Pionair Australia Pty Ltd Building 400, 11 Comper Street, Bankstown Airport NSW 2200, Australia PO Box CP101 Condell Park NSW 2200 ABN 21 102 715 506

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24 September 2019

Via Email

Ms Marlene Tucker Executive Director Delegate of the International Air Services Commissioners GPO Box 630 Canberra ACT 2601

Re: Application for Capacity on Solomon Islands, Nauru and Kiribati Routes



Dear Ms Tucker, MARLENE

Allocation Sought

Pionair Australia Pty Ltd (ABN 21 102 715 506) respectfully requests to operate twice weekly (return) passenger services from Brisbane to Tarawa, Kiribati via both Honiara, Solomon Islands and Nauru, Nauru in each direction for each of the return services.

Solomon Islands

184 seats between Brisbane and Honiara (2 return passenger frequencies per week) with the E190-E2 or substitute, plus unrestricted All Cargo Freight Capacity with the BAE146-200/300.

We seek allocation for a period of 5 years commencing 11 March 2020 with full capacity utilisation by 13 October 2020.

Kiribati

Two (2) return passenger service frequencies per week with the E190-E2 or substitute, plus two (2) weekly return all cargo BAE146-200/300 capacity services.

We seek allocation for a period of 5 years commencing 11 March 2020 with full capacity utilisation by 13 October 2020.

Nauru

Two (2) combined passenger and cargo return frequencies per week with the E190-E2 or substitute, plus unrestricted All Cargo Freight Capacity with the BAE146-200/300.

We seek allocation for a period of 5 years commencing 11 March 2020 with full capacity utilisation by 13 October 2020.

Designation Status and Background

Pionair is a holder of an Australian High Capacity Passenger and Cargo AOC. Pionair's intention is to provide to the public an alternate competitive service on the above-mentioned routes. We expect an RPT variation to the AOC by 11 March 2020, which will allow Pionair to operate the services.

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Aircraft Type and Competition

Pionair Australia currently operates BAE146-200 aircraft with its intent to introduce the Embraer E190-E2 passenger aircraft with 92 seat capacity in a three (3) class configuration. This particular Embraer will be the first '-E2' variant to operate in Australia and Pacific Islands, which will allow alternative efficient new aircraft type and capacity between Australia, Solomon Islands, Nauru and Kiribati.

Legislative and Policy Considerations

The proposal of capacity sort is in accordance with section 8 and 9 of the Policy Statement; being a benefit to the public by allowing access to an alternate Australian Carrier, operating a new efficient aircraft type. In addition, Pionair is well placed to obtain the necessary licences within the timeframe to meet the requirements to operate the services sort.

Pionair would be pleased to provide further information to the commission that they may require in support of this capacity sort.

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Yours sincerely,

Michael Lee General Manager

Pionair Australia Pty Ltd