Comments on DIAL's MYTP CP 15/2020-21

From : rkbali@baoa.in

Subject : Comments on DIAL's MYTP CP 15/2020-21

- **To :** GEETHA SAHU <gita.sahu@aera.gov.in>
- **Cc :** RAM KRISHAN <director-ps@aera.gov.in>, Chairperson Aera <chairperson@aera.gov.in>

Madam,

Please refer stakeholders discussions organised by AERA on 17th July 2020 to discuss CP 15/2020-21. Our felicitations to AERA's officials for a well organised meeting and very meaningful discussions. Following are our comments:

- It is suggested that there should be no let up in the pace of development and expansion of infrastructure at DIAL due to COVID-19 situation. The additional and improved infrastructure being created at DIAL would be required soon after the COVID-19 situation gets under control with availability of vaccine, hopefully by mid of next year. Therefore, it would be advisable to use the present lean period of flying to accelerate the pace of infrastructural development at DIAL as per the approved master plan.
- It is brought to the notice of the 'Authority' that the 'master plan' of DIAL is not being periodically discussed with all the stakeholders. Please advise DIAL to discuss 'master plan' and its ongoing implementation with the stakeholders at least once in six months for their inputs/suggestions, as required.
- <u>Specific Comments on para 12.2.4 of CP.</u> We are in complete agreement with Authority's proposal to compensate DIAL for loss of revenue due to inadmissibility of 'royalty on fuel' (fuel throughput charges) as follow up of MOCA's order of 8th January 2020. Making up for the loss of this revenue by marginal increase in UDF for each billable passenger is the right and visionary step due to expected increase in the number of air passengers in India during the coming years.
- Specific Comments on para 15.7.2 of CP. 'Authority has proposed parking and housing charges for DIAL at this para. However, in actual practice, 'housing charges' for NSOP/GA operators are not being implemented as per AERA's existing order and provisions of AERA Act. While 'parking charges', on hourly basis, for 'open parking in stands' are applied by DIAL as per AERA orders, 'parking in hangars', as double of open parking charges, are not being implemented for NSOP/GA and all small aircraft operators who have instead been asked by DIAL to approach its two 'concessionaires' for requirement of hangars on hourly basis. This arrangement is not in line with AERA Act para 2(a)(ii) and needs immediate rationalization. It is, therefore, suggested that individual 'master plan' for concessionaires including 'capital expenditure', as ratified by DIAL, be included in the overall development plan of DIAL by the 'authority' to rework fresh ARR and make sure concessionaires are enabled to charge AERA approved 'hourly housing tariff' for use of NSOP/GA hangars located on aeronautical assets of DIAL. It is made clear here that this rationalization is sought for hangars at DIAL, which is an operational airport where hangars for aircraft are covered under AERA Act para 2(a)(ii) and OMDA's definition of aeronautical services. Authority is requested to treat all hangars as aeronautical services at operational airports used for parking (defined as 'housing' when aircraft is parked inside the hangar for safety/'continuous airworthiness maintenance' requirements). This is also as per Annex 5 of OMDA DIAL has signed with the govt. The stand-alone hangars meant for MRO services, and leased on long-term, would be the ones falling under non-aeronautical services as provided in Annex 6 of OMDA. BAOA has already discussed this issue with the team working for CCO DIAL for rationalisation of tariff and use of 'hangars being given on hourly tariff basis' (termed as hangarage) at DIAL to NSOP/GA operators to carry out continuous airworthiness maintenance. We are available for further discussions/clarifications in this regard.

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 Determination of GH Charges for small aircraft of NSOP/GA. It is brought to the kind notice of 'Authority' that CP has not included proposal for 'ground handling' charges for NSOP/GA operators making use of these aeronautical services at DIAL that are defined as such at AERA Act para 2(a) (iv). It is suggested that final CP 15/2020-21 Order to include GH charges, on cost plus basis, for small aircraft of NSOP/GA using services of GHAs, appointed as concessionaires by DIAL, separately for each GH service being demanded as well as package of GH services or comprehensive GH services being offered by concessionaires. We are available for further discussions/deliberations on this issue.

Best regards,

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

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