

Heathrow Airport Limited The Compass Centre, Nelson Road, Hounslow, Middlesex TW6 2GW T: +44 (0)844 335 1801 W: heathrow.com

By e-mail

DATE: 16 December 2020

Subject: Heathrow Other Regulated Charges: Hold Baggage Screening

Dear Customers,

Further to the CAA HBS decision letter dated 30 July 2020 confirming Heathrow's ability to recover Hold Baggage Screening (HBS) Costs through the Other Regulated Charges (ORC) mechanism, Heathrow has consulted with the Other Regulated Charges Group (ORCG) on costs incurred since 1 May 2019 in delivering this service and the most appropriate application of price in recovering those costs.

In responding to the Covid-19 pandemic, we have taken over £4m of costs out of the HBS service versus budget; however, at the currently greatly reduced bag volumes this would still have resulted in a 2020 price of 42p per bag. After consultation with the ORCG we can confirm that for the period 1 May 2019 to 31 December 2020, the price will be 27p per bag as recorded in Merlin.

Invoicing for May 2019 to date will begin immediately.

A new HBS price for 2021 will be included in the General Notice and will be invoiced monthly in arrears.

Yours sincerely,

Ziana Chr.

Fiona Carleton Aviation Director