

फ़ाइल सं. ऐरा/20010/पीएनजीआरबी/2023-24

File No. AERA/20010/PNGRB/2023-24

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
Airports Economic Regulatory Authority of India

आदेश संख्या 02/2025-26

ORDER NO 02/2025-26

ऐरा कार्यालय /AERA Office

तृतीय तल, उड़ान भवन / 3rd Floor, Udaan Bhawan

सफ़दरजंग हवाईअड्डा / Safdarjung Airport

नई दिल्ली / New Delhi – 110003

दिनांक / DATED: 16.05.2025

Sub: Setting up of Common Fuel Storage Facility on Open Access Basis at the major airports – reg.

Background:

1. The Petroleum and Natural Gas Regulatory Board (PNGRB), the Oil & Gas Sector Regulator in India, for promoting sustainable development has proposed to develop a Common Carrier Aviation Turbine Fuel (ATF) Pipelines, connecting various greenfield and brownfield airports in India. As per plan, PNGRB will develop a Common Carrier ATF pipeline, connecting upstream ATF supply points with the Common ATF Fuel Storage Facility within the airport premises.

2. The development of common carrier ATF pipelines is green initiative for reducing the carbon emissions connected with ATF transportation, improving operational efficiency & reliability and to reduce ATF logistics costs in the country.

PNGRB Proposal:

3. In this context, PNGRB, vide its letter no. D.O No. PNGRB/Auth/3-PPPL (16)/2024 dated 13.02.2025 requested the Airports Economic Regulatory Authority of India (AERA) to consider regulatory measures to establish Common Fuel Storage Tanks on the 'Open Access

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Basis' at the major airports, for ensuring seamless integration of airport's ATF storage facilities with the common carrier ATF pipelines planned by PNGRB for connecting the various brownfield & greenfield airports across India.

AERA Examination:

4. The Airports Economic Regulatory Authority of India (AERA) fully supports the green initiative taken by PNGRB to develop the common carrier ATF Pipeline network connecting various airports in the country. The PNGRB Plan to develop common carrier ATF pipelines for sharing by the fuel suppliers is not only an environment friendly initiative, but also a forward-looking step to ensure continuous, reliable & safe supply of ATF to various airports in India and would also result in reduction in overall logistics cost of supply of ATF.

5. This initiative is expected to contribute to the overall growth and efficiency of the civil aviation sector and improve the competitiveness of Indian Civil Aviation in the global market. The supply of ATF through common carrier pipelines will help in establishing alternate ATF transportation system in the country, improving safety, reliability & reduce logistics cost of ATF supply, as compared to conventional modes of ATF transportation which are costly, causes environmental pollution and have many logistical challenges. AERA, as an economic regulator for the major airports, always has been supporting the green initiatives at the major airports to achieve the goal of sustainable development in the airport sector.

6. AERA, in accordance with provision of AERA Act, 2008 and its Tariff Guidelines, 2011, determines the tariff for the aeronautical services provided at the major airports in India. Supplying fuel to the aircraft at an airport is classified as 'aeronautical service' under Section 2(a)(vi) of the AERA Act, 2008. AERA determines the tariff in respect of Fuel Infrastructure Charges and Into-Plane Services at the major airports, inter-alia, considering Infrastructure created within the airport premises for providing services relating to supply of fuel to the aircraft.

7. It is imperative that Airport Operators at major airports also support and supplement the efforts of PNGRB for developing ATF pipeline network connecting major airports, so as to ensure seamless integration of upstream supply of ATF to the Common Fuel Storage Facility within the airport premises.

8. The Authority notes that the Common Fuel Farm Facilities on 'Open Access Basis' are already operational at most of the PPP/ JV/ Leased Airports or such facilities are under development phase at these airports. Further, the upcoming greenfield airports such as Noida International Airport (NIL), Jewar, U.P. and Navi Mumbai International Airport (NMIL), Maharashtra also have a provision for development of common Fuel Farm Facility on the Open Access Basis.



9. The Authority notes that presently, at the existing major airports operated by AAI & State Govt. (Shirdi airport), each Oil Marketing Company (ATF supplier) at these airports establish their own separate ATF Storage & Aircraft Refuelling Infrastructure (for Into Plane Services), at the land within the airport premises allotted by the airport operator and as such there is no common Fuel Storage Facility as envisaged by PNGRB as an end-to-end forward linkage to the common carrier ATF pipelines as planned by PNGRB. Thus, the absence of common fuel storage tanks at the AAI/ State Govt. operated airports will create logistical challenges in implementation of PNGRB Plan for connecting these airports with common carrier ATF pipeline network.

10. In view of the above, for ensuring the implementation of PNGRB plan relating to the development of ATF pipelines connecting the major airports, airport operators at major airports which don't have common fuel storage facility are required to establish Common Fuel Storage Infrastructure at their airports on the 'open access basis'. In addition, wherever it is technically & economically feasible, airport operators at the major airports also consider the development of Fuel Hydrant System (FHS), for delivery of ATF from the common ATF Storage tanks (within airport premises) to the aircraft parking bays.

Setting up of common Fuel Storage Facility & FHS and sharing of common infrastructure by oil marketing companies at the airports is expected to bring-in the operational efficiency, cost optimization and will also improve air-side safety relating to the supply of ATF to the aircrafts.

ORDER:

11. Upon careful consideration of the material available before it, the Authority, in exercise of powers conferred by Section 13(1)(a), read with Section 15 of the Airports Economic Regulatory Authority of India Act, 2008, hereby orders that:

- a) All the Airport Operators including AAI and State Govt. Airports to ensure establishment of Common Fuel Storage Facility on 'Open Access Basis' at their airports, if such facility is not available there, in order to connect to the common carrier ATF Pipelines of PNGRB.
- b) The above airport operators, in addition to establishment of common ATF storage facility, also to consider the development of Fuel Hydrant System (FHS) connecting common ATF storage facility (within airport premises) to aircraft parking bays at their airports, subject to techno-economic viability.



- c) All the aforementioned Airport Operators to ensure compliance and establish Common Fuel Storage Facility, with or without FHS, as the case may be, within a period of 12 months from the issuance of this Order.

By the Order of and in the Name of the Authority


(Suyash Narain)
Secretary

To

- 1) The Chairman, Airports Authority of India, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003.
- 2) Chairperson, Maharashtra Airport Development Company (MADC), Mumbai, Maharashtra.
- 3) Managing Director, Cochin International Airport Ltd. (CIAL), Kochi Airport, Ernakulam, Kerala.

Copy for information to:

- 1) Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003
- 2) Chairperson, PNGRB with reference to the letter no. PNGRB/Auth/3-PPPL (16)/2024 dated 13.02.2025

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AERA

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