

**Project Definition Sheet – Q5 PSDH**

**BCT Numbers and Project Name as shown in Schedule**

PSDH Q5 Various BCT's 9320, 96321, 9322, 9323, 9324, 9325, 9326 and 9421

## Header Information

<b>Project Name:</b>	Q5 PSDH Funding
<b>Name in Schedule:</b>	PSDH Q5 (Various BCT's 9320, 96321, 9322, 9323, 9324, 9325, 9326 and 9421)

## Project Overview, Objectives and Status

<b>Overview:</b>		
Description:	PSDH Allowance for Q5	
Ref Drawings/Images: <i>(Refer to Appendix A)</i>	None	
<b>Objectives:</b>		
BAA:	Progress PSDH related work in Q5 to deliver a 3 runway Heathrow	
Airline:	As BAA's	
<b>Status:</b>		
BAA Lead Team:	Airline Engagement:	Strategic Solution or DGS/IGS Stage
I&S	Green	Pre-Outline

## Project Delivery

<b>Cost</b>			
Total Capital Budget (Outturn)		£691,000,000	
<b>Time:</b>			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
Not applicable			
<b>Assumptions:</b>			
The following points cover the significant delivery assumptions related to this project;			
The Q5 regulatory settlement allowed for £639M (2007/08 prices) of capital investment for PSDH. PSDH monies have been included in the CIP 2010 in real 2009/10 prices at £672m.			
HAL and the airline community agreed that the £639m (inflated to £672m in CIP 2009) should be split between different categories of expenditure. These were;			
<ul style="list-style-type: none"> <li>• £440m for third runway and master-planning activity.</li> <li>• £62m for runway resilience work, including the ending the Cranford Agreement.</li> <li>• £170m for other capacity increasing projects.</li> </ul>			
This split being broadly equivalent to the manner in which the possible sums for PSDH were outlined by HAL in the period leading up to the Q5 settlement and forming the basis of the £639m.			
This split was agreed by the airline community in June 2009 and formally recorded, with the full project control and ex post arrangements, in November 2009.			

The Runway 3 project is broken into 13 workstreams:

- Vision
- Brief
- Forecasting
- Airspace
- Design and Masterplan
- Surface Access
- Planning & Legal
- Environment
- Stakeholder
- Blight & Compensation
- Airline Support & Sign Off
- Business Case & Regulation
- Programme Office

*Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.*

### **Operational Issues**

<b>Financial Revenue and Operational Cost (Opex) Impact:</b>		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A		
<b>Assumptions:</b>		
The following points cover the significant operational assumptions related to this project;		
None		

### **Areas of Disagreement**

The following points cover any significant areas of disagreement between BAA and the Airline Community regarding this project.
None
<i>Note: Any disagreement noted must be read in the context of the airline engagement status shown above.</i>