File No. AERA/20010/MYTP/BWFS/GH/Del/2011-12/Vol. - I Consultation Paper No. 45/2012-13



Airports Economic Regulatory Authority of India

Annual Tariff Year Proposals submitted by Bird Worldwide Flight Services (India) Private Limited for providing Additional Services as a part of Ground Handling Services at IGI Airport, New Delhi

New Delhi: 13th March, 2013

AERA Building Administrative Complex Safdarjung Airport New Delhi – 110 003 The Authority had considered the Multi Year Tariff Proposal (MYTP) for the first Control Period (i.e. 2011-12 to 2015-16) submitted by M/s Bird Worldwide Flight Services (India) Private Limited (BWFS) in respect of the tariff for the services provided for ground handling services at IGI Airport, New Delhi and after due stakeholder Consultation, issued a Multi Year Tariff Order (MYTO) No. 25/2011-12 on 28.10.2012 ordering that the ground handling services provided by BWFS is "material but competitive" and tariffs for the same shall be determined under a "light touch approach".

- 2. BWFS submitted their Annual Tariff Proposal (ATP) for first tariff year (2011-12), second tariff year (2012-13), third tariff year (2013-14) and fourth tariff year (2014-15) vide submissions.
- 3. The Authority considered the submissions made by BWFS and issued Consultation Paper No. 25/2012-13 on 06.11.2012 wherein the ATPs for first, second, third and fourth tariff years, were put up for stakeholder comments.
- 4. After stakeholder consultation period, BWFS submitted, vide letter dated 28.12.2012, tariffs for certain additional services and stated as under:
 - "...Additional Services: As part of routine cost controls, airlines obtain competitive rates for the basic services which are used on all the flights and also rates for the services which are not used regularly on all flights. So they pay for these services as they use. In nutshell, they save on cost as compared to a fully blown rate which includes all the services.

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We provide Ground Support Equipment (GSE) for both cargo and passengers flights on specific request of the airlines. The rates of key equipment are mentioned in the agreements with the airlines. Other equipment are used only once in a while. Please refer the rate card of these equipments applied by us at IGI Airport, New Delhi..."

- 5. From the above submissions by BWFS it is observed that the tariff card for additional services i.e. list of charges for additional equipments at IGI Airport, New Delhi has been submitted to the Authority after the stakeholder consultation regarding ground handling service rates submitted earlier by BWFS. It is further noted that this is a material proposal towards ground handling service tariffs, though BWFS have stated that these services are not regularly used by airlines on their flights.
- 6. It was further noted by the Authority that the above rates for additional services, submitted now, would need to be determined only after further stakeholder consultation on this proposal. The Authority also noted that as the consultation on earlier proposal for comprehensive ground handling services by BWFS had already been completed, tariffs for this service have been determined vide Order No. 47/2012-13 dated 12.03.2013. Also, BWFS has been permitted to levy these charges for additional services, for the present, subject to their final determination after the instant stakeholder consultation. However, in such a case, the revenue received on account of these additional services would need to be accounted for by BWFS separately and in

case the final determined rates are less than the proposed rates, then BWFS would be required to refund the excess revenue collected till such final determination.

- 7. After careful consideration of the matter the Authority makes the following proposal for stakeholder consultation:
 - a) The tariff for additional services for Ground Handling services provided by Bird Worldwide Flight Services at IGI Airport, New Delhi for first tariff year (w.e.f. 01.04.2011 to 31.03.2012), second tariff year (w.e.f. 01.04.2012 to 31.03.2013), third tariff year (w.e.f. 01.04.2013 to 31.03.2014) and fourth tariff year (w.e.f. 01.04.2014 to 31.03.2015) are tentatively decided to be determined as placed at $\bf Annexure I$.
- 8. In accordance with the provisions of Section 13(4) of the AERA Act 2008, the proposal contained in para 7 above, is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as **Annexure-II**. For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of this Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.
- 9. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 7 above, **latest by 27.03.2013** at the following address:

Capt. Kapil Chaudhary (Retd.),
Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi- 110003
Email: kapil.chaudhary@aera.gov.in

Tel: 011-24695042 Fax: 011-24695039

> Yashwant S. Bhave Chairperson

LIST of CHARGES FOR ADDITIONAL EQUIPMENT AT 1G1A, NEW DELHI

| SECTION | EQUIPMENTS | T TUOM | Amount (USD) | | Tarrif Year 2, |
|---------------|-----------------------------------|----------------|-----------------|--------|-------------------|
| | | | | | 3 and 4* |
| 2.1.3(a)6 | Ambulift | Per Usage | 190 | 9,500 | 10,640 |
| 3.3.3(a) | Ground Power Unit (GPU) | Per Hour | 190 | 9,500 | 10,640 |
| 3.4.1(a) | Air Conditioner unit (ACU) | Per Hour | 300 | 15,000 | 16,800 |
| 3.5.1 / 3.5.2 | Ramp to Flight Deck Communication | Per Tumround | 60 | 3,000 | 3,360 |
| 3.6.1(a) | Step Ladder (remote bay) | Per Hour | 150 | 7,500 | 8,400 |
| 3.6.2(a)1 | Passenger Bus | Per Leg | 70 | 3,500 | 3,920 |
| 3.6.2(a)2 | Crew Bus | Per Leg | . 80 | 4,000 | 4,480 |
| 3.6.3(a) | Conveyor belt loader | Per hour | 160 | 8,000 | 8,960 |
| 3.6.3(a) | Lower Deck Loader (LDL) | Per Hour | 410 | 20,500 | 22,960 |
| 3.6.3(a) | Main Deck Loader (MDL) | Per Hour | 470 | 23,500 | 26,320 |
| 3.6.3(a) | Fork Lift 10 Ton | Per Hour | 200 | 10,000 | 11,200 |
| 3.6.3(a) | Fork Lift 5 Tons | Per Hour | 150 | 7,500 | 8,400 |
| 3.6.3(a) | Fork Lift 3 Tons | Per Hour | 100 | 5,000 | 5,600 |
| 3.7.1(a) | Air Start Unit (ASU) | Per start | 275 | 13,750 | 15,400 |
| 3.9.2(b) | Towbar | Per push / tow | 60 | 3,000 | 3,360 |
| 3.9.3(a) | Push Back (Tow Bar included) | per service | 350 | 17,500 | 19,600 |
| 3.9.3(b) | Tow Inter Stand | Per Tow | 425 | 21,250 | 23,800 |
| 3,9,3(d) | Wing Walkers | Per turnaround | 75 | 3,750 | 4,200 |
| 3.12.1(a) | Toilet service | per service | 125 | 6,250 | 7,000 |
| 3.13.1(a) | Water service | per service | 125 | 6,250 | 7,000 |

Passenger/Terminal Side and Manpower related.

| er (10) | | UōM | Amount (USD) | Papali Year I | Tamif Yest 2 3 and 4 |
|--------------|---|---------------------------------|-----------------|------------------|----------------------------|
| | | | | | |
| 2.1.3(a)1 | Unaccompanied minor handling | per child | 50 | 2,500 | 2,800 |
| 2.1.3(a)2 | Wheel Chair WCHR OR WCHS | per service | 50 | 2,500 | 2,800 |
| | WCHC | per service | 60 | 3,000 | 3,360 |
| 2,1,3(a)3 | VIPs | per passenger | 60 | 3,000 | 3,360 |
| 2.1.3(a)4 | Transit w/o visa pax | per passenger | 60 | 3,000 | 3,360 |
| 2.1.3(a)5 | Deportees | per passenger | 60 | 3,000 | 3,360 |
| 2.1.3(a)7 | Floor Walkers/Welcome staff | per personnel/4hrs | 30 | 1,500 | 1,680 |
| 2.1.3(a)7 | Manpower (White collar) | per personnel/4 hr. | 50 | 2,500 | 2,800 |
| 2.1.3(a)7 | Manpower (Blue collar) | per personnel/4 hr. | 30 | 1,500 | 1,680 |
| 3.6.10(a)1,2 | Val Handling | per standard container | 160 | 8,000 | 8,960 |
| 3.6.9(a) | Ballast Bags Refill | Per refill - per Bag | 20 | 1,000 | 1,120 |
| 3.11.1 | Interior cleaning (Transit) | per service | 375 | 18,750 | 21,000 |
| 3.11.2 | Deep Cleaning | per service | 550 | 27,500 | 30,800 |
| 3.11.2 | Flight Deck cleaning | per service | 80 | 4,000 | 4,480 |
| 3.11.10(a,b) | Waste Disposal | Per bag | 20 | 1,000 | 1,120 |
| 4.9.2(b) | Arrange non-scheduled Crew Hotel accommodation | per service | 35 | 1,750 | 1,960 |
| 4.9.3(b) | Arrange for non-scheduled Crew Transportation | per service | 50 | 2,500 | 2,800 |
| 1.9.4 | C.I.Q. assistance / Direct crew thru airport facilities | per arr or dep clearence | 50 | 2,500 | 2,800 |
| 5.5.1(e) | Live Animal Handling | per AVI | 30 | 1,500 | 1,680 |
| 5.3.1(a) | ULD Storage | LD3 per month | 40 | 2,000 | 2,240 |
| 5.3.1(a) | ULD Storage | LD11 per month | 50 | 2,500 | 2,800 |
| | Stacking of Pallets | per stack of 20 pallets or less | 80 | 4,000 | 4,480 |
| | Valet Service | per valet/4hour | 30 | 1,500 | 1,680 |

Miscellaneous services

| PARK | | | | | | |
|------|--------------------------|----------|------|-------|-------|--|
| | Baggage Trolly | per hour | 20 | 1,000 | 1,120 | |
| | Container Dollies | per hour | . 20 | 1,000 | 1,120 | |
| | Pallet Dollies | per hour | 20 | 1,000 | 1,120 | |
| | Diesel / Battery Tractor | per hour | 70 | 3,500 | 3,920 | |
| | Ramp Cer | per hour | 50 | 2,500 | 2,800 | |

Notes:

- 1) Above rates are excluding Service and other Taxes as may be applicable from time to time.
- 2) In case there is any additional levy by Airport Operator, AAI or any regulatory body, the same will be charged over and above the rates given above.



15:05PM

BWFS_Delhi_Clarifications

Documents

To: kapil.chaudhary@aera.gov.in

Cc: cv.deepak@aera.gov.in, anil.saxena@aera.gov.in, igi1955@hotmail.com, 'Sanjay Savant'

Dear Capt. Kapil Choudhary,

We are in constant discussion with Mr. A.B. Saxena on our approval request till Tariff Year 4. In this regard, we are required to give some more information on two points and the same are as under:

1. Additional Services:

As part of routine cost controls, airlines obtain competitive rates for the basic services which are used on all the flights and also rates for the services which are not used regularly on all flights. So they pay for these services as they use. In nutshell, they save on cost as compared to a full blown rate which includes all the services.

We provide Ground Support Equipment (GSE) for both cargo and passengers flights on specific request of the airlines. The rates of key equipment are mentioned in the agreements with the airlines. Other equipment are used only once in a while. Please refer the rate card of these equipment applied by us at IGI Airport, New Delhi.

2. Cargo Terminal Services

Cargo flights carry only the Cargo Load and Crew. The crew of International Cargo Flights carries Temporary Landing Permit which saves them from routine immigration hassles. Therefore, a cargo flight do not require Terminal Services. The 25% add on mentioned by DIAL in the list of Ceiling Rate is only for the matter of covering every possible type of services that may be required. But this service, as a common industry practice, is not used. In last 3-4 years we haven't provided these services to a single cargo flight. Please find enclosed a scanned copy of the Ceiling Rates published by DIAL which were applicable till 31st March 2012. This document, in the end, mention applicability of 25% charges in case of Terminal Services provided to a Cargo Flight.

Please do let us know in case you need any further clarification on the subject.

Best regards Sundeep Kr Jain

Bird Worldwide Flight Services (I) Pvt. Ltd.

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Tel: +91 11 2341 8199 Mobile: 09810004326



Sanjay Savant (sanjays@bird.in) Edit contact To: kapil.chaudhary@aera.gov.in

Cc: 'anil saxena', sj@bird.in

From: Sanjay Savant (sanjays@bird.in)

Sent: 08 March 2013 15:37PM

To: kapil.chaudhary@aera.gov.in

Cc: 'anil saxena' (igi1955@hotmail.com); sj@bird.in

1 attachment (176.5 KB)

Outlook Active View

bwfs aera_001.pdf



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Dear Sir,

With reference to earlier submission made by M/s Bird Worldwide Flight services for IGI Airport, New Delhi, as desired, please find a revised submission on additional equipment, due to deletion of certain terms as was written in previous submission. The rates mentioned are unchanged.

Kindly acknowledged the same.

With Regards

Sanjay Savant