



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/04/2019-20

June 18, 2019

Chairperson,
Airports Economic Regulatory Authority of India,
Safdarjung Airport
New Delhi – 110 003

Subject: - Comments - AERA Consultation Paper 03/2019-20

Sir/Madam,

Please refer our attached comments dated 21 May 2019 & 23 May 2019, sent earlier to your office.

Our sincere thanks for very meaningful stakeholders meeting on CP 03/2019-20 on 30 May 2019 at AERA's office. We now offer the following additional comments.

- a) 'Fuel Throughput charges (FTC) on ATF be done away and considered for merging with UDF charges to meet the overall ARR requirement of the airport.
- b) 'Ground Handling' charges at airport, though aeronautical in nature as per AERA Act, if can not be fixed on cost-plus basis, 'self-ground handling' or 'ground handling under own arrangements' be considered for non-scheduled / charter operators. This aspect needs to be included in the final order by AERA.
- c) Maintenance hangar charges as 'housing charges' at airports be aeronautical only when aircraft are parked there on hourly basis for essential maintenance services under CAR 145 related work. Hangars on monthly lease to be treated as 'non-aeronautical' in nature. AERA to allow housing charges, in hangar, as double of proposed parking charges for the aircraft in the final order.
- d) Houses should be constructed only for the staff on essential 24/7 duties at the airport. There is a need to completely relook at the existing cost of construction of houses for the staff.

Thanking you

For Business Aircraft Operators Association


Gp. Capt. Rajesh K. Bali (retd.)
Managing Director

Enclosed: - Letter Ref. No. BAOA/AERA/01/2019-20 dt. 21 May 2019
Letter Ref. No. BAOA/AERA/03/2019-20 dt. 23 May 2019



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/01/2019-20

May 21, 2019

Chairperson,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport
New Delhi – 110 003

Subject: - Comments on AERA Consultation Paper 03/2019-20

Madam,

Please refer the AERA Consultation Paper 03/2019-20 in respect of Patna airport. Following comments are offered.

It is submitted that, as per provisions of AERA Act, aeronautical charges are to be levied for the services being provided at public airports by the airport operator. It has been observed that Item III, on page 55 of CP 03/2019-20, proposes to allow Rs. 171.70 per KL of ATF 'fuel throughput charges', as aeronautical charges at the airport. It is brought to the kind notice of the 'Authority' that no service is being provided by the airport operator to the aircraft operators to justify levying of 'fuel throughput charges' at Patna airport. Therefore, 'Authority' is required to delete the charges completely and, instead, meet ARR figure through matching adjustment of UDF charge.

Authority is requested to further clarify in CP 03/2019-20, that 'housing charges' are meant for keeping aircraft in the hangar on 'hourly basis', either for parking or for carrying out the essential maintenance work on the aircraft for ensuring continuous airworthiness.

We are available for any further discussions, if required.

Thanking you

For Business Aircraft Operators Association

Gp. Capt. Rajesh K. Bali (retd.)
Managing Director



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/03/2019-20

May 23, 2019

Chairperson,
Airports Economic Regulatory Authority of India,
Safdarjung Airport
New Delhi - 110 003

Subject: - Additional Comments - AERA Consultation Paper 03/2019-20

Sir/Madam,

Please refer our earlier comments on the published CP 03/2019-20 (copy attached). Since this CP did not include 'ground handling' charges at the airport, these additional comments are being submitted separately.

AERA is regulating tariff for aeronautical services at Patna airport for the first time. In this regard, please refer para 2 (a)(iv) of AERA Act, which, inter se, constitutes regulating tariff for 'ground handling' services at an airport by AERA. It is, therefore, requested to clarify reasons for not including tariff for 'ground handling services' at Patna airport. As per government's Gazette of India notification - Part III - Sec 4, para 3(e) - up to three agencies can be appointed by airport operator at Patna to provide ground handling services, including one through transparent process of bidding. Following is, therefore, suggested for regulating tariff at Patna airport.

- a) Maximum royalty be fixed at 14%, equivalent to FROR decided by 'authority' at Patna airport.
- b) Charges for a GH services at Patna be regulated on cost plus basis (cost plus FROR), item wise, as listed in Schedule I (Ramp Handling) paras 1.1 to 1.7, 2.1 to 2.6, 3.1 to 3.4 and 4.1 to 4.13. Copy of Schedule I is attached for ready reference please.

The above would help to rationalise charges of GH agencies, besides standardisation of royalty paid to airport operator as per FROR figure decided by AERA. This would help operators of small aircraft not capable of self-handling, like big airlines, to undertake financially sustainable operations. At present, the tariff for 'ground handling' at most airports, is by 'soft touch' approach and, small aircraft operators have to pay heavily - and for services not needed - due to single consolidated amount of 'ground handling' charge for all services listed at sub paras for paras 1,2,3 and 4 of Schedule I of Gazette notification. If there are more than one accredited bidder for providing GH services, of similar standards, the selection may be decided through draw of lots.

We are available for any further clarification or discussions on the above.

Thanking you

For Business Aircraft Operators Association


Gp. Capt. Rajesh K. Ball (retd.)
Managing Director

Enclosed: - Gazette of India notification part III - Sec 4, Schedule I (Ramp Handling)