

7 February 2022

Dear Stakeholders

Submission of views on NERL's NR23 business plan

On 7 February 2022, NERL published its business plan for the NR23 price control review.¹ During the customer engagement process in autumn 2021, and as per our email of 27 January 2022, we said that we would invite stakeholder views on NERL's business plan, to help inform how we take account of these important stakeholders' views in developing the CAA Initial Proposals.

Please could we ask stakeholders to email their written views on NERL's business plan to the CAA economicregulation@caa.co.uk by no later than 3 March 2022. Responses received after this date may not be considered, unless agreed in advance with us.

We recognise that the timetable for the NR23 price control review is relatively tight and has challenges for all parties. The submission date above allows about four weeks for stakeholders to review and submit comments to the CAA. We would welcome views from stakeholders earlier than 3 March 2022 to the extent this would be practicable, particularly if stakeholders want to raise significant issues or concerns. But it is important that we receive written responses by no later than this date so that we can give due consideration in developing our policy positions through March 2022.

In particular, we welcome views on the areas where stakeholders wanted further information on NERL's business plan, as identified in the December 2021 Co-chairs report from the Customer Consultation Working Group. These areas included: capacity, environment and safety targets, the capital investment programme and programme governance, operational and technical resourcing and resilience, flexibility of operations to uncertain demand, airspace plans, price profiling, and uncertainty mechanisms.

There will be additional opportunities for stakeholders to provide their views on NERL's business plan, including a workshop in early March 2022 with our advisors on NERL's opex and capex efficiency. We will also publicly consult on the Initial Proposals in summer 2022, which will provide stakeholders with the opportunity to comment on a full range of issues, including the price control allowances we make for costs and returns.

This letter will be published on the CAA website. We look forward to engaging with stakeholders on NERL's business plan and as we develop our initial proposals. If you have any questions or would like to discuss any aspect of this letter, please email stewart.carter@caa.co.uk.

Regards,

Stewart Carter

Stewart Carter
NR23 Programme Director

¹ www.nats.aero/about-us/nr23-business-plan/