

Trigger Definition Sheet	
Programme	Baggage
Q6 Business Case	B051
Project	T3 Integrated Baggage
Trigger description	T3 Integrated Baggage Cut-ins completed and baggage system operational
Trigger Date	29 th January 2016

P50 Capital Investment Value	£82,091,000 (2011/2012 prices)	Monthly Rebate	£365,900.00
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Trigger Definition
Introduction – Overall Business Case Completion of the T3 Integrated Baggage programme of works. Trigger Objective In order to achieve the completion of T3 Integrated Baggage programme of works, the project will complete the following: • Integrated baggage system which provides integrated make-up facilities for direct and transfer out-bound baggage. • Automated baggage build capability using 2 robots (Level 20) • Semi-automated baggage build capability using 3 powered handling aids (Level 20) • Manual handling aids to be fitted to build laterals (where practicable) (Level 00) Achievement Criteria Construction complete of the T3 Integrated Baggage Cut-ins, the New Baggage Building and the OOG Facility in the existing baggage hall, with PA3 handover to the operation. The Trigger date detailed above will include all commissioning and testing, such that it is delivered fit for operational use on or before the trigger date. Achievement will only be accepted by the airline community after such commissioning and testing. Agreed Parameters 1. Inter and Intra terminal Airline moves in accordance with current schedule (Appendix 2) 2. Based on current agreed planned occupancy of T3 (Appendix 3) 3. Airlines will, where required, need to vacate from their check-in desks in order to facilitate asset replacement, i.e. where baggage belt replacement is required.

Payment of Rebate

The trigger calculation has been based on the CAA's settlement price control licence condition (Jan 14).

The trigger value reflects Heathrow's predicted full Q6 spend for the project which includes £35m that has been removed in the CAA Settlement. This will be reviewed by the CAA in early 2016 and the output of the review could affect the trigger value.

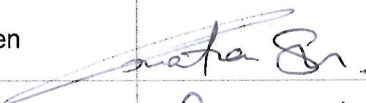
CAA post project review – ref paragraph C89, p236 of CAA document "CAP 1138 Economic regulation at Heathrow from April 14: notice of the proposed Licence"

The monthly rebate for late delivery of the triggered project is as detailed above. The payment of the rebate will be for complete calendar months following the target date and will continue until the end of the month following the fulfilment of the triggered project as specified above.

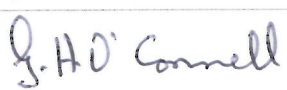
Airline Community Position

The Airline Community is fully committed to the completion of the T3IB project without delay and its successful integration with the operation. The Airline Community supports the need for a T3IB trigger and has worked closely with Heathrow to develop the trigger definition for the final stage of the T3IB project. The signing of the T3IB trigger by the Airline Community does not imply acceptance of the capital funding.

Endorsement and approvals

Title	Name	Signature	Date
HAL Programme Director	Jonathan Coen		21.3.14.
HAL Exec Sponsor	Neil Clark		1/4/14

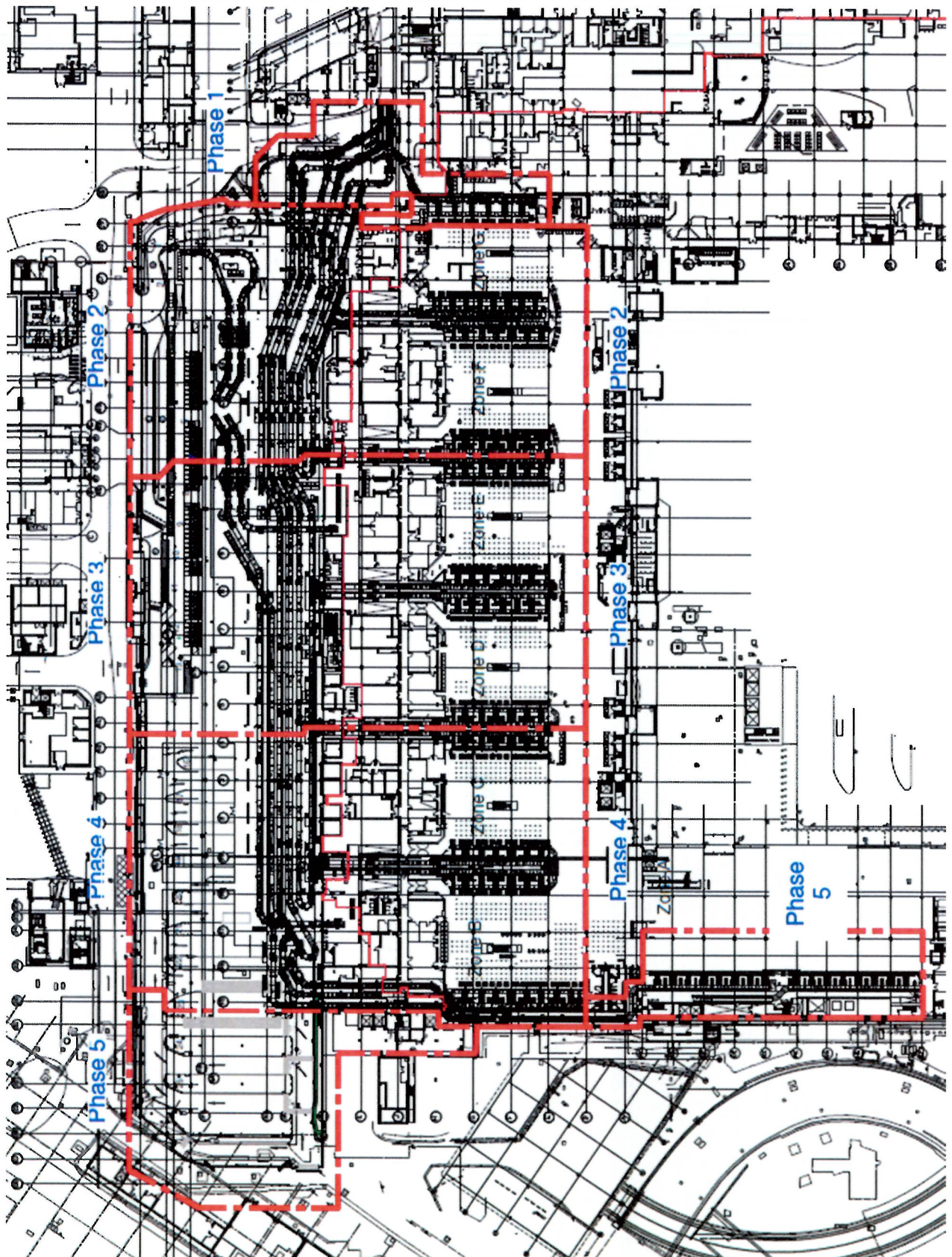
Stakeholder Group endorsement	Endorsed at Triggers - Q6 Portfolio Sub Group 07 th February, 2014
Capital Transitions Group endorsement	Endorsed at Triggers - Q6 Portfolio Sub Group 07 th February, 2014

Title	Name	Signature	Date
HAL CTG Representative	Phil Wilbraham		27/3/14
Airline CTG Representative	Gerry O'Connell		27/3/14.

Appendix

1. T3IB existing baggage hall phasing drawing.
2. Airline Move Sequence T2 and Non T2 Airlines – Airline Relocation Working Group 071113
3. Agreed planned occupancy of T3 - Western Baggage Working Group 060214

Appendix 1





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Appendix 3

T3 Airlines in 2016

Airlines in T3 in 2016:

- American Airlines (AA)
- British Airways (BA)
- Cathay Pacific (CX)
- Delta Airlines (DL) – joining in Summer 2014
- Emirates (EK)
- Finnair (AY)
- Iran Air (IR)
- Japan Airlines (JAL)
- Malaysian Airlines (MH) - joining in 2016
- Middle East (ME)
- Oman Air (WY)
- Pakistan Airlines (PK)
- Qantas (QF)
- Royal Jordanian (RJ)
- Sri Lanka (UL) - joining in Summer 2014
- TAM (JJ) - joining in 2016
- Turkmenistan (T5)
- US Air (US) *
- Virgin Atlantic (VS)
- Vueling Airlines (VY)

Airlines going to T2 in 2014:

- June 2014
 - Air Canada (AC)
 - All Nippon Airlines (NH)
 - China Airlines (CA)
- July 2014
 - Thai Airways (TG)
 - Turkish Airlines (TK)
 - Eva Air (BR)
- September 2014
 - Scandinavian Airlines (SAS)
 - Singapore Airlines (SQ)
 - Egypt Air (MS)
 - Ethiopian Airlines (ET)

* USAir move date to be agreed
Page 2

Non-T2 Airline Moves

TBC 2014	July 2014 <i>Confirmed 16/07/14</i>	Nov. 2014	June 2015	Oct. 2015	Jan. 2016	TBC 2016
T1-T3 T4-T3	T4-T3	T1-T4 T1-T5	T1-T3	T1-T5	T1/T4-T3	T1-T4
 U.S. AIRWAYS TBC	 Srilankan Airlines	 EL AL תעופת אל	 BRITISH AIRWAYS	 BRITISH AIRWAYS	 Malaysia Airlines	 TRANSavia Airlines
 DELTA AIR LINES 02/04/2014		 BRITISH AIRWAYS CTA			 TAM Airlines	 ICELANDAIR
					 CYPRUS AIRWAYS	

• Subject to change via Change Control at the ARWG
 • Latest Version 9.7 - Validated at ARWG 07 November 2013