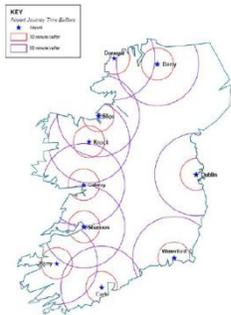


1. Introduction and overview

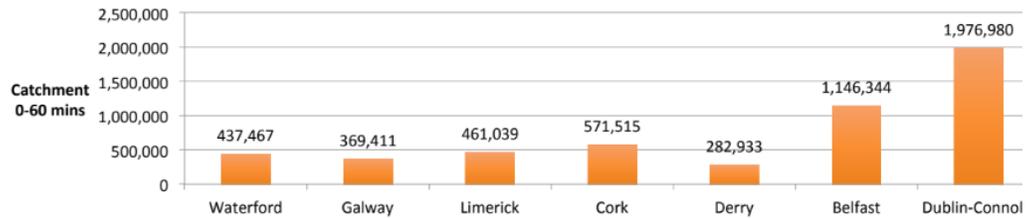
The runway at Waterford Airport is currently 1,433 by 30m. Here we briefly consider the strategic and economic issues of expanding the runway to facilitate short-to-medium narrow-bodied airliners such as the Boeing 737 and the Airbus A320. With services currently in abeyance at Waterford Airport it is perceived that a runway extension to take competitive short-medium haul planes would support a reduction on the regions reliance on Dublin airport, facilitate improved economic ties with the UK and Europe and reduce the economic marginalisation of the whole South East region.

1.1 The Airport, its catchment and competitors

The airport is an important access point to the South East, a region of 510,000 people. Waterford is clearly defined as the capital of the South East city-region in the National Planning Framework, and so is expected to drive regional development across the NUTS3 region (IE024) which incorporates Carlow, Kilkenny, South Tipperary, Wexford, Waterford City & County.



Catchment within 0-60 mins of city centre / development



1.2 Likely passenger numbers and costs

With the recovering Irish economy, there has been a significant increase in passenger and flights at Irish airports- led very strongly by Dublin. Year-on-year growth is running at 8-10%, with all airports growing

'000	2014	2015	2016	
Dublin	21,350	24,605	27,451	passenger numbers. Dublin airport has proposed at €320m runway investment to add additional capacity. Additional capacity numbers associated with this runway are vague, but the highest estimate we can find is it accommodate an additional 7 million passengers (or €45m per additional million passengers). The runway extension in Waterford is estimated to cost €10m.
Cork	2,074	2,017	2,190	
Shannon	1,481	1,551	1,601	
Knock	674	663	727	
Kerry	293	302	324	
	25,872	29,137	32,292	

Assumptions:

- Ryanair is highly likely, against its wishes, to offer a service from Waterford. We form this view based on the fact that Ryanair serves any airport on Ireland that can take commercial 737 flights. It is highly unlikely that Ryanair would allow a competitor to enter the Irish market.
- We can identify seven airlines that offered a service from Waterford using uncompetitive planes types.
- The airport has 437k people within a one-hour isochrone, and 1.5million persons in a 1.5hr isochrone.

Estimating passenger numbers is not a science, but in comparing regional catchment and existing passenger numbers we estimate a competitive runway in the SE would likely serve 1 million passengers PA.

About

SENER aspires to present a selection of key economic indicators for the SE region, to aid understanding and inform decision making. It is prepared by independent, non-politically affiliated academics who are part of the South East Network for Social and Economic Research (www.senser.ie), an initiative of AIB CFBR and CEDRE at Waterford Institute of Technology School of Business. All opinions expressed are those of the authors , any errors and omissions are the sole responsibility of the authors; please bring them to the attention of the authors.

Prepared by:

- John Casey, T 353 (0)87 793 6095, E:jcasey@wit.ie
- Dr Cormac O'Keeffe, T 353(0)86 395 3770, E:cokeeffe@wit.ie
- Dr Ray Griffin, T 353 (0)85 737 3175, E:rgriffin@wit.ie (corresponding)