From: Diane Hood

Sent: Tuesday, 19 August 2014 4:24 PM

**To:** State Development

**Subject:** FW: Inquiry into regional aviation services - Transcript and questions

## Dear Madeleine,

Please find attached responses to the questionnaire. There are no amendments to the transcript for Narrabri Shire Council (Cr. Conrad Bolton (Mayor) and Diane Hood (GM)).

There were two open questions from the transcript, which I will treat as additional information to be provided:

## (1) Charges and methodology for landing and passenger fees

Traditionally, passenger fees only applied to Regular Public Transport. In 2010/11 passenger fees were \$14.50 per head and have increased gradually to \$16.50 in 2014/15. Currently we rely on the Avdata landing fee system to identify regular charter operations. Once the operator has been identified, they are advised in writing of the applicable charges and the requirement to provide details of all inbound/outbound passengers for each of their flights. This information is provided to Avdata at the end of each month for invoicing on behalf of Council.

The methodology previously used has been carried over for many years - This being flat landing charge per tonne of maximum take-off weight applicable to all aircraft and a per head passenger charge for Regular Public Transport only.

With the emergence of FIFO charter operations in the past 2-3 years, Council concluded that Passenger Fees should now be applied to all passengers (in particular, known FIFO operations). This is being investigated although there have been

difficulties identified with the method of identifying operators and having them provide details of passengers for billing purposes, an exercise was undertaken to identify the aircraft types that regularly use the airport and apply a combined passenger/landing fee. This was to be based on a range of maximum take-off weights and an average number of passengers on board.

For the current financial year, we are staying with the passenger fee system currently being used and have introduced a new tiered landing fee structure on a trial basis, which is based on maximum take-off weight categories (four categories)

Essentially the methodology for the current landing fees is the heavier the aircraft the higher the per tonne charge. Heavier aircraft generally operate at higher tyre pressures which has greater impact on the runway pavement.

The price per tonne for the current Financial Year was determined by benchmarking against fees and charges at similar sized airports to Narrabri and airports that are also affected by FIFO operations. Information was sourced from the Avdata schedule of airport charges (Avdata service approx. 90 airports across Australia) and airports that have the resources to undertake their own billing.

## (2) Was there any discussion with / challenge from Brindabella Airlines regarding the fees?

I have been advised that Aeropelican/Brindabella regularly requested fees and charges to be reduced and in some cases waived completely. For the first five years of operation, the terminal usage fee was waived and

there was a reduced price per litre for Jet A1 fuel supply. There were no reductions or waivers of landing and passenger fees.

If you require anything further, please let me know.

Thanks and regards, Diane

Diane Hood General Manager



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