

LOCAL RULE 2

MANAGEMENT OF A TEMPORARY REDUCTION IN AVAILABLE CAPACITY AS A RESULT OF MEASURES MANDATED TO PREVENT THE SPREAD OF COVID-19

1. INTRODUCTION

This Local Rule sets out the process for managing periods of reduced capacity as a result of measures implemented by Government or Regulatory Authorities to reduce the spread of Covid-19. Such measures may include social distancing that in order to comply, the airport is required to reduce the available capacity at an airport. This process is not intended to manage restrictions imposed by the Airport Authority for commercial reasons.

2. OBJECTIVES

The objective of this Local Rule is to:

- 2.1. Manage the demand for airport infrastructure against a reduced supply of capacity.
- 2.2. Provide the mechanism to support the release of capacity and ensure it's available for use as soon as its released.
- 2.3. Airport Authorities should make all efforts to satisfy any new measure introduced as a result of Covid-19 without the need to reduce capacity. This Local Rule should only be used when all other reasonable options have been exhausted.
- 2.4. Allow flexibility in the capacity management process to dynamically react to changes in the Temporary Capacity restriction to facilitate efficient use of available capacity.
- 2.5. Provide a process that is fair, transparent and non-discriminatory.
- 2.6. Ensure that any capacity reduction is spread across all Carriers that hold slots at the airport that use the affected infrastructure.
- 2.7. Provide reassurance to Carriers that hold historic rights that these will be protected for use in the subsequent seasons when capacity returns to the formal Declared Capacity.

3. DEFINITIONS

Airport Authority	The operating company responsible for the management of the airport to which this Local Rule applies
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Carriers	Air transport undertakings that operate to the airport that this Local Rule applies
Competent Authority	The Authority designated by the Member State or Government to determine Declared Capacity at the airport that this Local Rule applies.
Coordinator	Airport Coordination Limited, the appointed independent Coordinator
Coordination Committee	The committee established at the Level 3 airport that this Local Rule applies.
Declared Capacity	The formal declared capacity that is advised to the Coordinator as required under Article 6(1) of the Slot Regulation
HBD	Historic Baseline Date – 31 January for Summer and 31 August for Winter.
Slot Regulation	Council Regulation (EEC) No 95/93 as amended by Regulation (EC) No 793/2004, and its successors
Temporary Capacity	A temporary set of capacity limits advised by the Airport Authority or Competent Authority for the purposes of managing new restrictions to prevent the spread of Covid-19
WASG	IATA/ACI Worldwide Airport Slot Guidelines

4. PRINCIPLES OF CAPACITY REDUCTION

- 4.1. The Coordinator will aim to satisfy as much demand as possible based on the available Temporary Capacity.
- 4.2. This Local Rule will apply to all service types equally.
- 4.3. Services that do not utilise affected infrastructure will not be impacted by the Local Rule.
- 4.4. The Temporary Capacity will only apply to the period of the season that it relates.
- 4.5. The Temporary Capacity should be notified by the Competent Authority as soon as possible to the Coordinator and Carriers after consultation with the Coordination Committee.
- 4.6. The Coordinator will give an indication of the required reductions by carrier as soon as possible after receiving the notification however the actual reduction will be based on the slots held by the Carrier at HBD for W20 and S21 and slots held in the baseline on 01 May 2020 for S20.

- 4.7. The Coordinator will consider if any airport specific guidance is required to facilitate the capacity reduction and after consultation with the Airport Authority, Carriers and the Coordination Committee will publish the same.
- 4.8. The required capacity reduction will be measured based on hourly capacity, with total capacity reductions per day and per week used as additional checks to ensure a fair distribution of cancellation across Carriers. The parameter used to determine the required reduction will be based on the restriction being implemented.
- 4.9. All Carriers should share the impact of the capacity reduction where appropriate. (a carrier that operates in a period where capacity is available may not be required to cancel having given all Carriers an equal opportunity to retime flights to maintain a balanced cancellation).
- 4.10. Capacity reductions will be based on the peak week within the affected period to identify the maximum capacity reduction required. Where capacity exists throughout the season the amount of demand to be removed will be reduced to minimise the impact on Carriers.
- 4.11. Capacity reduction will only apply in the periods that demand exceeds available capacity unless capacity is required in other periods to allow for retimes to ensure all Carriers contribute in proportion of the amount of slots held. For example, where one carrier would be requested to cancel more than the proportion of capacity held by that carrier in a particular period, the coordinator may seek to widen the period for reductions until a fair and proportionate reduction across all carriers in the affected period can be achieved.
- 4.12. Reductions related to passenger flow rates will be managed on a terminal by terminal basis and independent of each other.
- 4.13. In determining the level of required cancellation, the percentage share held by a carrier will be maintained as close to the proportions after initial coordination. For example, if carrier A held 70% of capacity in the 0900 hour at initial coordination then they should hold approximately 70% of the reduced capacity in the same hour after the capacity reduction.
- 4.14. It is for the carrier to decide which flights to cancel to meet the reduction in capacity.
- 4.15. Carriers that are required to cancel services are encouraged to retime into available capacity.
- 4.16. Carriers with a single frequency per day will be protected wherever possible however may be subject to a seat capacity cap to achieve the Temporary Capacity reduction.

- 4.17. If demand is at or below the Temporary Capacity any available capacity will be made available to Carriers to use on a non-historic basis.
- 4.18. Once the capacity reduction has been completed any increase in available capacity should be allocated first to those that have reduced capacity in the initial phase and in the proportion the carrier reduced. New or amended slots confirmed by the Coordinator in off-peak periods, after a capacity reduction is completed, would not be required to make further changes or cancellations to accommodate the reinstatement of previously cancelled flights.
- 4.19. Carriers are required to return slots that they do not intend to operate so they can be allocated to other Carriers where demand exists. Slots will be allocated on a non-historic basis. Should a carrier that has released slots wish to reinstate they will need to do so into available capacity based on the Temporary Capacity limits.
- 4.20. As far as possible the standard guidelines contained in the WASG should be maintained.

5. PROCESS

- 5.1. The Competent Authority will provide the Coordinator with its Declared Capacity having consulted with the Coordination Committee in good time for initial coordination as required under Art 6(1) of the Slot Regulation.
- 5.2. The Coordinator will perform initial coordination and issue the SAL by the deadlines contained in the WASG.
- 5.3. New slot requests may be allocated on a non-historic basis or as a conditional offer with condition being related to not seeking to benefit from the presence of this Local Rule. New or amended slots will be considered by the Coordinator for historic precedence as per WASG 8.7.1.d where possible.
- 5.4. The Airport Authority or Competent Authority will notify the Coordinator, Coordination Committee and Carriers of any capacity reduction required providing a detailed explanation of why the declaration must be revised and how the Temporary Capacity has been calculated. During consultation with the Coordination Committee, the Competent Authority will advise the period impacted.
- 5.5. The Coordinator will immediately put in place measures to prevent new slot requests from being processed until an assessment of the Temporary Capacity has been completed. OCS may also be disabled at times or message filters used to prevent series changes from being automatically processed. OCS will remain available for changes in the operational window for out of hours cover as required.
- 5.6. Pursuant to 5.4, an EGM or teleconference of the Coordination Committee will be called within 7 days to provide the Coordination Committee an opportunity to scrutinise the current conditions for a schedule reduction. The Airport Authority is

expected to provide analysis on observed load factors. The Coordinator is expected to provide information on the current status of the schedule against the proposed reduced limits and cancellation activity for the affected period. The Carriers are expected to provide non-commercially sensitive information on future schedule demand. The Coordination Committee will recommend during the EGM or teleconference whether to proceed with a schedule reduction or not.

- 5.7. The Coordinator will assess the Temporary Capacity against the slots held to determine the level of capacity reduction each Carrier is expected to contribute. Where the restriction involves a new constraint, the Coordinator will prepare and post on its website a base capacity assessment to determine any capacity reduction by Carrier. If the reduction is based on reduced terminal availability it will be based on a fixed constraint (T60/T30/T15) to be determined by the Coordinator and advised to the Coordination Committee and Carriers. This is to ensure that the capacity reduction is manageable, and the requirement is easily understood.
- 5.8. If the Temporary Capacity is notified prior to the HBD, ACL will provide an indicative reduction requirement. This will be updated shortly after the HBD based on the slots held at that time.
- 5.9. Carriers may request ACL to reduce seat capacity for their flights to achieve the required reduction. Carriers would then be encouraged to move flights to utilise their allocation. **Alternatively**, Carriers can make their own determination of what flights to impact and submit cancellation messages as per 5.9 and 5.10 below.
- 5.10. Should the Temporary Capacity reduction be announced prior to the HBD, Carriers are expected to plan to meet the indicative allocated capacity. Cancellations should only be sent to the Coordinator after the HBD once the final reduction requirements are distributed. By delaying the processing of cancellations provides carrier more time to plan and to consider any subsequent changes to the Temporary Capacity.
- 5.11. Should the Temporary Capacity Reduction be announced post HBD, Carriers should submit cancellation messages at the earliest opportunity.
- 5.12. All Carriers will be given an opportunity to retime flights if they desire to do so. The Coordinator will advise a deadline that retime requests should be submitted by. After this date, the Coordinator will process the requests to ensure a fair distribution across Carriers. After this process has been completed, all subsequent changes will be processed on a first come, first served basis.
- 5.13. The Coordinator will report on progress made to reach the Temporary Capacity.

- 5.14. Once the capacity returns to the formal Declared Capacity, those that have reduced capacity in the reduction phase will be allocated first, up to the capacity that the carrier has earlier reduced.

6. TRANSPARENCY

For the purpose of transparency, the Coordinator will publish on its website:

- 6.1. The Temporary Capacity limits and the supporting analysis
- 6.2. The total number of slots/seats that need to be cancelled to comply with the Temporary Capacity limits
- 6.3. Details of the required reductions by Carrier?
- 6.4. Compliance in adhering to the Temporary Capacity limits by Carrier

7. ALLEVIATION

Alleviation will be granted to slots cancelled in compliance with this Local Rule under 10(4)(b) of the Slot Regulation or any wider alleviation that the European Union declares.

Alleviation will only be granted to slots returned in advance of the planned operation.

During the validity of this Local Rule, ACL will relax its limitations on re-times counting towards utilisation of slots.

8. HISTORICS

Historics for the subsequent season will be based on the allocation held at the HBD prior to the temporary capacity reduction being implemented. Flights that are granted alleviation will be treated as operated in the calculation of utilisation.

9. COMPLIANCE

Carriers failing to comply will result in a potential Health and Safety concern for which the Airport Authority will need to consider appropriate action. This may result in a Carrier being unable to operate during the period that the Temporary Capacity applies.

ACL will review any failure to operate to the times allocated in line with Article 14(4) of the Slot Regulation and/or any sanction schemes in place in the relevant jurisdiction.

10. SCOPE & REVIEW OF LOCAL RULE

This Local Rule will apply as needed in the S20, W20 and S21 scheduling season but will expire immediately on the capacity of the airport reaching the Declared Capacity and assuring the carriers that have reduced capacity have been given first a chance to reinstate the flights.

If Temporary Capacity limits are still anticipated in the IATA Winter 2021 season and/or there is no prospect that capacity will return to the Declared Capacity levels, the Local Rule should

be replaced by a revised Declared Capacity to reflect a new business as usual. The Declared Capacity would be consulted on and declared by the Competent Authority prior to initial coordination for that season.

For the avoidance of doubt, the adoption of this Local Rule is not intended to be a long-term replacement for the normal Capacity Declaration.

Stakeholders can request that the Local Rule be reviewed prior to any subsequent Coordination cycle post its adoption. The request for review should detail the reasons with supporting information. The Coordinator will review the circumstances and propose any changes to the Local Rule for discussion at the next Coordination Committee.