

General Notice

Tariffs with effect from 1 January 2021

Date: 4 February 2021

Reference: 01/21

Tariffs affected

From 1 January 2021

- **Airside licences**
- **Baggage**
- **Check-in desks and Common use self-service (CUSS)**
- **Electricity**
- **Fixed electrical ground power (FEGP)**
- **Gas**
- **Hold Baggage Screening (HBS)**
- **Passengers Requiring Support (PRS)**
- **Pre-conditioned air (PCA)**
- **Staff car parking**
- **Staff identity cards and vehicle apron passes**
- **Waste services**
- **Water**
- **Airline Operators Committee (AOC)**
- **Common IT Infrastructure**
- **Airport Cost Recovery Charge**

1.0 INTRODUCTION

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

This GN supersedes GN 02/20 published on the 16 December 2020. This updated GN is being published following joint work 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 General Notice to the ORCG.

The Civil Aviation Authority (CAA), has reflected Heathrow's Other Regulated Charges¹ revenues that are based on applying jointly agreed principles and reflected in the Other Regulated Charges Protocol. ORC pricing is based on applying these principles and transparency arrangements as follows:

- Prices are set to enable only the recovery of costs (no profit margin is included);
- Costs consist of allocated costs, annuities and direct costs;
- Annuities reflect the cost of infrastructure investment;
- No cross-subsidisation of income between categories;
- Where income is greater than the costs in the previous year, this “over recovery” will be returned by a reduction in prices the following year, the opposite is true where an “under recovery” has been generated;
- Pricing must be supported by transparency on costs and revenues and externally audited Trading Statements.

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

In April 2018, the CAA confirmed that an interim regulatory period would be implemented ahead of the H7 period. The CAA confirmed its policy for this period in August 2019. This period starts on 1 January 2020 and continues until 31 December 2021 and is known as the interim H7 period or iH7. The regulatory framework for the iH7 period will be in line with the CAA's Q6 decision, which began on 1 April 2014.

¹ CAA adjusted Heathrow's Alternative Business Plan

2.0 BACKGROUND

The prices in this GN cover the 12 months from 1 January 2021 and this is the tenth price notification since the CAA's Q6 decision. 2021 is the second year of the iH7 period. Regulatory arrangements for this period will continue to be in line with the CAA's Q6 decision, as set out in the CAA's CAP 1825 document¹. The forecast costs are consistent with (a) the annuities and allocated costs in the CAA's Q6 price control decision² (CAA Decision) and (b) reflect the regulated year end as December.

Heathrow and the ORCG have continued to review costs which formed the basis of the pricing consultation. Key elements are as follows:

- Annuities and allocated costs are being recovered at the levels set out in the CAA's Decision, subject to inflation (RPI);
- Prior year over or under recoveries (as verified by external auditors) are accounted for in the prices effective 1 January 2021 unless stated otherwise;
- 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 now being invoiced based on metered consumption (effective 1 June 2014);
- Hold Baggage Screening (HBS) maintenance is no longer recovered through airport charges and is instead built into the “price per bag” within this GN.
- HBS Running costs will be recovered through a new ORC following the CAA Decision Letter dated 30 July 2020.
- The Airport Cost Recovery Charge is the charging mechanism agreed between Heathrow and the airlines by which Heathrow will fully recover the under-recovery from 2020 and specific 2021 costs for certain ORCs as outlined below

The annuities and allocated costs are consistent with those agreed during the Q6 consultation and with the CAA's Decision.

¹<http://publicapps.caa.co.uk/docs/33/CAP1825%20iH7.pdf>

² “Economic regulation at Heathrow from April 2014: Notice granting the licence, 13th February 2014”

3.0 PRICING

All prices exclude VAT.

The prices set out in this Notice will be effective from 1 January 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. Prior to implementing any 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 and also any forecasted over or under recovery relating to the current pricing period 2021 (covering the 12 months from 1 January 2020 to 31 December 2021).

Heathrow has worked with the ORCG to understand and manage the cost base within these ORC categories. The drivers of cost base increases and decreases are set out below and/or have been explained and recorded through ORCG.

Due to the implementation of the 'Airport Cost Recovery Charge', the unit rates for Baggage, FEGP, PRS, Electricity and Common Use IT have changed from the previously published General Notice 02/20. All other ORCs remain unchanged.

Airport Cost Recovery Charge

This charge has been introduced at the request of the airlines as an alternative way to recover costs related to airline ORCs such as Baggage, PRS, FEGP and Common Use IT. The Airport Cost Recovery Charge includes the 2020 under recovery as well as certain 2021 cost such as annuities and allocated costs for these ORCs. The Airport Cost Recovery Charge reduces the unit rate of these ORCs, all of which are included in this General Notice. The consultation process for this fee began in 2020 and full details of the prices and costs have been agreed at ORCG.

The Airport Cost Recovery Charge will apply from 1st January 2021, initially set at £8.90 per departing passenger, billed monthly in arrears.

The recovery of these costs will be tracked monthly at ORCG and following normal consultation may be adjusted during the year to achieve full cost recovery and removal of the fee by 31st 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 fees are consulted at the Airport Users' Committee (AUC).

In 2018, the AUC agreed to the inclusion of additional FTE's 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 for 2021 will be £3,309 per licence per annum for the period 1 January – 31 December 2021.

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 16.31m departing bags in the 1 January to 31 December 2021 pricing period.

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 2021 baggage price are: firstly, the under recovery generated during 2020, mostly due to the Covid-19 pandemic resulting in very low passenger volumes and reduced numbers of checked-in bags; and secondly the reduced volumes of passengers forecasted for 2021 compared to previous years. The 2020 under recovery as well as the 2021 annuities, allocated costs, business rates and electricity costs have been included in the 'Airport Cost Recovery Charge' offsetting part of the Covid-19 impact on the unit bag price in this GN.

The price for 2021 will be £4.44 per departing bag for the period 1 January – 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 has been put in place for the combined Check-In and CUSS charge from the period of 1 April 2020 and will be in place as well for the period of 1 January 2021 to 31 December 2021. This mechanic is no longer based upon use of desk time, but will now be a per departing passenger charge.

Following consultation on options at ORCG, the price for 2021 is a blended price covering the period from 1 April 2020 to 31 December 2021 to smooth the impact of the Covid-related drop in passenger volume. The charge is £0.55 per departing passenger.

These charges are invoiced monthly in arrears.

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.

The 2020 under recovery has been included in the 'Airport Cost Recovery Charge' offsetting part of the Covid-19 impact on the unit price in this GN.

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 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 2020 under recovery as well as the 2021 annuities and allocated costs have been included in the 'Airport Cost Recovery Charge' offsetting part of the Covid-19 impact on the unit bag price in this GN.

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 price for 2021 will be £0.41 per kwh for the period 1 January – 31 December 2021.

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.

The gas price is £0.10 per kwh for the period 1 January – 31 December 2021.

Hold Baggage Screening (HBS)

Following the CAA HBS decision letter dated 30 July 2020, Hold Baggage Screening (HBS) is 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 16.31m departing bags in the 1 January to 31 December 2021 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 driver impacting 2021 HBS price is the reduced volumes of passengers forecasted for 2021 compared to previous years.

The price for 2021 will be £0.34 per departing bag for the period 1 January – 31 December 2021

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.

During 2020, a tender process was conducted, after which Heathrow awarded Wilson James the PRS contract for all four terminals.

The main drivers impacting the 2021 charges are: the move to a single provider of the service and the volume reduction of passengers forecasted for 2021 compared to previous years.

The 2020 under recovery as well as the 2021 annuities, allocated costs and property costs have been included in the 'Airport Cost Recovery Charge' offsetting part of the Covid-19 impact on the prices in this GN.

The pre-notification charging categories and bandings remain unchanged from those updated in 2019. Heathrow and the service providers are committed to working with the airlines to help 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 (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.

Where assistance information has been received from a PRS passenger, as per Article 6 of Regulation EC 1107/2006 (PRS Regulation) 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 in accordance with the PRS Regulation. The pre-notification performance is important in that it facilitates the most efficient use of resources and therefore cost.

The charges for PRS are as follows, for the period 1 January 2021 – 31 December 2021:

- **Category 1** – at 70%+ pre-notification at 30 hours shall be **£1.19** per departing passenger.
- **Category 2** – between 65% and 69.99% pre-notification at 30 hours shall be **£1.39** per departing passenger (consisting of £1.19 base price + £0.20 supplement).
- **Category 3** – less than 65% pre-notification at 30 hours shall be **£3.23** per departing passenger (consisting of £1.19 base price + £2.04 supplement).

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.

During this period, 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 annuities, allocated costs and direct costs of PCA to Heathrow. At the time of

pricing there was an under recovery of £14.05m which will increase to £18.55m 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 and 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 1 January – 31 December 2020 is being carried forward and recovered in the 1 January to 31 December 2021 pricing period.

The price of the the perimeter pass will increase to £1,614.36 per annum for the period 1 January 2021 – 31 December 2021.

The staff car park passes are charged for each month or part month a pass is active. Invoices are sent quarterly in arrears, after each quarter finishes. If a pass is cancelled during a month, the pass will be still charged for the full month regardless of the time of the pass is cancelled.

For further information on 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 1 January to 31 December 2021 pricing period.

The price per originating application will be £64.51, a temporary employment pass will be £32.25 and a temporary visitor pass will be £4.00, for the period 1 January 2021 – 31 December 2021.

Vehicle Apron Passes

The income from vehicle apron passes (VAPs) forms part of the ORC income for the 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 next year as a result of the low passenger forecast and resultant reduction in scale of airport operations. Changes to these fees are consulted 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 has been added to account for the vehicles with a free charge.

The 2021 charges per emissions category per vehicle per annum will 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.

In consultation with the AUC, Hybrid vehicles will now be 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.

The un-surrendered passes charge is no longer applicable, and the £150.00 charge will relate to the expired passes, if found.

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 1 January to 31 December 2021 pricing period.

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.
- 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 base charge will be £63.11 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 £1,060 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 2021. In line with Heathrow’s sustainability targets, as set out in Heathrow 2.0, 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 £56.92 per assessed unit per quarter, where one unit equals 250 sq. ft.
- The Green Tier Refuse Bin room base charge will be £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 apply the new charge, if successful, to be live 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 1 January to 31 December 2021 pricing period.

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.

The Water and Sewerage charge is £21.72 per cubic metre, for the period 1 January 2021 – 31 December 2021.

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

The main driver impacting 2021 price is the reduced passenger volumes forecasted for 2021 compared to previous years, as well as some under recovery amassed during 2020.

A forecast under recovery of £0.22m in the period 1 January – 31 December 2020 is being carried forward and recovered in the 1 January to 31 December 2021 pricing period. This figure takes into account the reduction in costs as a result of Covid-19 pandemic response.

The price will be £0.0415 per departing passenger, for the period 1 January 2021 – 31 December 2021.

Common IT Infrastructure

Common IT infrastructure consists of three separate categories which are: common use of the Passive local area network (LAN), the Active LAN and the Wireless LAN. Included in this GN is Passive LAN only and will be 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, will be priced using ORC principles. The income for these two prices remains within Heathrow's commercial revenues and therefore will be 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 for the period 1 January 2021 – 31 December 2021 the price per port per annum will be £0 and all costs will be recovered via the Airport Cost Recovery Charge.

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

4.0 FURTHER INFORMATION

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



Fiona Carleton
Aviation Director
For and on behalf of Heathrow Airport Limited

Distribution: Full
Enc

HEATHROW AIRPORT LIMITED

General Notice: Tariffs with effect from 1 January 2021

Pricing Schedule

Product/ service				Effective 01-01-2020	Effective 01-01-2021
	units charged			unit price	unit price
Airport Cost Recovery Charge	per departing passenger			n/a	£8.90
Airside Licences	per licence			£2,809	£3,309
Baggage	per bag			£3.67	£4.44
Check-in desks & CUSS	per departing passenger (new mechanic)			n/a	£0.55
Electricity					
Electricity Low Voltage – supply	per kwh			£0.124	£0.119
Electricity Low Voltage – infrastructure	per kwh			£0.200	£0.243
Electricity High Voltage – supply	per kwh			£0.124	£0.119
Electricity High Voltage – infrastructure	per kwh			£0.107	£0.130
Electricity (Capacity)	per kva/ month			£4.16	£3.63
FEGP	per kwh			£0.53	£0.41
Gas	per kwh			£0.08	£0.10
Persons with reduced mobility (PRMs)					
Category 1 (Above 70% at 30 hrs)	per departing passenger			£0.78	£1.19
Category 2 (65% to 69.99% at 30 hrs)	per departing passenger			£0.92	£1.39
Category 3 (less than 65% at 30 hrs)	per departing passenger			£3.23	£3.23
Pre-conditioned air (PCA)	per kwh			£1.00	£1.00
Staff car parking					
Perimeter passes ▲	per pass			£686.21	£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			£12.61	£32.25

Full ID per Originating Application	per pass application			£25.22	£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			n/a	FREE
Liveried vehicle airside pass - temporary (per month)	per pass			£7.93	£31.63
Private vehicle airside pass – annual	per pass			£1,654.50	£1,654.50
Private vehicle airside pass – temporary (per month)	per pass			£31.63	£137.88
Expired passes (if found)	per pass			£150	£150

Product/ service		Effective 01-01-2020	Effective 01-01-2021
	units charged	unit price	unit price
Waste Services			
Refuse Area Charge			
Low Waste Use (e.g. Services)	per assessed unit per quarter	£86.90	£63.11
Low Waste Use GREEN TARIFF		£78.38	£56.92
Medium Waste Use (e.g. Shops)	per assessed unit per quarter	£99.95	£72.59
Medium Waste Use GREEN TARIFF		£90.15	£65.47
High Waste Use (e.g. Food and Beverage outlets)	per assessed unit per quarter	£112.98	£82.05
High Waste Use GREEN TARIFF		£101.90	£74.01
Refuse Bin Room Charge Δ			
Low Waste Use (e.g. Services)	per outlet per quarter	£610	£1,060
Low Waste Use GREEN TARIFF		£533	£926
Medium Waste Use (e.g. Shops)	per outlet per quarter	£1,992	£3,458
Medium Waste Use GREEN TARIFF		£1,741	£3,021
High Waste Use (e.g. Food and Beverage outlets)	per outlet per quarter	£3,685	£6,397
High Waste Use GREEN TARIFF		£3,220	£5,590
Water			
Water & sewerage	per cubic metre	£11.84	£21.72
Water supply only	per cubic metre	£9.16	£16.80
Waste water only	per cubic metre	£3.54	£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	£13.99	£25.65
Airline Operators Committee	per departing passenger	£0.0201	£0.0415
IT Common Passive \square	per port	£198.75	£0.00
HBS (new from 1 May 2019)	per bag	£0.27	£0.34

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.