AUCKLAND INTERNATIONAL AIRPORT LIMITED

SUBMISSION ON AIRWAYS CONSULTATION FRAMEWORK

16 JUNE 2021

1. INTRODUCTION

- 1.1 As the gateway to New Zealand and a key stakeholder within the wider aviation industry, Auckland Airport has a key interest in the safe and successful delivery of Air Navigation Services (**ANS**).
- 1.2 As a member of NZ Airports, Auckland Airport has had the benefit of reviewing and providing feedback on the submission of NZ Airports to Airways' Proposed Revised Airways Service Framework (**Proposal**). We agree with all aspects of the NZ Airports submission.
- 1.3 In particular we highlight our agreement with NZ Airports' view that:
 - (a) Airways' rationale for changing its commercial framework is not credible and its distinction between statutory monopoly services and so-called 'contestable' services is entirely artificial; and
 - (b) Airways should suspend making changes to its commercial framework until the Government has had the opportunity to conduct a first principles review of ANS.
- 1.4 Notwithstanding the above, Auckland Airport takes this opportunity to submit on a number of aspects specific to its circumstances, as more particularly detailed in this submission.
- 1.5 Our contact details for this submission are:

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2. AUCKLAND AIRPORT'S SUBMISSION

Safety is fundamental

- 2.1 Airways primary objective is to ensure that aircraft and passengers reach their destination safely and efficiently.
- 2.2 Airways has failed to demonstrate how safety will be maintained (let alone improved) through the restructuring of its commercial framework under this Proposal, which will introduce greater complexity into the ANS provisioning framework.

Efficiency of the aviation system

- 2.3 To enable aircraft and passengers reach their destination efficiently, Airways' Proposal suggests "efficiencies" will be achieved through untested changes to its commercial framework.
- 2.4 Instead, Airways' Proposal should focus on how to maintain and improve the safety and efficiency of the aviation system as a whole and how through collaboration and creating

system-wide efficiencies, Airways can create a benefit for the entire New Zealand air traffic network.

2.5 Airways' Proposal is itself inefficient. It creates unnecessary complexity to the established processes – whereby the end-user of the services pays for the services. Changing established processes and seeking to enforce an artificial distinction between statutory monopoly services and so-called 'contestable' services will result in unintended consequences and risks (e.g. errors, gaps, duplication of charges).

Airways agreement with airports

- 2.6 Auckland Airport does not agree that Airways can pick and choose who its customers are. However, as Airways' aerodrome traffic services are delivered on airport premises, it is clear that regardless of who Airways paying customers are, Airways must have an agreement in place with relevant airports, including Auckland Airport.
- 2.7 These agreements with airports should set robust and measurable target service levels. Use of a service availability metric based on a 12 month rolling average is inappropriate for disclosing the true nature of delivery of services. What Airways should be pushing for is more detailed and regular service level measurements, as are required by airports and airlines with other service providers and commercial contractors.
- 2.8 Airways actively participates in a number of airport forums such as: Airport Capacity Enhancement Group (ACE), Collaborative Operations Group (COG), Operational Taskforce (OTF), Airport Noise Community Consultative Group (ANCCG), and Joint Emergency Operations Committee (JEOC). This participation will need to continue, to maintain and improve the efficient provision of services and active engagement of all agencies in the safe operation of the airport. In this respect, Airways should be required through SLAs to meet targets relating to specific KPIs in relation to safety, traffic flow efficiency / delays, compliance, and incident reporting.
- 2.9 Auckland Airport relies on the information received from Airways for airport operations. This must continue and must also be reported to CAA under Part 139 requirements. Auckland Airport also relies on information received from Airways to fulfil its obligations under the Unitary Plan in relation to aircraft noise monitoring and ensuring noise contours are not breached.
- 2.10 Accordingly, as part of the consultation we recommend Airways should focus on developing and improving Airways service level targets; acknowledgement of Airways involvement in airport forums; and detail Airways' ongoing reporting requirements.

3. SUMMARY

- 3.1 We have kept this submission brief. Fundamentally, we support the submission of NZ Airports and reiterate:
 - (a) Airways' rationale for changing its commercial framework is not credible and its distinction between statutory monopoly services and so-called 'contestable' services is entirely artificial; and
 - (b) Airways should suspend making changes to its commercial framework until the Government has had the opportunity to conduct a first principles review of ANS.