

Glossary

1985 White Paper	<i>Airports Policy</i> , June 1985, Cm 9542.
ACI	Airports Council International.
ACL	Airport Coordination Ltd.
ADI	Airport Development Investment Ltd, a wholly-owned subsidiary of FGP Topco Ltd. Since July 2006, the owner of BAA .
AEC	Adverse effect on competition.
Airbridge	An adjusting covered walkway between a terminal gate/pier and an aircraft.
Airports Act	Airports Act 1986.
Airport charges	Those charges defined by section 36(1) of the Airports Act . They are (broadly) charges levied on airlines in connection with the landing, parking or taking off of aircraft and charges levied on passengers in connection with their arrival at, or departure from, the airport by air.
Airport operator	The person for the time being having the management of an airport, or in relation to a particular airport, the management of that airport.
Annex 4	An annex to the CAA 's February 2003 determination of airport charges , setting out an agreement with BAA on enhanced information disclosure and consultation.
Annex G	An annex to the CAA 's March 2008 determination of airport charges at Heathrow and Gatwick. It sets out a revised agreement with BAA on enhanced information disclosure and consultation at Heathrow and Gatwick.
ANS	Aerodrome Navigation Service.
ATM	Air transport movement. A landing or take-off of an aircraft engaged in the transport of passengers, cargo or mail on commercial terms. All scheduled movements, including those operated empty, loaded charter and air taxi movements are included in ATMs.
BA	British Airways Plc.
BAA	BAA Limited. Refers to the BAA group and any company in the group as appropriate.
BAA London airports	Gatwick, Heathrow and Stansted airports.
BAA plc	The successor to the British Airports Authority, from privatization in 1987 to July 2006.
BAA Scottish airports	Aberdeen, Edinburgh and Glasgow airports.

BAA south-east airports	The BAA London airports plus Southampton Airport.
bmi	British Midland Airways Ltd. The bmi group of airlines consists of bmi, bmi regional and bmibaby.
Booz Allen Hamilton	Booz Allen Hamilton Inc (now Booz & Company Inc), a management consultancy.
CAA	Civil Aviation Authority.
CC	Competition Commission.
Charter service	A flight not operated as a regular scheduled service, sometimes on an ad-hoc basis. Seats are often sold through an intermediary, such as a tour operator.
CIP	Capital investment plan.
Civil Aviation Act	Civil Aviation Act 1982.
CLG	Department for Communities and Local Government.
Commercial revenues	Income derived from commercial activities, ie airport activities that are not directly related to the aviation side of the airport's business, such as retail, duty-free sales, letting of hotels and offices and provision of car parks.
Constructive Engagement	A process of dialogue between an airport operator and its airline customers, initiated by the CAA with the objective of discussing and reaching agreement on a defined set of issues, associated with the quinquennial review of airport charges at designated airports.
Cost of capital	The minimum risk-adjusted rate of return that a project must earn in order to be acceptable to shareholders: therefore, the opportunity cost of funds provided to a firm.
CPO	Compulsory purchase order.
Currie & Brown	Currie & Brown Group Ltd, a consultant in the construction industry.
DETR	Department of the Environment, Transport and the Regions.
DfT	Department for Transport.
easyJet	easyJet plc.
EBITDA	Earnings before interest, tax, depreciation and amortization.
Enterprise Act	Enterprise Act 2002.
Ferrovial	Grupo Ferrovial, SA. A company quoted on the Madrid stock exchange, which is a majority shareholder in FGP Topco .
FGP Topco	FGP Topco Ltd, the owner of ADI .

Flybe	Flybe Limited.
GOSE	Government Office for the South East.
GPDO	General Permitted Development Order.
HET	Heathrow East Terminal, the planned replacement for Terminal 2 at Heathrow. (Now known as Terminal 2A.)
Hub airport	An airport used by airlines as the main base for connecting traffic where a significant proportion of passengers transfer between flights.
IATA	International Air Transport Association. The airlines' international trade association.
ICAO	International Civil Aviation Organisation.
IPC	Infrastructure Planning Commission.
LCC	Low-cost carrier.
Load factor	The proportion of seating capacity of an aircraft that is actually used.
London area airports	Heathrow, Gatwick, Stansted, London City and London Luton.
London First	A business membership organization. It aims to influence national and local government policy and investment decisions to support London's global competitiveness.
LPA	Local Planning Authority.
MAG	Manchester Airports Group, the operator of Manchester, East Midlands, Bournemouth and Humberside airports.
Mixed mode	Use of a runway for a mix of arrivals and departures.
Mppa	Million passengers per annum.
NATS	The NATS group and any company in the group as appropriate. A constituent company, NATS En Route plc (NERL), provides en-route air traffic services for aircraft flying through UK airspace. Another constituent company, NATS (Services) Limited (NSL), provides air traffic control services at many UK airports.
NERA	National Economic Research Associates.
NPS	National policy statement.
Ofgem	The Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority.
OFT	Office of Fair Trading.

Ofwat	The Water Services Regulation Authority.
Open Skies	The air services agreement between the USA and the EU, effective from March 2008.
Operational income	Income that does not fall within the definition of airport charges but is derived from operational activity, as defined by section 36(1) of the Airports Act .
Pier	A fixed corridor that links an airport terminal to jetties or coaching gates to give passengers access to an airport.
PINS	The Planning Inspectorate.
PCPA 2004	Planning and Compulsory Purchase Act 2004.
Planning Act	Planning Act 2008.
Price cap	Ex-ante specification, under section 40(3) or (4) of the Airports Act , of the maximum increase in airport charges allowed in each year, generally over a period of five years.
PSDH	Project for the Sustainable Development of Heathrow, ie mixed mode , Runway 3 and Terminal 6.
Q4	The fourth quinquennium after the privatization of BAA . It covered the period 2003/04 to 2007/08.
Q5	The fifth quinquennium , which covers 2008/09 to 2012/13.
Quinquennium	A five-year period for which the CC is required to report on and recommend the maximum amounts that should be capable of being levied by BAA by way of airport charges .
RAB	Regulatory asset base. The measure of the regulatory value of the company, based on its underlying assets. The RAB is a key element in setting the company's price caps : the cost of capital is applied to the RAB to generate a significant part of the company's allowable revenue.
RDF	Scottish Air Route Development Fund, established in November 2002 by the Scottish Government, Scottish Enterprise, Highlands and Islands Enterprise and Visit Scotland to improve business connectivity and inbound tourism. The RDF ran until the end of May 2007, but routes started before then remain eligible for funding.
ROCE	Return on capital employed.
RPI	Retail prices index.
RUCATSE	Runway Capacity to Serve the South East.
Ryanair	Ryanair Ltd.
SACC	Stansted Airport Consultative Committee.

SERAS	South East and East of England Regional Air Services Study.
SG1	Stansted Generation 1, a proposal for the expansion of the existing runway, terminal and associated facilities at Stansted.
SG2	Stansted Generation 2, a proposal for the development of a second runway and terminal at Stansted.
Single till	A method for setting a price cap for airport charges which takes account of the assets, costs and revenues of both aeronautical and commercial activities of an airport operator and relevant companies within its group.
Slot	The time of arrival or departure allocated to an airline by ACL for the use of a runway at a congested airport.
South-east airports	The BAA south-east airports plus Bournemouth, London City and London Luton.
SQR	Service quality rebate. A scheme under which an airport is required to pay rebates when specified standards are not achieved in particular months.
Stand/aircraft stand	A designated area on an aerodrome used for parking an aircraft.
Stansted Q5 review	The CC's October 2008 investigation into airport charges at Stansted Airport.
Star Alliance	A global alliance of airlines established in 1997. bmi is a member.
STOD	Separate terminal operation and development.
T5	Terminal 5 at Heathrow, opened in March 2008.
Taxiway	A marked route along which aircraft taxi to or from a runway.
TCPA 1990	Town and Country Planning Act 1990.
TDRs	London Air Traffic Distribution Rules.
Transfer passenger	A passenger who changes, often at a hub airport, from one aircraft to another.
Transport Act	Transport Act 2000.
Virgin	Virgin Atlantic Airways Ltd.
WDF	World Duty Free.
WDFE	World Duty Free Europe Ltd.
White Paper	The Air Transport White Paper <i>The future of Air Transport</i> , December 2003, Cm 6046.