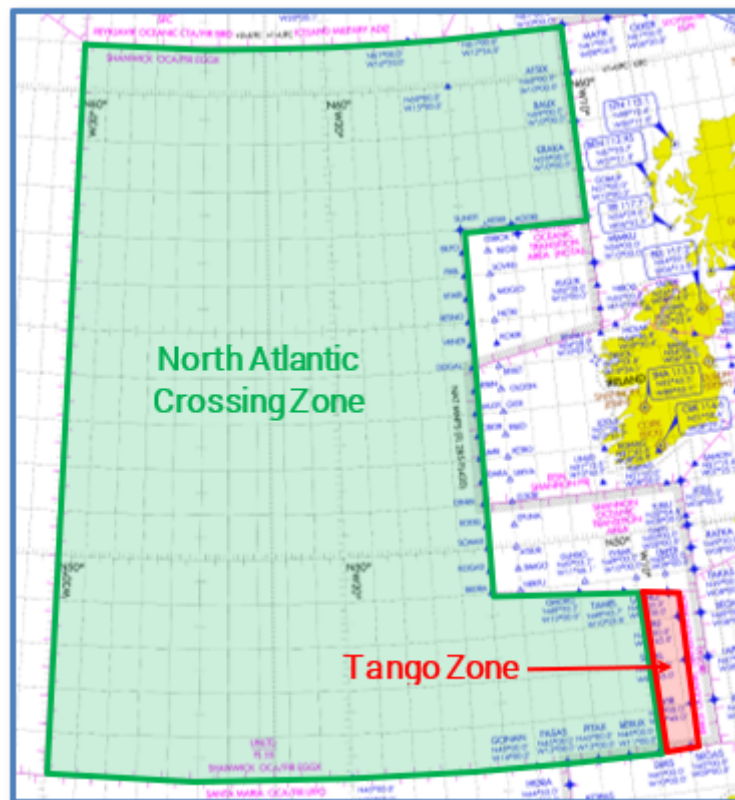


Note for Airlines – Planned changes for Shanwick Route Charging from 1 January 2020

1. Background

- a. Consistent with our RP3 plan and NPP (National Performance Plan) approval, NERL is introducing ATS surveillance to oceanic operations to enable the transformation of our safety and service performance in RP3. The introduction of ATS Surveillance requires us to consider the RP3 charging arrangements for this new service from January 1st, 2020
- b. The new service requires NERL to change the way that customers (airlines) are charged for Shanwick (Oceanic) ATC services, to ensure that ADS-B costs are recovered in a transparent and consistent manner. Specifically, two separate charging zones have been identified that relate to the charges incurred by NERL:
 - i. North Atlantic Crossing (NAC) zone – a defined volume of airspace comprising the Shanwick FIR / OCA. All traffic that will touch or operate to / from or through this airspace are designated to operate within NAC airspace unless they are operating solely within airspaces where control of traffic has been delegated to other ANSPs (e.g. BOTA, NOTA, SOTA etc.), or are operating solely within the newly designated “Tango” charging area. And
 - ii. Tango Area – a defined volume of airspace within the SE Corner of oceanic airspace surrounding ATS Routes T9 and T290 within which all traffic operates wholly within the defined airspace boundaries. See diagram below:



2. Planned basis of charging

- a. The planned basis of charging, CAP1830 refers, is as follows:

- Two charges will apply to all flights. A “core” charge for Air Traffic Services and a “data” charge for ATS Surveillance data.
- Two charging zones have been created, one for flights operating solely within the Tango area and another for flights that touch or operate to/from or through the North Atlantic Crossings area (note - flights that operate within the Tango area and the NAC area will be charged only the NAC area charge).
- The same core charge will be charged to customers in each zone, reflecting comparable service costs for all flights irrespective of where they operate.
- A different data charge will be applied to each zone (reflecting the material difference in costs for satellite data within each zone).
- Airlines will be charged a fixed fee per flight for either zone, and for both types of charge (core and data). Charges will not vary by time, weight or distance flown within oceanic airspace.

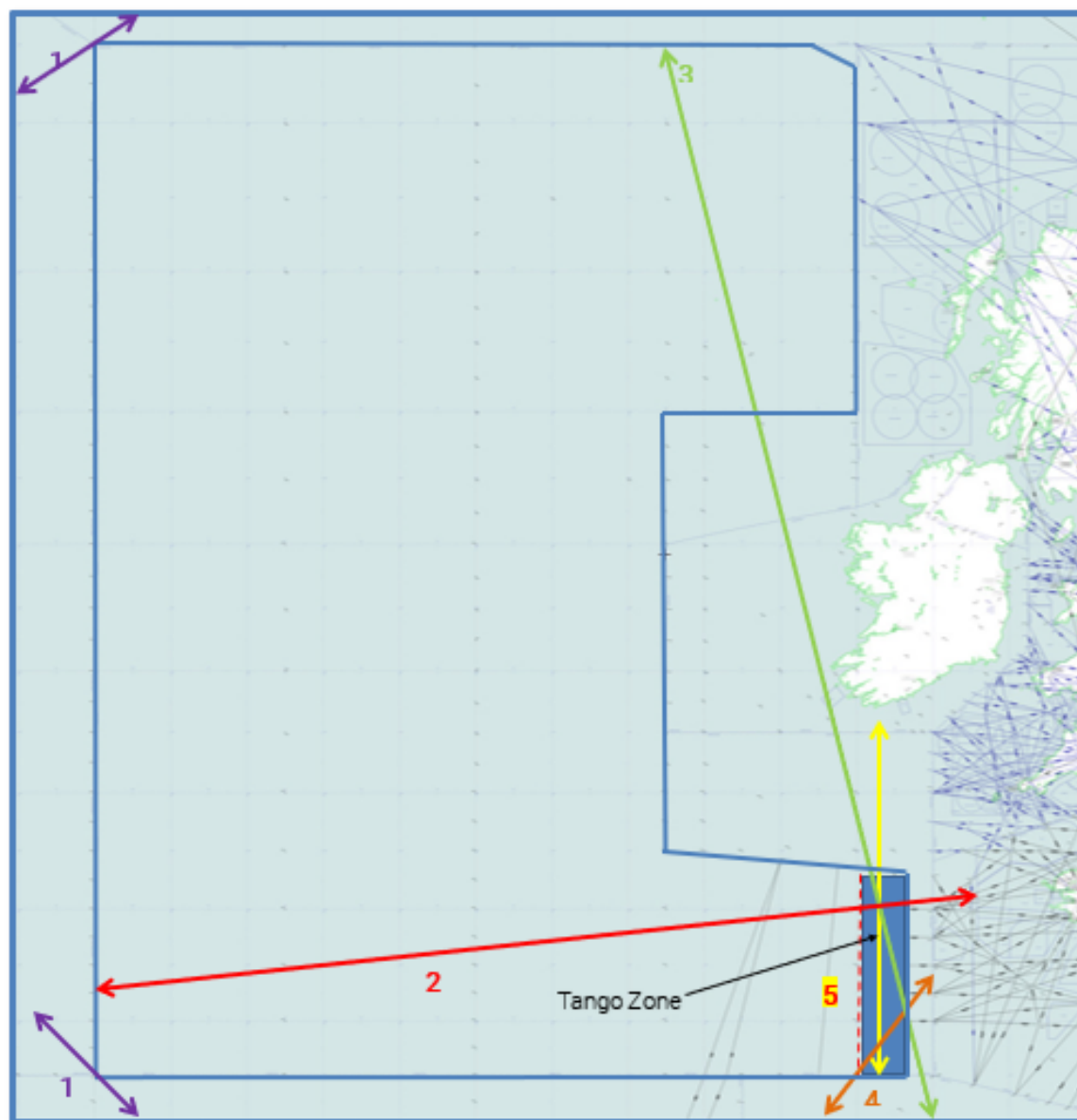
b. The charging algorithm will operate as follows:

- A NAC (North Atlantic Crossing) charge will be levied on all flights that touch or operate to/from or through the NAC zone. Flights within the NAC zone that also fly within the Tango zone will be charged only the NAC charge*.
- A Tango charge will be levied on flights that operate wholly within the Tango zone. The Tango area is defined as follows:

Latitude	Longitude
45N	10W
45N	845W
4834N	845W
4841N	10W

*Appendix A - Some example flights are shown on the map to clarify the above

APPENDIX A – Example flights



NAC charge (both core and data) would apply to

1 - as today – i.e. flights that only touch the Oceanic boundary pay a full Oceanic Charge.

2 – flights that cross the NAC (North Atlantic Crossing) airspace and also the South East corner pay only the NAC charge

3 – flights that spend any time outside of the Tango airspace pay the NAC charge

Tango charge (both core and data) would apply to

4 – a flight that crosses the South East corner and remains always within Tango airspace would pay the Tango charge

5 – a flight operating on a Tango route within Tango airspace

APPENDIX B – Charges for 2020, reflecting CAA’s RP3 Decision

Per flight	North Atlantic Crossing	Tango
Core	£56.04	£56.04
Data	£31.64	£4.90
Total	£87.68	£60.94

Flights will *either* pay a North Atlantic Crossing charge or a Tango charge, and not both