

MR Greg Russell
Chief Executive Officer
Airservices Australia
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19 JAN 2010

Dear Greg

DRAFT PRICE PROPOSAL

Thank you for the opportunity to comment on the Draft Price Proposal. The visit to Darwin of Paul Logan is also appreciated.


Northern Territory Airports (Darwin International Airport and Alice Springs Airport) supports the Draft Price Proposal as the basis for the Airservices Long Term Pricing Agreement from 1 July 2011.

In particular the ACCC building block approach, retention of the hybrid pricing model, caps for regional airports, non-location specific costs recovered on a network wide basis, risk sharing proposal and simplification of general aviation charging are supported.

It is noted that introduction of a radar approach service for Alice Springs, as recommended by CASA, is included in proposed pricing.

The document also foreshadows discussions with each ARFFS airport on an MOU which defines aviation and non-aviation call outs in accordance with the directions outlined in *Aerodrome Rescue and Fire Fighting Services - A Way Forward* (December 2009). No doubt in the case of Darwin and Alice Springs there will be parallel discussions with the Northern Territory Fire and Rescue Service.

Yours sincerely,



IAN KEW
Chief Executive Officer

cc Andrew Rushbrook, GM ARFFS
Andrew Clark, CFO