

LUTON AIRPORT (LTN): LOCAL RULE 3

Administration of the seasonal Commercial Seat Cap

1. DEFINITIONS

ACL	Airport Coordination Limited, the appointed coordinator of Luton Airport.
Handback Deadline	Slot Handback deadline as defined in Council Regulation (EEC) No 95/93 amended by Regulation (EC) No 793/2004, namely 31 January for the following Summer scheduling season and 31 August for following Winter scheduling season.
IATA Worldwide Slot Guidelines	The IATA Worldwide Slot Guidelines effective 1 January 2019 as amended from time to time.
Initial Coordination	has the meaning in the IATA Worldwide Slot Guidelines.
LTN	Luton Airport.
LTN Coordination Committee	The coordination committee of LTN.
LLA	London Luton Airport Operations Limited, the managing body of Luton Airport.
Operator	An air carrier currently operating or planning to operate main terminal passenger flights at Luton.
PATM	An arriving or departing Passenger Air Transport Movement coordinated in the main passenger terminal. This includes the following IATA service types: B, C, G, J, L, N, O, Q, R, S.
PATM Seat Allocation	The total number of seats which an air carrier is permitted to operate across its allocated PATMs which have been coordinated in the main passenger terminal during the scheduling season by ACL (apportionment of the overall declared PATM Seat Limit).
PATM Seat Limit	The total number of seats which can be coordinated by ACL across all PATMs coordinated in the main passenger terminal within the scheduling season, as declared by LLA.
Planning Condition 10 Limit	Has the meaning in Section 2 below.
Register	The “ Register of PATM Allocations ” (refer to paragraph 4.2).
Slot Regulation	Council Regulation (EEC) No 95/93 amended by Regulation (EC) No 793/2004.

2. POLICY

Luton Airport is subject to planning condition 10 of planning permission 12/01400/FUL which limits the annual number of main terminal passengers (measured on a rolling 12-month basis) (the "**Planning Condition 10 Limit**"). To adhere to the Planning Condition 10 Limit, London Luton Airport Operations Limited may declare a restriction on the total number of scheduled passenger flights operating through the main passenger terminal during a scheduling season. This document sets out the

procedures for coordinating the Passenger Air Transport Movement Seat Allocation when such a PATM Seat Limit is declared by LLA for a particular scheduling season. This limit only applies to flights that utilise the main passenger terminal. Cargo flights, Positioning flights, Technical flights and General Aviation flights remain unaffected by the Planning Condition 10 Limit.

3. SCHEDULING LIMITS

- 3.1. LLA is responsible for the ongoing forecasting of annual passenger numbers to ensure that it adheres to the Planning Condition 10 Limit. Where LLA anticipate that the annual terminal passenger numbers will exceed the Planning Condition 10 Limit during an upcoming scheduling season, LLA will be responsible for advising the LTN Coordination Committee at the earliest opportunity of its intention to declare a seasonal PATM Seat Limit and for which upcoming scheduling season it will apply.
- 3.2. Any declaration by LLA of a seasonal PATM Seat Limit should be made in good time ahead of Initial Coordination (i.e. at least seven days prior to the initial submissions deadline as per Article 8(5) of the Slot Regulation read in conjunction with the IATA Worldwide Slot Guidelines).
- 3.3. The declared seasonal PATM Seat Limit confirms the maximum number of PATM seats which can be coordinated in the main passenger terminal at LTN during that scheduling season.
- 3.4. In determining the declared seasonal PATM seat limit, LLA should take into account anticipated changes to load factors and aircraft guage for the upcoming scheduling period:
 - a) LLA will be responsible for conducting a load factor review and how load factors are to be declared for the upcoming scheduling period in consultation with ACL.
 - b) ACL will be responsible for collating information from the Operators on proposed aircraft guage changes for the upcoming scheduling period and present the results to LLA in a neutral and non-discriminatory manner ahead of LLA confirming the capacity declaration.
- 3.5 In determining the declared seasonal PATM seat limit, LLA should take into account any PATM Seat Allocation which has been flexed either into or out of the upcoming scheduling season. The process for flexing any part of an Operators PATM Seat Allocation into an adjacent scheduling season is outlined in 3.5 a) - f):
 - a) The Operator is responsible for making a formal expression of intent to flex part of its PATM Seat Allocation in either of the following circumstances:
 - I. from the upcoming Summer season to the immediately following Winter season.
 - II. from the upcoming Winter season to the immediately following Summer season.
 - b) Formal expressions of intent to flex PATM Seat Allocation between scheduling seasons must be received in writing by ACL from the Operator, at least 30 days prior to the confirmed IATA deadline for declaring the scheduling parameters for the upcoming season from which the PATM Allocation will be flexed from.

Example: carrier intends to flex 10,000 PATM Seats of its 100,000 PATM Seat Allocation from S20 to W20. The expression of interest must be received by ACL no less than 30 days prior to the IATA scheduling parameter publication date for S20 (S20 being the upcoming season from which the PATM seat allocation is being flexed from and W20 being the immediately following season to which the PATM Allocation is being flexed to)

 - c) In its formal expression of intent to flex PATM Seat Allocation, the Operator must state the following information:
 - I. The upcoming season from which PATM Seat Allocation will be flexed from (i.e. the season in which PATM Seat Allocation is to be voluntarily forfeited by the operator).
 - II. The immediately following season into which the PATM Seat Allocation will be flexed to.

- III. The number of PATM Seats to be voluntarily forfeited by the Operator in the upcoming season.
 - IV. The intended number of PATM seats to be allocated in the immediately following season into which the PATM Allocation is being flexed to.
 - V. The intended weekly profile of PATMs and coordinated seats of the flexed PATM Allocation in the immediately following season into which the PATM Allocation is being flexed to.
 - VI. Any other anticipated changes to the Operators historic weekly PATM profile for either the upcoming or immediately following seasons.
- d) Upon receipt of a formal expression of intent to flex PATM Seat Allocation, ACL will confirm to the Operator in writing the acceptance of the request, checking the Operator has sufficient historic precedence to PATM Seat Allocation and ensuring that the request meets the requirements set out in 3.5 a) - c). ACL will confirm its intention to notify LLA of the Operators proposal to flex PATM Seat Allocation between scheduling seasons so that it can be considered as part of the scheduling parameters declaration process. Formal expressions of intent to flex PATM Seat Allocation can only be rescinded in writing from the Operator to ACL and cannot be rescinded once the initial capacity declaration has been published by LLA.
 - e) ACL will advise LLA of the information provided by the Operator in a neutral and non-discriminatory manner and will offer capacity declaration recommendations accordingly.
 - f) LLA should take into account whether any additional declared parameters are required to safeguard against anticipated peaks in the weekly PATM Seat profile created by the flexing of PATM Seat Allocation between seasons.

4. DEFINITION OF “PATM SEAT ALLOCATION”

- 4.1. The determination of PATM Seat Allocation by Operator is a coordination decision made solely by ACL in accordance with paragraph 5 of this document.
- 4.2. ACL will be responsible for maintaining an ongoing Register throughout the coordination process for each scheduling season where a seasonal PATM Seat Limit is declared by LLA. To maintain transparency of the coordination process, ACL will make this Register available to stakeholders of LTN upon request.
 - 4.2.1. The Register will include the following information:
 - 4.2.1.1. Airline name and associated IATA/ICAO codes;
 - 4.2.1.2. PATM Seat Allocation; and
 - 4.2.1.3. Date on which the PATM Seat Allocation was confirmed in writing to the Operator.
- 4.3. ACL will confirm in writing to the Operators the initial PATM Seat Allocation and any subsequent changes to the PATM Seat Allocation during the coordination process for the scheduling season in which a PATM Seat Limit has been declared by LLA.
- 4.4. The seasonal PATM Seat Limit declared by LLA is a declared capacity constraint. **Operators must operate within their PATM Seat Allocation as recorded in the Register** regardless of the total number of historic and non-historic confirmed slots held by the Operator within ACL’s database. There is no guarantee that an Operator will be provided sufficient PATM Seat Allocation to allow all cleared slots to be fully operated regardless of whether the total number of slots cleared exceeds the PATM Seat Allocation through historic determination or through overbooking (see 5.5 below). It is the Operator’s ultimate responsibility to ensure that they operate in accordance with their PATM Seat Allocation as recorded in the Register

by the conclusion of the scheduling period.

- 4.5. New historic series of slots created through the action of flexing PATM Seats from ad-hoc cancellations of other historic series does **not** guarantee an increase in PATM Seat Allocation or the new series being recognised as historic.

5. COORDINATION PROCESS

- 5.1. Pursuant to 4.3, ACL will determine the initial PATM Seat Allocation for each operator for the scheduling season during Initial Coordination in accordance with the Slot Regulation and taking into account the below criteria:
 - PATM Seat allocation in the previous equivalent season (e.g. Summer vs. Summer).
 - Qualifying historic precedence from previous equivalent season.
 - Seat capacity allocated against 80/20 failures.
 - Operator demand submitted to the Coordinator during Initial Submissions.
 - Where Operators have expressed a formal interest to move part of their seasonal PATM Seat Allocation into the scheduling season as per the process outlined in paragraph 3.5.
 - Availability against the declared seasonal PATM Seat limit.
- 5.2. Transfer of PATM Seat Allocation between seasons will be subject to all constraints declared by LLA.
- 5.3. Any unallocated PATM Seats prior to the Handback Deadline will be placed in the pool and distributed in accordance with paragraph 5.1 and the allocation criteria as described in the Worldwide Slot Guidelines and EU Slot Regulations.
- 5.4. Prior to the Handback Deadline, ACL may, decide to overbook the PATM Seat Allocation for an Operator (as recorded in the Register) to provide that Operator with additional scheduling flexibility. In such circumstances, ACL may provide to that Operator seats above the PATM Seat Allocation on a conditional basis.
- 5.5. Operator PATM Seat Allocation will be fixed at the onset of the 80/20 use-it-or-lose-it calculation (i.e. 01 February for the upcoming Summer season and 01 September for the upcoming Winter season) until completion of the scheduling season concerned.
- 5.6. ACL will **not** consider alleviation from the 80/20 use-it-or-lose-it calculation for cancellations made by carriers **after** the Handback Deadline for the **sole** purpose of reducing confirmed Operator schedules to within confirmed Operator PATM Seat Allocation. For cancellations to be considered for alleviation, carriers must demonstrate how the cancellations meet the requirements of any applicable slot regulation. This ensures the integrity of the slot handback process and provides Operators the flexibility to determine their own acceptable 80/20 risk through a mixture of pre- and post- Handback Deadline cancellations.
- 5.7. Any spare PATM Seats returned to the pool after the Handback Deadlines will be placed into an ad-hoc PATM Seat pool and distributed on a non-historic basis for the remainder of that scheduling season. The Operator responsible for returning PATM Seats after the Handback Deadline to the ad-hoc PATM Seat pool will maintain the corresponding PATM Seat Allocation as recorded in the Register (refer to paragraph 5.6), but will forfeit its entitlement to those PATM Seats in the scheduling season. Available PATM Seats in the ad-hoc PATM seat pool will be available for ad-hoc and non-historic use by all Operators (with or without PATM Seat Allocation) and will be allocated on a first come first serve basis provided paragraph 10.2 has not been activated.

6. SLOT MOBILITY

- 6.1. Slots can be transferred or exchanged as per Article 8a of the EU Slot Regulation.
- 6.2. Where slots are transferred or exchanged between different operators, ACL will assume that the equivalent PATM Seat Allocation will be transferred or exchanged on a one for one basis to the number of seats coordinated against the slots being transferred or exchanged in the live schedule. This transfer of quota will be recorded within the Register at the date of completion by the coordinator.
- 6.3. Operators are responsible for ensuring that the seat capacity held by the slots to be transferred or exchanged is correctly reflected in the Coordinator database prior to submitting the slot swap form/SCR. This is to ensure that the transfer or exchange of PATM Seat Allocation can be recorded accurately against such transactions.

7. OPERATIONAL CONSIDERATIONS

- 7.1. For significant operational delays, it may be necessary for an Operator to re-clear an existing PATM which has been allocated to one or more slots. Operators should submit such requests to ACL as a "change and replace" slot clearance request ("SCR") (C/R). This confirms the Operator's intention to transfer the PATM Seats from the original slot to the new slot. ACL will consider all requests to re-clear slots from any time during the preceding 24 hours to any new time in the future to facilitate this process.

8. MONITORING

- 8.1. LLA will be responsible for recording the monthly main terminal passenger numbers for the purpose of reporting on the Planning Condition 10 Limit to the local authority.
- 8.2. LLA will provide a monthly update to the LTN Coordination Committee showing the recorded rolling annual passenger number for the preceding 24 month period and a forecast of the rolling annual passenger number for the upcoming 12 month period.
- 8.3. LLA will inform ACL as soon as it is foreseeable based on the rolling annual passenger numbers that the declared PATM Seat Limit and/or PATM Seat Allocations will need to be adjusted downwards.
- 8.4. ACL will monitor via the LTN slot monitoring data, by comparing the actual passenger numbers versus the coordinated PATM Seats per Operator on a weekly basis during the scheduling season.
- 8.5. In addition to 8.4, ACL will monitor planned remaining PATM Seats by Operator for the remainder of the scheduling period on a weekly basis and using the declared seasonal load factors, calculate anticipated coordinated passengers for the remainder of the season.

9. ENFORCEMENT

- 9.1. If the monitoring activity described in 8.4 and 8.5 identifies examples where Operators are forecast to exceed their PATM Seat Allocation by the conclusion of the scheduling period, ACL will begin a dialogue with that Operator at the earliest opportunity to agree a plan for reducing schedules to within PATM Seat Allocations and reasonable timescales for doing so.

- 9.2. Where an Operator holds conditional slots in excess of the recorded PATM Seat Allocation for that Operator (see further 5.5 above), ACL may cancel these conditional slots following the action in 9.1 if the Operator exceeds or is likely to exceed its PATM Seat Allocation. This measure is subject to the provisions of the Slot Regulation.
- 9.3. When deciding whether to reallocate slots cancelled pursuant to 9.2 above, ACL will have regard to the PATM Seat Limit and Planning Condition 10 Limit.

10. PREVENTING AN OVERRUN OF THE PLANNING CONDITION 10 PASSENGER LIMIT

- 10.1. Should ongoing forecasting of the annual passenger numbers at LTN identify a potential overrun of the Planning Condition 10 limit within the scheduling period, after the Initial Declaration has been set, the process outlined in sections 10.2-10.5 of this document will take effect. The LTN Coordination Committee will be informed at the earliest opportunity of LLA's forecasting assumptions and its intention to activate sections 10.2-10.5. These assumptions could be based on changes in actual vs coordinated load factors, rather than overbooking which has remained in the schedule as described in 9.2.
- 10.2. In the first instance, the allocation of PATM Seats from the non-historic pool of unallocated PATM Seats described in paragraph 5.8 will be suspended.
- 10.3. If a further requirement to reduce allocated schedules is identified, then an urgent review of the root causes of the forecast passenger number increase will be conducted by LLA.
- 10.4. An Extraordinary General Meeting of the LTN Coordination Committee will be called to discuss and agree a method for achieving the necessary reductions to PATM Seat Allocations.
- 10.5. Upon determination of the root causes of the anticipated passenger number increase, the identified responsible operators will be requested by LLA to voluntarily reduce their PATM Seat allocation within the affected scheduling period in a manner proportionate to the identified root causes.

Appendix 1: Example layout of “Register of PATM Seat Allocations”

		PATM SEAT ALLOCATION (change versus previous column highlighted in red)						
Operator Name	IATA/ICAO codes	SHL	SAL	date 1	date 2	date 3	SRD	HBD
Operator 1	AA/AAA	100,000	100,000	110,000	110,000	110,000	104,000	104,000
Operator 2	BB/BBB	100,000	100,000	90,000	90,000	90,000	90,000	90,000
Operator 3	CC/CCC	100,000	100,000	100,000	100,000	100,000	104,000	104,000
Operator 4	DD/DDD	100,000	100,000	100,000	100,000	100,000	102,000	102,000
Total Allocation		400,000	400,000	400,000	400,000	400,000	400,000	400,000
Declared PATM Seat Limit		400,000	400,000	400,000	400,000	400,000	400,000	400,000
Available PATM Seats		-	-	-	-	-	-	-
Notes				10000 PATM Seats returned to pool by Ope 2 > allocated to Ope 1			90000 PATM Seats returned to the pool by Ope 1 > allocated to Ope 3 and 4	