

**CONSULTATION DECISION BY ACL ASIA PACIFIC COORDINATION LIMITED
(REFERRED TO AS ACL) FOR SYDNEY AIRPORT**

13 JUNE 2025

1. INTRODUCTION

- 1.1. ACL was appointed as Slot Manager for Sydney Airport from 01 April 2025 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.
- 1.2. ACL has completed the transition of Northern Summer 2025 (NS25) and has sent out SAL listings for Northern Winter 2025 (NW25).
- 1.3. ACL will publish guidance to stakeholders to be clear how we will treat slot requests and how historic entitlements will be determined. We will publish any guidance on our website www.acl-apac.com.au.
- 1.4. As we continue the transition, we believe several clarifications and/or changes would benefit the slot process at Sydney Airport to deliver the objectives of the Slot Management Scheme.
- 1.5. Throughout the drafting process of the policy, ACL issued a consultation to stakeholders with the aim of seeking views and refining the document to minimise interpretation differences.
- 1.6. We are grateful for the responses received. The following paper provides a summary of the responses and ACL's decision on the proposed policy.

2. OBJECTIVES & LIMITATIONS

- 2.1. ACL is keen to adopt an approach that provides greater harmonisation but accepts that in doing so, the policy may not satisfy the aims of all groups. Therefore, in making its decision, we considered views equally between harmonisation and effectiveness of the policy in managing historic determination. Decisions are based on the objective of maximising the use of available capacity and ensuring fair access to Sydney Airport.
- 2.2. We have limited our decision to the questions asked in the consultation. All other considerations made by respondents will be retained and considered in any subsequent policy review.

3. RESPONSES

- 3.1. We sent the consultation to all airlines that operate to Sydney (Kingsford Smith) Airport.
- 3.2. We received 18 responses. 16 responses came from airlines, Sydney airports, and a representative organisation for the airline industry.

4. RESPONSE SUMMARY

Q1. Should ACL adopt its existing Historic Determination policy at Sydney Airport with the amendments contained in the draft?

72% of respondents were in favour of ACL adopting the revised historic determination policy, whilst 28% were against.

Reasons for being in support of ACL adopting this policy included:

- Allocating slots based on historical precedence within a specific series—rather than across the entire season, as currently practiced in Sydney—enhances capacity utilisation and operational efficiency, benefiting airport operators, airlines, and passengers alike.

Reasons for being against ACL adopting this policy included:

- Removal of WASG 8.7.2 does not align with the current Slot Management Scheme. The existing scheme should continue to apply until the new one is known.
- Impact on slot efficiency as it would discourage the early return of slots.
- A consistent approach is needed to other Australian airports and others in the APAC region.
- The ability to retime from the historic slot of 65 minutes is not practicable with slots at the other end of the route due to 5-minute granularity of Sydney slot constraints. Greater flexibility is needed for adhoc changes.

Q2. Do you agree to the Australian Summer Holiday Period trial ending with immediate effect?

67% of respondents were in favour of ACL ending the Australian Summer Holiday Period (AHP) trial, whilst 33% were against (including airlines that wanted to be included in the scheme).

Reasons for agreeing with ACL to ending the trial with immediate effect included:

- Most efficient use of slots across the season.
- Application must be equal to all slot allocations to ensure fair and consistent treatment.
- AHP is now the airport's busiest operating period and delays the returning of slots in peak periods and prevents other airlines obtaining slots until after HBD (insufficient time for bookings).
- Many responses did not support slot ring-fencing as a principle as it hinders airport efficiency.

Reasons for being against ACL ending the trial with immediate effect included:

- AHP is recognised as a permanent feature of schedule development by local airlines to reflect the reduction in business demand due to the Christmas school holiday period unique to Australia.
- Increases risk of operators continuing to operate unviable services to maintain historic precedence and prevents airlines the flexibility to meet reduced passenger demand during the AHP.
- Request inclusion of all airlines in the scheme for fair and consistent treatment.
- Decision should rest with the Australian Government due to potential negative impacts to regional communities/economies.

Q3. Do you support the standard approach to managing DST periods as per section 4.3 of this consultation?

50% of respondents were in favour of ACL adopting the standard approach to managing DST periods whilst 50% were against.

Reasons for agreeing with ACL to adopting this policy included:

- Some respondents suggested all carriers keeping a consistent record in local time as the only method in compliance with the Scheme.
- Some suggested that a slot should be managed solely in UTC to limit confusion.
- Aligns with best practices and promotes consistency.

Reasons for being against ACL to adopting this policy included:

- Standardising the management of DST period must align with the Scheme.
- Significant workload to resolve slots in DST periods.
- May adversely affect schedule integrity.
- Variable DST changes in Australia and NZ necessitates a tailored approach.
- May lead to slot unavailability due to potential breaches in runway movement capacity.
- Will not provide meaningful efficiencies.

Q4. Should the above changes, if taken forward, commence from the beginning of Northern Winter 2025 (NW25)?

67% of respondents were in favour of ACL adopting the revised historic determination policy in NW25. 33% were against.

Reasons for agreeing with ACL adopting this policy included:

- Majority of respondents were in favour of the timing as they had no concerns and were supportive of the increased efficiency that the changes will drive.

Reasons for being against ACL adopting this policy included:

- Too late for NW25 planning process to enable re-working of slot submission and managing impact of changes. Defer until NS26.
- Delay to ensure alignment with the new regulations and scheme.

Q5. Any other comments?

Some responses raised the importance of independence in the consultation and decision process and so consultation and oversight should be decided by the Australian Government.

Additional comments received were mostly related to topics outside of the scope of the consultation. These will be retained and considered when the appropriate policy to which they relate is next reviewed.

5. DECISIONS

5.1. Historic Determination

ACL has decided to adopt the new historic determination policy, applicable for NW25 and all subsequent seasons. A new version of the Guidance to Historic Determination at Level 3 Airports will be added to the ACL APAC website to reflect this. ACL believes that this paper is consistent with the regulatory framework governing demand management at Sydney Airport. Furthermore, we believe that it provides the basis for encouraging the utilisation of slots held at HBD at or close to the time allocated.

Retimes within 65 minutes will allow for sufficient time for adhoc schedule changes and for any changes due to DST periods and continue to count towards the utilisation target. An adhoc schedule change outside of 65 minutes of the historic (baseline) slot time held, will not count towards the utilisation target unless such a retime has been approved in advance by ACL related to an operational requirement outside the carrier's reasonable control. This allows sufficient flexibility to cover unforeseen events.

The non-application of WASG 8.7.2 in our Historic Determination Policy is consistent with the interpretation of the historic baseline date as detailed in the scheme which states as a note 'the 'size of aircraft' and 'use it or lose it' tests are applied to slot series that are held at the **Historics Baseline Date**. We believe the policy is consistent with the Sydney Airport Slot Management Scheme.

5.2. Australian Holiday Period

ACL has decided to end the Australian Holiday Period trial with immediate effect as it is at odds with the objective of the Sydney Airport Demand Management Scheme, can be considered as not treating all airlines consistently, and limits slot utilisation during a peak season by carriers wishing to operate during the holiday period. Its removal will allow capacity previously protected under this provision to be utilised by any carrier with the ability to gain historic entitlement if the utilisation threshold is met.

ACL believes the Scheme provides the discretion to end this trial utilising the same discretion under which it was introduced.

As outlined in the examples provided in the Guidance to Historic Determination paper, an airline that currently obtains protection from AHP can still maintain historics for those slots outside the AHP period by operating at least 80% of the two (separate) slot series on either side of the AHP period as per WASG. This provides a historic entitlement for the periods operated rather than an entire season. If the AHP was applied this would lead to utilisation being significantly lower than the 80% stated in the scheme. This means that it is not necessary for the carrier to operate unviable services in the AHP period to be eligible for historics for the periods that they will most likely operate again in the following Northern Winter season.

It is important to note for regional NSW services that the Australian Government continues to ensure strong protection for regional NSW communities and businesses at Sydney Airport through a measured package in the Scheme reforms that include protection for slots classified as Permanent Regional Service Series (PRSS). Where PRSS slots are returned to the pool at HBD, these are required to be protected for other PRSS services and therefore will be available in the next season should they be required for a PRSS service. This will continue to enable regional services access to existing slots in the peak as well as the ability to grow.

One carrier expressed concern for those carriers in administration. The removal of the AHP would only impact such a carrier if there was no waiver to the utilisation threshold.

5.3. Approach to managing DST periods

ACL has decided to adopt UTC as the standard approach for determining historic. However, ACL will continue to allow flexibility for an airline to **request** that historic are based on local time. We will seek a technical solution for managing this process and will update those carriers that choose local time as more information becomes available.

5.4. Effective date of changes

Changes as a result of this consultation will apply from the beginning of Northern Winter 2025 (NW25). ACL believes that airlines have sufficient time to plan in response to these changes prior to the Historic Baseline Date of 31 August 2025 as this is the date for the basis for determining eligibility for historic precedence.

Secondary to this the Department is aware of the changes resulting from this consultation and has advised they would be consistent with the draft Regulations and Slot Management Scheme. The Department will consult on the draft Regulations and Slot Management Scheme in late June and July 2025.