



Posted 13/12/02

## **ANNOUNCEMENT OF REVISED SERVICE CHARGES**

**DECEMBER 13, 2002**

### **GENERAL**

NAV CANADA hereby announces revised service charges, pursuant to Section 37 of the *Civil Air Navigation Services Commercialization Act*, S.C. 1996, c. 20 (ANS Act). This Announcement sets out the revised charges that apply to three categories of air navigation services: (i) Terminal, (ii) Enroute, and (iii) Oceanic. These revised charges will become effective on January 1, 2003, except where otherwise indicated. All other service charges provisions not amended by this Announcement remain in effect.

Pursuant to Section 42 of the ANS Act, persons wishing to appeal the within revisions to charges may do so by making an application to the Canadian Transportation Agency within 30 days after the day the Announcement required by Section 37 in respect of the charge that is the subject of the appeal was filed with the Agency. The filing date of the said Announcement is December 13, 2002. An appeal may only be made on one or more of the grounds set out in Section 43 of the ANS Act.

This Announcement consists of three sections:

- (1) Increase in Service Charges and New Daily Charge Weight Group;
- (2) Other Modifications to Service Charges; and
- (3) Charges for Aeronautical Publications

## 1. INCREASE IN SERVICE CHARGES AND NEW DAILY CHARGE WEIGHT GROUP

Customer service charges will be increased by 3% effective January 1, 2003, except for the Annual and Quarterly charges for which the increase will be effective March 1, 2003.

In addition to the rate adjustments, a new weight group will be implemented for the Daily Charge applicable to propeller aircraft. Currently, the top weight group for this charge is "over 18.0 metric tonnes". It was necessary to revisit this top weight group as larger propeller aircraft, with significantly larger capacities, have entered the marketplace since the Daily Charge was first established on March 1, 1999.

The weight group of "over 18.0 metric tonnes" will be replaced by the two new weight groups of "over 18.0 metric tonnes up to 21.4 metric tonnes" and "over 21.4 metric tonnes".

The following tables set out the revised rates.

### Movement-Based Charges

Charge	Rates Effective January 1, 2003
Terminal	\$13.78
Enroute	\$0.03300
North Atlantic Enroute	\$79.76
International Communication	
Data Link	\$24.13
Voice	\$47.72

**Daily Charges**

<b>Category and Weight Group* (in metric tonnes)</b>	<b>Rates Effective January 1, 2003</b>
<i>Propeller Aircraft</i>	
Over 3.0 up to 5.0	\$30
Over 5.0 up to 6.2	\$60
Over 6.2 up to 8.6	\$247
Over 8.6 up to 12.3	\$597
Over 12.3 up to 15.0	\$896
Over 15.0 up to 18.0	\$1,092
Over 18.0 up to 21.4	\$1,494
Over 21.4	\$2,009
Maximum for Helicopters	\$60
<i>Small Jet Aircraft</i>	
Over 3.0 up to 6.2	\$149
Over 6.2 up to 7.5	\$247

\* Maximum permissible take-off weight.

**Annual Charges\***

<b>Weight Group** (in metric tonnes)</b>	<b>Rates Effective March 1, 2003</b>
0.617 up to 2.0	\$60
Over 2.0 up to 3.0***	\$201

\* For foreign-registered aircraft, the corresponding Quarterly Charge is equal to 25% of the Annual Charge.

\*\* Maximum permissible take-off weight.

\*\*\* The existing provisions regarding private aircraft used exclusively for recreational purposes (regardless of aircraft weight) and for aircraft restricted to aerial agricultural spraying remain, with the exception of the revised rate of \$60.

**Annual Minimum Charges\***

<b>Aircraft Category</b>	<b>Rate Effective March 1, 2003</b>
Annual Minimum for Aircraft over 3.0 Metric Tonnes **	\$201

\* Applicable to aircraft not subject to the Annual Charge or the Quarterly Charge. For foreign-registered aircraft, the corresponding Quarterly Minimum Charge is equal to 25% of the Annual Minimum Charge.

\*\* Except for aircraft over 3 metric tonnes (maximum permissible take-off weight) restricted to Agricultural Spraying, for which the minimum is \$60.

**2. OTHER MODIFICATIONS TO SERVICE CHARGES****2.1 Modification to the Application of the Enroute Charge and Daily Charge for International Flights**

Currently, the Enroute Charge is applied to international flights of aircraft over 3 metric tonnes where the flight lands or takes off from an airport staffed by NAV CANADA personnel or by a person acting under the authority of the Minister of National Defence (DND). Effective January 1, 2003, the application of the Enroute Charge will be extended to all international flights of aircraft over 3 metric tonnes that land or take off from any Canadian aerodrome.

The existing application is set out in Section 3.2 of the Announcement of New and Revised Service Charges, dated September 1998, as follows:

“...With respect to flights which land or take off in Canada, the Enroute Charge applies to flights between two airports, at least one of which is an airport where NAV CANADA applies the Terminal Services Charge...”

This will be replaced by the following:

“...With respect to flights which land or take off in Canada, the Enroute Charge applies:

- (a) to flights between two Canadian airports, at least one of which is an airport where NAV CANADA applies the Terminal Services Charge; and
- (b) to international flights.”

With this change, a consequential, parallel modification will be made in the application of the Daily Charge, effective January 1, 2003. The existing application is set out in Section 2 of the Announcement of New and Revised Service Charges, dated September 1998, as follows:

“...a daily charge will be applied to propeller aircraft ...for each day (hereafter referred to as “chargeable day”) it makes one or more departures from one or more aerodromes with air navigation facilities staffed either by NAV CANADA or by a person acting under the authority of the Minister of National Defence.”

This will be replaced by the following:

“...a daily charge will be applied to propeller aircraft ... for each day (hereafter referred to as “chargeable day”) the aircraft makes one or more departures as follows:

- (a) from one or more aerodromes with air navigation facilities staffed either by NAV CANADA or by a person acting under the authority of the Minister of National Defence, in the case of flights between two Canadian aerodromes; and/or
- (b) from one or more Canadian aerodromes, in the case of international flights.”

The Daily Charge for jet aircraft weighing 7.5 metric tonnes or less will also be subject to the revised application.

## **2.2 Modification to the Application of the Quarterly Charge**

The application of the Enroute Charge includes overflights by foreign-registered aircraft weighing 3 metric tonnes or less (except U.S. domestic flights). Where these same aircraft fly into Canada or within Canada, the Quarterly Charge, covering all such flight activity for three months, applies. It is more consistent to apply the Quarterly Charge to the above-noted overflights as well, instead of the Enroute Charge.

The existing application of this charge is set out in Section 1.2 of the Announcement of New and Revised Service Charges, dated September 1998, as follows:

“The aircraft will be charged on the basis of the first recorded arrival into a Canadian aerodrome during each quarter of the annual fee period...”

Effective March 1, 2003, this will be replaced by the following:

“The aircraft will be charged on the basis of the first recorded arrival into a Canadian aerodrome or entry into Canadian airspace, excluding flights between two points in the U.S., during each quarter of the annual fee period...”

### **2.3 Clarification of Services Included in the Annual and Quarterly Charges**

The Annual Charge for Canadian-registered aircraft weighing 3 metric tonnes or less, and the corresponding Quarterly Charge for foreign-registered aircraft in the same weight category are for terminal and enroute air navigation services. When such aircraft are flown through oceanic airspace, where oceanic air navigation services are provided or made available, the appropriate oceanic charges are also applied.

To clarify that the Annual and Quarterly charges do not include oceanic services, the references to “air navigation services” in Sections 1.1 and 1.2 of the Announcement of New and Revised Service Charges, dated September 1998, will be replaced by “Terminal and Enroute Services”, effective March 1, 2003.

### **2.4 Interim Invoicing for Movement-Based and Daily Charges**

NAV CANADA may wish to invoice a customer more frequently than the normal monthly billing cycle where NAV CANADA, acting reasonably and in good faith, is of the opinion that NAV CANADA charges will not be paid when due.

In addition, in the event of system problems or delays in receiving the flight data required for billing purposes, NAV CANADA may wish to issue interim invoices based on the total billing for the most recent billing period of complete data. Once the flight data becomes available, the appropriate adjustments for any overpayments or underpayments would be made when the final invoice for the period is issued. Any such interim billing will apply to Movement-Based and Daily Charges and be limited to commercial aircraft operators, as they provide service on an ongoing basis.

Section 7.2 of the Announcement of New and Revised Service Charges, dated September 1998 will be amended. This section currently states:

“7.2.3 Daily and Other Charges (Sections 2, 3 and 4)

Invoices are issued every month for flights occurring in the preceding month.”

Effective January 1, 2003, this will be replaced by the following:

“7.2.3 Daily Charges and Movement-Based Charges (Sections 2, 3 and 4)

Invoices are normally issued every month for flights occurring in the preceding month. However, NAV CANADA may issue invoices more frequently to any customer where NAV CANADA, acting reasonably and in good faith, is of the opinion that NAV CANADA charges will not be paid when due.

In the event that the flight data required for billing is delayed or that system problems preclude normal billing, invoices may be issued to commercial aircraft operators based on their total billings for the most recent billing period of complete flight data. Any adjustments for overpayments or underpayments will be incorporated when the final invoice for the period is issued.”

### 3. CHARGES FOR AERONAUTICAL PUBLICATIONS

Following the anticipated transfer of the sale and distribution of aeronautical information from the CANADA Map Office of Natural Resources Canada (NRCan) to NAV CANADA in 2003, NAV CANADA will also be responsible for the pricing of the publications. The publications and the prices are set out below. These prices will become effective on the date of transfer.

ITEM DESCRIPTION	PRICE
<b><u>Subscription Prices<sup>1</sup></u></b>	
Enroute Charts <sup>2</sup>	\$12.00 per Chart
Canada Air Pilot <sup>2</sup>	\$45.00 per Volume
Canada Flight Supplement <sup>2</sup>	\$99.00
Canada Water Aerodrome Supplement (one issue)	\$45.00
<b><u>Individual Copy Prices<sup>3</sup></u></b>	
VFR Navigation Charts	\$16.50 per Chart
World Aeronautical Charts	\$16.50 per Chart
VFR Terminal Area Charts	\$16.50 per Chart
Enroute Charts	\$6.00 per Chart
Canada Air Pilot	\$20.00 per Volume
Canada Flight Supplement	\$29.00
Canada Water Aerodrome Supplement	\$45.00

Notes:

- (1) Handling charges of \$30 for Canada and \$35 for other countries will be charged for each subscription order and for subscription renewals.
- (2) These products are updated every 56 days and the subscription price is for 7 updates.
- (3) Individual copies would typically be purchased from distributors at various locations across Canada. Copies can be ordered directly from NAV CANADA at the prices listed plus a handling charge per order of \$10 for Canada and \$12 for other countries.

It is noted that the above prices are the same as those currently charged by NRCan. NAV CANADA plans to review the prices for aeronautical publications within one year after the transfer date.