YOUR LONDON AIRPORT Gatwick

Delivery of 95% Pier Service - Tollgate 3

Capital Programme Board – February 2013

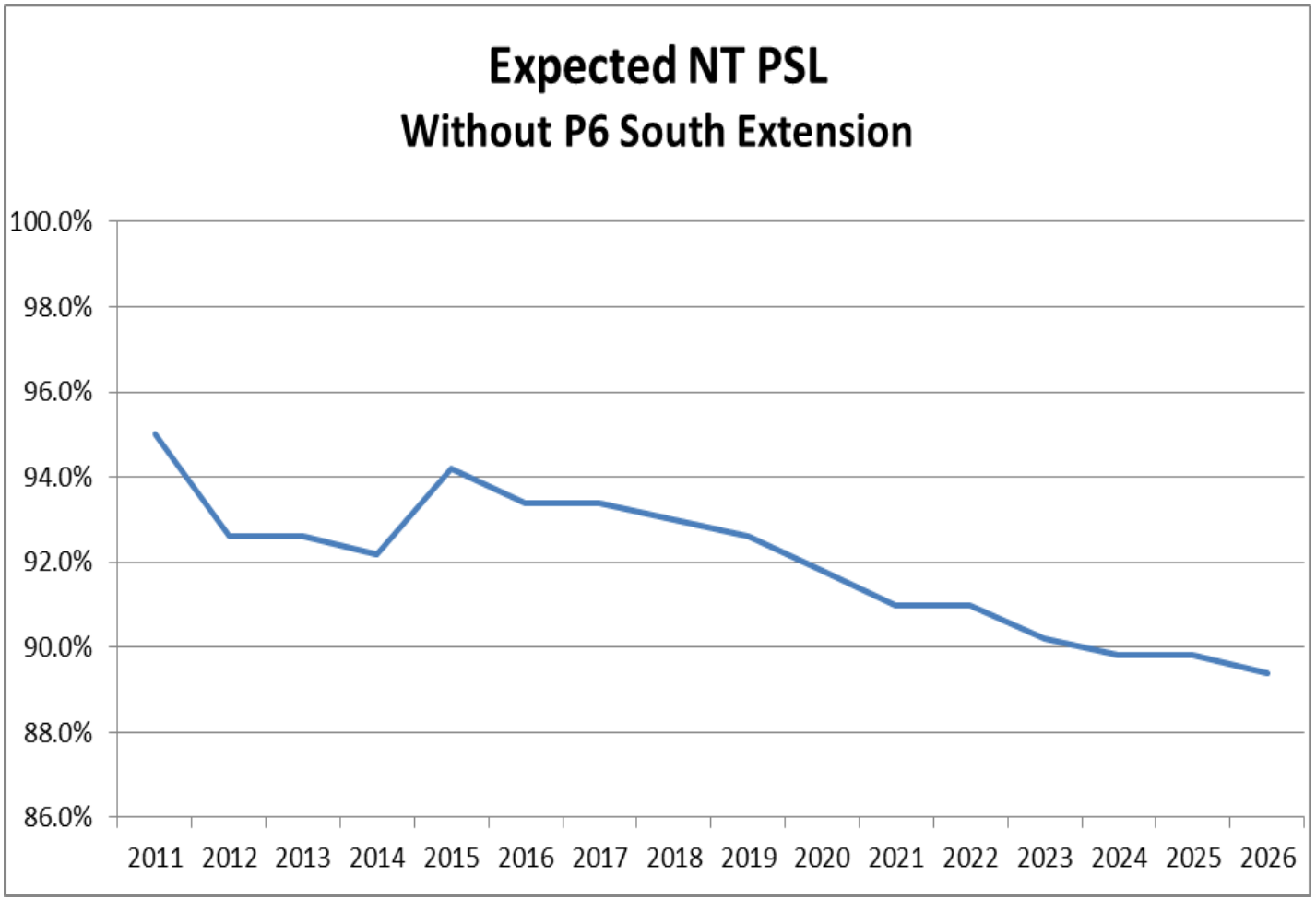
Agenda

- The story so far
- Delivery of 95% Pier Service (North Terminal) - Requirements
- Pier 6 Southern Extension Preferred Option
- Do Nothing Scenario
- Phased approach to delivery plus scope reduction opportunities and cost

The story so far…

2009	2010	2011	2012	2013
Pier 7 stopped	Additional Pier Service Airline Working Groups & CPB/JSG	2011 Viability Study *Site Selection*	April 2012 Business Plan Option *Tollgate 2*	28 June – Constructive Engagement. *Preferred Option for P6 South Extension*	Revised Business Plan to 2024 *Tollgate 3*

Delivery of 95% Pier Service (NT)



Requirements agreed at TG2

Project Requirements

- To meet future fleet mix requirements and support different airline operating models
- Passenger experience that allows Gatwick to compete (Premium, Economy, Passengers with Restricted Mobility)
- CAA compliance (CAP 168)
- Safety Regulation Group (SRG) approved solution
- Solution delivered to Gatwick Airport Limited (GAL) engineering standards
- Delivery to environmental commitments - Section 106 – Decade of Change
- Relocation and re-provision of existing infrastructure within proposed site boundary

Service Proposition Requirements (Product Matrix)

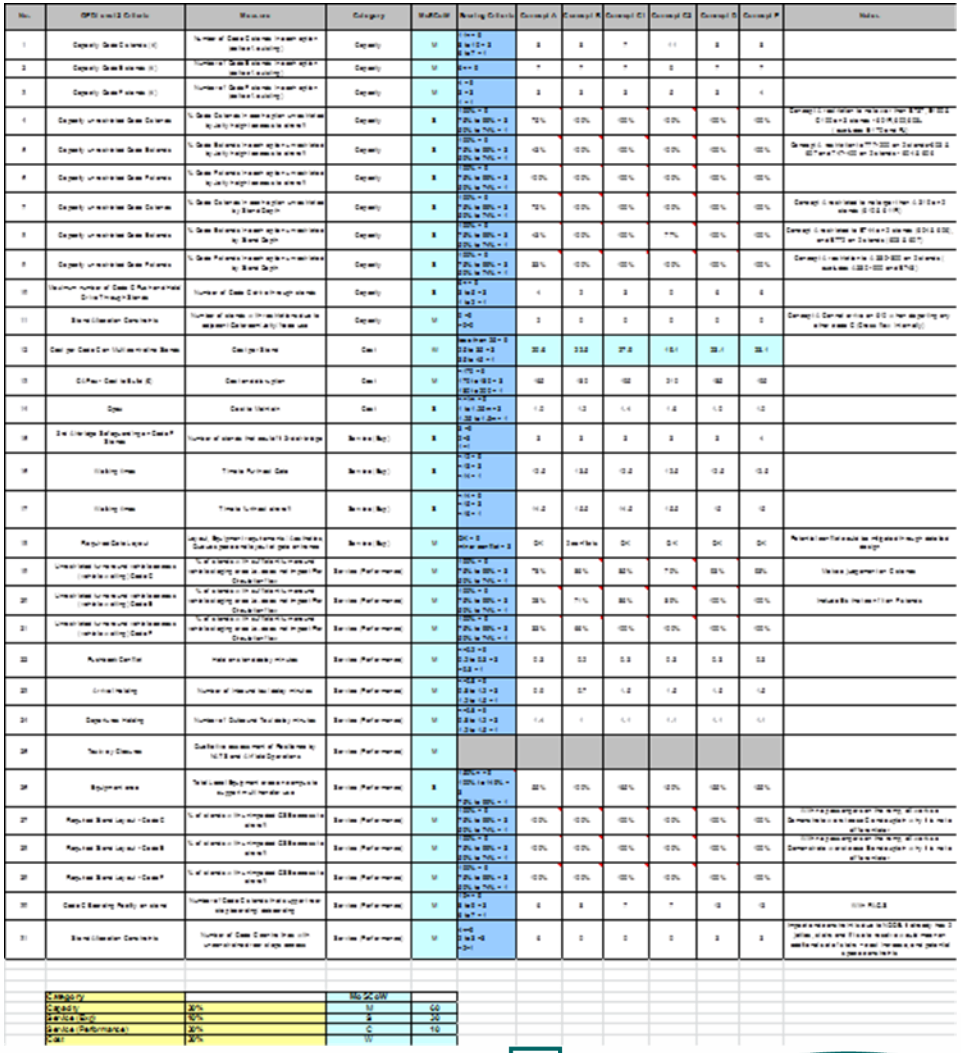
- To meet 95% pier service levels in line with forecasts
- Closed gate rooms to support airline operations and on time performance
- Vertical segregation of arriving and departing passengers
- Comfortable gate room seating
- Space not less than IATA C
- Sufficient Toilet facilities
- Lift locations to facilitate PRM access
- Retail and vending offers consistent with passenger requirements

Site Selection

- Level 1 QFD assessed the potential site options against agreed criteria:
  - Capacity
  - Cost
  - Service
- An extension to the South of the existing Pier 6 was agreed as the preferred location for additional pier service.

Options Development Process

- QFD Level 2
  - 31 Requirement Criteria identified
  - Cross functional input
  - Data populated through Concept Design
- Criteria categorised under:
  - Capacity
  - Cost
  - Service (Experience)
  - Service (Performance)



Do Nothing

- Asset database outlines all pavement / AGL / other assets due for replacement
- Cost of asset replacement to 2020 in the Pier 6 South site area, if Pier 6 Southern Extension were not built, would be circa £29.5m

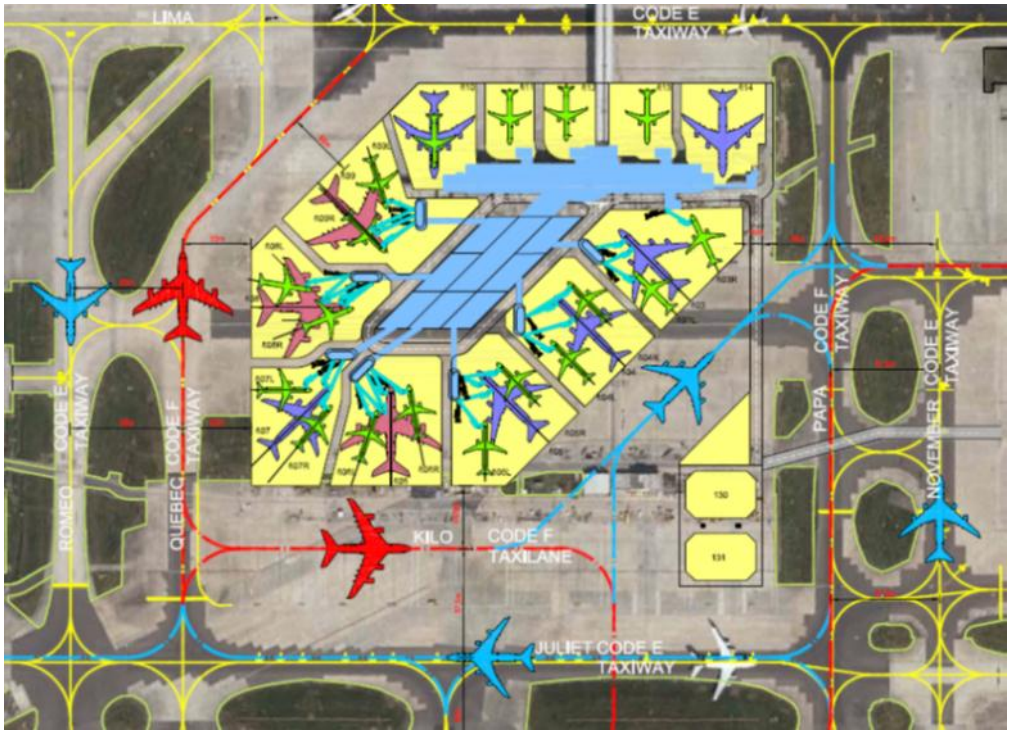
Asset Reference / Maximo Numb	Description (includes grid number on	Use	Business Unit / Asset Stewar	Assessment Type	Date of Assess at	Last Inspect date	Residual Life (years) as at assessme	Residual life (years)as 2013	Key Characteristics for high level costing e.g. ty	Quantity (e.g. area, linear length, number etc.)		Rate to refurbish / replace pe	Economic Service Life Asset (year	Maintenance Regime based o	
Main Runway															
Northern Runway															
SC154-C	Stand 154 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	15/11/2003	13	12	PCC	672	m2	0	30	Routine Maintenance	
SC155-A	Stand 155 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	4	3	PCC	1,210	m2	0	30	Pronounced Maintenance	
SC155-B	Stand 155 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	11	10	PCC	1,810	m2	0	30	Routine Maintenance	
SC155-C	Stand 155 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	15/11/2003	10	9	PCC	848	m2	0	30	Routine Maintenance	
SC156-A	Stand 156 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	7	6	PCC	1,885	m2	0	30	Pronounced Maintenance	
SC156-B	Stand 156 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	12	11	PCC	1,335	m2	0	30	Routine Maintenance	
SC156-C	Stand 156 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	15/11/2003	2	1	PCC	752	m2	0	30	Major Refurbishme	
SC157-A	Stand 157 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	12	11	PCC	325	m2	0	30	Routine Maintenance	
SC157-B	Stand 157 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	13	12	PCC	2,570	m2	0	30	Routine Maintenance	
SC158-A	Stand 158 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	8	7	PCC	1,735	m2	0	30	Routine Maintenance	
SC158-B	Stand 158 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	13	12	PCC	2,140	m2	0	30	Routine Maintenance	
SC159-A	Stand 159 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	11	10	PCC	1,470	m2	0	30	Routine Maintenance	
SC159-B	Stand 159 (Cargo Area)	APRON	Airfield	Predictive Modelling	28/02/2012	21/07/2010	12	11	PCC	1,450	m2	0	30	Routine Maintenance	
SC1-A	STAND CARGO 1	APRON	Airfield	Predictive Modelling	28/02/2012	25/03/1996	3	2	PCC	1,875	m2	0	30	Pronounced Maintenance	
SC1-B	STAND CARGO 1	APRON	Airfield	Predictive Modelling	28/02/2012	25/03/1996	6	5	PCC	1,875	m2	0	30	Pronounced Maintenance	
SC3-A	STAND C3 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	03/12/1996	0	-1	PCC	2,665	m2	0	30	Major Refurbishme	
SC3-B	STAND C3 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	07/01/1979	0	-1	PCC	375	m2	0	30	Major Refurbishme	
SC5-A	STAND C5 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	03/12/1996	0	-1	PCC	2,665	m2	0	30	Major Refurbishme	
SC5-B	STAND C5 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	07/01/1979	0	-1	PCC	375	m2	0	30	Major Refurbishme	
SC7-A	STAND C7 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	03/12/1996	0	-1	PCC	2,665	m2	0	30	Major Refurbishme	
SC7-B	STAND C7 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	07/01/1979	0	-1	PCC	375	m2	0	30	Major Refurbishme	
SC9-A	STAND C9 (CARGO A	APRON	Airfield	Predictive Modelling	28/02/2012	03/12/1996	0	-1	PCC	5,530	m2	0	30	Major Refurbishme	
SCBA-A	LEASED CARGO ARE	APRON	Airfield	Predictive Modelling	28/02/2012	03/10/1993	0	-1	PCC	8,400	m2	0	30	Major Refurbishme	
			Airfield	Predictive	28/02/2012			3			m2	0	30	Routine	

Option A – April 2012 Business Plan

- circa **£160m**
- Difficult to operate stands without flexibility to suit all airline operating models
- Poor passenger experience due to link bridge from existing Pier 6
- Insufficient gateroom and circulation space

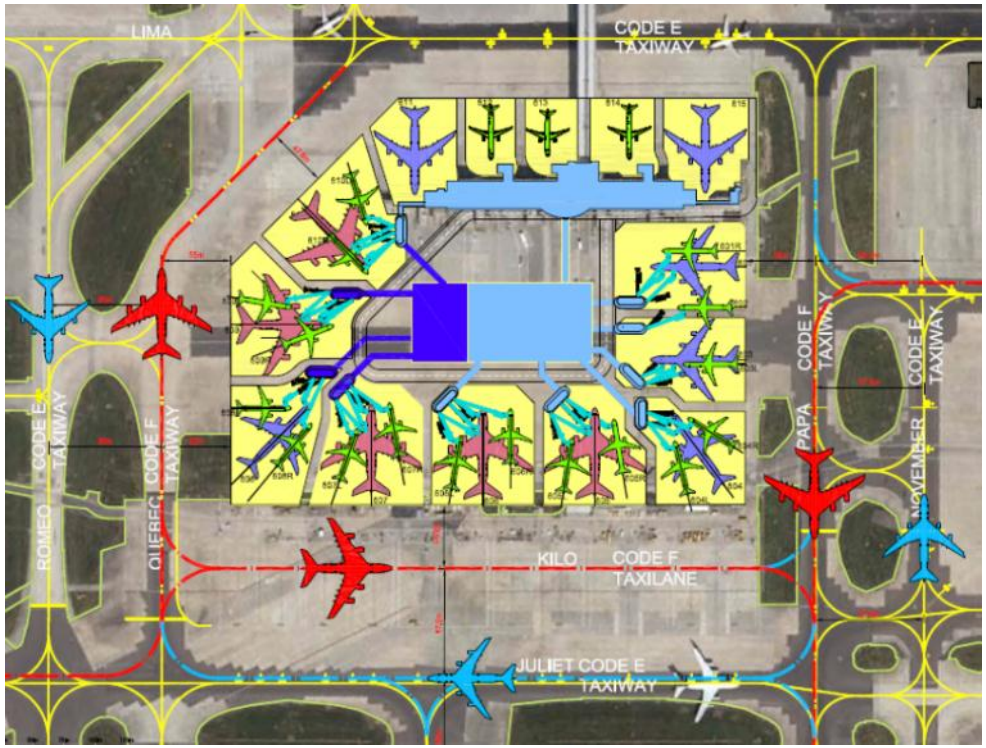
Option B

- circa **£180m**
- NATS driven option to avoid push back onto Papa/November
- Building shape makes for difficult to operate stands in SW corner of site
- Insufficient gateroom and circulation space



Option C

- circa **£210m**
- Modelling showed that pushback onto Papa/November was not a significant issue
- How many aircraft is it possible to fit on the site?

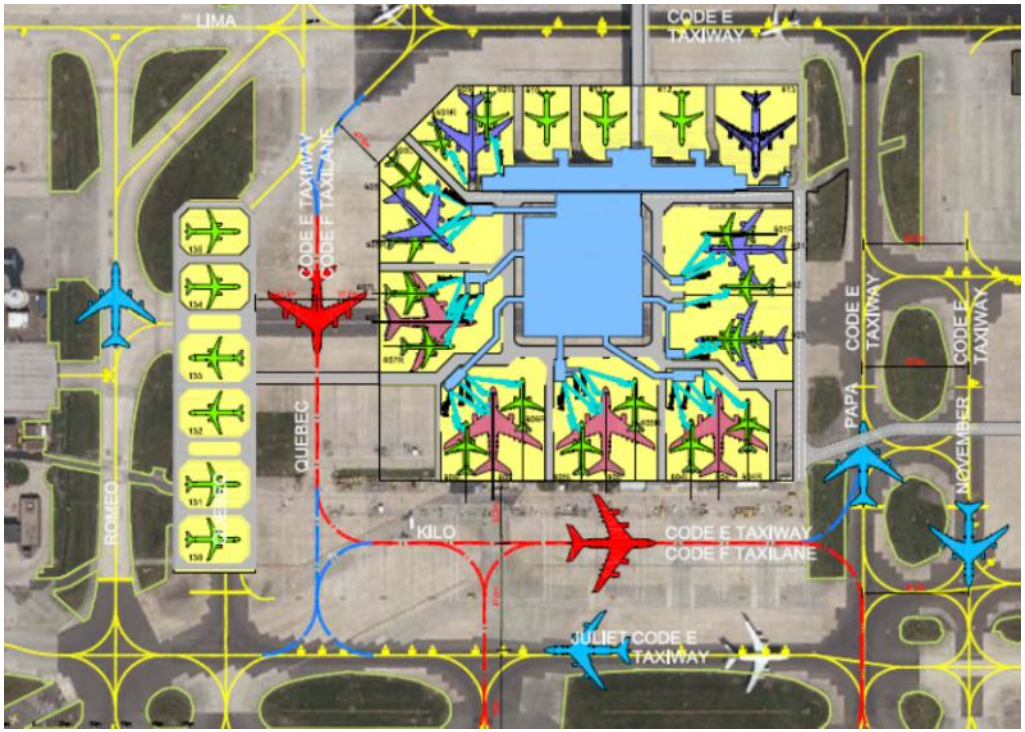


Option D

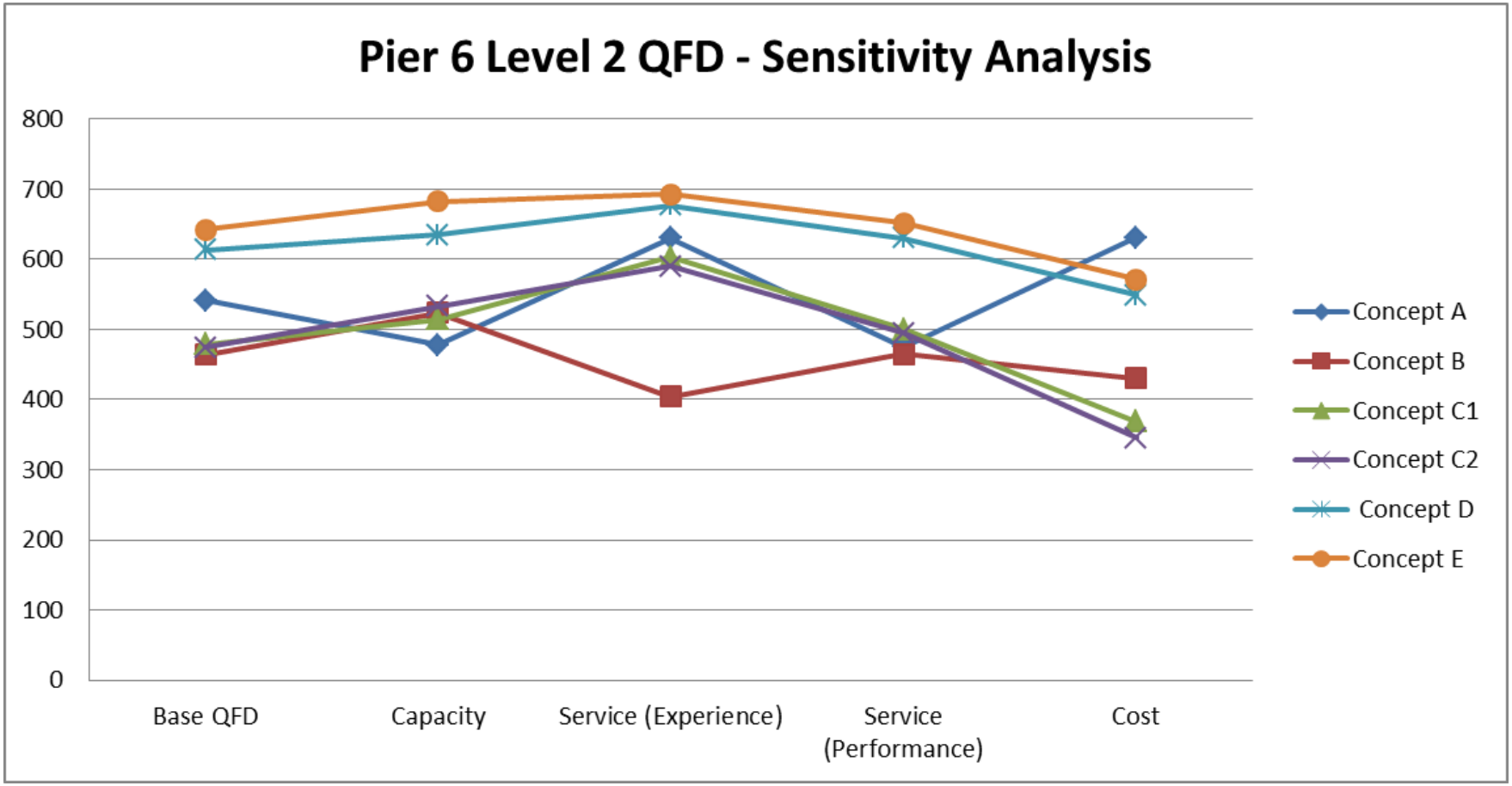
- circa **£185m**
- Use whole site, but provide sufficient space on stand to satisfy all airline operating models
- Less aircraft, but stands optimised for performance
- Break into Pier 6 façade for optimum passenger experience and circulation space
- Optional Remote / push and hold stands

Option E – Revised Business Plan to 2024

- circa **£185m**
- As Option D, but reconfiguration to provide space for additional Code F stand



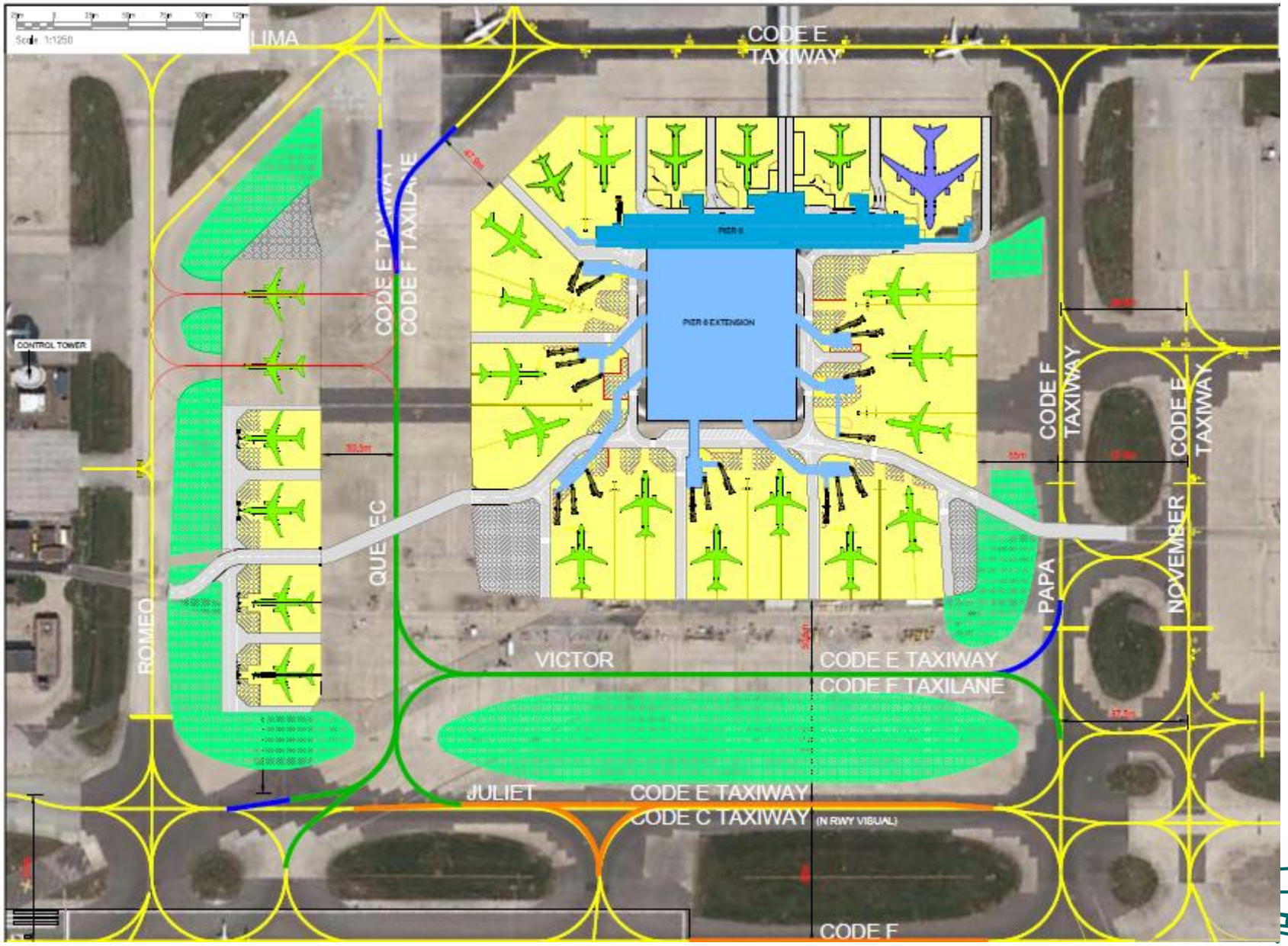
Level 2 QFD Option Selection



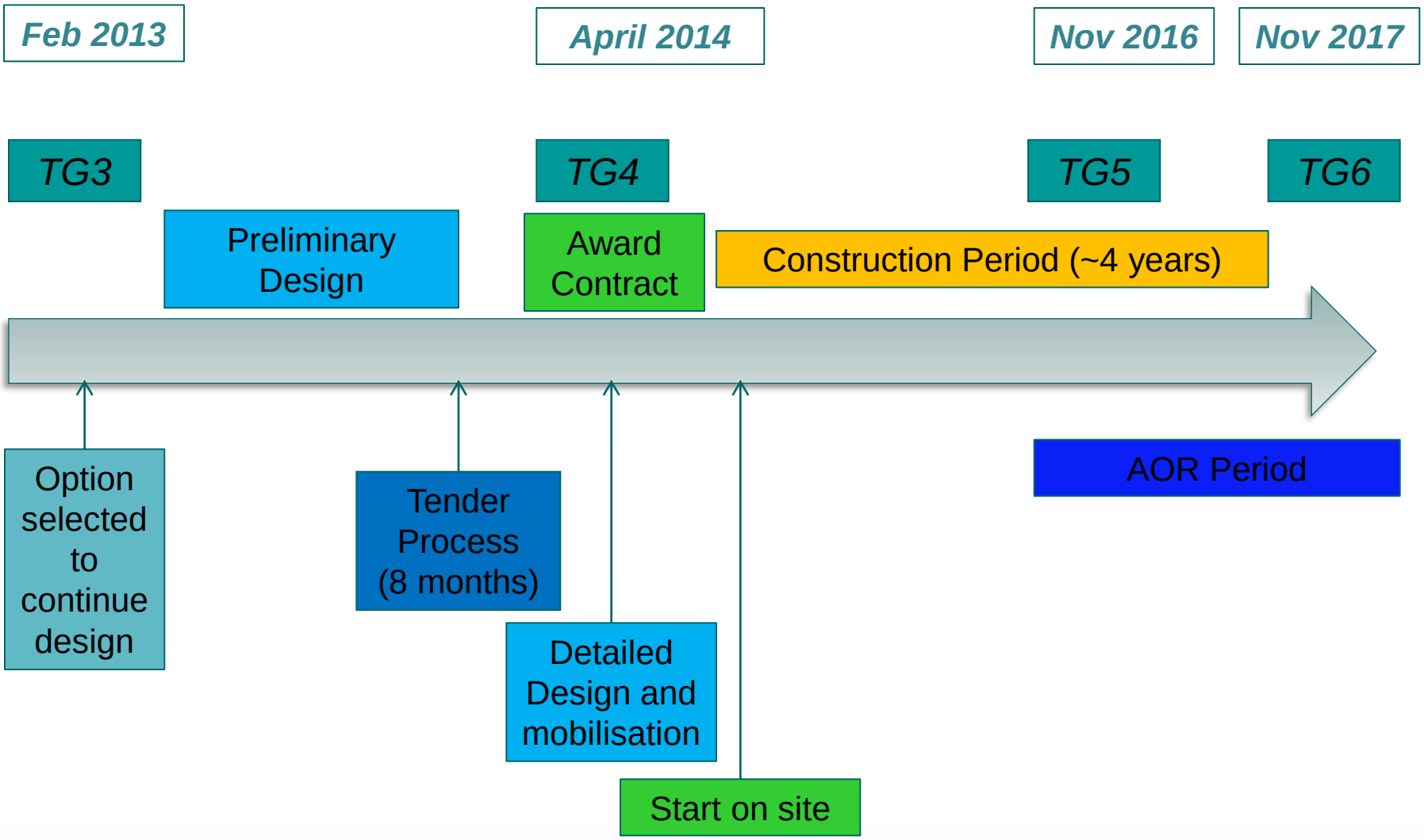
Options Development since April 2012

- Benefits (Option A to Option E):
  - No stands have operating or stand planning restrictions
  - Building – gate space to IATA C, with effective circulation and queuing space for passengers
  - Operationally efficient stands to assist On Time Performance
  - CIP Lounge product with views across the airfield and direct boarding to long haul stands
  - Stands provide flexible MARs centrelines with safe walking routes and ability to board using rear steps
  - Remote / Push and Hold stands

Site Layout


LIMA
CODE E TAXIWAY
CODE E TAXIWAY
CODE F TAXILANE
PIER 6
PIER 6 EXTENSION
CONTROL TOWER
CODE F TAXIWAY
CODE E TAXIWAY
ROMEO
QUEBEC
PAPA
NOVEMBER
VICTOR
CODE E TAXIWAY
CODE F TAXILANE
JULIET
CODE E TAXIWAY
CODE C TAXIWAY
(N RWY VISUAL)
CODE F

Pier 6 Southern Extension – Programme



Pier 6 Southern Extension - Financials

Tollgate 3 Option

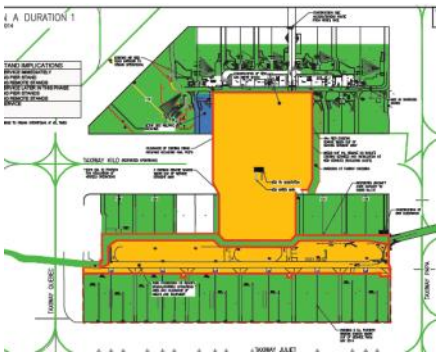
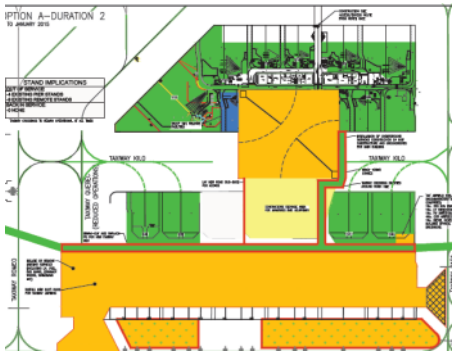
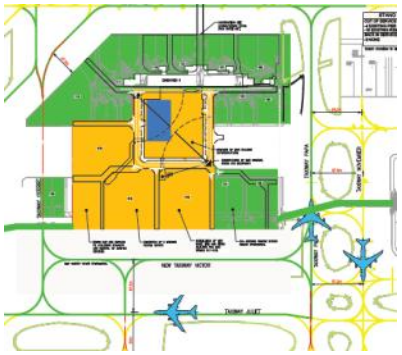
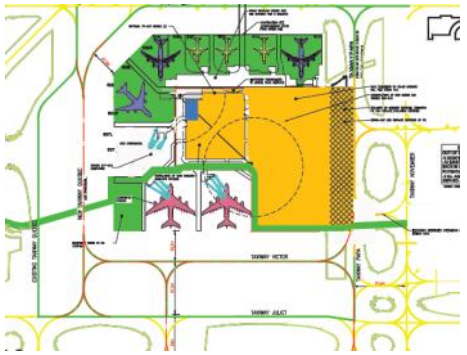
GAL Management	£1.96m
Design	£5.48m
(Tender Process	£0.53m)
(Construction	£175.5m)
General	£0.59m
Risk	£0.17m
Previously approved	*£6.98m*
TOTAL REQUEST	***£1.2m***
Funds required	*£8.2m*
TOTAL AFC	*£184.2m*

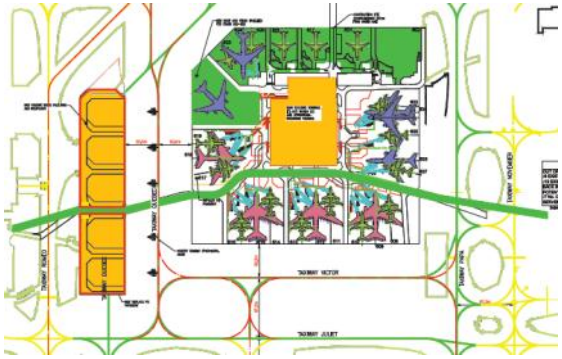
Phased Construction and scope opportunities

- Construction Sequencing
  - Phased delivery of Remote hold stands and Quebec re-alignment
  - Phased delivery of Code F capability

- Reduce flexibility of infrastructure (remove independent WIWO access to each Code C)
  - Removal of one staircase from each node
  - Maintain independent access, one via jetty, one via stairs
  - Acknowledge change to project requirements

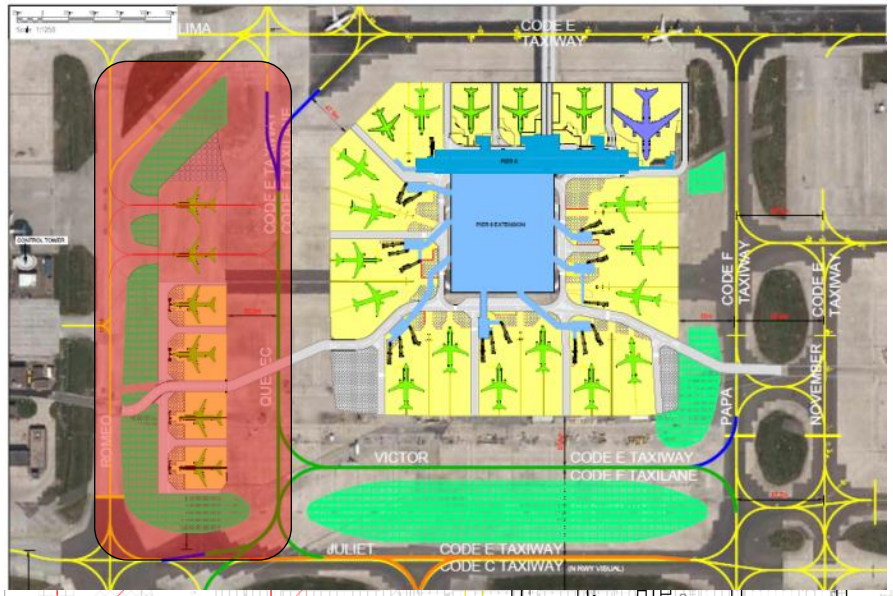
Construction Sequencing

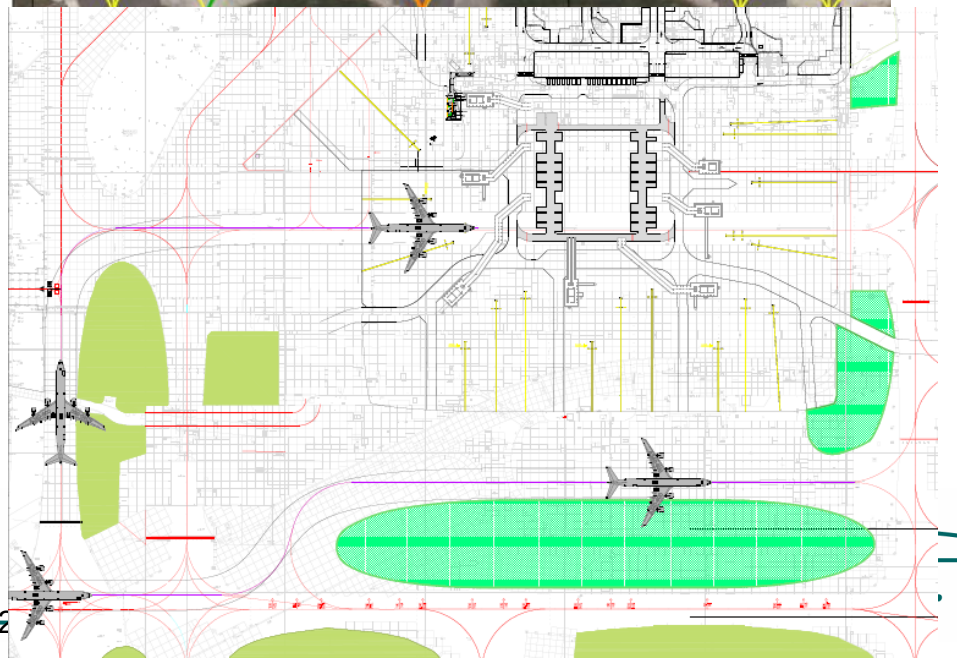








Phased delivery of Remote holds/Quebec

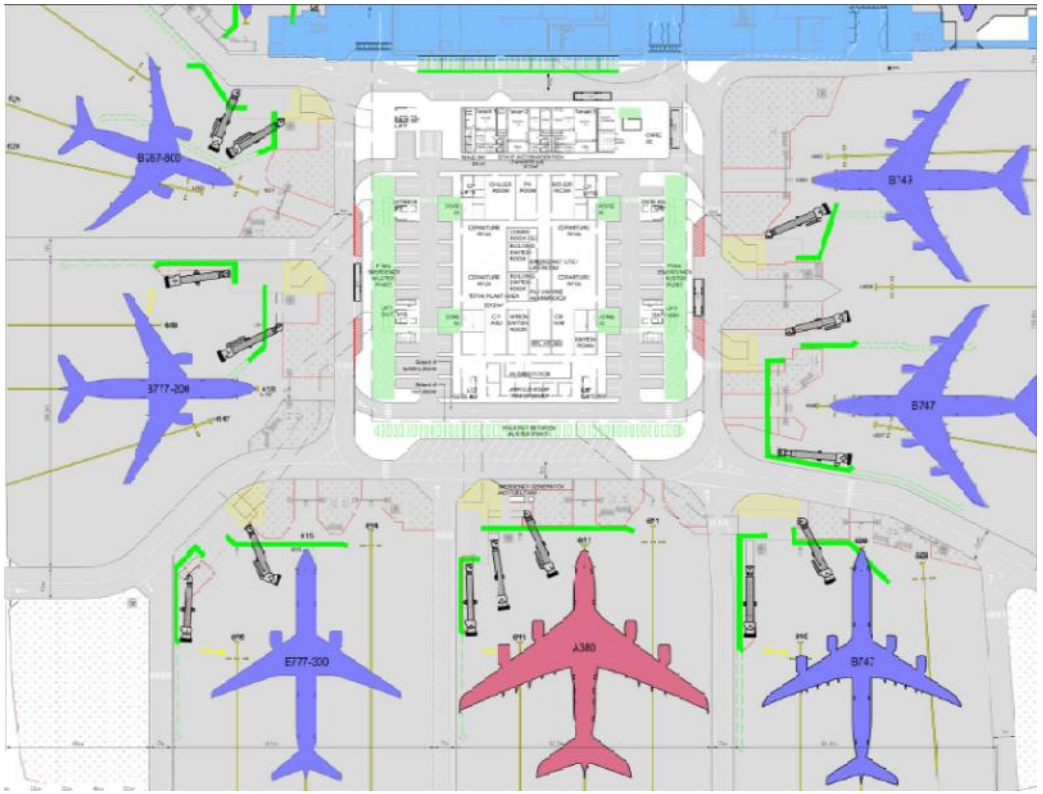
- circa £20m saving before 2020
- Additional £30m+ to remobilise and develop later
- **Recommend** to develop opportunity post TG3





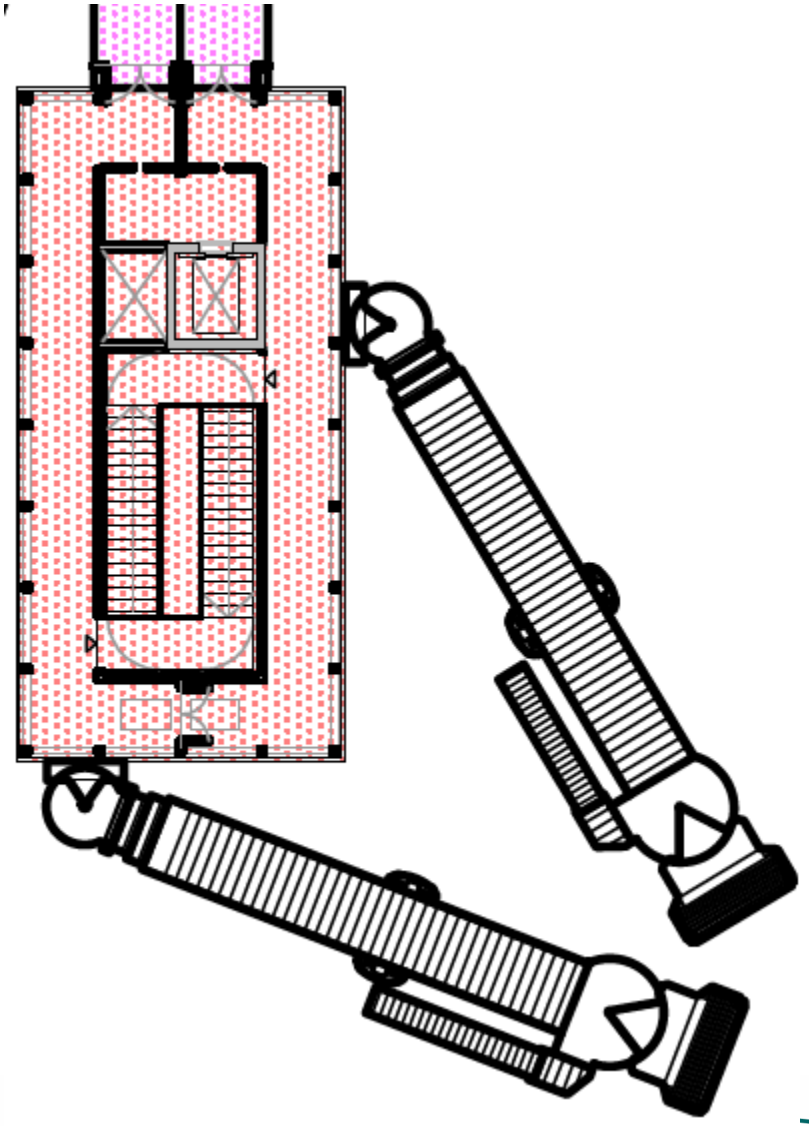
Phased delivery of Code F stands

- circa £2m saving before 2020
- Additional costs to remobilise and deliver later
- **Recommend** to develop opportunity post TG3



Reduce Flexibility - WIWO

- circa £3m saving
- Current design allows for full flexibility for steps to tarmac and airbridge access independently to both Code C centrelines on MARS stands.
- 2 independent sets of stairs in each node
- Reducing this flexibility changes project requirements but presents significant cost savings
- **Do not recommend** pursuing this opportunity



Summary

Option	Do Nothing	Tollgate 3 (build P6 2014)	Phased approach (P6 2014, Remotes/Quebec 2020)
Beyond Q5	£29.5m	£184.2m	£167
Post 2020	£??	£0	c £35m
Total	£??	£184.2m	c £200m +
Level of Disruption			

Question for CPB

- Does CPB recommend the approval of Tollgate 3 for the Pier 6 Southern Extension option to deliver 95% Pier Service for North Terminal?

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Supporting Information

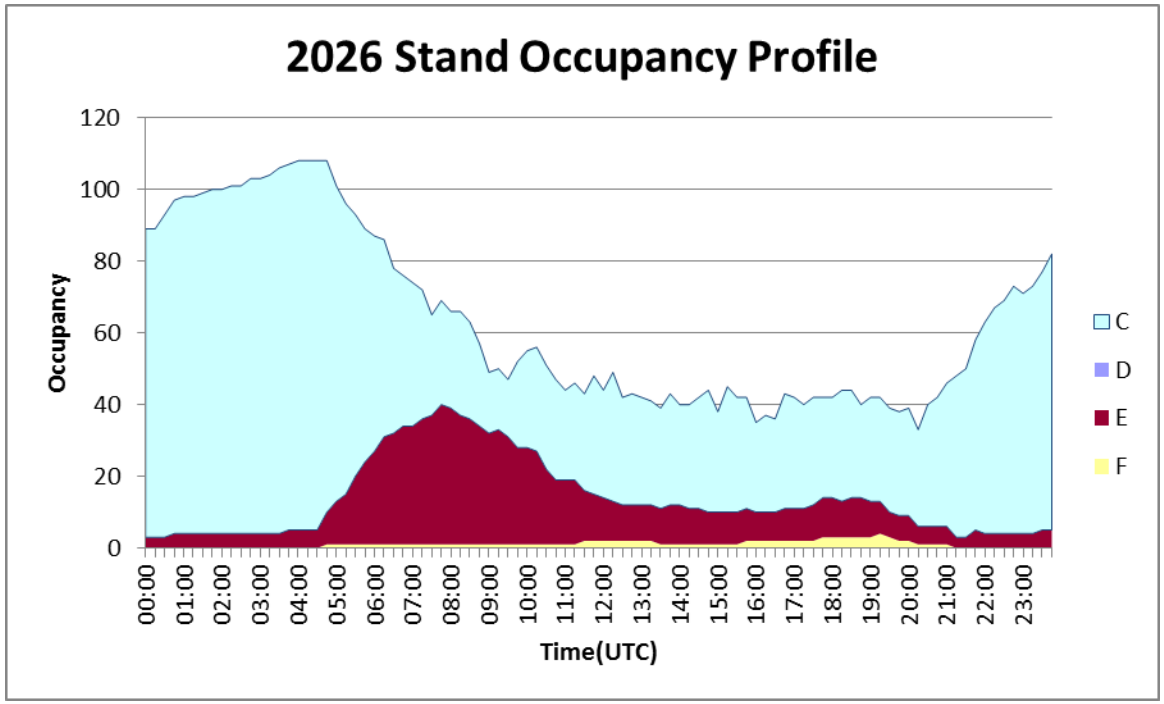
Pier 6 Southern Extension

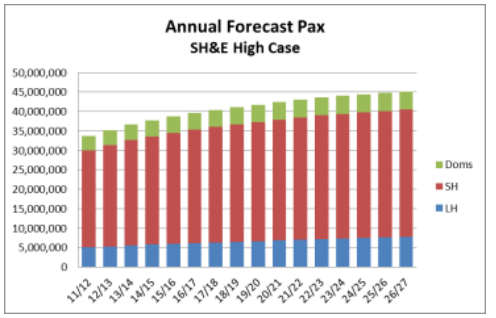
Pier 6 Southern Extension

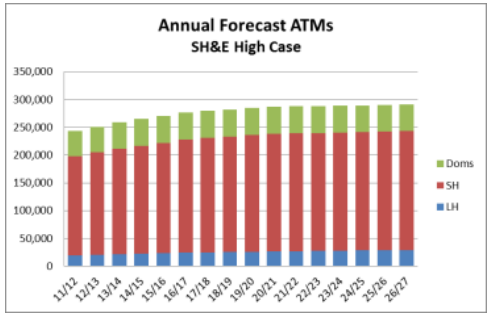
Central Circulation Area

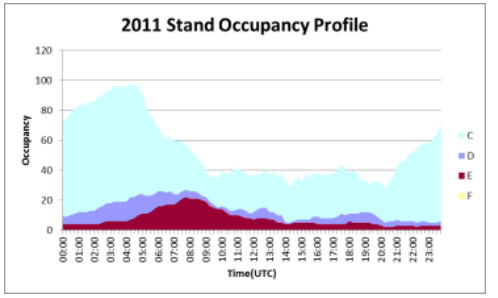
2026 Total Stand Occupancy Profile

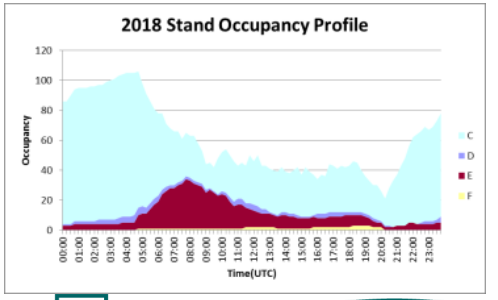
- Similar short haul peak 2018/2026
- Long haul growth between 2018 - 2026



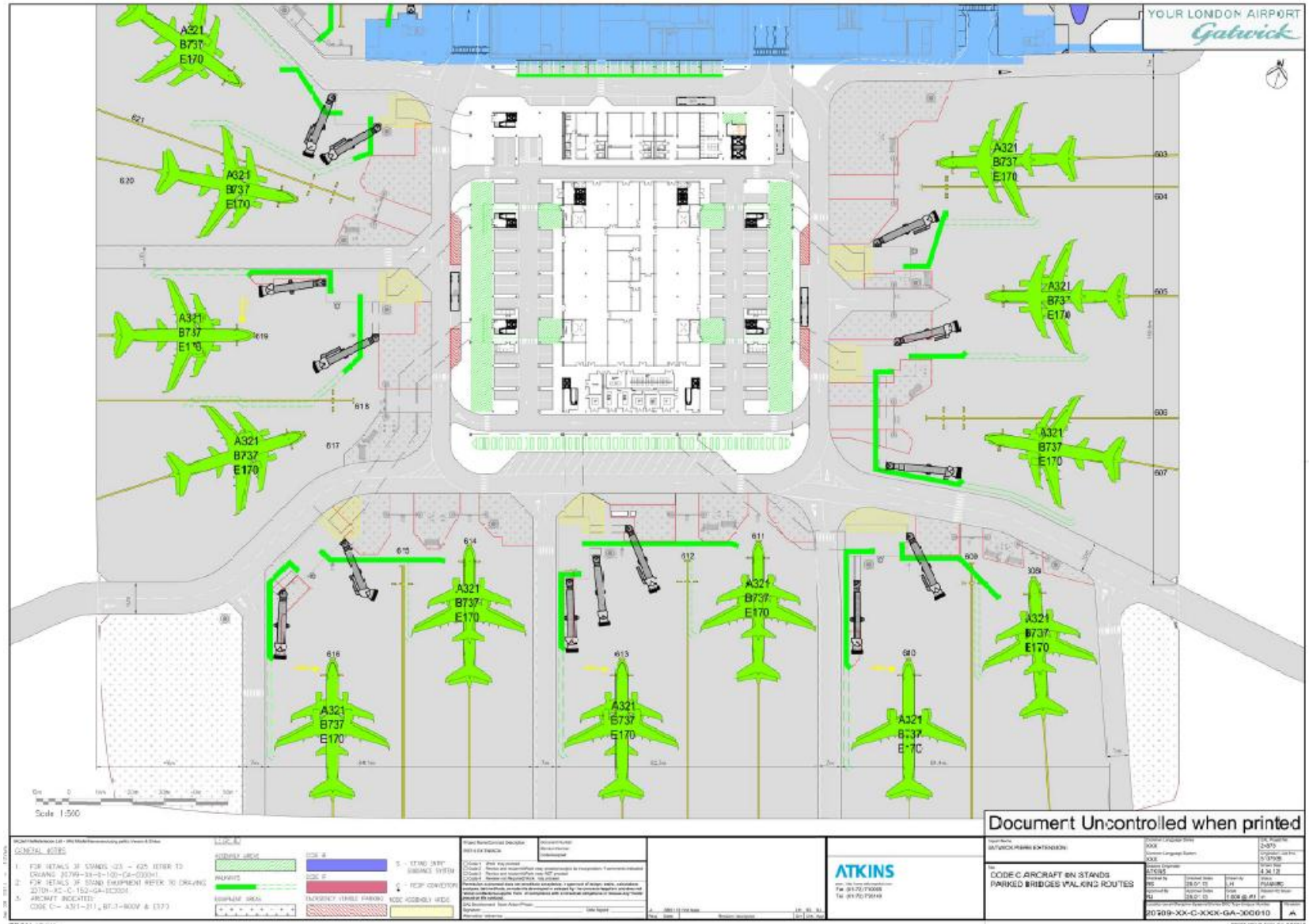




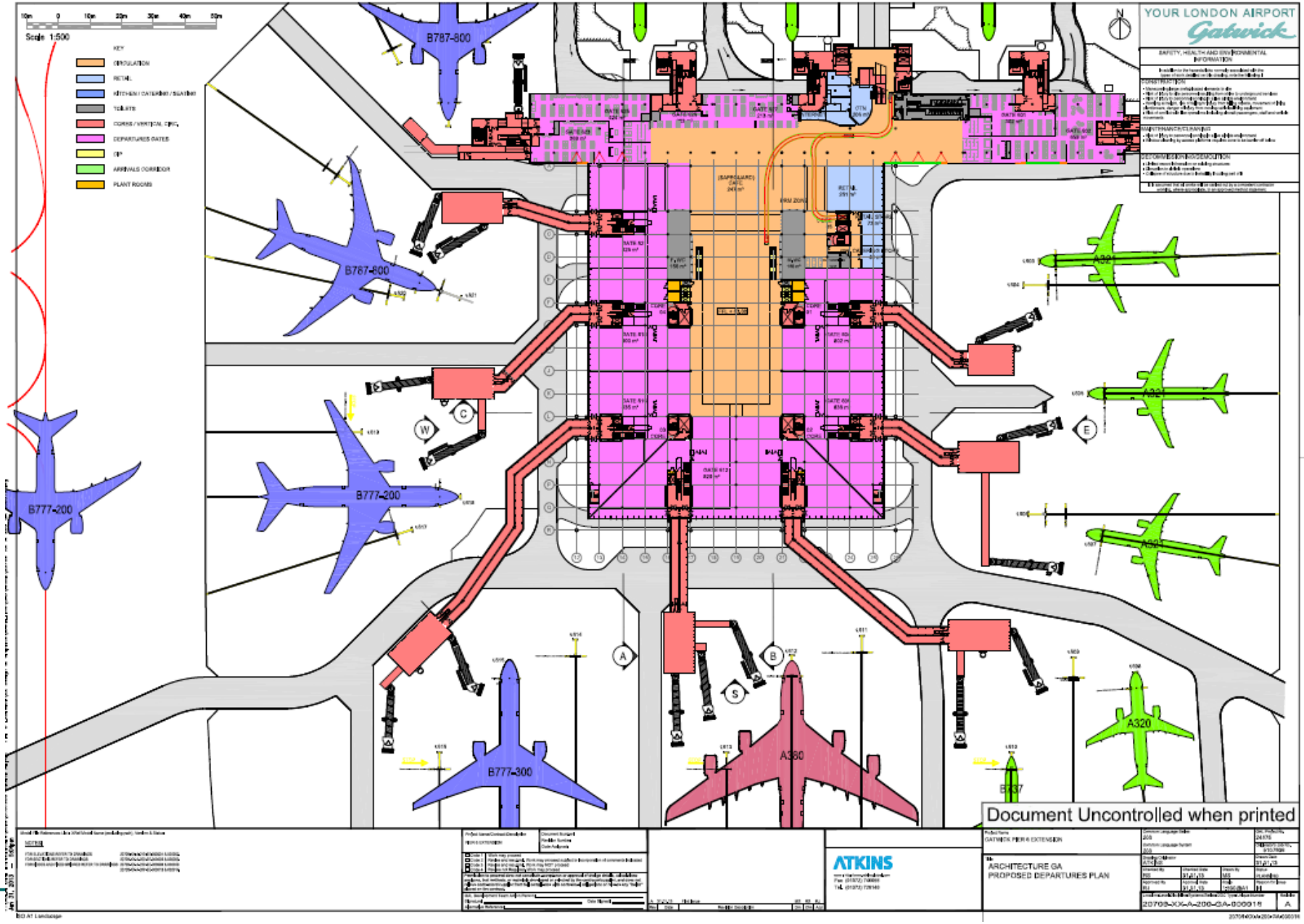




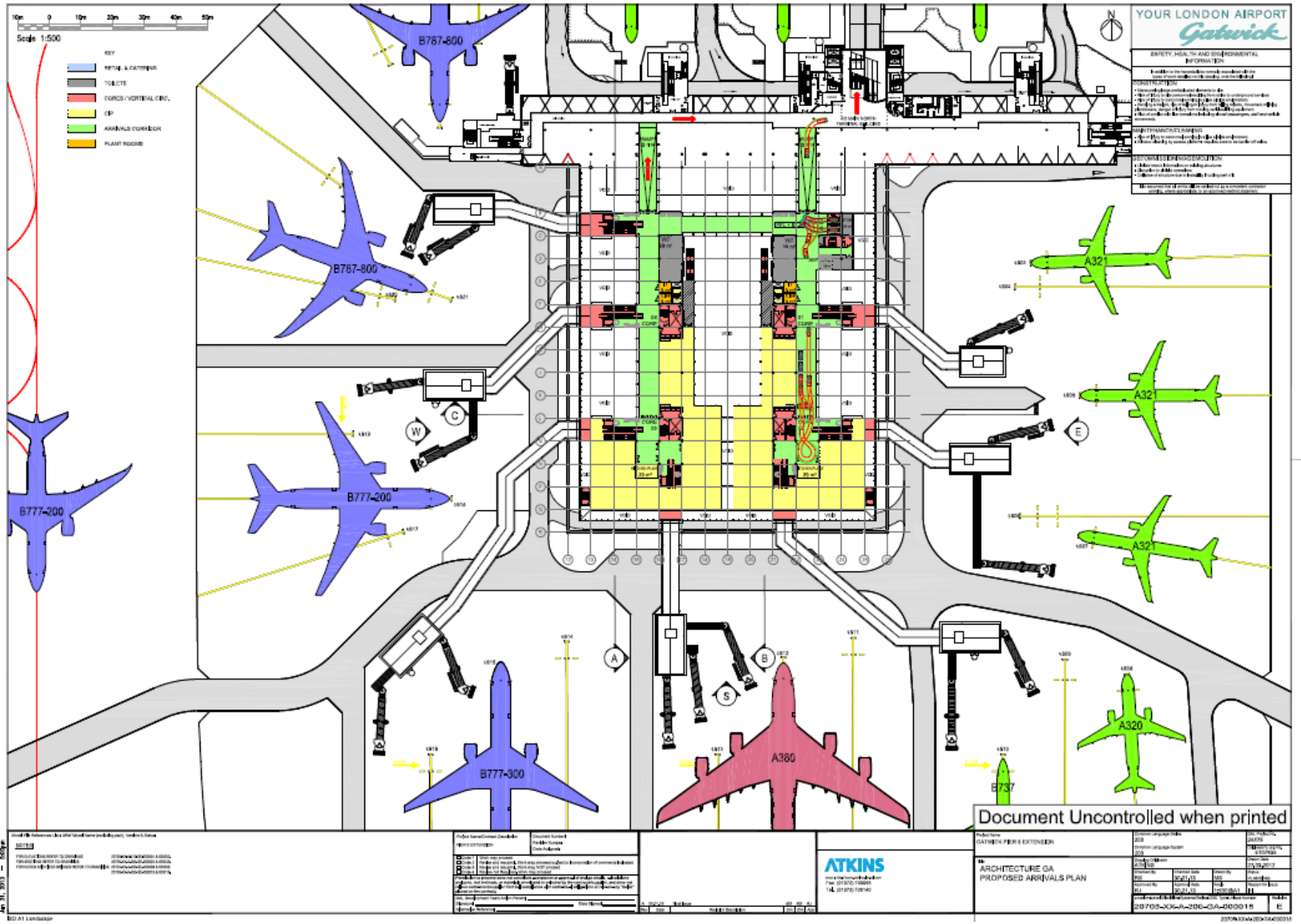
Apron Planning



Departures Level



Arrivals Level



Changes since April 2012 Business Plan - Scope

- Detail of Additional Scope (Option A to Option E):
  - Full break in to Pier 6 façade (previously narrow link bridge)
  - 17,270 m2 building (previously 15,472 m2)
  - 175,000 m2 pavement (previously 138,500 m2)
  - Two CIP Lounges of 10,000 sq ft with direct access to aircraft
  - Alternative enhanced Remote Stands solution
  - Space safeguarded for an additional 4 No. Code F stand (one to be built – re-provision of 110)

Gateroom and space planning

IATA Level of Service A - up to 40% occupancy

- An Excellent level of service. Conditions of free flow, no delays and excellent levels of comfort.

IATA Level of Service B - up to 50% occupancy

- High levels of service. Conditions of stable flow, very few delays and high levels of comfort.

IATA Level of Service C - up to 65% occupancy

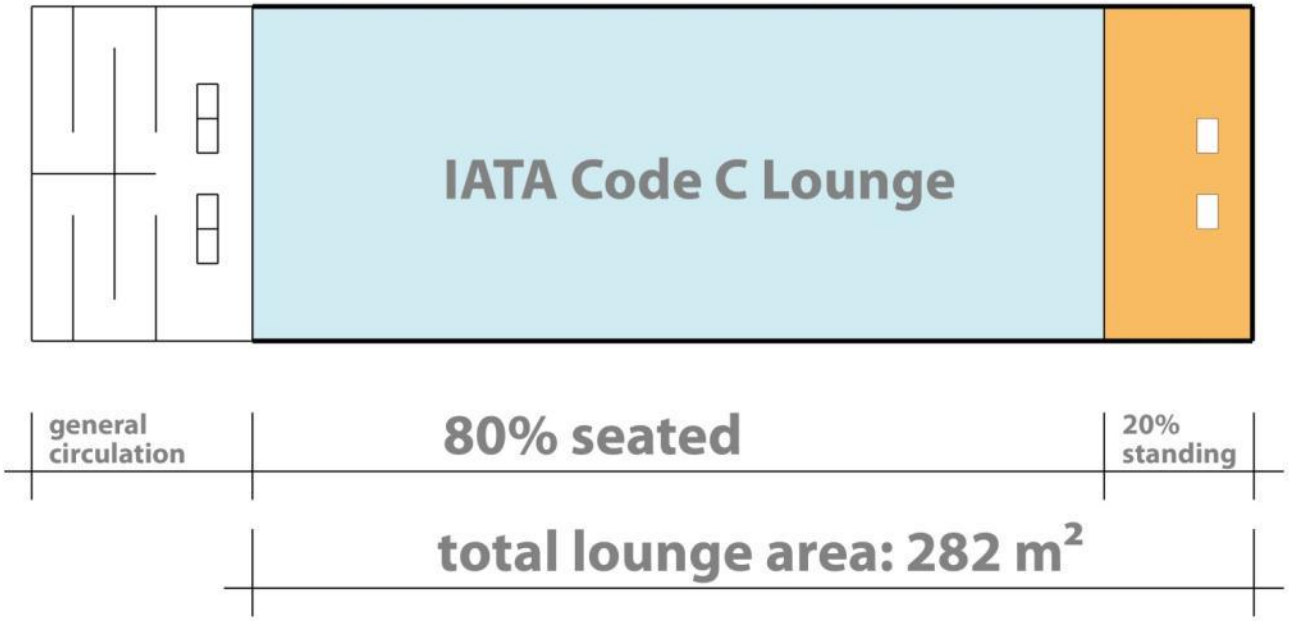
- Good level of service. Conditions of stable flow, acceptable delays and good levels of comfort.

IATA Level of Service D - up to 80% occupancy

- Adequate level of service. Conditions of unstable flow, acceptable delays for short periods of time and adequate levels of comfort.

IATA Level of Service E - up to 95% occupancy

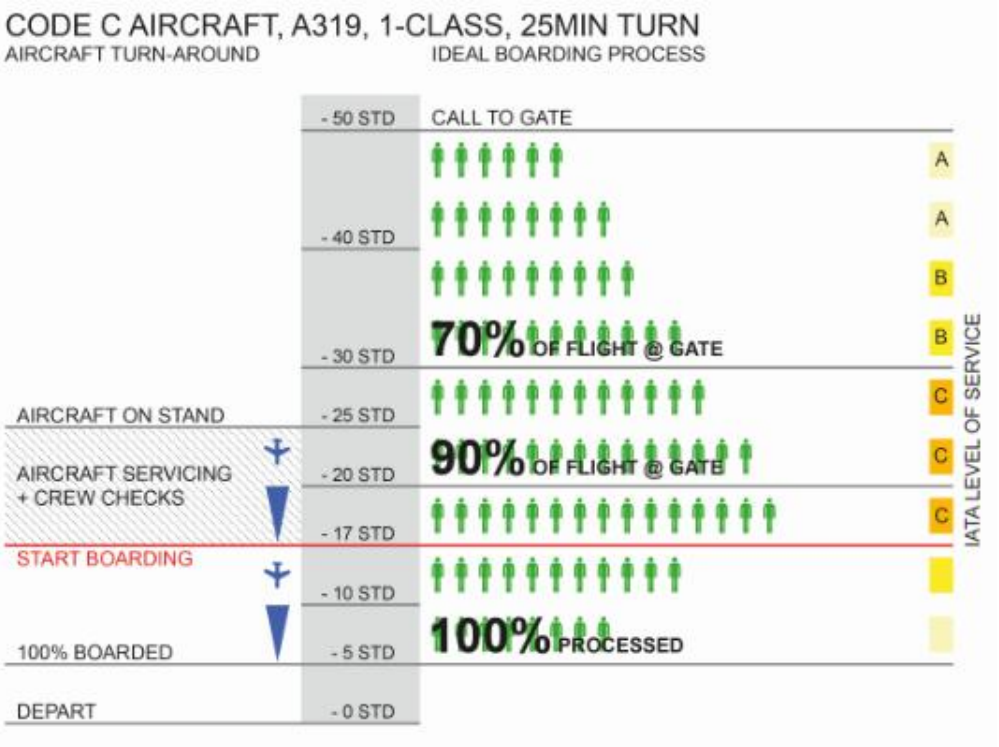
- Inadequate level of service. Conditions of unstable flow, unacceptable delays and inadequate levels of comfort.

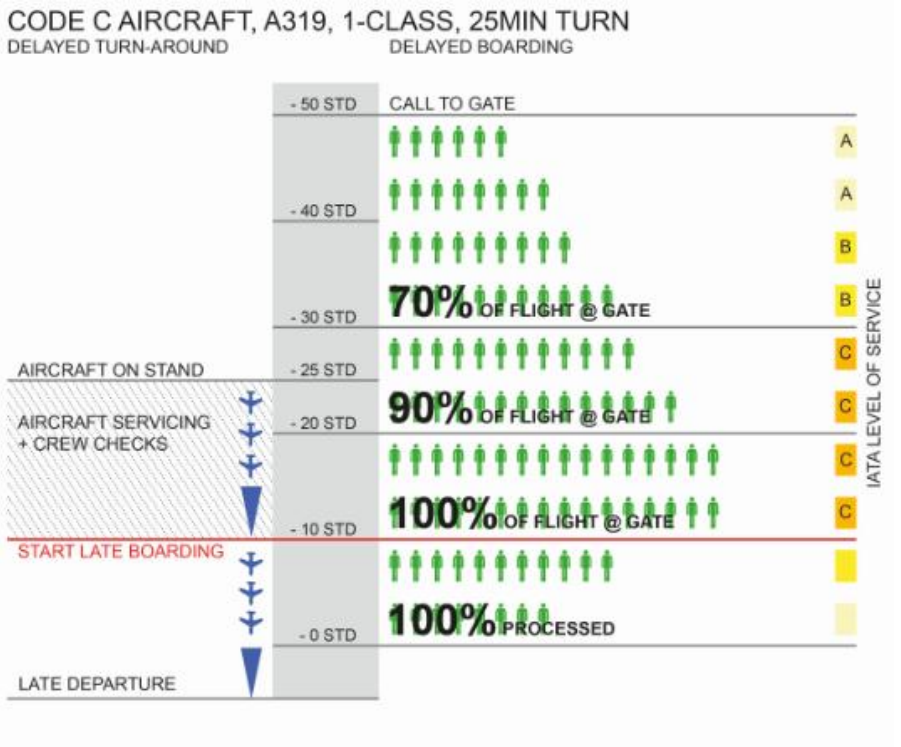


* Code C based on A321, 1-class, 220 seats

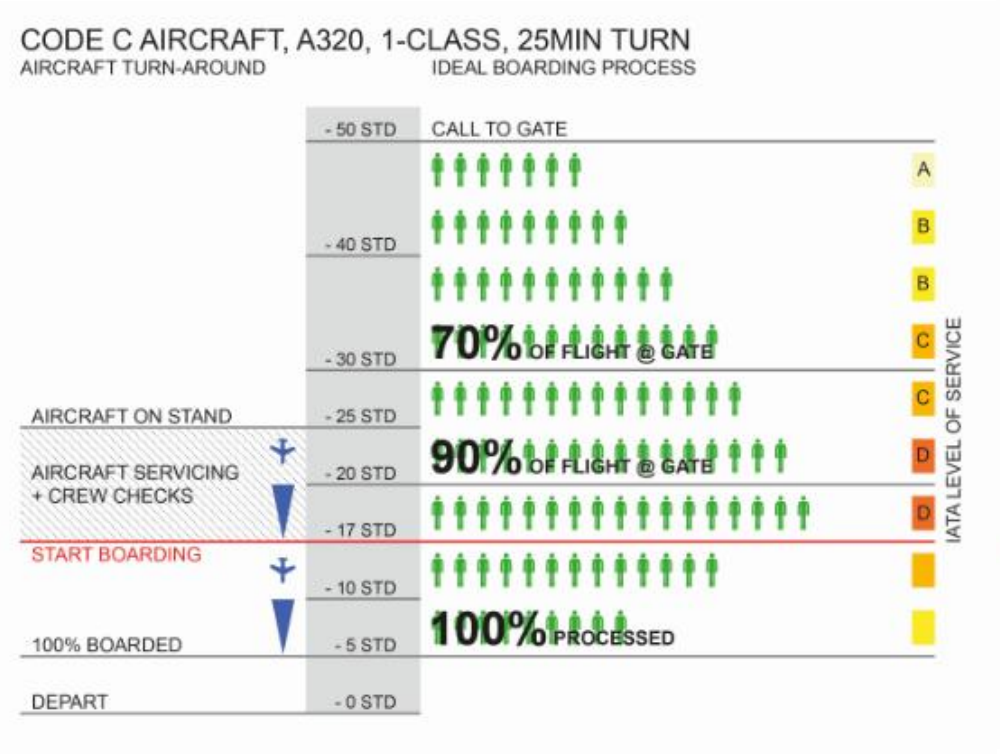
220 pax x 80% loadfactor	=	176 x 20% standing	=	35.2 pax	x	1.2 m²/p	=	42 m²
		176 x 80% seated	=	140.8 pax	x	1.7 m²/p	=	240 m²
								282 m²

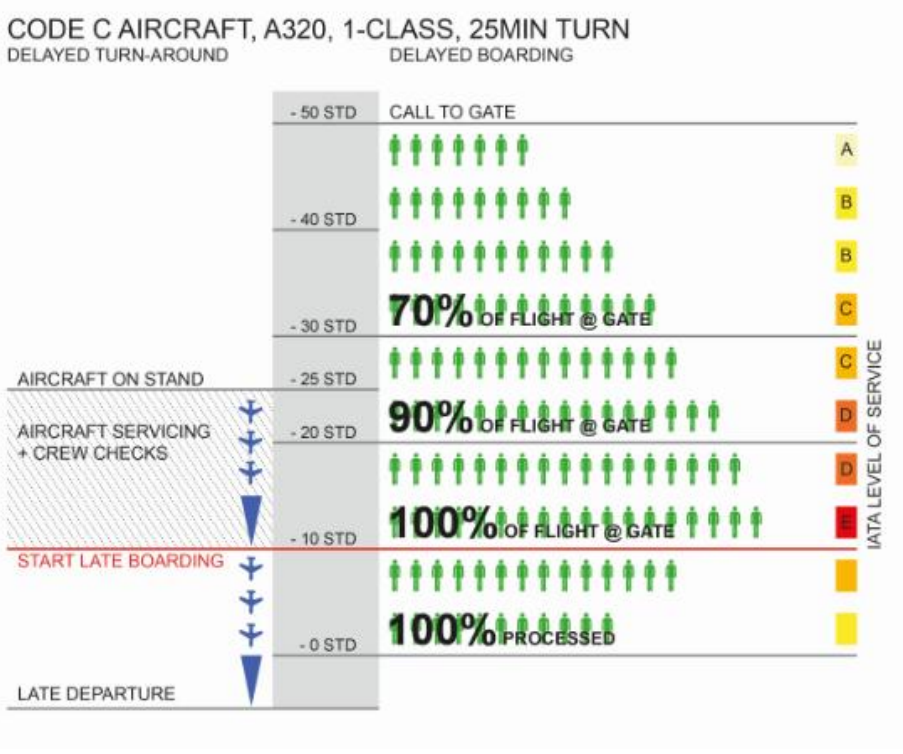
Gateroom planning – Code C

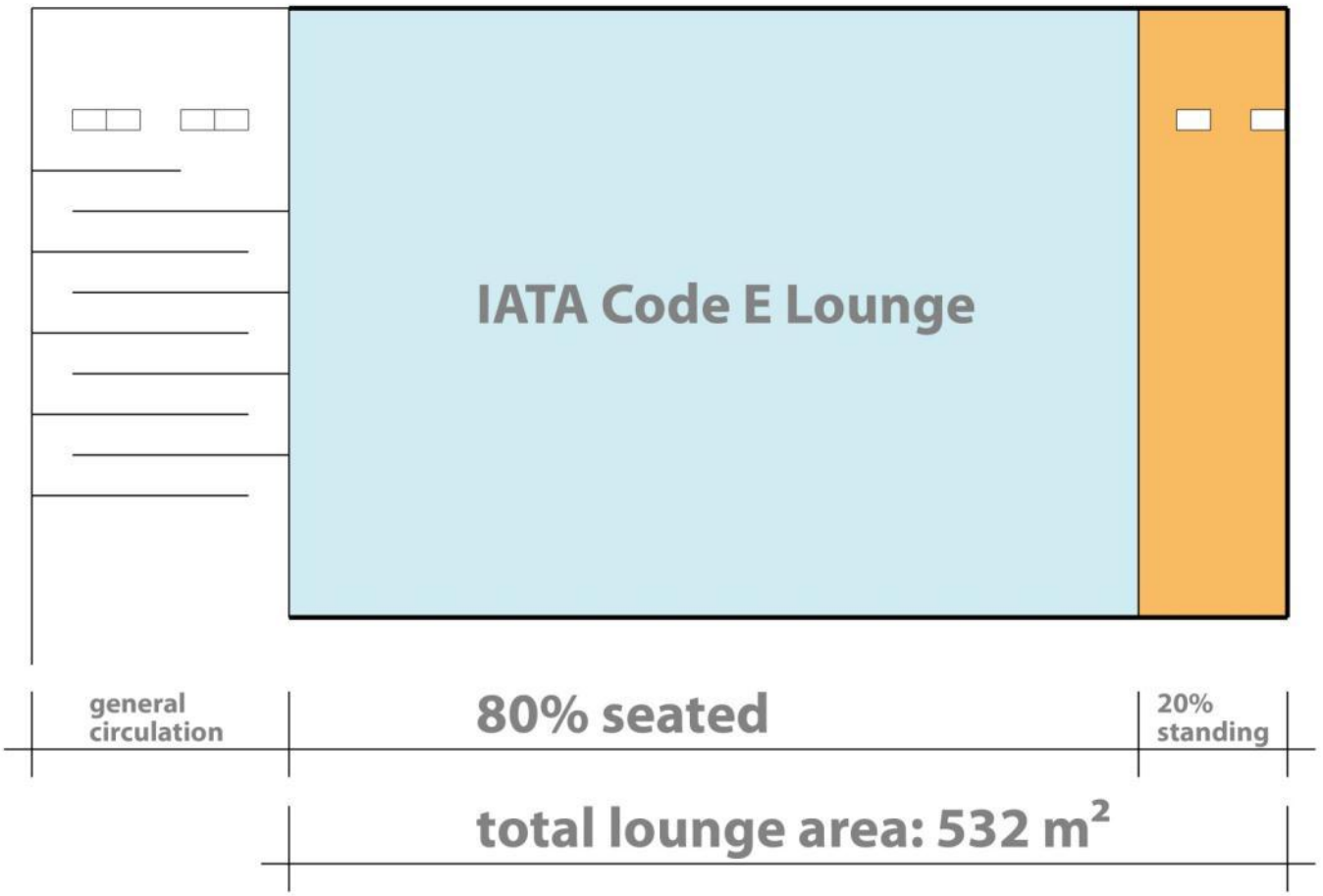




Gateroom planning – Code C



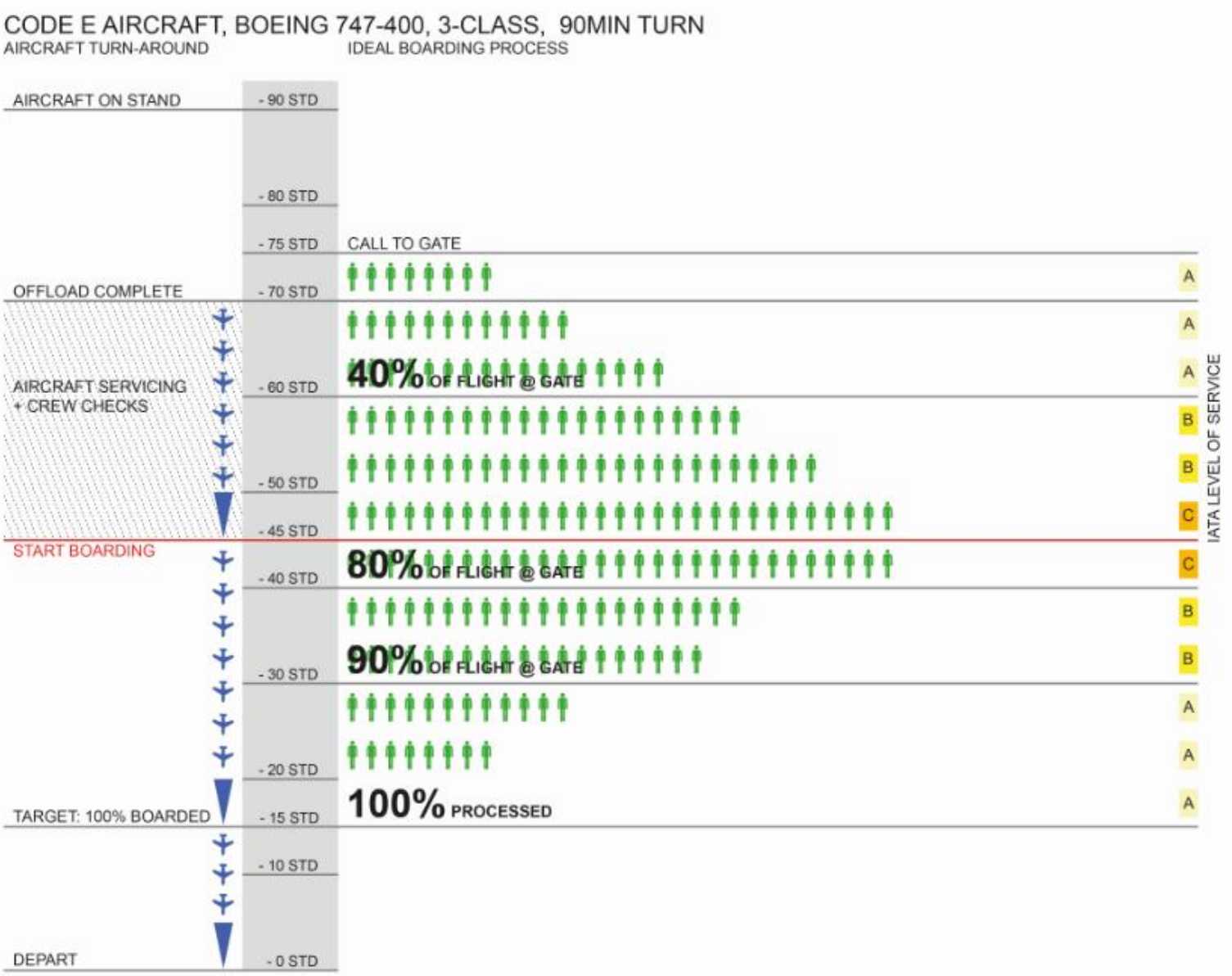




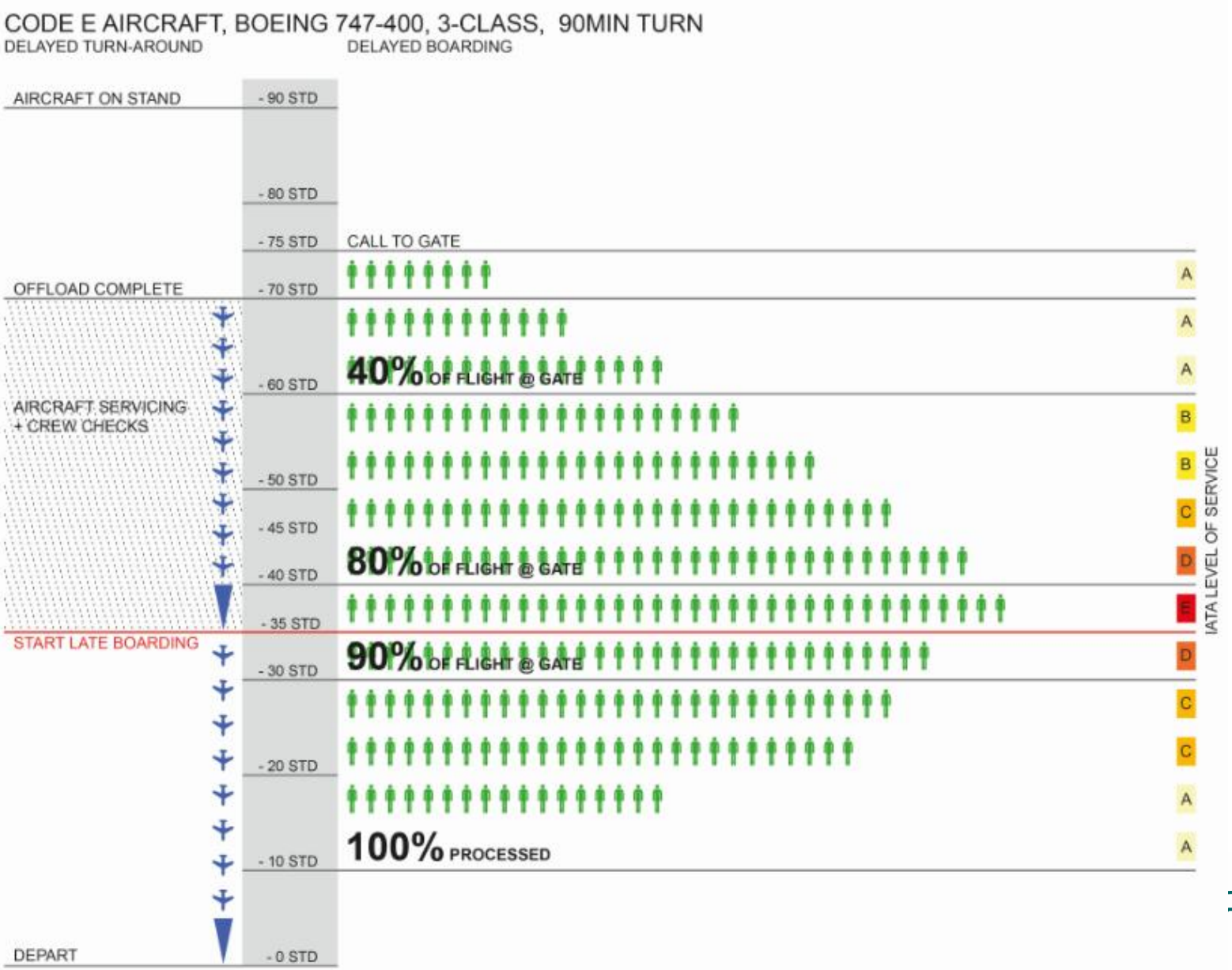
* Code E based on Boeing 747-400, 3-class, 416 seats

416 pax x 80% loadfactor =	332.8 x 20% standing	=	66.56 pax	x	1.2 m²/p	=	80 m²
	332.8 x 80% seated	=	266.24 pax	x	1.7 m²/p	=	452 m²
							532 m²

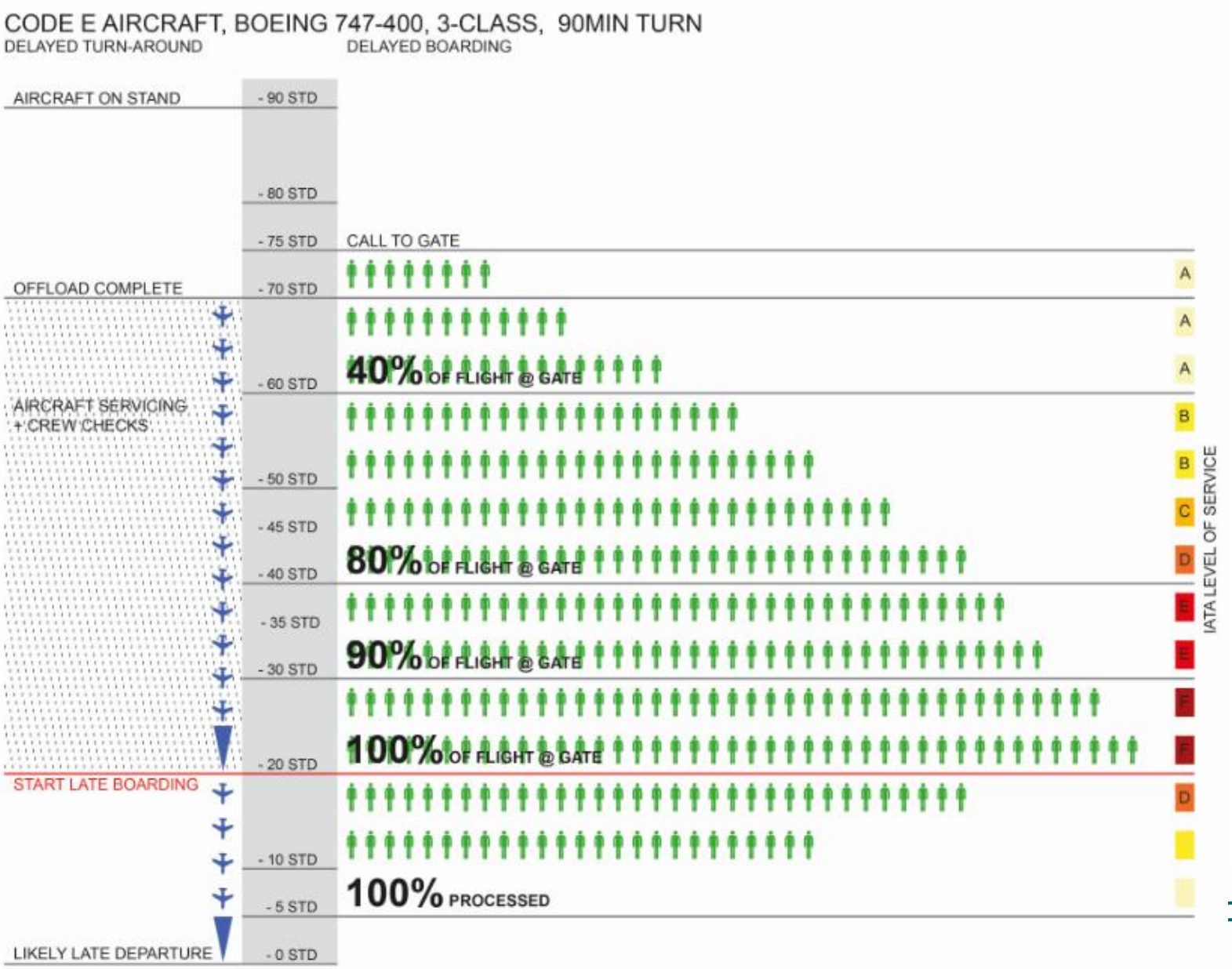
Gateroom planning – Code E



Gateroom planning – Code E



Gateroom planning – Code E



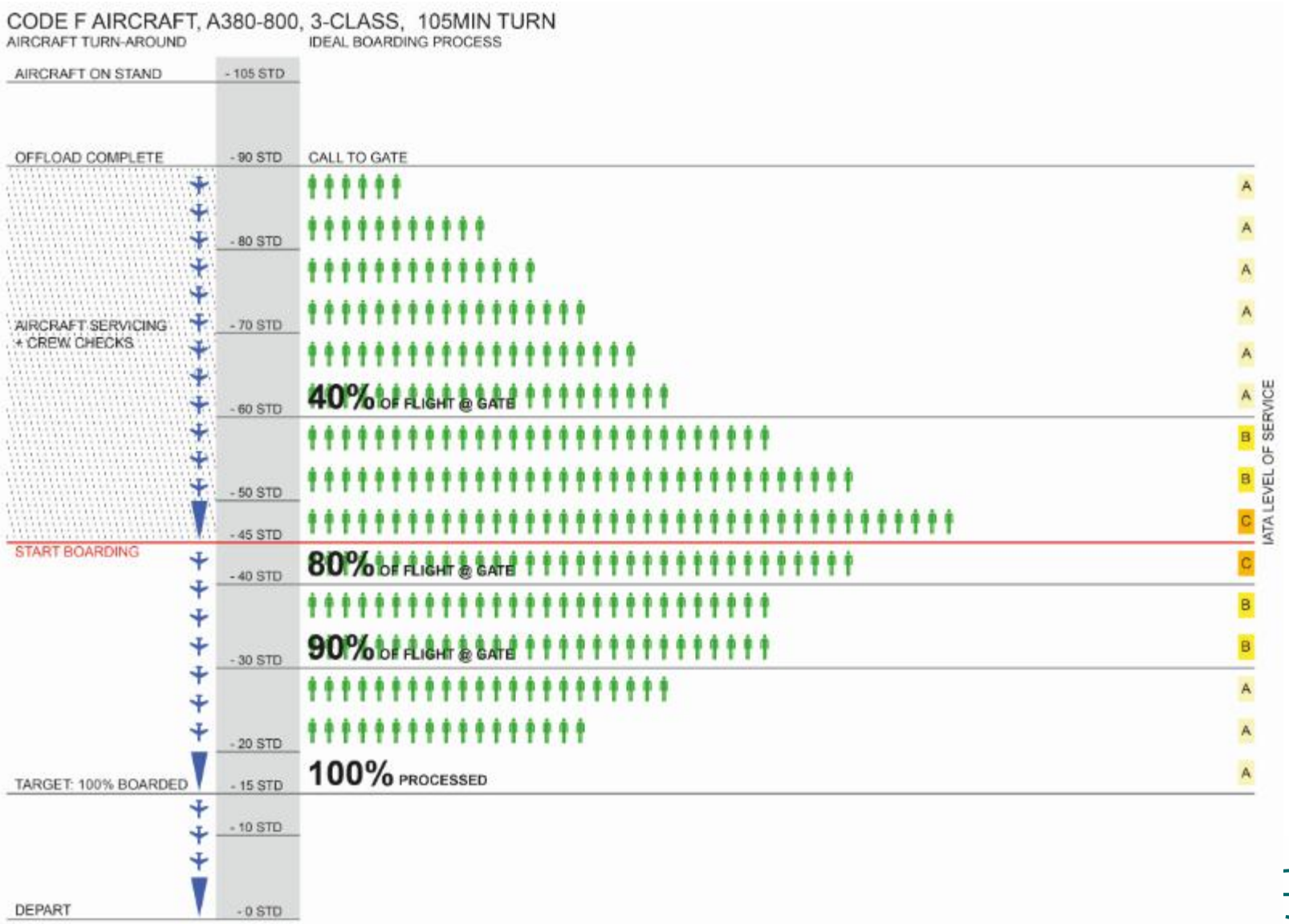
general circulation | 80% seated | 20% standing

total lounge area: 710 m²

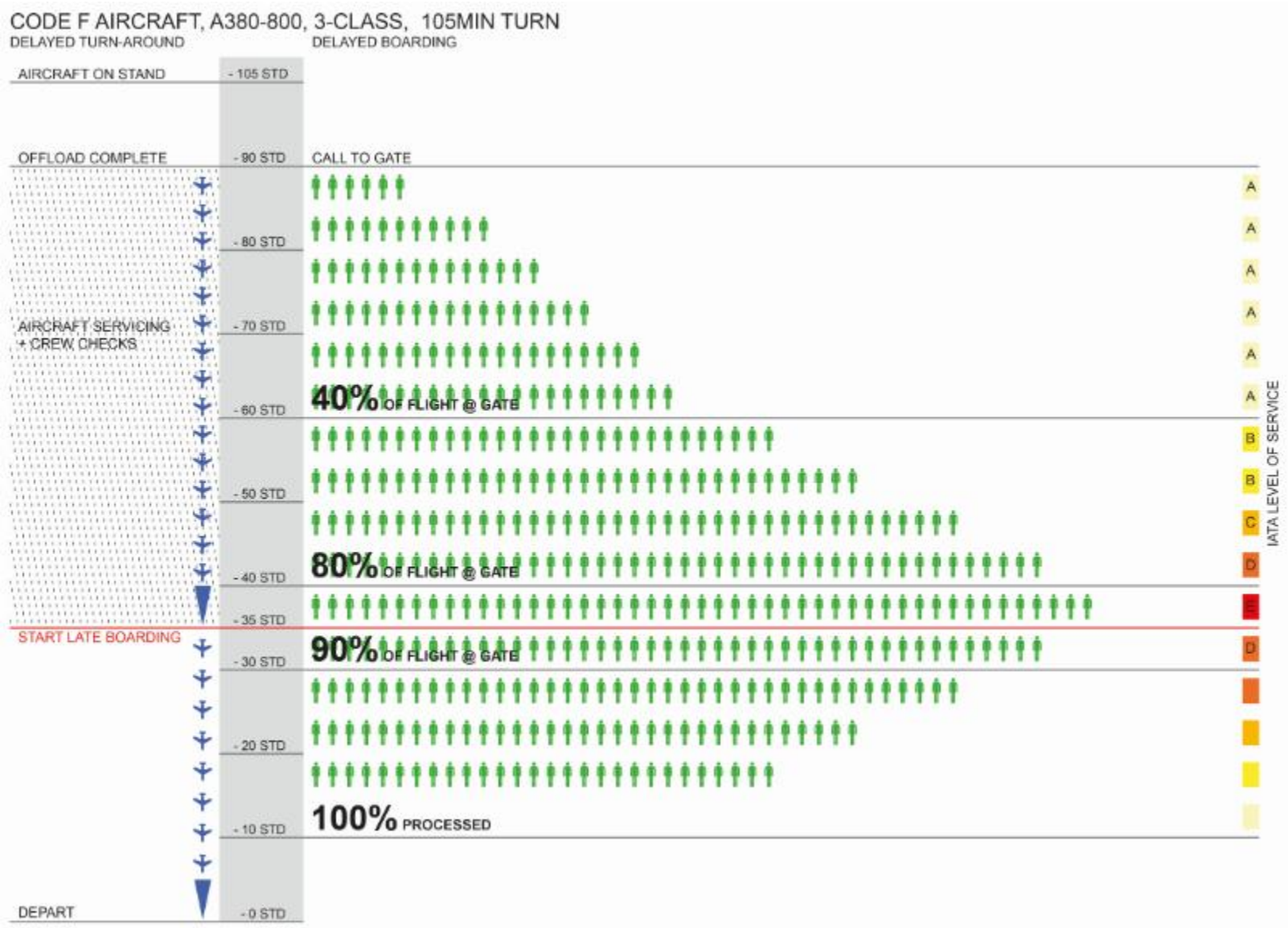
* Code F based on A380-800, 3-class, 555 seats

555 pax x 80% loadfactor =	444 x 20% standing	=	88.8 pax	x	1.2 m²/p	=	106 m²
	444 x 80% seated	=	355.2 pax	x	1.7 m²/p	=	604 m²
							710 m²

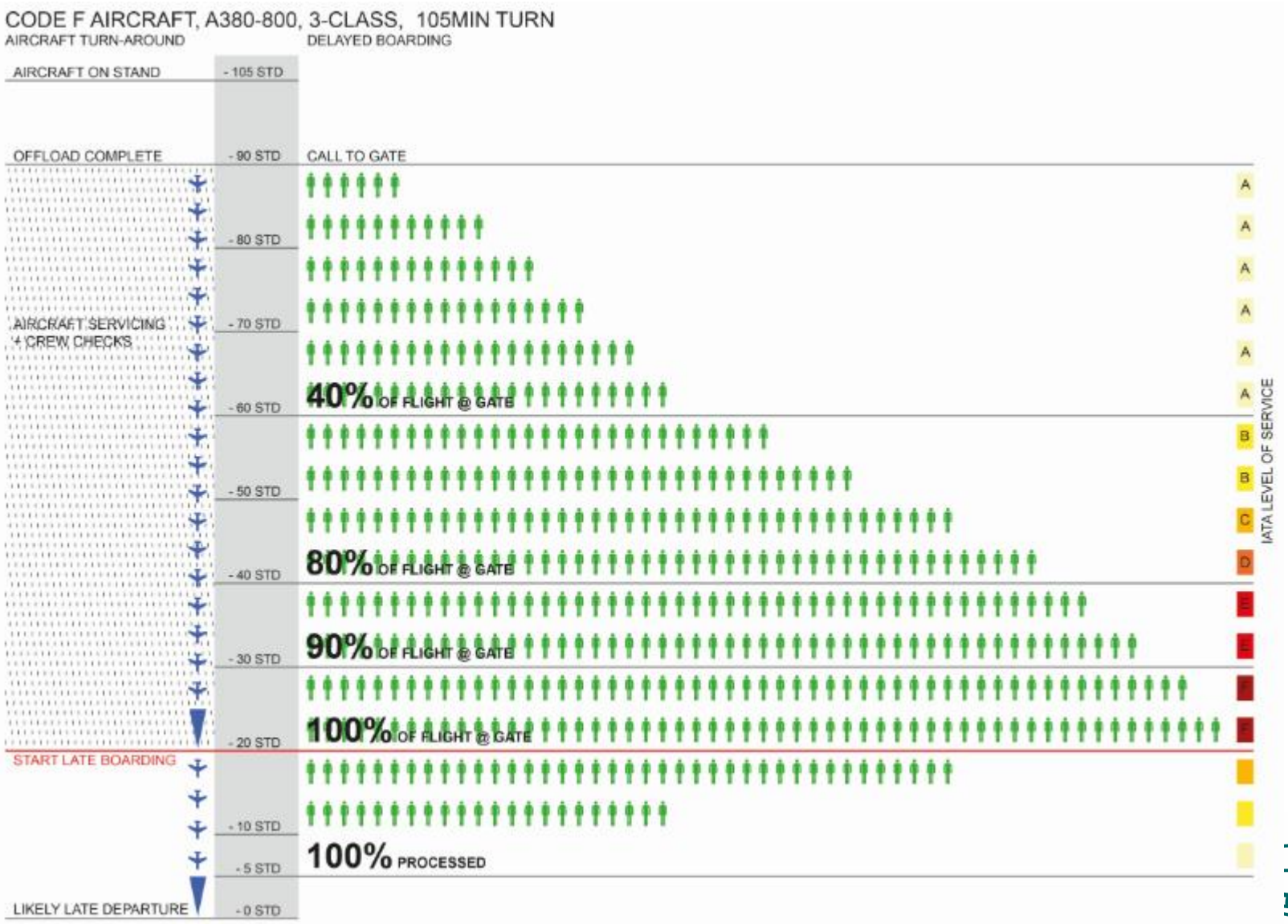
Gateroom planning - Code F



Gateroom planning - Code F



Gateroom planning - Code F



Opportunity Costs

	Potential Saving
Stand 111 - Remove MARs capability	£ 600,000.00
Substation AN to remain in use in current location	£ 500,000.00
Airbridges - Safeguard only for 3rd airbridge	£ 2,200,000.00
Remote Stands not required, no Quebec Realignment	£ 18,000,000.00
CIP Lounges Capital Cost (Opex benefit of £1.3m/year)	£ 3,000,000.00
External Envelope - Reduce extent of Curtain Walling and replace with Cladding	£ 280,000.00
Arrivals Corridor Link - only construct one link into existing Pier 6	£ 300,000.00
Fixed Links - Omit Glazing and replace with Cladding	£ 230,000.00
Nodes - Omit one staircase and reduce footprint	£ 3,000,000.00
Airbridge - Remove from left hand centreline on MARS stands	£ 450,000.00
Vertical Circulation Cores - Remove escalators	£ 1,000,000.00
Total Potential Saving	**£ 29,560,000.00**