



Australian
Competition &
Consumer
Commission

Airservices Australia price notification

ACCC decision

June 2014



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Glossary

ACCC	Australian Competition and Consumer Commission
Airservices	Airservices Australia
ARFF	aviation rescue and fire fighting
ATC	air traffic control
ATM	air traffic management
CCA	<i>Competition and Consumer Act 2010 (Cth)</i>
en route	en route navigation
KPI	key performance indicator
LTPA	long-term pricing agreement
MTOW	maximum take-off weight
TN	terminal navigation
PCC	Pricing Consultative Committee
WACC	weighted average cost of capital

ACCC's decision

The Australian Competition and Consumer Commission (ACCC) has decided to **not object** to Airservices Australia's (Airservices) proposed 2014-15 prices for terminal navigation (TN), en route navigation (en route) and aviation rescue and fire fighting (ARFF) services.

The TN, en route and ARFF charges proposed by Airservices are consistent with those accepted by the ACCC in 2011 as part of Airservices' long-term pricing agreement (LTPA). The ACCC also does not object to the increased charges for out of hours TN and ARFF services.

The new charges are proposed to take effect from 1 July 2014.

This decision responds to a price notification submitted to the ACCC on 10 June 2014 by Airservices pursuant to subsection 95Z(5) of the *Competition and Consumer Act 2010* (CCA). Airservices' prices are set out in its price notification and are reproduced in Appendix A of this decision document.

1 Summary

In 2011, Airservices submitted a long-term pricing agreement (LTPA) to the ACCC that outlined a path of prices for terminal navigation (TN), en route navigation (en route) and aviation rescue and fire fighting (ARFF) services for a five-year period (from 2011 to 2016). The ACCC undertook a detailed assessment of Airservices' LTPA and decided to not object to the proposed price increases.

The ACCC's 2011 decision formally related only to the first year of Airservices' LTPA. Airservices is required to submit a price notification before increasing prices for each of the subsequent years of the LTPA.

In its 2011 decision, the ACCC noted the importance of commitments made by Airservices to improve:

- the way it consults with stakeholders on capital expenditure, and
- its internal efficiency drivers through internal benchmarking and setting of explicit efficiency targets.

These initiatives were to be implemented through a Pricing Consultative Committee (PCC) that includes representatives from both Airservices and industry (such as airlines and airline representative bodies). Airservices' progress on its LTPA commitments is an important consideration for the ACCC in assessing Airservices' annual price notifications under the LTPA.

The current price notification is for the fourth year of the LTPA and relates to charges that are to take effect on 1 July 2014. Airservices' proposed TN, en route and ARFF charges are consistent with those in the LTPA. Under the LTPA, TN and ARFF service charges will on average increase from 1 July 2014, while charges for en route services will on average decrease. Having regard to the statutory criteria in section 95G(7) of the *Competition and Consumer Act 2010* (CCA), the ACCC does not object to these charges.

Airservices has also informed the ACCC that four new ARFF services, at Ballina, Coffs Harbour, Gladstone and Newman, are to commence during 2014-15. Airservices has not included charges for these new services in the price notification, but it intends to charge for each service at the proposed 1 July 2014 Category 6 network charge of \$2.29 from the date the service commences.

The ACCC also does not object to the increases in charges for out of hours TN and ARFF services. These charges are proposed to increase by around three per cent from 2013-14 levels. Airservices has submitted that the charge out rate for out of hours services increases by around three per cent per year to cover wages growth. The ACCC is satisfied that these charges are appropriate in order to cover the overtime rates for an air traffic control (ATC) or ARFF crew to be available to provide the relevant category of service.

In reaching its decision to not object to Airservices' price notification, the ACCC has assessed Airservices' progress against its commitments made in 2011. In support of its price notification, Airservices has outlined its progress on its LTPA commitments over the last 12 months.

The ACCC has consulted with members of the PCC to test the extent to which Airservices has made reasonable progress. In general, PCC members noted that Airservices' timeliness, quality and level of consultation on capital expenditure is continuing to improve.

The ACCC has observed that Airservices continues to make progress against its LTPA commitments. This progress is important in ensuring Airservices operates and invests efficiently. However, Airservices can still improve its consultation processes and there is significant work still to be done to develop suitable internal drivers of efficiency through internal benchmarking and setting of explicit efficiency targets.

The ACCC does not object to the charges proposed in Airservices' price notification.

2 ACCC's assessment process

The price notification provisions contained in Part VIIA of the *Competition and Consumer Act 2010* (CCA) apply to notified services and declared persons. Airservices is a declared person under subsection 95(X)(2) of the CCA in relation to the provision of TN, en route and ARFF services.¹ This means that Airservices must submit a price notification to the ACCC before increasing the prices for these services.²

In assessing price notifications, the ACCC is required to have particular regard to certain statutory criteria:³

- the need to maintain investment and employment, including the influence of profitability on investment and employment
- the need to discourage a person who is in a position to substantially influence a market for goods or services from taking advantage of that power in setting prices
- the need to discourage cost increases arising from increases in wages and changes in conditions of employment inconsistent with principles established by relevant industrial tribunals.

These criteria broadly relate to promoting economically efficient investment and employment throughout the economy.

The ACCC has had regard to these matters insofar as they are relevant to Airservices' price notification. The ACCC notes Airservices did not provide detailed information in its submission to address these matters.

¹ The declaration originally had effect under section 21 of the *Prices Surveillance Act 1983* (PS Act). On 1 March 2004, the PS Act was repealed and the declaration was taken to have effect under Part VIIA of the *Trade Practices Act 1974* (TPA). On 1 January 2011, the TPA was renamed the CCA. The relevant declaration, Declaration No. 66, is available on the ACCC's website at: www.accc.gov.au/aviation.

² Section 95Z of the CCA.

³ These criteria are set out in subsection 95G(7) of the CCA.

The ACCC considers subsection 95G(7) steers it towards an assessment of the efficiency of Airservices' cost base, and of the rate of return it is seeking. Prices are then assessed on their ability to achieve total revenue sufficient to recover the total cost of providing an efficient service, including a rate of return commensurate with the risks faced by Airservices, without achieving excessive or monopoly profits.

The ACCC applies this legal framework according to the concepts and procedures outlined in the ACCC's *Statement of regulatory approach to assessing price notifications*.⁴ As set out in that document, where a declared firm submits a price notification that proposes price increases over a number of years, the ACCC conducts a detailed assessment of the substance of the proposed prices over the full period. The ACCC then makes a decision on the proposed prices covering the first year of the period. The declared firm is required to submit to the ACCC price notifications for each of the subsequent years. For those subsequent years, the ACCC may consider it appropriate to conduct a short-form assessment process, which is an expedited assessment.

The ACCC's 2011 decision to accept Airservices' LTPA formally related only to the first year of Airservices' LTPA. Airservices is still required to submit to the ACCC price notifications for each of the subsequent years.

Airservices' 2014 price notification is for the fourth period of its LTPA. Consistently with previous years covered by the 2011 LTPA, the ACCC has conducted a short-form assessment of the price notification.

As part of its assessment the ACCC has sought comment from members of the PCC on the draft price notification. This consultation allows the ACCC to assess Airservices' progress against commitments made in the LTPA and to identify areas where further progress is required. Of the 17 PCC members (outlined in Table 1 below), six responded to the ACCC's request for consultation. Of those six members, one provided written comments, and five participated in telephone interviews with ACCC staff. There was a broad representation of users in the consultation process, with the ACCC receiving feedback from major domestic airlines, international airlines, a regional airline and an industry representative body.

⁴ A detailed outline of the ACCC's suggested process for all price notifications, including a discussion of short-form assessments, is contained in the ACCC's *Statement of regulatory approach to assessing price notifications* (June 2009), which is available on the ACCC's website at: <http://www.accc.gov.au/publications/regulatory-approach-to-price-notifications>.

Table 1: Members of Airservices Australia’s Pricing Consultative Committee (PCC)

Airlines	Associations
Jetstar	Australian Airports Association
Emirates	Aircraft Owners and Pilots Association of Australia
Etihad	Board of Airline Representatives of Australia
Air Canada	International Air Transport Association
Regional Express	Regional Aviation Association of Australia
Qantas	Royal Federation of Aero Clubs of Australia
Cathay Pacific	
Singapore Airlines	
Air New Zealand	
United	
Virgin Australia Group of Airlines	

3 Airservices’ long-term pricing agreement

The 2011 LTPA sets out a path of TN, en route and ARFF prices for the five years from 2011 to 2016.

The ACCC accepted the LTPA following a detailed assessment of Airservices’ proposed prices. The assessment aimed to ensure that Airservices recovered only the efficient level of costs of providing its price-regulated services. This was to be achieved by increasing the charges of ARFF and some TN services, and reducing the charges for the en route service over the period of the LTPA.

The ACCC noted the importance of Airservices’ commitments to improve how it consults with stakeholders on capital expenditure, particularly given its plan to increase capital expenditure over the five-year period. The ACCC also noted the need for Airservices to improve its internal efficiency drivers by setting benchmarks and explicit efficiency targets.

Under the LTPA, Airservices was required to consult with the PCC on its progress in implementing these initiatives, which are aimed at ensuring that Airservices invests prudently and efficiently manages costs. Airservices’ progress in meeting these commitments is relevant because the ACCC has regard to whether Airservices’ cost base is efficient in assessing Airservices’ price notifications.⁵ The ACCC’s decision to accept Airservices’ LTPA noted that Airservices’ progress on its LTPA commitments would be an important consideration in assessing subsequent price notifications.

The full details of the ACCC’s assessment of Airservices’ LTPA are available on the ACCC’s website.⁶ The results of the ACCC’s assessment of the 2014 price notification are outlined in section 4.

⁵ As outlined in section 2, the ACCC considers subsection 95G(7) steers it towards an assessment of the efficiency of Airservices’ cost base, and of the rate of return it is seeking.

⁶ www.accc.gov.au/aviation > Airservices Australia > Price notifications

4 ACCC's assessment

4.1 Assessment of Airservices' proposed en route, TN and ARFF prices for 2014-15

Airservices' price notification includes new charges for en route, TN and ARFF services for the period 1 July 2014 to 30 June 2015. Under the proposal, TN and ARFF service charges will on average increase from 1 July 2014, while charges for en route services will on average decrease.

One issue raised in the ACCC's consultation with the PCC was that Airservices should reduce the base level of ARFF charges. Currently the base level for ARFF charges is Category 6 (\$2.29 from 1 July 2014), and lower category aircraft (Category 1-5 aircraft) are required to pay Category 6 charges. Whether charges are applied depends on the tonnage of the aircraft and whether it is a passenger-carrying aircraft.

As noted in the ACCC's decision on the LTPA in 2011, there is a need to transition ARFF service prices towards full cost recovery. The minimum level of service provided at airports that require ARFF services is a Category 6 service, and Airservices' minimum ARFF charge is set at Category 6 to align with the minimum level of service provided. It is appropriate for these charges to be targeted at passenger-carrying aircraft because whether an ARFF service is provided depends on CASA's ARFF establishment threshold of 350,000 passengers per annum being reached.

The ACCC undertook a detailed assessment of Airservices' proposed prices when it considered the LTPA in 2011. The assessment aimed to ensure that Airservices recovered only the efficient level of costs of providing its price-regulated services. The current price notification is for the fourth year of the LTPA and relates to charges that are to take effect on 1 July 2014. Airservices' proposed TN, en route and ARFF charges are consistent with those in the LTPA.⁷ The ACCC, having regard to the statutory criteria in section 95G(7), does not object to these charges.

4.2 Assessment of out of hours TN and ARFF charges

Airservices' notification includes increases in charges for out of hours TN and ARFF services.

While the minimum fire vehicle water carrying requirements, foam discharge rates, response times and other safety measures required for each category of ARFF service are set out in *Civil Aviation Safety Regulation 139H*, staffing requirements are not. The minimum level of staff required to provide an adequate ARFF service has been determined by Airservices using a risk based assessment of personnel required to respond to an incident, given the number of vehicles required to be operated and the category of aircraft involved.

Out of hours charges are based on the overtime rate for an air traffic control (ATC) or ARFF crew to be available to provide the relevant category of service. For services extending from normal operating hours the recovery is made in 15 minute units for

⁷ The ARFF charge for Port Hedland was not included in the LTPA but was provided and approved in last year's price notification.

ARFF or hourly increments for ATC. Where an ARFF crew is required to be called back after normal hours a minimum of three hours overtime is required to be covered. The increases in the charges are outlined in Table 1 and Table 2 below.

Table 1: Out of hours TN Services (including GST)

Before or after normal hours	2013-14	2014-15	Price increase (per cent)
Up to 15 minutes	n/a	n/a	n/a
Over 15 up to 60 minutes	\$202	\$208	3.0
Each additional hour or part hour	\$202	\$208	3.0

Table 2: Out of hours ARFF Services (including GST)

Out of Hours ARFF Services	If more than 15 minutes, thereafter (or part thereof)			Recall of staff Flat Charge		
	2013-14	2014-15	Price increase (per cent)	2013-14	2014-15	Price increase (per cent)
Aircraft category (inc GST)						
6 and below⁸	\$90	\$93	3.3	\$1081	\$1113	3.0
7	\$110	\$113	2.7	\$1317	\$1356	3.0
8 and above⁹	\$114	\$148	29.8	\$1730	\$1782	3.0

As shown in Tables 1 and 2 above, all but one of the out of hours charges are proposed to increase by around three per cent. Airservices has submitted that the charge out rate for out of hours services increases by around this amount per year to cover wages growth. In relation to ARFF Category 8 charges, which increase by around 30 per cent, Airservices submitted that there was an error in the calculation of the 2014 rate for out of hours Category 8 ARFF charges included in Airservices' 2013-14 price notification. The proposed increase in the charge lifts the rate to the correct level.¹⁰

The ACCC provided all PCC members the opportunity to provide feedback on the new charges, as part of the short form assessment process. Those that did comment were generally supportive of the out of hours charges being proposed by Airservices, seeing them as a necessary safety expense that is efficiently charged on a 'user pays' basis.

Since lodging its draft price notification, Airservices has provided clarification to the ACCC in relation to the application of out of hours ARFF charges to aircraft which are less than category 6 or greater than category 8. In its formal price notification Airservices has updated its list of charges to include these types of aircraft and remove potential ambiguity that was in the draft price notification.

⁸ Out of hours services provided to aircraft operations less than Category 6 are charged at the Category 6 rate.

⁹ Out of Hours services provided to aircraft operations greater than Category 8 are charged at the Category 8 rate.

¹⁰ The new rate (\$148) is approximately 8 per cent (15 minutes as a proportion of 3 hours) of the recall staff rate of \$1,782 (i.e. 3 hours overtime).

- Out of hours ARFF charges for aircraft below category 6 were not included in the draft price notification. However, the formal price notification identifies that Aircraft below category 6 that require an out of hours ARFF service would be charged the out of hours category 6 ARFF rate.
- Out of hours ARFF charges for category 9 and 10 aircraft were also not included in the draft price notification because the aerodromes that service these aircraft operate on a 24 hour basis. The formal price notification identifies that, should a category 9 or 10 aircraft require an out of hours ARFF service at an aerodrome that does not have 24 hour operations, these aircraft would be charged the out of hours category 8 ARFF rate.

These are long standing arrangements, and there is no change to the methodology in this price notification.

The ACCC does not object to the increases in charges for out of hours TN and ARFF services. As outlined in section 2, the ACCC considers subsection 95G(7) of the CCA steers it towards an assessment of the efficiency of Airservices' cost base, and of the rate of return it is seeking. Out of hours TN and ARFF charges are generally proposed to increase by around three per cent from 2013-14 levels. Airservices has submitted that the charge out rate for out of hours services increases by around three per cent per year to cover wages growth. The ACCC is satisfied that these charges are appropriate in order to cover the overtime rates for an ATC or ARFF crew to be available to provide the relevant category of service.

4.3 Assessment of Airservices' progress against its LTPA commitments

The ACCC's view is that Airservices continues to make progress against its LTPA commitments. These commitments related to:

- the way Airservices consults with PCC members on capital expenditure, and
- developing internal drivers of efficiency through internal benchmarking and setting of explicit efficiency targets.

Importantly, these improvements promote economic efficiency by providing incentives for Airservices to manage its costs prudently and efficiently.

In reaching its decision to not object to Airservices' price notification, the ACCC has assessed Airservices' progress against its commitments made in 2011.

Based on Airservices' submission (discussed in section 4.3.1) and consultation with PCC members (section 4.3.2), the ACCC is satisfied that Airservices continues to make progress in the way it consults on capital expenditure. However, the ACCC's consultation with the PCC has revealed some areas for Airservices to improve in 2014-15. For example, it would be preferable for materials to be circulated to PCC members earlier to ensure there is sufficient time to review and discuss them internally, and develop input and comments. The ACCC also encourages Airservices to provide opportunities for PCC members to be involved earlier in the development of options for projects.

In addition, the ACCC encourages Airservices to continue to explore ways of refining its existing Key Performance Indicators (KPIs) and developing a more sophisticated form of cost benchmarking.

4.3.1 Airservices' submission on its progress on its LTPA commitments

In support of its 2014 price notification, Airservices provided the ACCC with an update of its progress against commitments made as part of the LTPA.

Airservices provided a submission on its progress on its LTPA commitments in Appendix 6 to its price notification. In a separate (confidential) submission to the ACCC, Airservices has illustrated its consultation processes by providing examples of project business case information and capital expenditure program quarterly reports that have been presented to PCC members. In addition, Airservices provided the ACCC with the minutes of PCC meetings held in May 2013, August 2013, November 2013 and March 2014.

4.3.2 ACCC's consultation with PCC members on Airservices' progress on its LTPA commitments

PCC members' comments indicate that Airservices has improved the effectiveness of its consultation with PCC members by ensuring appropriate staff attend PCC meetings. PCC members also noted that Airservices' consultation processes continue to improve in terms of timeliness, quality of information provided and responsiveness to PCC input on capital expenditure issues. Examples include improved quality of minutes and increased transparency of detail in Airservices' business cases and quarterly reports.

PCC members appear generally satisfied with the response they receive to input and questions in relation to the business case information as well as quarterly reporting, which occurs at each PCC meeting.

However, there were a number of suggestions to improve consultation, including earlier circulation of materials to ensure sufficient time for members to review and discuss internally. While Airservices provided the PCC with detailed business case information on its capital expenditure program, it was noted during consultation that some stakeholders require several weeks to review information internally and develop input and comments. This is particularly important as the business case information often includes complex technical information that takes a considerable amount of time to review within organisations.

The ACCC encourages Airservices to provide opportunities for PCC members to be involved earlier in the development of options where they could assist with relevant technical and operational expertise to ensure that projects are progressed efficiently and that proposed solutions are fit for purpose. The ACCC also encourages Airservices to respond to views expressed by a number of PCC members that they would benefit from being provided with more detailed analysis of alternative options in business cases, rather than just focusing on the primary option.

OneSKY, a new air traffic management platform that is a key strategic priority for Airservices, was mentioned as an area where PCC members have at this stage not been sufficiently consulted. As a result, some PCC members have concerns about the cost effectiveness of the project. An increased level of consultation with PCC members would provide further information and transparency over project decision-

making as well as an adequate explanation of why certain options are or are not adopted.

In the ACCC's previous consultation with PCC members, several PCC members had suggested implementing a dial-in option for PCC meetings, because of difficulties with attending PCC meetings in person due to location or time issues. In consultations this year, there was a mixed response. Some noted that such a facility could help to maximise representation of members at meetings, but others noted it would be difficult to implement given the different time zones of members. It was also noted that some information provided at PCC meetings is commercial-in-confidence, and cannot be electronically provided to PCC members who are not present at the meetings.

With regard to the development of internal drivers of efficiency, it was generally noted that progress remains slow in terms of developing a financial rewards/penalties system for measuring Airservices' performance against KPIs. A number of PCC members attributed this to difficulty in translating Airservices' Services Charter KPIs into measurable outcomes or agreeing to an alternative set of metrics.

The ACCC notes the work Airservices has undertaken to develop measures to assess its performance against KPIs. This includes Airservices' development of a set of efficiency measures in consultation with the PCC, which have been incorporated into Airservices' 2013-14 Services Charter. The ACCC will continue to monitor Airservices' work to improve its internal drivers of efficiency and performance measures.

5 ACCC decision

The ACCC, having regard to the statutory criteria in section 95G(7), has decided to not object to Airservices' proposed 2014-15 prices for TN, en route and ARFF services. The ACCC undertook a detailed assessment of Airservices' proposed prices when it considered the LTPA in 2011. The assessment aimed to ensure that Airservices recovered only the efficient level of costs of providing its price-regulated services. The TN, en route and ARFF charges proposed by Airservices are consistent with those accepted by the ACCC in 2011 as part of Airservices' LTPA.¹¹

The ACCC also does not object to the increases in charges for out of hours TN and ARFF services. The ACCC considers subsection 95G(7) of the CCA steers it towards an assessment of the efficiency of Airservices' cost base, and of the rate of return it is seeking. The ACCC is satisfied that these charges are appropriate in order to cover the overtime rates for an ATC or ARFF crew to be available to provide the relevant category of service.

The new charges are proposed to take effect from 1 July 2014.

The ACCC has observed that Airservices continues to make progress against its LTPA commitments. This progress is important in ensuring Airservices operates and

¹¹ The ARFF charge for Port Hedland was not included in the LTPA but was provided and approved in last year's price notification.

invests efficiently. However, Airservices can still improve its consultation processes and there is significant work still to be done to develop suitable internal drivers of efficiency through internal benchmarking and setting of explicit efficiency targets.

This decision responds to a price notification submitted to the ACCC on 10 June 2014 by Airservices pursuant to subsection 95Z(5) of the CCA. Airservices' prices are set out in its price notification and are reproduced in Appendix A of this decision document.

Appendix A: Airservices Australia's current and proposed prices

A.1 En route navigation services

Charging formula for en route navigation (en route) services:

- For IFR aircraft with an MTOW of 20 tonnes or more:

$$PRICE \times \frac{DISTANCE}{100} \times \sqrt{MTOW}$$

- For IFR aircraft with an MTOW up to 20 tonnes:

$$PRICE \times \frac{DISTANCE}{100} \times MTOW$$

Table A1: Airservices' current and proposed prices for en route services

En route service	Current price	Proposed price (from 1 July 2014)
20 tonnes or more	\$4.04	\$4.03
Up to 20 tonnes	\$0.90	\$0.90

A.2 Terminal navigation services

Charging formula for terminal navigation (TN) services:

- For all aircraft:

$$PRICE_{location} \times MTOW$$

Note: MTOW shall not exceed 500 tonnes.

Table A2: Airservices' current and proposed prices for TN services

TN service location	Current price	Proposed price (from 1 July 2014)
Adelaide	\$11.78	\$11.83
Brisbane	\$6.18	\$6.18
Cairns	\$12.20	\$12.20
Canberra	\$11.91	\$11.80
Gold Coast	\$9.28	\$8.81
Melbourne	\$5.49	\$5.50
Perth	\$7.87	\$7.72
Sydney	\$5.60	\$5.61
Albury	\$14.21	\$14.70
Alice Springs	\$14.21	\$14.70
Avalon	\$5.03	\$5.21
Broome	\$14.21	\$14.70
Coffs Harbour	\$14.21	\$14.70
Hamilton Island	\$10.30	\$10.66
Hobart	\$9.68	\$9.68

Karratha	\$14.21	\$14.56
Launceston	\$13.68	\$14.16
Mackay	\$12.19	\$12.07
Rockhampton	\$13.33	\$13.47
Sunshine Coast	\$14.07	\$14.21
Tamworth	\$14.21	\$14.70
Archerfield	\$14.21	\$14.70
Bankstown	\$14.21	\$14.70
Camden	\$14.21	\$14.70
Essendon	\$14.21	\$14.70
Jandakot	\$14.21	\$14.70
Moorabbin	\$14.21	\$14.70
Parafield	\$14.21	\$14.70
Darwin	\$1.94	\$1.84
Townsville	\$2.52	\$2.39

A.3 Aviation rescue and fire fighting services

Charging formula for aviation rescue and fire fighting (ARFF) services:

- For all aircraft greater than 15.1 tonnes and target aircraft between 5.7 and 15.1 tonnes:

$$PRICE_{category,location} \times MTOW$$

Note: MTOW shall not exceed 500 tonnes.

Table A3: Airservices' current and proposed prices for ARFF services

ARFF service location	Current price	Proposed price (from 1 July 2014)
Category 6 aircraft and below		
Brisbane	\$2.25	\$2.29
Melbourne	\$2.25	\$2.29
Sydney	\$2.25	\$2.29
Perth	\$2.25	\$2.29
Adelaide	\$2.25	\$2.29
Cairns	\$2.25	\$2.29
Darwin	\$2.25	\$2.29
Gold Coast	\$2.25	\$2.29
Canberra	\$2.25	\$2.29
Hobart	\$2.25	\$2.29
Karratha	\$2.25	\$2.29
Townsville	\$2.25	\$2.29
Alice Springs	\$2.25	\$2.29
Avalon	\$2.25	\$2.29
Ayres Rock	\$2.25	\$2.29
Broome	\$2.25	\$2.29
Hamilton Island	\$2.25	\$2.29
Launceston	\$2.25	\$2.29
Mackay	\$2.25	\$2.29
Rockhampton	\$2.25	\$2.29
Sunshine Coast	\$2.25	\$2.29
Port Hedland	\$2.25	\$2.29
Category 7 aircraft		

Brisbane	\$2.45	\$2.57
Melbourne	\$2.40	\$2.52
Sydney	\$2.36	\$2.48
Perth	\$2.61	\$2.75
Adelaide	\$2.96	\$3.11
Cairns	\$3.05	\$3.35
Darwin	\$4.51	\$4.96
Gold Coast	\$3.89	\$3.85
Canberra	\$8.73	\$8.94
Hobart	\$8.96	\$9.85
Karratha	\$8.16	\$8.37
Townsville	\$11.27	\$12.40
Category 8 aircraft		
Brisbane	\$3.33	\$3.41
Melbourne	\$2.91	\$2.98
Sydney	\$2.64	\$2.64
Perth	\$4.01	\$4.41
Adelaide	\$6.50	\$5.85
Cairns	\$6.34	\$6.97
Darwin	\$20.40	\$21.42
Coolangatta (Gold Coast)	\$5.34	\$5.87
Category 9 aircraft		
Brisbane	\$5.04	\$5.54
Melbourne	\$4.12	\$4.54
Sydney	\$3.34	\$3.67
Perth	\$6.92	\$7.61

A.4 Current and proposed prices for out of hours TN services: 1 July 2014

The terminal navigation charge applicable outside normal hours of operation is calculated as the sum of the terminal navigation charge per the rates detailed above, plus the following additional amounts.

Before or after normal hours (inc. GST)	Current price	Proposed price (from 1 July 2014)
Up to 15 minutes	n/a	n/a
Over 15 up to 60 minutes	\$202	\$208
Each additional hour or part hour	\$202	\$208

A.5 Current and proposed prices for out of hours ARFF services: 1 July 2014

The aviation rescue and fire fighting charge applicable outside normal hours of operation is calculated as the sum of the aviation rescue and fire fighting charge per the rates detailed above, plus the following additional amounts.

Out of Hours ARFF Services	If only 15 minutes	If more, every 15 minutes, thereafter (or part thereof)		Recall of staff (flat rate) ¹²	
		2014	2015	2014	2015
Aircraft category (inc GST)					
6 (and below)¹³	-	\$90	\$93	\$1,081	\$1,113
7	-	\$110	\$113	\$1,317	\$1,356
8 (and above)¹⁴	-	\$114	\$148	\$1,730	\$1,782

¹² Recall of Staff Charges apply only where the timing of the out of hours service requires staff to be called in from home to work.

¹³ Out of Hours services provided to aircraft operations less than Category 6 will be charged at the Category 6 rate.

¹⁴ Out of Hours services provided to aircraft operations greater than Category 8 will be charged at the Category 8 rate.