” we recommend amending:
- The categories to be measured to be:
 - International jet
 - Domestic jet
 - Domestic turboprop
 - Domestic General Aviation
 - Total Aircraft Movements during Busy Day

Schedule 14 – Report on Capacity Utilisation Measures for Passenger Terminal Activities

With reference to Schedule 14 of the Information Disclosure (ID) Determination, we have the following comments:

1. For consistency, there should probably be brackets around all units such as (m²) in numerous instances in this Schedule and elsewhere.
2. The unit (passengers per 100 sqm) should be added to all instances referring to “Throughput of passengers during the busy hour”.
3. We recommend that the section at Line 71 (Landside circulation inbound) should be deleted for the reasons given in Comments 5 and 6 for Schedule 1.
4. There needs to be an asterisk symbol after the Line 85 starting “Notional MAF...” in the section “Bio-security Screening...”
5. We recommend that Lines 101 (Busy hour start time) and 105 (Through put of passengers in the busy hour) should be deleted in this instance relating to “Total terminal functional areas ...” for the reasons given in Comments 4 and 13 for Schedule 1.

Schedule 15 – Report on Passenger Satisfaction Indicators

With reference to Schedule 15 of the Information Disclosure (ID) Determination, we have no comments.

Schedule 16 – Report on Associated Statistics

With reference to Schedule 16 of the Information Disclosure (ID) Determination, we have the following comments:

1. We consider that it is not practical to report the numbers of transfer and transit passengers for Domestic (at Line 133). Although we recognise that the category of passengers exists and requires an estimate of numbers to adjust passenger throughput measures, there is no source of data readily available which provides a reliable and meaningful statistic to report here.

We trust that these comments are all clear.

Yours sincerely



Iain Munro

General Manager NZ/Pacific