

Our Ref: Trakit no. 41049
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**Australian
Competition &
Consumer
Commission**

22 September 2011

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Mr Andrew Clark
Chief Executive Officer
Airservices Australia
25 Constitution Avenue
CANBERRA ACT 2600

Dear Mr Clark

Notice pursuant to paragraph 95Z(6)(b) of the *Competition and Consumer Act 2010* in response to Airservices Australia's price notification dated 9 September 2011

I am writing in response to the locality notice (price notification) provided to the Australian Competition and Consumer Commission (ACCC) on 9 September 2011 by Airservices Australia (Airservices) pursuant to subsection 95Z(5) of the *Competition and Consumer Act 2010* (CCA).

On 21 September 2011, the ACCC decided to not object to the proposed price increases for terminal navigation and aviation rescue and fire-fighting services set out in that price notification. The decision paper outlining the reasons for the ACCC's decision is included as an attachment to this letter and will be published on the ACCC's website. This decision paper will also be included in the public register kept under section 95ZC of the CCA.

As set out in the decision paper, the ACCC is satisfied that Airservices' price notification has addressed the concerns expressed by the ACCC in its previous decision on a price notification submitted by Airservices on 22 August 2011. In particular, Airservices' price notification of 9 September 2011 incorporates a WACC of 8.60 per cent, whereas Airservices' previous price notification used a WACC of 9.12 per cent.

If you would like to discuss this further, please do not hesitate to contact either myself on (03) 9290 1804 or Renée Coles on (03) 9290 6921.

Yours sincerely

Anthony Wing
General Manager
Transport and General Prices Oversight Branch