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ANNOUNCEMENT OF REVISED SERVICE CHARGES

DECEMBER 2023

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 revisions in charges that apply to four categories of air navigation charges: (i) Terminal, (ii) Enroute, (iii) North Atlantic Enroute, and (iv) International Communications. **These revised charges will become effective on January 1, 2024 except as otherwise noted.** 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 these revisions may do so by making an application to the Canadian Transportation Agency (Agency). The application must be filed within 30 days after the filing of this Announcement with the Agency. 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 one section:

- (1) Revision to Service Charge Rates

1. REVISION TO SERVICE CHARGE RATES

The following tables set out the revised rates to be effective January 1, 2024, except where otherwise noted. The revised rates have two components:

- Base Rates, which are set to recover NAV CANADA's anticipated fiscal 2024 costs, by service; and
- An additional temporary rate adjustment to recover a portion of the remaining cumulative Rate Stabilization Account ("the RSA") shortfall.

The rate adjustments vary by service category depending on how far each charge deviates from its breakeven level as well as how much it has contributed to the overall RSA shortfall as the impact of the pandemic on the individual service charge categories has been uneven.

Movement-Based Charges

| Charge | Base Rates Prior to January 1, 2024 | Base Rates Effective January 1, 2024 | Temporary Rate Adjustment to Recover RSA Shortfall Effective January 1, 2024* |
|---------------------------------------|-------------------------------------|--------------------------------------|---|
| Terminal Charge | \$ 31.86 | \$ 30.30 | \$ 2.29 |
| Enroute Charge (including Overflight) | \$ 0.03802 | \$ 0.03362 | \$ 0.00040 |
| NAT | \$ 230.22 | \$ 180.45 | \$ 3.45 |
| International Communications | | | |
| Data Link | \$ 28.19 | \$ 24.19 | \$ 2.10 |
| Voice | \$ 74.93 | \$ 64.29 | \$ 5.59 |

* Temporary Rate Adjustments to Recover the RSA Shortfall will continue until the cumulative RSA shortfall is fully recovered.

Daily Charges

| Category and Weight Group* (in Metric Tonnes) | Base Rates Prior to January 1, 2024 | Base Rates Effective January 1, 2024 | Temporary Rate Adjustment to Recover RSA Shortfall Effective January 1, 2024** |
|---|-------------------------------------|--------------------------------------|--|
| Propeller Aircraft | | | |
| Over 3.0 to 5.0 | \$ 54.19 | \$ 50.96 | \$ 3.37 |
| Over 5.0 to 6.2 | \$ 108.40 | \$ 101.94 | \$ 6.73 |
| Over 6.2 to 8.6 | \$ 429.72 | \$ 404.11 | \$ 26.69 |
| Over 8.6 to 12.3 | \$ 997.52 | \$ 938.07 | \$ 61.95 |
| Over 12.3 to 15.0 | \$ 1,486.59 | \$ 1,397.99 | \$ 92.32 |
| Over 15.0 to 18.0 | \$ 1,785.97 | \$ 1,679.53 | \$ 110.91 |
| Over 18.0 to 21.4 | \$ 2,407.98 | \$ 2,264.46 | \$ 149.54 |
| Over 21.4 | \$ 3,124.17 | \$ 2,937.97 | \$ 194.01 |
| | | | |
| Maximum Helicopters | \$ 108.40 | \$ 101.94 | \$ 6.73 |
| | | | |
| Small Jet Aircraft | | | |
| Up to 3.0 | \$ 205.19 | \$ 192.96 | \$ 12.74 |
| Over 3.0 to 6.2 | \$ 264.55 | \$ 248.78 | \$ 16.43 |
| Over 6.2 to 7.5 | \$ 429.72 | \$ 404.11 | \$ 26.69 |
| | | | |

* Maximum permissible take-off weight.

** Temporary Rate Adjustments to Recover the RSA Shortfall will continue until the cumulative RSA shortfall is fully recovered.

Annual Charges*

| Weight Group** (in metric tonnes) | Base Rates Prior to March 1, 2024 | Base Rates Effective March 1, 2024 | Temporary Rate Adjustment to Recover RSA Shortfall Effective March 1, 2024**** |
|-----------------------------------|-----------------------------------|------------------------------------|--|
| 0.617 up to 2.0 | \$ 87.69 | \$ 82.46 | \$ 5.45 |
| Over 2.0 up to 3.0*** | \$ 292.88 | \$ 275.42 | \$ 18.19 |
| | | | |

* 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) applies only to propeller aircraft. The existing provision for aircraft restricted to aerial agricultural spraying remains with the exception of the revised rates.

**** Temporary Rate Adjustments to Recover the RSA Shortfall will continue until the cumulative RSA shortfall is fully recovered.

Daily Charge at Seven Specified International Airports

| Aircraft Category | Base Rates Prior to March 1, 2024 | Base Rates Effective March 1, 2024 | Temporary Rate Adjustment to Recover RSA Shortfall Effective March 1, 2024** |
|--|-----------------------------------|------------------------------------|--|
| Daily Charge for Propeller Aircraft up to 3.0 Metric Tonnes* | \$ 12.91 | \$ 12.14 | \$ 0.80 |

* Maximum permissible take-off weight.

** Temporary Rate Adjustments to Recover the RSA Shortfall will continue until the cumulative RSA shortfall is fully recovered.

Annual Minimum Charges*

| Aircraft Category | Base Rates Prior to March 1, 2024 | Base Rates Effective March 1, 2024 | Temporary Rate Adjustment to Recover RSA Shortfall Effective March 1, 2024*** |
|--|-----------------------------------|------------------------------------|---|
| Annual Minimum for Propeller Aircraft over 3.0 Metric Tonnes and Jet Aircraft ** | \$ 292.88 | \$ 275.42 | \$ 18.19 |

* 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 restricted to Agricultural Spraying, for which the existing provisions remain with the exception of the revised rates.

*** Temporary Rate Adjustments to Recover the RSA Shortfall will continue until the cumulative RSA shortfall is fully recovered.