# **General Notice**

# Tariffs with effect from 1 January 2024

Date: 07 December 2023

Reference: 01/24



#### **Tariffs affected**

## From 1 January 2024

- Airside licences
- Baggage
- Electricity
- Fixed electrical ground power (FEGP)
- Hold baggage screening (HBS)
- Passengers with reduced mobility (PRM)
- Pre-conditioned air (PCA)
- Staff car parking
- Staff identity cards (including vehicle apron passes)
- Waste services
- Water & Sewerage
- Airline Operators Committee (AOC)



#### 1.0 INTRODUCTION

This General Notice ("**GN**") sets out the charges for the services listed above at Heathrow Airport effective 1 January 2024. This GN supersedes GN 01/23 published on 9 December 2022.

Heathrow's Other Regulated Charges ("ORC") are governed by the economic licence ("Licence") set by the Civil Aviation Authority ("CAA") as well as the agreed principles set out in the Other Regulated Charges Protocol ("ORC Protocol").

Heathrow has provided transparency on the cost build up set out in this GN to the Other Regulated Charges Group ("ORCG") and the non-airline ORC Governance forum via the publication of the Heathrow ORC Pricing consultation on the 31 August 2023, subsequent sessions held on the 14 September 2023 for all ORC users and for airline users on 22 September 2023 and bilateral meetings with stakeholders where requested.

Heathrow has set out in the 2024 ORC Pricing Consultation Report, the feedback received on the pricing proposals and included responses to the key themes and questions raised by the community.

ORC pricing is generally based on the following principles and transparency arrangements:

- Prices are generally set to enable only the recovery of costs (no profit margin is included);
- Costs consist of direct costs and fixed costs;
- Fixed costs are derived from Table 8.2 of the CAP2524C of the CAA H7 Final Decision;
- No cross-subsidisation of income between categories occurs;
- Where income is greater than the costs in the previous year, this "over recovery" will usually be returned by a reduction in prices the following year, the opposite is true where an "under recovery" has been generated
- Pricing is supported by transparency on costs and revenues and externally verified Trading Statements.

If you have any questions concerning the new charges or require further information relating to ORCs, Heathrow's Other Regulated Charges Group or the non-airline ORC Governance forum, please contact the Heathrow ORC team at: <a href="mailto:halorc@heathrow.com">halorc@heathrow.com</a> or visit: <a href="https://www.heathrow.com/company/doing-business-with-heathrow/regulated-charges">https://www.heathrow.com/company/doing-business-with-heathrow/regulated-charges</a>.



#### 2.0 BACKGROUND

Prices in this GN cover the period 1 January – 31 December 2024.

The tariff schedule within this General Notice (GN) encompasses the CAA's H7 Final Decision. The outcome of which results in annuities, allocated costs, and business rates attributed to airline operations being redistributed from ORCs into airport charges. We have included the non-airline share of fixed costs within the ORC tariffs.

Key elements of the 2024 ORC price calculations are as follows:

- Annuities and allocated costs (together, fixed costs) and business rates are being recovered at the levels set out in the CAA's H7 Decision, subject to inflation (RPI);
- 2022 over or under recoveries (as verified by independent auditors) and forecast 2023 over or under recoveries are accounted for in the prices effective 1 January 2024 unless stated otherwise; and
- Fixed Electrical Ground Power ("**FEGP**") and Pre-Conditioned Air ("**PCA**") will continue to be invoiced based on metered consumption.



#### 3.0 PRICING

All prices set out in this GN are exclusive of VAT.

The prices set out in this GN will be effective from 1 January 2024 and will continue in force unless and until updated by a further GN. 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. Prior to implementing any changes, Heathrow will consult with the ORCG and the non-airline ORC Governance forum on matters relevant to the respective governance groups, aiming to achieve consensus on any changes made.

The prices set out in this GN take into account:

- 2024 costs;
- Any under or over recoveries shown in the Trading Statements for 2022, not previously included in the pricing for 2023; and
- Any forecasted over or under recovery relating to 2023 (covering the 12 months from 1 January 2023 to 31 December 2023).

The drivers of cost base increases and decreases are set out below and/or have been explained and recorded through the Airline Only and All-Airport Heathrow 2024 ORC Pricing consultation documentation and the Consultation Report.



#### Airside licences

Airside licence costs consist of the operating and maintenance costs of the ramp operations' team as well as the small over recovery generated during 2023. Changes to these costs have been presented to the Below Wing Airport Users' Committee ("AUC") and incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

The main drivers impacting the 2024 airside licence price is the investment in additional safety related resource and the inclusion of fixed costs.

A forecast over recovery of £0.03m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price will be £4,525 per licence per annum for the period 1 January – 31 December 2024.

#### Baggage

Baggage costs consist of the operating expenditure, maintenance of the infrastructure, IT and utilities. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023.

Bag volumes are calculated using a bag per departing passenger ratio. The unit rate for 2024 is based on 37.3m departing bags in the period 1 January to 31 December 2024.

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 2024 baggage price are the increase in expected bag volumes driven by higher passenger numbers, inflation, increased staff costs and IT which are partially offset by the forecast over recovery carried forward from 2023.

A forecast over recovery of £13.8m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price will be £3.02 per departing bag for the period 1 January – 31 December 2024.

#### **Electricity**

Electricity costs consist of the purchase costs for the provision of high and low voltage electricity at the airport. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

Forecast consumption is used to calculate average unit prices for electricity.



The main drivers impacting the 2024 electricity price are increases in the purchase price, the forecast over recovery carried forward from 2023 and the inclusion of fixed costs.

A forecast over recovery of £5.9m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

Only High Voltage users pay the Capacity Charge.

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

#### **Fixed Electrical Ground Power (FEGP)**

FEGP costs consist of staff, maintenance, parts and electricity costs. Electricity costs are calculated using the airport rate set out in the Pricing Schedule of this GN. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023.

Consumption will continue to be billed on a per kilowatt hour ("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.

The main drivers impacting the 2024 FEGP price are the electricity unit price and the forecast over recovery carried forward from 2023.

A forecast over recovery of £0.5m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price will be £0.40 per kwh for the period 1 January – 31 December 2024.

#### **Hold Baggage Screening (HBS)**

HBS costs consist of staff and operational contract costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023.

Bag volumes are calculated using a bag per departing passenger ratio. The unit rate is based on 37.3m departing bags in the 1 January to 31 December 2024 pricing period.

HBS prices will be charged on a "per departing bag" basis and will 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 2024 HBS price are the increase in expected bag volumes, increased Heathrow Staff costs and increased contract costs which are partially offset by the forecast over recovery carried forward from 2023.

A forecast over recovery of £1m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.



The price will be £0.23 per departing bag for the period 1 January – 31 December 2024.

#### Passengers with reduced mobility ("PRM")

The cost of the PRM service consists of the direct operating cost, which is primarily the costs of the contracted service provider. In addition, the costs relating to the provision of emergency hi-lift support have been added, as agreed with the community. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023.

The main drivers impacting the 2024 charges are the increased volume of PRM movements, inflation and investment in more PRM agents, partially offset by the forecast over recovery carried forward from 2023.

A forecast over recovery of £2.4m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The pre-notification charging categories and bandings have been reviewed in order to better incentivise improved rates of pre-notification, as outlined in the Heathrow 2024 ORC pricing Consultation Report. The differential multipliers between categories have been amended to the following:

Category 1 = 1x Category 2 = 1.2x Category 3 = 3x Category 4 = 5x

Heathrow and the service providers are committed to working with the airlines to help improve their prenotification levels.

The pre-notification threshold is the regulation 36 hours and it should be noted that a valid pre-notification must include the following:

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

PRM notification is required by Heathrow in order to provide assistance in accordance with the PRM Regulation. The pre-notification performance is important in that it facilitates the most efficient use of resources and therefore impacts on cost.

The charges for PRM are as follows, for the period 1 January – 31 December 2024:

- Category 1 at 65%+ pre-notification at 36 hours shall be £1.30 per departing passenger.
- Category 2 between 50% and 64.99% pre-notification at 36 hours shall be £1.56 per departing passenger (consisting of £1.30 base price + £0.26 supplement).
- Category 3 between 30% and 49.99% pre-notification at 36 hours shall be £3.91 per departing passenger (consisting of £1.30 base price + £2.61 supplement).



• Category 4 – less than 29.99% pre-notification at 36 hours shall be £6.51 per departing passenger (consisting of £1.30 base price + £5.21 supplement).

#### Pre-conditioned air ("PCA")

Heathrow is working in collaboration with the airline community to improve the usage of PCA to help improve the sustainability of airport operations.

For 2024 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, reflective of the direct costs of PCA to Heathrow. At the time of pricing there was an under recovery of £18.5m.

#### Staff car parking

Staff car parking costs consist of bussing and fuel costs, car park management, property and maintenance costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

The main drivers impacting the 2024 staff car parking price are the costs incurred for the operation, ULEZ mitigation efforts, the inclusion of fixed costs and the reduced over recovery which placed downward pressure on the 2023 tariff.

A forecast over recovery of £1.1m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price of the perimeter pass will be £972.60 per annum for the period 1 January – 31 December 2024.

For further information on parking, please contact: <a href="ColleagueParking@heathrow.com">ColleagueParking@heathrow.com</a>

#### Staff identity cards and vehicle apron passes ("VAPs")

The cost of the staff identity card and vehicle apron pass service consists of administrative and property costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

The main drivers impacting 2024 price are the increased number of passes forecast in 2024, the inclusion of fixed costs and the forecast over recovery carried forward from 2023.

A forecast over recovery of £0.35m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price per originating staff identity card application will be £21.44, a temporary employment pass will be £10.72 and a temporary visitor pass will be £4.00 for the period 1 January - 31 December 2023.



### **Accreditation Checks**

The regulatory change introduced in 2022 which incorporated enhanced background checks and the requirement for all airside pass holders to be subject to ongoing review by the Home Office, known as an "Accreditation Check" resulted in an additional application process and charge in addition to the Heathrow Staff identity card process.

Since 1 January 2022, this Accreditation Check must be 'granted' by the Home Office before any application can be made for new airside passes or in advance of renewal of airside passes. In addition, by 30 June 2024, all existing pass holders must also have been granted an Accreditation Check. Once obtained, all passes will be subject to ongoing review. This requirement drives IT and staff costs, as well as the charge from the Home Office.

The unit price for this Accreditation Check and the ongoing review is £8.41 per pass application for the period from 1 January – 31 December 2024, chargeable for full airside passes.

A charge will be levied per Accreditation Check submission regardless of whether the check is granted, refused or returns an error. A full pass application can only be submitted if an Accreditation Check has been granted. The charge for the full pass application of £21.44 still remains and is applied following the normal process for Staff identity cards.

### **Vehicle Apron Passes ("VAPs")**

The income from VAPs forms part of the ORC income for the ID Centre. Heathrow has maintained the forecast number of passes and associated revenue from 2023.

The 2024 charges per emissions category per vehicle per annum is as follows:

Tier A: £18.00 Tier B: £35.00 Tier C: £52.00 Tier D2: £15.00 Tier D: £0.00 (free)

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



|  | n Pass (VAP) - Permanent L   | ivery   |   |   |   |   |
|--|--|---|---|---|---|---|
| Prices (annual)  | -  | Tier A - £18.00                               | Tier B - £35.00                                   | Tier C - £52.00                                   | Tier D2 - £15.00  | Tier D - £0.00  |
| Year of manufacture  | -  | 1st September 2015 -<br>onwards               | 1st January 2011 –<br>2015                        | Pre 1st January 2011                              | 1 <sup>st</sup> September<br>2015 - onwards             | 1st March 2000 –<br>onwards                               |
| Euro Classification  | -  | Euro 6 (Diesel), Euro 4<br>(Petrol), & Hybrid | Euro 5 (Diesel)&<br>Euro 3 (Petrol)               | Less than Tier B                                  | Alternative /<br>Synthetic Fuels<br>(i.e. HVO)          | Full electric /<br>Hydrogen                               |
| Fuel type  | -  | Fuel Type                                     | Fuel Type   | Fuel Type   |   |   |
| Vehicle types<br>(price/tier will be<br>dependant on the<br>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 | Diesel Petrol Petrol Hybrid Diesel Hybrid     | Diesel Petrol LPG CNG Petrol Hybrid Diesel Hybrid | Diesel Petrol LPG CNG Petrol Hybrid Diesel Hybrid | Alternative /<br>Synthetic Fuel (i.e.<br>HVO or other)* | Full electric / Hydrogen Vehicle (more information below) |



| Prices (annual)  | -  | Tier A -<br>£1,654.50                         | Tier B -<br>£1,654.50                             | Tier C -<br>£1,654.50                             | Tier D2 -<br>£1654.50                             | Tier D<br>£0.00   |
|--|--|---|---|---|---|---|
| Euro Classification  | -  | Euro 6 (Diesel), Euro 4<br>(Petrol), & Hybrid | Euro 5 (Diesel)& Euro<br>3 (Petrol)               | Less than Tier B                                  | Alternative /<br>Synthetic Fuels<br>(i.e. HVO)    | Full electric /<br>Hydrogen/ ZEV                          |
| Fuel type  | -  | Fuel Type                                     | Fuel Type   | Fuel Type   |   |   |
| Vehicle types<br>(price/tier will be<br>dependant on the<br>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 | Diesel Petrol Petrol Hybrid Diesel Hybrid     | Diesel Petrol LPG CNG Petrol Hybrid Diesel Hybrid | Diesel Petrol LPG CNG Petrol Hybrid Diesel Hybrid | Alternative / Synthetic Fuel (i.e. HVO or other)* | Full electric / Hydrogen Vehicle (more information below) |



|                     | Apron Pass (VAP) / GSE - Per |   |                                     |                   |  |                             |
|---------------------|------------------------------|---|-------------------------------------|-------------------|--|-----------------------------|
| Prices (tier)       | -                            | Tier A - £18.00                               | Tier B - £35.00                     | Tier C - £52.00   | Tier D2 - £15.00                               | Tier D - £0.00              |
|                     |                              | 1st September 2015 -                          | 1st January 2011 –                  | Pre 1st January   | Alternative /                                  | Full electric /             |
| Year of Manufacture | -                            | onwards                                       | 2015                                | 2011              | Synthetic Fuels (i.e. HVO)                     | Hydrogen/ ZEV               |
| Euro Classification | -                            | Euro 6 (Diesel), Euro 4<br>(Petrol), & Hybrid | Euro 5 (Diesel)&<br>Euro 3 (Petrol) | Less than Tier B  | Alternative /<br>Synthetic Fuels<br>(i.e. HVO) | Full electric /<br>Hydrogen |
|                     | -                            | 0 - <19 Kw/19Kw -                             | 0 - <19 Kw/19Kw -                   | 0 - <19 Kw/19Kw - |  |                             |
|                     |                              | <37Kw/37Kw -                                  | <37Kw/37Kw -                        | <37Kw/37Kw -      |  |                             |
| Power Rating        |                              | 75Kw/75Kw -                                   | 75Kw/75Kw -                         | 75Kw/75Kw -       |  |                             |
|                     |                              | <130Kw/130Kw -                                | <130Kw/130Kw -                      | <130Kw/130Kw -    |  |                             |
|                     |                              | <560Kw / 560K +                               | <560Kw / 560K +                     | <560Kw / 560K +   |  |                             |
| Fuel Type           | -                            | Fuel Type                                     | Fuel Type                           | Fuel Type         |  |                             |
|                     | Baggage Tug                  | Diesel  | Diesel                              | Diesel            | Alternative /                                  | Full electric /             |
|                     | Loading Elevator             | Petrol  | Petrol                              | Petrol            | Synthetic Fuel (i.e.                           | Hydrogen Vehicle            |
|                     | Conveyor Belt                | Petrol Hybrid                                 | LPG                                 | LPG               | HVO or other)*                                 | (more information           |
|                     | Construction Plant /         | Diesel Hybrid                                 | CNG                                 | CNG               |  | below)                      |
|                     | Equipment                    |   | Petrol Hybrid                       | Petrol Hybrid     |  |                             |
| Vehicle types       | Crane / Lifting              |   | Diesel Hybrid                       | Diesel Hybrid     |  |                             |
| (price/tier will be | Equipment or tall            |   |                                     |                   |  |                             |
| dependant on the    | Vehicle                      |   |                                     |                   |  |                             |
| fuel type it uses)  | Mobile Elevated work         |   |                                     |                   |  |                             |
|                     | platform                     |   |                                     |                   |  |                             |
|                     | Ground Support               |   |                                     |                   |  |                             |
|                     | Equipment                    |   |                                     |                   |  |                             |
|                     | Push Back Tug                |   |                                     |                   |  |                             |
|                     | Aircraft Tug                 |   |                                     |                   |  |                             |
|                     | Drivable Stairs              |   |                                     |                   |  |                             |

For further guidance please contact the Licencing team in the Heathrow Airside operations team.



There is no change to the Tier A categorisation of hybrid vehicles, as consulted with the AUC. A hybrid vehicle is one that uses two forms of power, for example an electric motor and a combustion engine or battery and fuel cells. Hybrid vehicles also include 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 will remain unchanged as follows:

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

The un-surrendered passes charge is no longer applicable, and the £150.00 charge will relate to the expired passes not handed back.

If HVO or other fuel types is required, seek assistance from the Licencing team.

#### Waste services

Waste services costs consist of waste contracts and staff costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

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:

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

The main drivers for 2024 waste charges prices are inflation, increased collection requirements as a result of the higher passenger volume forecast for 2024, the inclusion of fixed costs and the forecast over and under recoveries carried forward from 2023 (in refuse area and refuse bin rooms respectively).

A forecast over recovery of £0.1m for refuse area and an under recovery of £0.2m for refuse bin room in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The Refuse Area base charge will be £66.70 per assessed unit per quarter. Refuse Area prices will continue to be charged on a "per assessed unit basis" where one unit equals 250 sq. ft.

The Refuse Bin Room base charge (only applicable in Terminal 2 and Terminal 5) will be £798.61 per outlet per quarter. Refuse Bin Room prices will continue to be charged on a "per outlet basis".



The "Green Tier" introduced as of 1 January 2019 will continue in 2024. In line with Heathrow's sustainability targets articulated in Heathrow 2.0: Connecting People and Planet and Heathrow's Net Zero plan, a set of reduced prices is being introduced to encourage the sustainable behaviours with regard to waste disposal. Examples of 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 base charge will be £62.03 per assessed unit per quarter, where one unit equals 250 sq. ft.
- The Green Tier Refuse Bin room base charge will be £742.71 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 <a href="mailto:halorc@heathrow.com">halorc@heathrow.com</a> explaining why they qualify for the lower price. Heathrow will assess this application and apply the new charge, if successful, to be applicable 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 supply purchase costs, staff and maintenance costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023. We have included a provision for fixed costs within the pricing budget in line with the H7 Final Decision.

Forecast consumption is then used to calculate average unit prices for water.

The main drivers impacting the 2024 price are increased maintenance & equipment costs, the inclusion of fixed costs and the forecast over recovery carried forward from 2023.

A forecast over recovery of £0.08m in the period 1 January – 31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The Water and Sewerage charge is £17.04 per cubic metre for the period 1 January – 31 December 2024.

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.

#### **Airline Operators Committee (AOC)**

AOC costs consist of facilities and resource costs. Changes to these costs have been incorporated into both the consultation documentation circulated on the 31 August 2023 and the Consultation Report circulated on the 7 December 2023.

A forecast over recovery of £0.18m in the period 1 January -31 December 2023 is being carried forward and recovered in the 1 January to 31 December 2024 pricing period.

The price will be £0.0097 per departing passenger for the period 1 January – 31 December 2024.

#### 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 <a href="mailto:BSC-Disputes-Management@heathrow.com">BSC-Disputes-Management@heathrow.com</a>.
- 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.
  - Total amount of the invoice in dispute.
  - The specific reasons for the dispute.
  - 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

https://www.heathrow.com/company/doing-business-with-heathrow/regulated-charges.

Ross Baker - Chief Commercial Officer

For and on behalf of Heathrow Airport Limited

Distribution: Full

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# **HEATHROW AIRPORT LIMITED**

# **General Notice: Tariffs with effect from 1 January 2024**

# **Pricing Schedule**

| Product/ service                                 |                               | Effective 01-01-2023 | Effective<br>01-01-2024 |
|--|-------------------------------|----------------------|-------------------------|
|  | units charged                 | unit price           | unit price              |
|  |                               |                      | <u>-</u>                |
| Airside Licences                                 | per licence                   | £3,203               | £4,525                  |
| Baggage  | per bag                       | £2.97                | £3.02                   |
| Flactuicity                                      |                               |                      |                         |
| Electricity                                      | n au leuda                    | CO 050               | CO 007                  |
| Electricity Low Voltage – supply                 | per kwh                       | £0.253               | £0.267                  |
| Electricity Low Voltage – infrastructure         | per kwh                       | £0.124               | £0.131                  |
| Electricity High Voltage – supply                | per kwh                       | £0.253               | £0.267                  |
| Electricity High Voltage – infrastructure        | per kwh                       | £0.066               | £0.070                  |
| Electricity (Capacity)                           | per kva/ month                | £4.37                | £4.44                   |
| FEGP   | per kwh                       | £0.38                | £0.40                   |
| 1201   | porkwii                       | 20.00                | 20.10                   |
| Passengers with reduced mobility                 | y (PRM)                       |                      |                         |
| Category 1 (Above 65% at 36 hrs)                 | per departing passenger       | £1.10                | £1.30                   |
| Category 2 (50% to 64.99% at 36 hrs)             | per departing passenger       | £1.32                | £1.56                   |
| Category 3 (30% to 49.99% at                     | per departing                 | £3.31                | £3.91                   |
| 36 hrs) Category 4 (less than 29.99% at          | passenger<br>per departing    | n/a                  | £6.51                   |
| 36 hrs)  | passenger                     |                      |                         |
| Pre-conditioned air (PCA)                        | per kwh                       | £1.00                | £1.00                   |
| Staff car parking                                |                               |                      |                         |
| Perimeter passes A                               | per pass                      | £350.00              | £972.60                 |
| Lost passes                                      | per disc or per card          | n/a                  |                         |
| Losi passes                                      | per disc or per card          | II/a                 | 11/4                    |
| 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          | £9.61                | £10.72                  |
| Full ID per Originating                          | per pass application          | £19.22               | £21.44                  |
| Application Accreditation check                  | per pass application          | £9.27                | £8.41                   |
| Penalty charge for lost or stolen                | per pass application per pass | n/a                  | £21.44                  |
| pass -64k<br>Machine readable ID pass –          | per pass                      | n/a                  | n/a                     |
| landside   |                               |                      | FREE                    |
| 32k machine readable ID pass - amendment         | per pass                      | FREE                 | FKEE                    |

| 0.41  |               | EDEE      |           |
|---|---------------|-----------|-----------|
| 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    | £18.00    |
| Liveried vehicle airside pass – annual Tier B         | per pass      | £33.53    | £35.00    |
| Liveried vehicle airside pass – annual Tier C         | per pass      | £50.30    | £52.00    |
| Liveried vehicle airside pass – annual Tier D2        | per pass      | n/a       | £15.00    |
| 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 01-01-2023 | Effective<br>01-01-2024 |
|---|-------------------------------|----------------------|-------------------------|
|   | units charged                 | unit price           | unit price              |
| Waste Services                                  |                               |                      |                         |
| Refuse Area Charge                              |                               |                      |                         |
| Low Waste Use (e.g. Services)                   | per assessed unit per quarter | £20.07               | £66.70                  |
| Low Waste Use GREEN TARIFF                      |                               | £18.67               | £62.03                  |
| Medium Waste Use (e.g. Shops)                   | per assessed unit per quarter | £23.08               | £76.72                  |
| Medium Waste Use GREEN TARIFF                   |                               | £21.47               | £71.35                  |
| High Waste Use (e.g. Food and Beverage outlets) | per assessed unit per quarter | £26.09               | £86.72                  |
| High Waste Use GREEN TARIFF                     |                               | £24.27               | £80.65                  |
| Refuse Bin Room Charge $\Delta$                 |                               |                      |                         |
| Low Waste Use (e.g. Services)                   | per outlet per quarter        | £1,039.00            | £798.61                 |
| Low Waste Use GREEN TARIFF                      |                               | £966.27              | £742.71                 |
| Medium Waste Use (e.g. Shops)                   | per outlet per quarter        | £3,390.82            | £2,606.31               |
| Medium Waste Use GREEN TARIFF                   |                               | £3,153.47            | £2,423.86               |
| High Waste Use (e.g. Food and Beverage outlets) | per outlet per quarter        | £6,273.40            | £4,821.95               |
| High Waste Use GREEN TARIFF                     |                               | £5,834.26            | £4,484.42               |
| Water   |                               |                      |                         |
| Water & sewerage                                | per cubic metre               | £4.47                | £17.04                  |
| Water supply only                               | per cubic metre               | £3.46                | £13.19                  |
| Waste water only                                | per cubic metre               | £1.33                | £5.07                   |
| 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               | £5.27                | £20.08                  |
| Airline Operators Committee (AOC)               | per departing passenger       | £0.0085              | £0.0097                 |
| Hold baggage screening (HBS)                    | per bag                       | £0.22                | £0.23                   |

# Notes:

<sup>▶</sup> Price shown represents an annualised price, 1/12<sup>th</sup> of which will be used when calculating a monthly charge when invoicing.

 $<sup>\</sup>Delta$   $\,$   $\,$  The refuse bin room charge is only applicable in Terminal 2 and Terminal 5.