

NOTICE OF NEW AND REVISED SERVICE CHARGES

NOVEMBER 1, 1999

General

Pursuant to Section 36 of the *Civil Air Navigation Services Commercialization Act*, S.C. 1996, c. 20 (the "*ANS Act*"), the following document provides notice (the "*Notice*") of NAV CANADA's proposed new and revised charges for air navigation services to become effective March 1st, 2000. A more detailed document setting out additional details in relation to these proposed new and revised service charges, including a justification in relation to the charging principles established under Section 35 of the *ANS Act*, is available upon request from NAV CANADA.

Persons interested in making representations to NAV CANADA with regard to the proposed new and revised charges set out in this *Notice* may do so by writing to the address set out under Section 5 so as to be received by NAV CANADA not later than December 31, 1999.

NAV CANADA applies service charges to the following categories of air navigation services: (i) terminal, (ii) enroute, and (iii) oceanic. The *Notice* provides for a proposed change to the International Communication Services Charge to reflect data-link communications, the introduction of a separate charge at L. B. Pearson International Airport in respect of Airport Surface Detection Equipment, and some modifications to the flat fees (Annual and Daily Charges).

Except for the revisions proposed in this notice, all the provisions of the *Announcement of New and Revised Service Charges*, dated September 1998 and approved by the Minister of Transport pursuant to Section 39 of the ANS Act, and the *Announcement of Reduced Service Charges*, dated August 16, 1999, and filed with the Canadian Transportation Agency pursuant to Section 37 of the *ANS Act*, remain in effect.

This Notice consists of five sections:

- (1) Proposed Differentiated International Communication Services Charges
- (2) Proposed Airport Surface Detection Equipment (ASDE) Charge at L. B. Pearson International Airport
- (3) Other Proposed Revisions
- (4) Proposed Billing Information and Payment Terms and Conditions
- (5) Additional Information regarding the *Notice* and on Making Representations to NAV CANADA

Note: All references to dollars refer to Canadian dollars.
All references to tonnes refer to metric tonnes.

1. PROPOSED DIFFERENTIATED INTERNATIONAL COMMUNICATION SERVICES CHARGES

The International Communication Services Charge will be \$46.33 except for a flight providing position reports via data link in which case the charge will be \$23.43 per flight.

These charges will be effective March 1, 2000.

It should be noted that the one-year adjustment (representing a decrease of \$2.38 per flight) in the International Communications Services Charge, as provided for in the *Announcement of Reduced Service Charges* dated August 16, 1999, will still apply to the revised charges set out above.

2. PROPOSED AIRPORT SURFACE DETECTION EQUIPMENT (ASDE) CHARGE AT L. B. PEARSON INTERNATIONAL AIRPORT (LBPIA)

A new charge is proposed for ASDE at LBPIA, effective March 1, 2000.

The formula for the ASDE Charge will be the same as for the Terminal Services Charge with a Unit Rate of \$0.45.

The ASDE Charge will apply to each departure from LBPIA by aircraft with maximum permissible take-off weight over 3 metric tonnes. The charge will apply in addition to existing charges relative to terminal or enroute services (including daily charges).

The ASDE Charge will be in effect until the capital costs, including interest, related to the ASDE project have been recovered. At that time, NAV CANADA will make the

appropriate notice and announcement to remove the Charge. The cost recovery period is currently estimated at approximately 4 years.

3. OTHER PROPOSED REVISIONS

- (a) Increase the weight exemption level for small aircraft from 600 kg to 617 kg.
- (b) For aircraft restricted to aerial agricultural spraying, the Annual Charge will be \$58 for aircraft over 2.0 and up to 3.0 tonnes. The Annual Minimum for such restricted aircraft over 3.0 tonnes will also be \$58.

The adjustment, representing a decrease of \$3, as provided for in the *Announcement of Reduced Service Charges*, dated August 16, 1999, will still apply.

It should be noted that flights by aircraft over 3.0 tonnes restricted to aerial agricultural spraying continue to be subject to the daily or movement-based charges at applicable aerodromes.

(c) With respect to the Daily Charge for propeller aircraft, the 12.0 tonne weight-break point will be increased to 12.3 tonnes. As a result, the 8.6 to 12.0 and 12.0 to 15.0 weight groups will be revised to 8.6 to 12.3 and 12.3 to 15.0, respectively.

4. PROPOSED BILLING INFORMATION AND PAYMENT TERMS AND CONDITIONS

4.1 PROVISION OF INFORMATION

In order to determine the aircraft weight that is used in the fee calculation for each flight billed, customers must file an updated fleet submission any time their fleet is modified. In the absence of such submission, NAV CANADA calculates the charge for the flight based upon the highest maximum permissible take-off weight for an aircraft of the same type.

This does not apply to customers operating only aircraft weighing 3.0 tonnes or less.

4.2 PAYMENT TERMS AND CONDITIONS

If an operator frequently fails to pay any invoice, or any undisputed part thereof, by the normal due date, i.e., 30th day after the invoice date, NAV CANADA may demand immediate payment upon receipt of invoices with any interest on overdue accounts being calculated from the date of receipt of the invoice.

Interest and administrative charges are due upon receipt of statement for same.

4.3 CLAIMS

A claim may be filed with NAV CANADA within 90 days from the date of the invoice. If payment of a disputed amount is withheld by the operator and after investigation by NAV CANADA, that outstanding amount is deemed to have been payable on the due date, interest will accrue from that due date.

5. ADDITIONAL INFORMATION REGARDING THE *NOTICE* AND ON MAKING REPRESENTATIONS TO NAV CANADA

Further details of the proposal is provided in a document entitled *Details and Principles Regarding Proposed New and Revised Service Charges* ("Details and Principles") which is available on request. The *Notice* and *Details and Principles* documents are available on NAV CANADA's Internet site (www.navcanada.ca).

Information on the existing charges is provided in the *Customer Guide to Charges*, which is also available on the Internet site.

A hard copy of the *Details and Principles* document may be obtained by contacting NAV CANADA:

in writing: NAV CANADA

P.O. Box 3411, Station "D"

Ottawa, Ontario Canada K1P 5L6

Attention: Director, Customer Relations

by e-mail: service@navcanada.ca by facsimile: 1 - 613 - 563 - 3426

by telephone: 1 - 800 - 876 - 46934 (within North America, disregard the last digit)

Pursuant to Section 36 of the *ANS Act*, persons interested in making representations to NAV CANADA with regard to the proposed revisions contained in this *Notice* may do so in writing to the following address:

NAV CANADA

P.O. Box 3411, Station "D"

Ottawa, Ontario Canada K1P 5L6

Attention: Director, Rates and Revenues

By facsimile 1 - 613 - 563 - 7994.

Note: Representations must be received by NAV CANADA not later than the close of business on December 31, 1999.