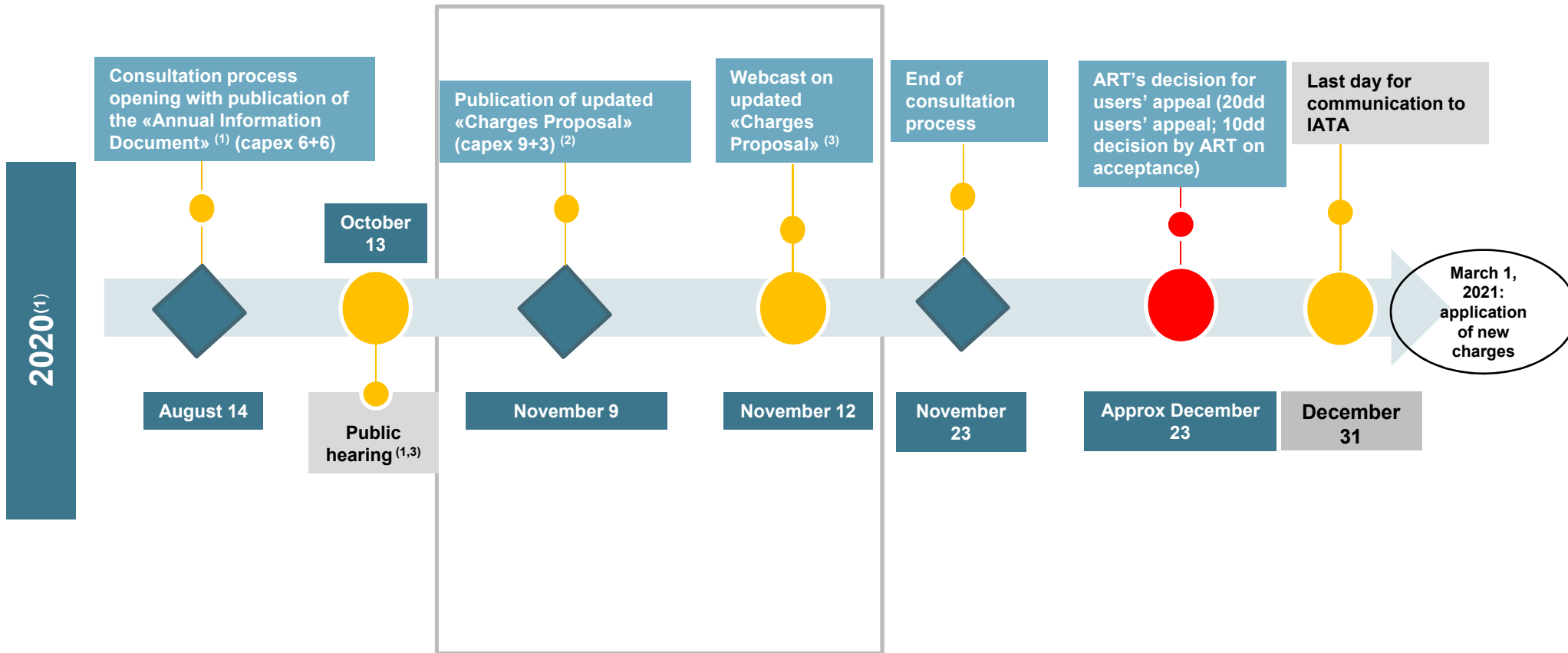


# Updated 2021 Charges Proposal

*November 2020*

# 2020 consultation process timeline (August - December)



<sup>(1)</sup> ART Modello 1 (2017)

<sup>(2)</sup> In accordance to provisions in CDP, art. 37 bis (information sent also to ART)

<sup>(3)</sup> Update on changes to August «preliminary» charges proposal

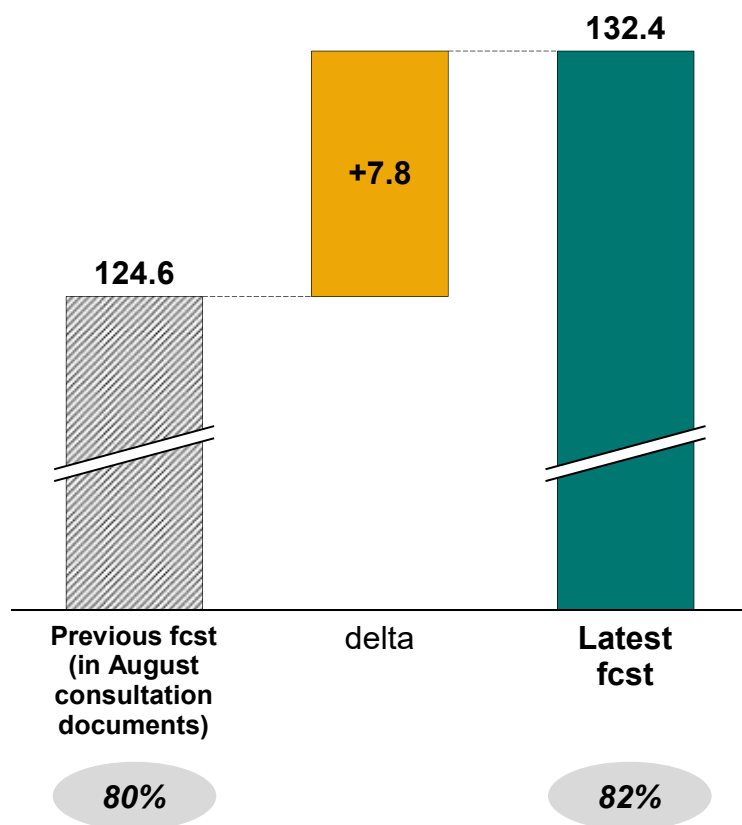
Dates are indicative and remain subject to possible changes

# 2021 charges proposal: capex update (latest forecast of full-year capex)



2020 Capex(\*), latest forecast (as of Sept.), in M€

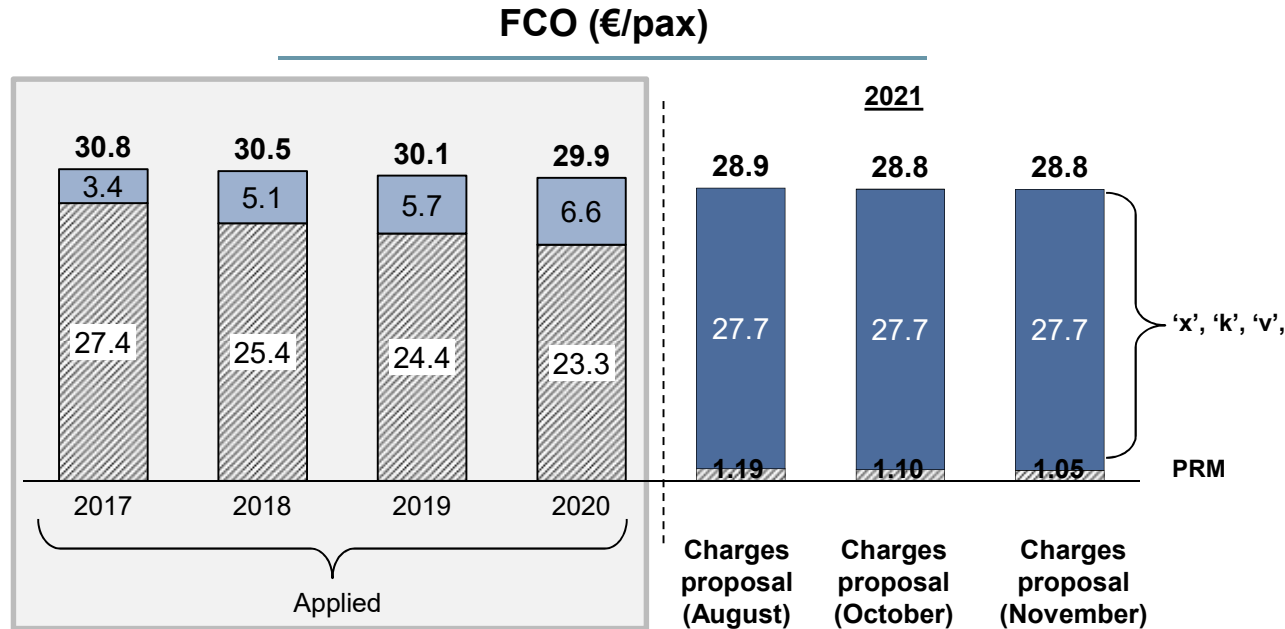
Changes relative to consultation documents of August 14, 2020



- **Terminal (+8.5 M€)**  
As a result of increased production in the construction of the East Terminal System (+8.7 M€) and of check-in areas "I, J, K" of Terminal 3 (+2.0 M€)
- **Runways and aprons (+2.2 M€)**  
As a result of re-start the construction of the new «control room» (APOC)
- **Parking and driveways (+0.1 M€)**
- **Others (-2.0 M€)**
- **ICT (+0.3 M€)**
- **Masterplan for long-term development (+0.3 M€)**
- **Ciampino (-1.6 M€)**  
Re-modulation of interventions on runways and aprons (-0.9 M€) and interventions on commercial spaces (-0.7 M€)

(\*) excludes real estate initiatives (\*\*) logics from regulatory accounts

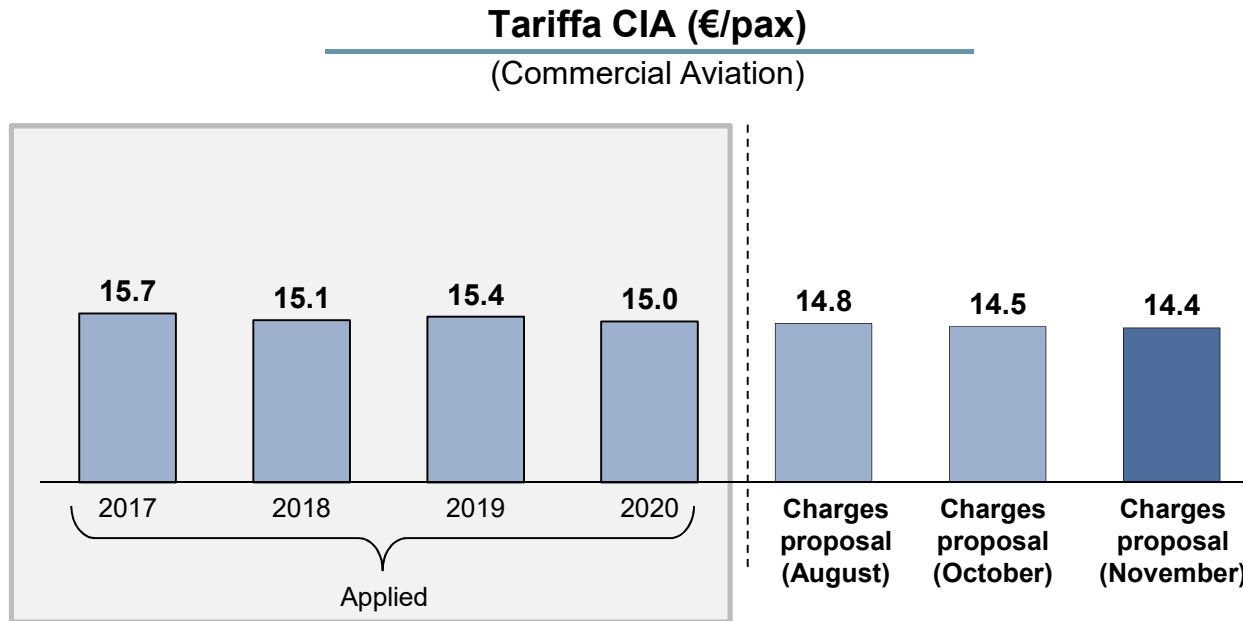
# 2021 charges proposal: update on Fiumicino



The average unitary charge of FCO updated for 2021 is equal to 28.77 €/pax: it does not include the quality and environment bonus as per previous information to you, it does not include update of the inflation accounted for in August for the calculation of the price-cap (-0.2%) and represents a decrease of 0.01 €/pax compared to the corresponding value published for the «preliminary» August tariff proposal.

The above decrease is due to (i) update to the most recent hypotheses (forecast at the end of September) of the value of investments for the current year for **0.01 €/pax**; (ii) update to the most recent hypotheses (forecast at the end of September) of the value of the opex / capex dedicated to the health emergency for **0.03 €/pax**; (iii) update of PRM service costs worth **-0.05 €/pax**.

# 2021 charges proposal: update on Ciampino



The average unit charge for CIA updated for 2021 is equal to 14,41 €/pax: it does not include the quality and environment bonus as per information already shared with you in previous publications, it does not include update of the inflation value accounted for in August for the calculation of the price-cap (-0.2%) and shows a reduction of 0.07 €/pax compared to the corresponding value published for the «preliminary» August tariff proposal which is due to the updating of the value of 2020 investments to the most recent forecast.

## Consultation process 2020 (August – December)

With note prot. n. 0015497-2020 and during the hearing held on November 5, ART informed ADR that it found some inconsistencies in specific criteria for allocating costs and investments to services and in the determination of some useful lives.

Specifically, these are: (i) allocation to services of costs deriving from corporate cost centers referred to State entities operating at FCO on which – on a preliminary analysis – we estimate allowed costs worth approx. € 2 million to be re-allocated to non regulated services; (ii) one case of excess in useful lives and one case of shortage attributable to intervention(s) on loading bridges and BHS.

ADR considered the observations of ART to be legitimate and undertook to correct the tariff dynamic consequent to changes to these inputs. The processing will be carried out in the next few days and users will be able to appreciate the impact on the tariff structure at the time of publication of the final proposal which we confirm will take place by the end of November.

From the foregoing, we do not anticipate material deviation from the updated tariff structure that we represent in these pages.

## «V» parameter: allowable items and COVID-19 focus

Since the declaration of the national state of emergency by the Council of Ministers, ADR has collaborated with the institutions (Ministry of Health, Civil Protection Department, ENAC and MIT) to implement actions aimed at containing the spread of the Covid-19 virus. The following table shows the values of costs admitted to "v" in compliance with art. 37 of the ERA and their impact on the average unit charge. The following pages provide more details on the sub-set relating to Covid-19.

	<u>FCO</u>			<u>CIA</u>		
	2021 ERA € mln	Chages Proposal (Augst 20)	Charges Proposal (November 20)	2021 ERA € mln	Chages Proposal (August 20)	Charges Proposal (November 20)
<b>Fire Brigade fund</b>	7.5	6.7	6.7	1.1	0.9	0.9
<b>Capex Covid-19</b>	-	0.3	0.5	-	-	-
<b>Opex Covid-19</b>	-	2.9	3.3	-	0.2	0.3
<b>Adjustment on former yrs(**)</b>	-	(5.7)	(5.7)	(0.9)	(0.9)	(0.9)
<b>Electricity distribution (ARERA)</b>	-	(1.7)	(1.7)	-	(0.1)	(0.1)
<b>Total</b>	<b>7.5</b>	<b>2.5</b>	<b>3.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>

€ mln

Tariff impact 2 €cent

Tariff impact 15 €cent

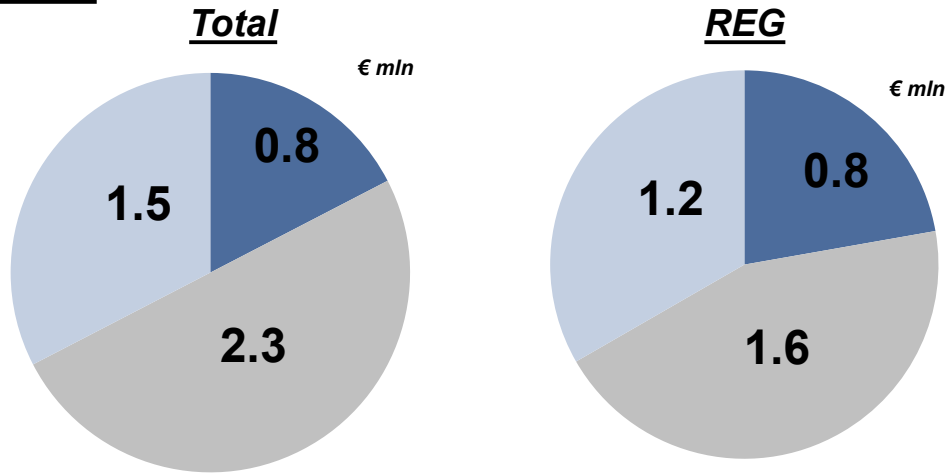
Tariff impact 1 €cent

In particular, to ensure the health safety of passengers and staff employed at the airport, in 2020 ADR now estimates to incur costs worth € **3.6 million** relating to regulated activities. This type of expenditure falls within the provisions of art. 37.1 of the ERA and becomes part of parameter "v", contributing to determine the amount of the "adjustment of previous years".

Finally, during 2020, ADR is progressing on investments deriving from the health emergency for an amount equal to € 1.8 million attributable to regulated activities. This case falls within the provisions of art. 37.2 of the ERA (allowances for parameter "v"), with consequent impact in the charges for the year following that of accrual (proposal for 2021 charges), limited to the portion relating to depreciation and remuneration of the investment for an amount equal to € 0.5 million.

# «V» parameter: COVID-19 focus

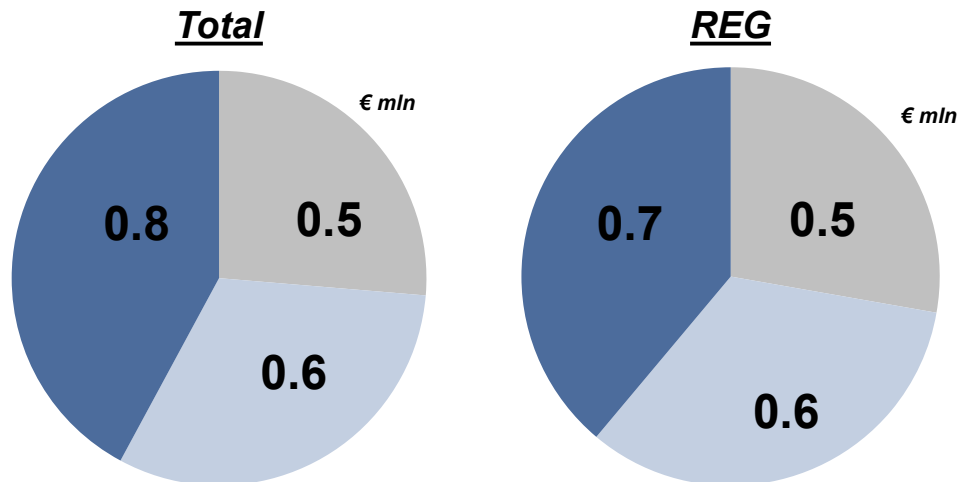
## OPEX



Overall, the operating costs that in 2020 ADR will incur for the health emergency are now expected to be € 4.9 million, an increase of € 1.3 million compared to estimates in August (of which on regulated services € 3.5 million vs € 2.9 million)

- Contracts:** mainly with Red Cross (thermoscanner supervision) and with companies specialized in environment sanitizing
- Personnel:** employed for sanitation and management of facilities at airport accesses modified following the health emergency
- Raw materials:** consumables (protective masks, sanitizing gel and others)

## CAPEX



Overall, the investments related to regulated services that ADR will support in 2020 for the health emergency are now expected to be € 1.8 million, an increase of € 0.7 million compared to previous estimates (please see August publication)

- Infrastructure:** box for passport control, predisposition on air conditioning systems and data connection network
- Temperature detection:** check-points (approx. 90) for detecting temperature of passengers in the terminal (thermal imaging cameras and thermal scanning “totems”)
- Pax routes, signage and communication social distancing:** signage new paths and communication behavior of social distancing



# FCO: aircraft costs



## UE aircraft A320, 74 Mton, 79% LoadFactor (136 pax)

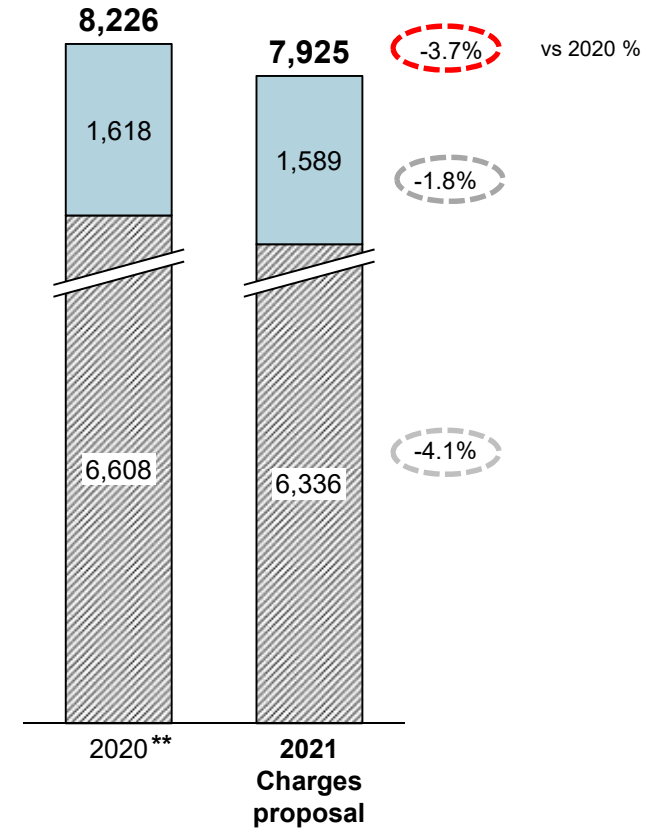
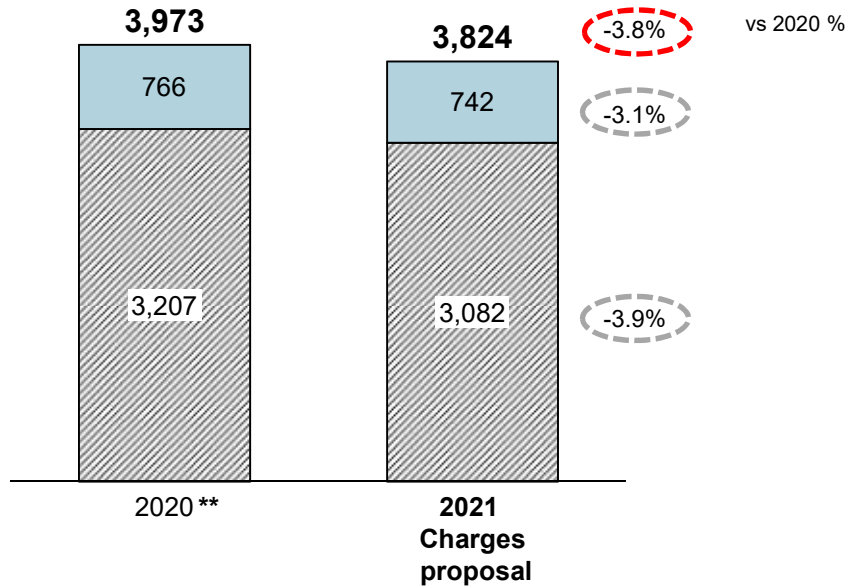
## Extra-UE aircraft A332, 231 Mton, 75% LoadFactor (194 pax)

Value in € (avio reg services) (\*)

Value in € (avio reg services) (\*)

Flight based Pax based

Flight based Pax based

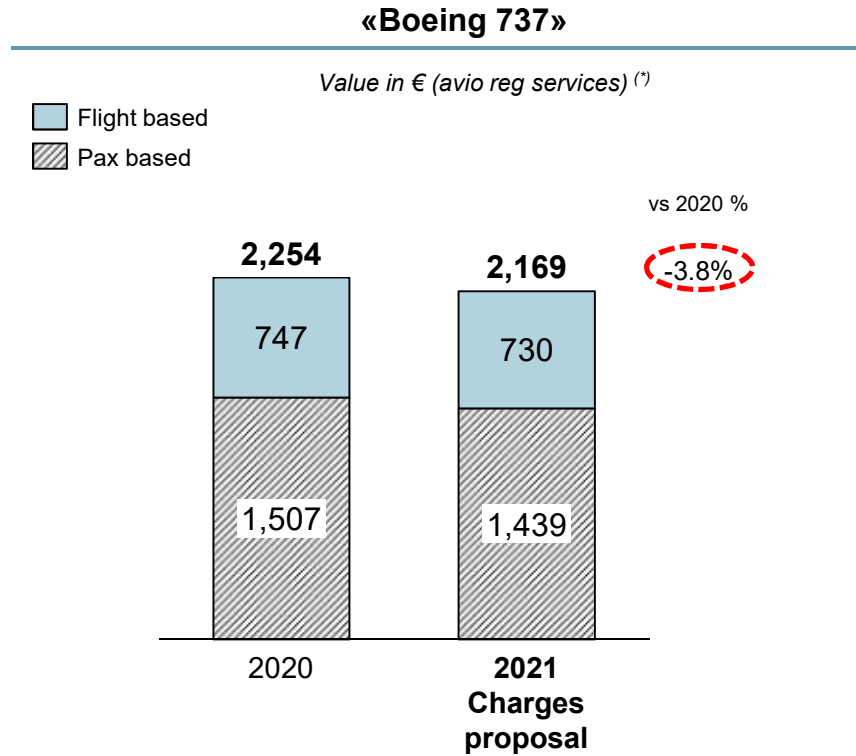


(\*) parking and check-in desks are excluded, use of loading bridge is included

(\*\*) for 2020 movement cost has been recalculated as weighted avg of peak and off-peak

# CIA (Commercial Aviation): aircraft costs

Hp Boeing 737, UE flight, 67 Mtow, 85% LoadFactor (161 pax)



(\*) parking and check-in desks are excluded, use of loading bridge is included

# CIA (General Aviation): aircraft costs, UE

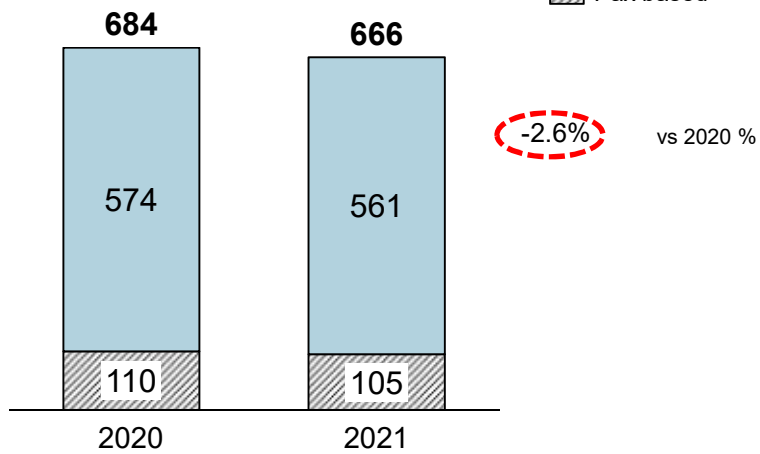


## «Dassault Falcon 900»

(Hp 20 MTOW and 2 pax on board)

Value in € (avio reg services) (\*)

Flight based  
Pax based

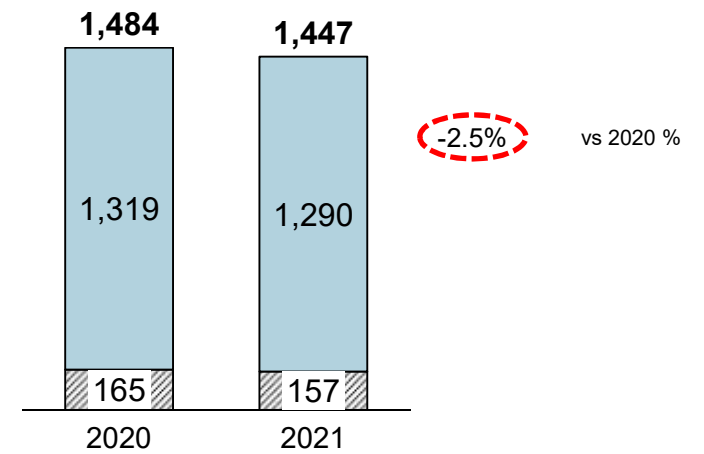


## «Gulfstream Aerospace V (G550)»

(Hp: 40 MTOW and 3 pax on board)

Value in € (avio reg services) (\*)

Flight based  
Pax based



(\*) parking excluded