

8 September 2011

Karen Murray
Regulation Branch
Commerce Commission
Level 6, 44-52 The Terrace
PO Box 2351
WELLINGTON 6011

Private and confidential

Dear Ms Murray

REQUEST FOR EXTENSION - DISCLOSURE PURSUANT TO CLAUSE 2.10(3) OF THE COMMERCE ACT (SPECIFIED AIRPORT SERVICES INFORMATION DISCLOSURE) DETERMINATION 2010

Auckland Airport is working hard to meet its obligations under clause 2.10(3) of the Information Disclosure Determination to publicly disclose by 30 September 2011 certain information in relation to Auckland Airport's price setting event of July 2007 ("**historical disclosure**").

Auckland Airport is committed to providing robust and useful information disclosure in accordance with the Information Disclosure Determination. As you are aware, Auckland Airport has established a project team that is committed to establishing internal systems to support accurate and efficient compliance with the information disclosure requirements.

However, despite the fact that Auckland Airport has dedicated significant time and resources to complete the disclosure, it has become increasingly evident that it will be extremely difficult to complete the disclosure by 30 September.

Auckland Airport therefore asks that the Commission grant a one month extension for completion of the historical disclosure.

Auckland Airport accepts that the information disclosure requirements must be met in a timely fashion. However, in this case, we do not anticipate that a one month extension will cause any prejudice to interested parties. The Commission stated in its Information Disclosure Determination Reasons Paper that the purpose of the historical disclosure is to provide sufficient information to interested parties on how current prices are set to place future pricing and investment decisions fully in context (paragraph 7.45). A one month extension will in no way impact on the ability of interested parties to undertake that exercise, given that the next price setting event is not due to occur until mid-2012.

On the other hand, Auckland Airport believes it will be significantly prejudiced if the extension sought is not granted by the Commission, for the following reasons:

- This is an extremely busy time of the year for Auckland Airport, with financial reporting only recently concluded, a number of ongoing commercial projects taking up significant internal resource, and the commencement of Auckland Airport's pricing consultation under the Airport Authorities Act 1966 in respect of the next price reset. Auckland Airport appreciates that these work streams

are foreseeable, however the latent issues and inconsistencies in the Information Disclosure Determination that have revealed themselves as we have worked through the disclosure has impeded our progress and has ultimately affected our ability to complete the September disclosure with confidence that the information disclosure requirements will be fully met. The difficulties in collating the required information have been exacerbated by the fact that a significant number of employees involved with the previous price setting event are no longer with the company.

- Auckland Airport has attempted to address the ambiguities and inconsistencies in the Information Disclosure Determination by working through the issues with Commission personnel. Auckland Airport believes this has been a valuable experience and has helped resolved a number of issues. However, there are some issues outstanding, and we understand from Commission staff that the Commission intends to release guidelines for this historical disclosure, which will clarify the outstanding issues we have raised. To complete its disclosure, Auckland Airport requires sufficient time to consider the Commission's guidance in advance of disclosure. The current deadline is unlikely to provide sufficient time in this respect.
- Auckland Airport is also awaiting confirmation, as part of the Commission's guidance, on aspects of the historical disclosure for which an exemption under clause 2.9 is required. Subject to the Commission's confirmation, Auckland Airport expects that it will be required to seek a number of exemptions in relation to the historical disclosure. This, in conjunction with our understanding that the Commission will take at least one week to respond to a request for an exemption, implies that there will be insufficient time to complete the historical disclosure by the end of the month.

In summary, we believe granting an exemption would appropriately recognise the unique nature of the historical disclosure and the demanding circumstances in which it must be prepared. It would not establish a precedent for seeking and/or granting extensions for future disclosures in accordance with the Information Disclosure Determination.

Please feel free to contact Adrienne Darling on (09) 255 9090 if you have any queries regarding the matters raised in this letter. Otherwise, we look forward to receiving the Commission's response to our request at its earliest convenience.

Yours faithfully



Simon Robertson
Chief Financial Officer