

General Notice

Tariffs with effect from 1 August 2021

Date: 16 July 2021

Reference: 03/21

Tariffs affected

From 1 August 2021

- **Airline Operators Committee (AOC)**
- **Baggage**
- **Check-in desks and Common use self-service (CUSS)**
- **Fixed electrical ground power (FEGP)**
- **Hold Baggage Screening (HBS)**
- **Passengers Requiring Support (PRS)**

Tariffs remaining unchanged from 1 January 2021

- **Airport Cost Recovery Charge**
- **Airside licences**
- **Common IT Infrastructure**
- **Electricity**
- **Gas**
- **Pre-conditioned air (PCA)**
- **Staff car parking**
- **Staff identity cards and vehicle apron passes**
- **Waste services**
- **Water**

1.0 INTRODUCTION

This General Notice (**GN**) sets out the charges for the services listed above at Heathrow Airport effective from 1 August 2021.

This GN supersedes GN (01/21) published on the 4 February 2021. This updated GN is being published following engagement between Heathrow Airport Limited (**Heathrow**), the Other Regulated Charges Group (**ORCG**) and the airline community to ensure that all amounts owing for Other Regulated Charges (**ORCs**) are fully recovered by Heathrow.

Heathrow has provided transparency on the costs set out in this GN via the ORCG.

If you have any questions concerning the new ORC charges or require further information relating to ORCs or Heathrow's ORCG, please contact us by email to halorc@heathrow.com or visit www.heathrowairport.com/orc.

2.0 BACKGROUND

The prices in this GN cover the period beginning on 1 August 2021. This is the eleventh price notification since the CAA's Q6 decision.

The forecast costs for 2021 are consistent with:

- (a) the annuities and allocated costs in the CAA's Q6 price control decision¹ (**CAA Decision**);
and
- (b) the forecasted Heathrow direct costs at time of pricing

As set out in paragraph 3.0 of GN (01/21), Heathrow reserves the right to amend prices during the year where a material change occurs which significantly impacts the assumptions upon which the prices were initially based or to take into account the outcome of any escalation. In addition, a key principle of ORC charges is that Heathrow is entitled to full cost recovery. Heathrow has consulted with the ORCG in coming to the decision to re-price. As set out in the consultation with the ORCG, without action there will be over £100m of under recoveries at year end due to the impact of the Covid-19 pandemic on passenger numbers which have been significantly below forecast in the first half of 2021 and are forecast to be over 40% lower than used in pricing GN (01/21). Accordingly and as supported by both Heathrow's Licence and ORC Protocol, the appropriate way to mitigate the under recoveries and ensure the allowed level of cost recovery is to re-price ORC charges, as set out in this GN.

Heathrow and the ORCG have continued to review the costs which form the basis of the pricing consultation. The key elements are:

- Annuities and allocated costs are being recovered at the levels set out in the CAA's Decision, subject to inflation (on the basis of RPI);
- Prior over or under recoveries are accounted for in the updated prices effective 1 August 2021;

¹ "Economic regulation at Heathrow from April 2014: Notice granting the licence, 13th February 2014"

- Under or over recoveries are verified by a third party and any variances are reflected in the annual trading statements;
- New pricing categories for Q6 continue – they are a contribution to AOC costs and Common IT Infrastructure (**Passive LAN**);
- Other Common IT infrastructure charges (**Wireless LAN** and **Active LAN**) will continue to be notified in a separate Notice;
- Fixed Electrical Ground Power (**FEGP**) and Pre-Conditioned Air (**PCA**) are invoiced based on metered consumption (effective from 1 June 2014);
- Hold Baggage Screening (**HBS**) maintenance is no longer recovered through airport charges and is instead included in the “price per bag” for Baggage within this GN;
- HBS running costs are recovered through a new ORC (**HBS**) following the CAA HBS decision letter dated 30 July 2020 (**HBS Decision Letter**)².
- The Airport Cost Recovery Charge is the charging mechanism agreed between Heathrow and the ORCG, by way of which Heathrow is recovering the under recovery from 2020 and specific 2021 costs for certain ORCs, as outlined further below.

The annuities and allocated costs are consistent with those agreed during the Q6 consultation and set out within the CAA’s Decision.

3.0 PRICING

All prices set out in this GN exclude VAT.

The prices set out in this GN will be effective from 1 August 2021 and will continue in force unless and until updated by a further General Notice. Heathrow reserves the right to amend prices during the year where a material change occurs which significantly impacts the assumptions upon which these prices were initially based or to take into account the outcome of any escalation. As agreed at the Joint Steering Board on 8 July 2021, we will review performance towards the end of Q3 2021 and may adjust prices to account for any variance of actuals versus forecast. Prior to implementing any such changes Heathrow will consult with the ORCG.

The prices set out in this GN take into account any under or over recoveries shown in the trading statements for 2019, not previously included in the pricing for 2020 as well as the forecasted over or under recoveries relating to the current pricing period as has been set out in consultation with the ORCG.

Heathrow has worked with the ORCG to review and manage the cost base within the ORCs, as set out in this GN. The drivers of cost base increases and decreases are set out below and/or have been reviewed during consultation with the ORCG.

² <https://www.caa.co.uk/WorkArea/DownloadAsset.aspx?id=4294997856>

Airline Operators Committee (AOC)

AOC costs consist of allocated and direct costs. Direct costs are made up of facilities and resource costs.

The main drivers impacting the price from 1 August 2021 are: (i) the current level of under-recovery; and (ii) the reduced volumes of passengers forecast for the remainder of 2021.

From 1 August 2021, the price will be £0.0796 per departing passenger.

Baggage

Baggage costs consist of allocated and direct costs. Direct costs include: operations and maintenance of the infrastructure, business rates and utilities. Bag volumes are calculated using a bag per departing passenger ratio.

The unit rate is based on 7.96m departing bags in the period of 1 August to 31 December 2021.

Baggage prices will continue to be charged on a 'per departing bag' basis and will continue to cover the costs of all departing bags, arriving bags, transferring of bags and gate bags. This charge will be invoiced monthly in arrears against each airline's actual number of direct and transferring departing bags as reported in MerlinLite.

The main drivers impacting the baggage price from 1 August 2021 are the current level of under-recovery and the reduced volumes of passengers forecasted for the remainder of 2021. As detailed in the previous version of this GN (01/21) and in the relevant section below, some baggage costs have been included in the Airport Cost Recovery Charge which results in a reduction to the unit bag price.

The unit price will be £13.47 per departing bag for the period 1 August – 31 December 2021.

Check-In desks & Common Use Self Service (CUSS)

Check-In and CUSS costs consist of allocated costs, annuities and direct costs incurred by Heathrow in respect of the relevant infrastructure and systems. Direct costs include: site fees, maintenance, operating costs and business rates. The operating costs associated to automation such as Self Service Bag Drop (**SSBD**) and Self Boarding Gates (**SBG**) are also recovered through the Check-in and CUSS charge. The recovery of further costs relating to Automation of the Passenger Journey will be consulted on at ORCG and recovered through the Check-in and CUSS charge.

A new charging mechanic was put in place for the combined Check-In and CUSS charge from 1 April 2020 and will remain in place from 1 January 2021 to 31 December 2021. As of April 2020, this mechanic is no longer based upon use of desk time and is now a per departing passenger charge.

The main drivers impacting the Check-In & CUSS price from 1 August 2021 are: (i) the current level of under-recovery; and (ii) the reduced volumes of passengers forecast for the remainder of 2021.

The unit price will be £0.80 per departing passenger for the period commencing on 1 August 2021 and will be invoiced monthly in arrears.

Fixed Electrical Ground Power (FEGP)

FEGP costs consist of annuities, allocated and direct costs. Direct costs include: staff, maintenance, parts and electricity costs. Electricity costs are calculated using the airport rate set out in the Pricing Schedule of this GN. The unit price from 1 August 2021 includes the current level of under-recovery.

As detailed in the previous version of this GN (01/21) and in the relevant section below, costs have been included in the Airport Cost Recovery Charge, which results in a reduction to the per kilowatt hour (kwh) unit price.

Consumption will continue to be billed on a per kwh basis. Automatic Meter Reading (**AMR**) meters have been installed on the FEGP equipment enabling electricity consumption to be measured at five minute intervals. Meter data is cross referenced with aircraft on stand data to create an invoice showing the number of kwh consumed. There is no maximum cap per day, the actual kwh used are invoiced. If for any reason the AMR is unable to provide data, a default charge will be applied based on approximate usage by aircraft type.

The main drivers impacting the FEGP price from 1 August 2021 are: (i) the current level of under-recovery; and (ii) the reduced passenger forecast for the remainder of 2021.

The unit price will be £0.87 per kwh for the period 1 August – 31 December 2021.

Hold Baggage Screening (HBS)

Following the CAA HBS Decision Letter, running costs for Hold Baggage Screening (**HBS**) are now charged as an ORC.

HBS costs consist of direct costs, which include: staff costs, operational contract and consultancy costs. Bag volumes are calculated using a bag per departing passenger ratio.

The unit rate is based on 7.96m departing bags in the 1 August to 31 December 2021 pricing period.

HBS prices are charged on a “per departing bag” basis and cover the costs of all departing bags, arriving bags, transferring of bags and gate bags. This charge is invoiced monthly in arrears against each airline’s actual number of direct and transferring departing bags as reported in MerlinLite.

The main drivers impacting the HBS price from 1 August 2021 are: (i) the current level of under-recovery; and (ii) the reduced volumes of passengers forecast for the remainder of 2021.

From 1 August 2021, the unit price per departing bag will be £0.61.

Passengers Requiring Support (PRS)

The cost of the PRS service consists of the direct operating cost, which is primarily the costs of the contracted service provider, and allocated costs.

The main drivers impacting the PRS price from 1 August 2021 are: (i) the current level of under-recovery; and (ii) the reduced volumes of passengers forecast for the remainder of 2021.

As detailed in the previous version of this GN (01/21) and in the relevant section below, costs have been included in the Airport Cost Recovery Charge, which results in a reduction to the PRS unit price.

Due to the impact of the Covid-19 pandemic on passenger behaviours, a temporary reduction in thresholds has been agreed following consultation with ORCG, and the below thresholds and requirements remain in force unless otherwise published following consultation. Heathrow and the PRS service provider is committed to working with the airlines to improve their pre-notification levels.

The pre-notification threshold will remain at 30 hours and it should be noted that a valid pre-notification must include the following:

- Passenger name (at minimum giving their first initial and full last name);
- Flight details into or out of LHR (including date);
- Full Special Service Request (**SSR**) code; and
- Type of assistance and/or equipment required.

Where assistance information has been received from a PRS passenger, as per Article 6 of Regulation EC 1107/2006 (**PRS Regulation**)³, airlines have an obligation to pre-notify the airport with that assistance information. The above PRS information is required by Heathrow in order to provide assistance. Pre-notification performance is important in that it facilitates the most efficient use of resources and therefore impacts on cost.

Unless otherwise published following consultation with ORCG, from 1 August 2021, the charges for PRS are as follows:

- **Category 1** – at 40%+ pre-notification at 30 hours shall be **£2.86** per departing passenger.
- **Category 2** – below 40% pre-notification at 30 hours shall be **£3.37** per departing passenger (consisting of £2.86 base price + £0.51 supplement).

Airport Cost Recovery Charge

This charge was introduced from 1 January 2021 at the request of the Airlines through ORCG as an alternative way to recover costs related to the following ORCs:

- Baggage;
- PRS;
- FEGP;
- Common Use IT;
- Electricity; and
- Staff Car Parking.

The Airport Cost Recovery Charge includes the 2020 under-recovery generated in those charging categories as well as certain 2021 costs such as annuities and allocated costs for those ORCs. As a result, the Airport Cost Recovery Charge reduces the unit rate of the relevant individual ORCs for

³ Following the UK's withdrawal from the European Union, the PRS Regulation has been made Retained EU Law in the UK under the relevant provisions of the withdrawal agreement.

the period beginning on 1 January 2021. The consultation process for this charge began in 2020 and full details of the prices and costs were agreed at the ORCG on 2 February 2021.

The Airport Cost Recovery Charge applies from 1 January 2021, and was initially set at £8.90 per departing passenger, billed monthly in arrears.

As was set out in GN (01/21), the recovery of the Airport Cost Recovery Charge costs is tracked monthly at ORCG and following normal consultation may be adjusted during the year to achieve full cost recovery and removal of the charge by 31 December 2021.

Airside licences

Airside licence costs consist of allocated costs, annuities and the operating and maintenance costs of the Ramp Operations team. Changes to these charges are consulted at the Airport Users Committee (**AUC**).

In 2018, the AUC agreed to the inclusion of additional FTEs as part of the Airside Safety team. It was further agreed that the resultant under-recovery would be recovered over 3 years (from 2019 to 2021 inclusive) by a £500 p.a. increase in the Airside Licence fee.

The price from 1 January 2021 is £3,309 per licence per annum.

Electricity

Electricity costs consist of annuities, allocated and direct costs. Direct costs include: purchase costs for the provision of high and low voltage electricity at the Airport. Forecast consumption is then used to calculate average unit prices for electricity.

The annuities and allocated costs have been taken through the Q6 Consultation and are consistent with the CAA's Decision.

As detailed in the previous version of this GN (02/21), the 2020 under-recovery has been included in the Airport Cost Recovery Charge which results in a reduction to the unit price.

Only High Voltage users pay the Capacity Charge.

Individual prices are as set out in the Pricing Schedule of this GN.

Gas

Gas costs consist of annuities, allocated and direct costs. Direct costs include: purchase costs, staff costs and maintenance costs. Forecast consumption is then used to calculate an average unit price for gas.

The main driver impacting 2021 gas price is the reduced gas consumption forecasted for 2021 compared to previous years.

From 1 January 2021, the gas price is £0.10 per kwh.

Pre-conditioned air (PCA)

Heathrow is working in collaboration with the airline community to evaluate future PCA options. These options will be consulted on at ORCG.

From 1 January 2021, Heathrow has agreed to hold the price of PCA at a discretionary reduced rate of £1.00 per kwh, notwithstanding, and without prejudice to, Heathrow's right to charge PCA at a higher rate which is reflective of the annuities, allocated costs and direct costs of PCA to Heathrow. At the time of pricing in January 2021 there was an under-recovery of £14.05m which will increase to £19m at current forecast volumes for 2021.

Staff car parking

Staff car parking costs consist of annuities, allocated costs and direct costs. Direct costs include: bussing, fuel, car park management, business rates, property costs and maintenance. The Passenger Transport Levy will not be included in 2021 pricing as a result of the suspension of the Free Travel Zone. The current bussing and staff car park management contracts were tendered during 2020 and awarded to Transdev and APCOA, respectively.

The main driver impacting 2021 staff car parking price is the 2020 under-recovery and the reduced number of passes forecasted for 2021 compared to previous years, in turn driven by the passenger forecast.

A forecast under-recovery of £7.17m in the period from 1 January – 31 December 2020 is being carried forward and recovered in the charges between 1 January 2021 and 31 December 2021.

From 1 January 2021, the price of the perimeter pass is £1,614.36 per annum.

The staff car park passes are charged for each month or part month for which a pass is active. Invoices are sent quarterly in arrears. If a staff car park pass is cancelled during a month, the pass will be still charged for that full month.

For further information on staff car parking quotas and access, please contact employeeparking@heathrow.com.

Staff identity cards and Vehicle apron passes (VAP)

The cost of the staff identity card and vehicle apron pass service consists of annuities, allocated and direct costs which include control, administrative and property costs.

The main driver impacting 2021 price is the reduced number of passes forecasted for 2021 compared to previous years, driven by the passenger forecast, as well as the under-recovery.

A forecast under-recovery of £0.88m in the period 1 January – 31 December 2020 is being carried forward and recovered in the charges between 1 January 2021 and 31 December 2021.

From 1 January 2021, staff identity card charges are:

- £64.51 per application;
- £32.25 for a temporary employment pass;
- £4.00 for a temporary visitor pass.

Vehicle Apron Passes

The income from vehicle apron passes (**VAPs**) forms part of the ORC income for the Heathrow ID Centre. The amount that Heathrow recovers from VAPs was set by the CAA Decision. Heathrow has adjusted the forecast number of passes from 400 to 350 expected to be issued in 2021 as a result of the low passenger forecast and resultant reduction in scale of airport operations. Changes to these fees are consulted on at the AUC.

For 2017 charges, after consultation with the AUC, it was decided that the single annual charge for a liveried vehicle be split into a three-tiered charge based on the Euro emissions category for the vehicle. The purpose of this change was to incentivise the use of low emissions vehicles. The change will not result in any additional income to Heathrow. A new Tier D has been added to account for the vehicles with a zero-rated charge.

The 2021 charges per emissions category per vehicle per annum remain unchanged as follows:

Tier A: £16.77
Tier B: £33.53
Tier C: £50.30
Tier D: £0.00 (free)

The below three tables explain the vehicle specifications that fall under each tier.

Full Road Vehicle Apron Pass (VAP) - Permanent Livery					
Prices (annual)	-	Tier A - £16.77	Tier B - £33.53	Tier C - £50.30	Tier D - £0.00
Year of manufacture	-	1st March 2015 – onwards	1st March 2009 – 28th / 29th Feb 2015	1st March 2000 – 28th / 29th Feb 2009	1st March 2000 – onwards
Euro Classification	-	Euro 6	Euro 5	Euro 4 & 3	Full electric / Hydrogen
Fuel type	-	<i>Fuel Type</i>	<i>Fuel Type</i>	<i>Fuel Type</i>	
Vehicle types (price/tier will be dependant on the fuel type it uses)	Blue Light Minibus Coach (Over 16-seater) Catering Vehicle Detainee Vehicle Service Water/Toilet Truck Aircraft refuelling Truck HGV (Heavy Good Vehicle) Lorry mounted support equipment De -icing Rig LDV (light duty vehicle) VIP Vehicle Car Small Van Large Van Airstart vehicle Security Truck / Van for transporting high Value goods vehicles Armoured Vehicle Road and Non Road / GSE Equipment	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Full electric / Hydrogen Vehicle (more information below)

Full Road Vehicle Apron Pass (LDVAP) - Private with temporary Livery					
Prices (annual)	-	Tier A - £1654.50	Tier B - £1654.50	Tier C - £1654.50	Tier D - £0.00
Euro Classification	-	Euro 6	Euro 5	Euro 4 & 3	Full electric / Hydrogen
Fuel type	-	<i>Fuel Type</i>	<i>Fuel Type</i>	<i>Fuel Type</i>	
Vehicle types (price/tier will be dependant on the fuel type it uses)	Blue Light Minibus Coach (Over 16-seater) Catering Vehicle Detainee Vehicle Service Water/Toilet Truck Aircraft refuelling Truck HGV (Heavy Good Vehicle) Lorry mounted support equipment De-icing Rig LDV (light duty vehicle) VIP Vehicle Car Small Van Large Van Airstart vehicle Security Truck / Van for transporting high Value goods vehicles Armoured Vehicle	White Diesel (DERV) Red Diesel (Gas Oil) Petrol Hybrid Electric Petrol Hybrid Electric Diesel LPG Hydrogen CNG Other Fuel	White Diesel (DERV) Red Diesel (Gas Oil) Petrol Hybrid Electric Petrol Hybrid Electric Diesel LPG Hydrogen CNG Other Fuel	White Diesel (DERV) Red Diesel (Gas Oil) Petrol Hybrid Electric Petrol Hybrid Electric Diesel LPG Hydrogen CNG Other Fuel	Full electric / Hydrogen Vehicle (year of manufacture 1st March 2000 – onwards, more information below)

Full Non-road Vehicle Apron Pass (VAP) / GSE - Permanent Livery					
Prices (tier)	-	Tier A - £16.77	Tier B - £33.53	Tier C - £50.30	Tier D - £0.00
Year of Manufacture	-	1st September 2014 - Onwards	1st March 2009 - 31st August 2014	1st March 2000 – 28th / 29th Feb 2009	1st March 2000 – onwards
Euro Classification	-	Euro 6 / Stage VI / Stage VII	Euro 5 / Stage V	Euro 4 & 3 / Stage II / Stage III / Stage IV	Full electric / Hydrogen
Power Rating	-	0 - <19 Kw/19Kw - <37Kw/37Kw - 75Kw/75Kw - <130Kw/130Kw - <560Kw / 560K +	0 - <19 Kw/19Kw - <37Kw/37Kw - 75Kw/75Kw - <130Kw/130Kw - <560Kw / 560K +	0 - <19 Kw/19Kw - <37Kw/37Kw - 75Kw/75Kw - <130Kw/130Kw - <560Kw / 560K +	
Fuel Type	-	<i>Fuel Type</i>	<i>Fuel Type</i>	<i>Fuel Type</i>	
Vehicle types (price/tier will be dependant on the fuel type it uses)	Baggage Tug Loading Elevator Conveyor Belt Construction Plant / Equipment Crane / Lifting Equipment or tall Vehicle Mobile Elevated work platform Ground Support Equipment Push Back Tug Aircraft Tug Drivable Stairs	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Red Diesel (Gas Oil) White Diesel (DERV) Petrol Hybrid Electric Petrol Hybrid Diesel LPG CNG Other Fuel	Full electric / Hydrogen Vehicle (more information below)

For further guidance please contact your Licence Manager.

As set out following consultation with the AUC, as of January 2021 Hybrid vehicles are charged at Tier A category. A Hybrid vehicle is a vehicle that uses two forms of power, for example an electric motor and a combustion engine or battery and fuel cells. Hybrid vehicles also includes the following types of vehicles: Battery Electric Vehicle (**BEV**), Hybrid Electric Vehicle (**HEV**) and Plug-In Hybrid Electric Vehicles (**PHEV**).

To be included in the Hybrid/Tier A category, the vehicle must comply with the following technical characteristics:

- Vehicles (cars) that have CO₂ emissions of less than 50g/km and can travel at least 112km (70 miles) without any emissions at all;
- Vehicles (vans) that have CO₂ emissions of less than 75g/km and can travel at least 16km (10 miles) without any emissions at all;
- Vehicles (large vans) that CO₂ emissions of at least 50% less than the equivalent conventional Euro VI vehicle that can carry the same capacity. They can travel at least 16km (10 miles) without any emissions at all.

The prices for temporary passes are now as follows:

- Temporary month pass: £31.63/month;
- Temporary private vehicle apron passes: £137.88/month.

A £150.00 charge will relate to expired passes not handed back

Waste services

Waste services costs consist of annuities, allocated and direct costs. Direct costs include: waste contracts and staff costs.

A forecast under-recovery of £0.597m in the period 1 January – 31 December 2020 is being carried forward and recovered in the charges between 1 January to 31 December 2021.

Tiered prices are calculated to reflect the greater use of the service by some operators and are set out in the Pricing Schedule of this GN.

There are two types of waste charge:

- the Refuse Area Charge; and
- the Refuse Bin Room Charge.

The main driver for 2021 waste charges is the change in outlet mix as a result of terminal consolidation.

The Refuse Area Charge base charge is £63.11 per assessed unit per quarter. Refuse Area Charges will continue to be charged on a “per assessed unit basis” where one unit equals 250 sq. ft.

The Refuse Bin Room Charge base charge (only applicable in Terminal 2 and Terminal 5) is £1,060 per outlet per quarter. Refuse Bin Room Charge prices will continue to be charged on a “per outlet basis”.

The “Green Tier” introduced as of 1 January 2019 will continue throughout 2021. In line with Heathrow’s sustainability targets, as set out in “Heathrow 2.0”⁴, a set of reduced prices is being introduced to encourage the sustainable behaviours with regard to waste disposal. Examples of

⁴ <https://www.heathrow.com/content/dam/heathrow/web/common/documents/company/heathrow-2-0-sustainability/further-reading/heathrow-2-0.pdf>

these behaviours include delivering items in reusable packaging such as reusable plastic crates instead of cardboard, increased recycling and an overall significant reduction in waste etc.

- The Green Tier Refuse Area Charge base charge is £56.92 per assessed unit per quarter, where one unit equals 250 sq. ft.
- The Green Tier Refuse Bin Room Charge base charge is £926 per outlet per quarter. Refuse Bin Room prices will continue to be charged on a “per outlet basis”.

The full schedule of waste prices can be found in the attached Pricing Schedule of this GN.

To apply for the incentivised Green Tier prices, customers must write to halorc@heathrow.com explaining why they qualify for the lower price. Heathrow will assess this application and, if the application is successful, apply the new charge from the following quarter. Successful applications, excluding specific company information, will be available to allow for transparency as to how to achieve the lower charge. Heathrow will audit waste activities to ensure that the agreed behaviours are being maintained and reserves the right to amend the charge to the standard tariff if the correct behaviours are not being displayed.

Water

Water costs consist of annuities, allocated and direct costs. Direct costs include: purchase costs, staff costs and maintenance costs. Forecast consumption is then used to calculate average unit prices for water.

A forecast under-recovery of £2.3m in the period 1 January – 31 December 2020 is being carried forward and recovered in the charges between 1 January to 31 December 2021.

The main driver impacting 2021 price is the reduced water consumption forecasted for 2021 compared to previous years, driven by the passenger forecast, as well as the under-recovery.

From 1 January 2021, the Water and Sewerage charge is £21.72 per cubic metre.

A breakdown of the individual water prices is set out in the Pricing Schedule of this GN.

In circumstances where a user has a separate trade effluent consent from Thames Water, Heathrow levies charges for the supply of water only i.e. the sewerage proportion of the charge is removed.

Common IT Infrastructure

Common IT infrastructure consists of three separate categories which are: common use of the Passive LAN, the Active LAN and the Wireless LAN. Included in this GN is Passive LAN only which is an ORC for the duration of Q6 and iH7.

Active LAN and Wireless LAN, whilst not part of the ORC income forecast in the CAA's Decision and therefore not an ORC, are priced using ORC principles. The income for these two prices remains within Heathrow's commercial revenues and therefore are communicated in a separate Notice to this GN. Note that Active LAN runs on Passive LAN infrastructure so revenue from Active LAN is used to support the recovery of Passive LAN annuities.

Users of common Passive LAN can be defined as any organisation using either common use or dedicated common use equipment (whether or not provided by means of a service provider), where the service is delivered over the Heathrow managed LAN service.

Common use Passive LAN costs consist of annuities, allocated and direct costs. Direct costs include: staff costs. The 2020 under-recovery as well as all 2021 costs have been included in the 'Airport Cost Recovery Charge.'

From 1 January 2021, the price per port per annum will be £0 and all costs are recovered via the Airport Cost Recovery Charge.

This change will also be applied to Common Active and Wireless LAN.

4.0 PAYMENTS AND DISPUTES

Payments

Payment of invoices must be dealt with in accordance with the relevant contract between yourself and Heathrow, for example (but not limited to), the Conditions of Use, the Ground Operations Licence, a Lease or Licence or any other relevant contract. To the extent that there is no relevant contract in place, or any contract does not include payment terms relevant to ORC invoices, the following applies:

- Payments to Heathrow shall be made without set-off or deductions (including taxes or charges). If the applicable law requires any tax or charge to be deducted before payment the amount shall be increased so that the payment made will equal the amount due to us as if no such tax or charge had been imposed. It is your responsibility to provide full remittance details of payments made to us. All remittances should be emailed to: remittances@heathrow.com.
- The amount of charges you must pay is set out in and/or calculated in accordance with the published prices incorporated within the GN and set out on the invoice sent to you
- All sums due which are not paid on the due date shall bear interest at a per annum rate of 3% higher than the Bank of England base rate, or 8% per annum, whichever is higher, calculated on a daily basis from the date when such sums were due until the date of payment (both dates inclusive).

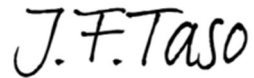
Disputes

Disputes regarding specific ORC invoices must be dealt with in accordance with the relevant contract between yourself and Heathrow, for example (but not limited to), the Conditions of Use, the Ground Operations Licence, a Lease or Licence or any other relevant contract. To the extent that there is no relevant contract in place, or any contract does not include dispute terms relevant to ORC invoices, the following applies:

- Without prejudice to our rights under any applicable contracts and the law, if there is a genuine dispute between a party and Heathrow concerning an ORC invoice, then the party must write to Heathrow by email within 10 days of the invoice due date, to BSC-Disputes-Management@heathrow.com.
- In that email, the party must provide, at minimum, the following information in order for Heathrow to accept a dispute for consideration:
 - o Invoice number
 - o Total amount of the invoice in dispute
 - o The specific reasons for the dispute
 - o Supporting evidence
- A member of the team will aim to respond within 10 days of receiving notification of a dispute in accordance with the above.

5.0 FURTHER INFORMATION

If you have any questions concerning the new charges or require further information relating to other regulated charges or Heathrow's ORCG, please contact halorc@heathrow.com or visit Heathrow's website www.heathrowairport.com/orc.



Joanna Taso
Aviation Director
For and on behalf of Heathrow Airport Limited

Distribution: Full
Enc

HEATHROW AIRPORT LIMITED

General Notice: Tariffs with effect from 1 August 2021

Pricing Schedule

Product/ service				Effective 01-01-2021	Effective 01-08-2021
	units charged			unit price	unit price
Airport Cost Recovery Charge	per departing passenger			8.90	£8.90
Airside Licences	per licence			£3,309	£3,309
Baggage	per bag			£4.44	£13.47
Check-in desks & CUSS	per departing passenger (new mechanic)			£0.55	£0.80
Electricity					
Electricity Low Voltage – supply	per kwh			£0.119	£0.119
Electricity Low Voltage – infrastructure	per kwh			£0.243	£0.243
Electricity High Voltage – supply	per kwh			£0.119	£0.119
Electricity High Voltage – infrastructure	per kwh			£0.130	£0.130
Electricity (Capacity)	per kva/ month			£3.63	£3.63
FEGP	per kwh			£0.41	£0.87
Gas	per kwh			£0.10	£0.10
Passengers Requiring Support (PRS)					
Category 1 (40% or above at 30 hrs)	per departing passenger			£1.19	£2.86
Category 2 (Below 40% at 30 hrs)	per departing passenger			£1.39	£3.37
Category 3 (n/a)	per departing passenger			£3.23	-
Pre-conditioned air (PCA)	per kwh			£1.00	£1.00
Staff car parking					
Perimeter passes ▲	per pass			£1,614.36	£1,614.36
Lost passes	per disc or per card			£30.00	£30.00
Staff identity cards					
Temporary photographic ID pass (Visitor Pass)	per pass application			£4.00	£4.00
Temporary photographic ID pass (Employment pass)	per pass application			£32.25	£32.25

Full ID per Originating Application	per pass application			£64.51	£64.51
Penalty charge for lost or stolen pass -64k	per pass			n/a	n/a
Machine readable ID pass – landside	per pass			n/a	n/a
32k machine readable ID pass - amendment	per pass			FREE	FREE
64k machine readable ID pass amendment	per pass			FREE	FREE
Application "no show"	per "no show"			£62.00	£62.00
All unsurrendered passes (60 days+ from expiry)	per pass			£150.00	£150.00
Vehicle apron passes					
Liveried vehicle airside pass – annual Tier A	per pass			£16.77	£16.77
Liveried vehicle airside pass – annual Tier B	per pass			£33.53	£33.53
Liveried vehicle airside pass – annual Tier C	per pass			£50.30	£50.30
Liveried vehicle airside pass – annual Tier D	per pass			FREE	FREE
Liveried vehicle airside pass - temporary (per month)	per pass			£31.63	£31.63
Private vehicle airside pass – annual	per pass			£1,654.50	£1,654.50
Private vehicle airside pass – temporary (per month)	per pass			£137.88	£137.88
Expired passes (if found)	per pass			£150	£150

Product/ service			Effective 01-01-2021	Effective 01-08-2021
	units charged		unit price	unit price
Waste Services				
Refuse Area Charge				
Low Waste Use (e.g. Services)	per assessed unit per quarter		£63.11	£63.11
Low Waste Use GREEN TARIFF			£56.92	£56.92
Medium Waste Use (e.g. Shops)	per assessed unit per quarter		£72.59	£72.59
Medium Waste Use GREEN TARIFF			£65.47	£65.47
High Waste Use (e.g. Food and Beverage outlets)	per assessed unit per quarter		£82.05	£82.05
High Waste Use GREEN TARIFF			£74.01	£74.01
Refuse Bin Room Charge Δ				
Low Waste Use (e.g. Services)	per outlet per quarter		£1,060	£1,060
Low Waste Use GREEN TARIFF			£926	£926
Medium Waste Use (e.g. Shops)	per outlet per quarter		£3,458	£3,458
Medium Waste Use GREEN TARIFF			£3,021	£3,021
High Waste Use (e.g. Food and Beverage outlets)	per outlet per quarter		£6,397	£6,397
High Waste Use GREEN TARIFF			£5,590	£5,590
Water				
Water & sewerage	per cubic metre		£21.72	£21.72
Water supply only	per cubic metre		£16.80	£16.80
Waste water only	per cubic metre		£6.49	£6.49
Low Temperature Hot Water	per cubic metre		N/A	N/A
Chilled Water	per cubic metre		N/A	N/A
Domestic Hot Water	per cubic metre		£25.65	£25.65
Airline Operators Committee	per departing passenger		£0.0415	£0.0796
IT Common Passive \square	per port		£0.00	£0.00
HBS (new from 1 May 2019)	per bag		£0.34	£0.61

Notes:

- \blacktriangle Price shown represents an annualised price, 1/12th of which will be used when calculating a monthly charge when invoicing.
- Δ The refuse bin room charge is only applicable in Terminal 2 and Terminal 5.
- \square Price shown is for Common Passive LAN only. Other "Common IT Infrastructure" prices are not ORC's but will be priced using ORC principles and will therefore be subject to a separate notification.