

Email

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Fwd: APAO reponse to Consultation Paper No. 21/2019-20 dated 05.03.2020 reg. Fuel Throughput Charges at BIAL**From :** RAM KRISHAN <krishan.ram@aera.gov.in>

Tue, Mar 17, 2020 10:56 AM

Subject : Fwd: APAO reponse to Consultation Paper No. 21/2019-20 dated 05.03.2020 reg. Fuel Throughput Charges at BIAL

1 attachment

To : Jaimon Skaria <jaimon.skaria@gov.in>**From:** snayar@apaoindia.com**To:** "RAM KRISHAN" <krishan.ram@aera.gov.in>**Sent:** Monday, March 16, 2020 7:21:05 PM**Subject:** APAO reponse to Consultation Paper No. 21/2019-20 dated 05.03.2020 rog. Fuel Throughput Charges at BIAL

Shri Ram Krishan,
Director (P&S),
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi -110003

Dear Sir,

This is in reference to the trailing mails wherein written comments were sought on Consultation Paper No. 21/2019-20 dated 05.03.2020 in the matter of Provision of Compensation in lieu of Fuel Throughput Charges at Kempegowda International Airport, Bengaluru.

Please find below submission of APAO for your kind consideration.

APAO agrees with the issues pointed by BIAL, vide their letter dated 29th January 2020, in regards to the directions issued in letter of Ministry of Civil Aviation ('MoCA') F.No. AV-13030/216/2016-ER (Pt.2) dated 08.01.2020 on the issue of immediate discontinuation of FTC charges.

APAO welcomes the prompt action from AERA in regards to the issue of Consultation paper towards compensating the Airport operators for loss in revenue on account of implementation of the said MoCA letter of 08.01.2020. This is a right step taken by AERA in protecting the approved revenues of BIAL, especially considering the fact that BIAL is currently implementing a very large capital expenditure program for creating new runway and terminal facilities.

In this connection, APAO would also like to state that the Authority, while allowing the compensation should also consider the agreement between the airport operators and the oil marketing companies, which provide for escalation in such charges, as applicable.

APAO would also like to state that the airport is in the third month since the levy of FTC has been discontinued, in view of which the Authority should have considered the future value of shortfall suffered due to such discontinuation, without waiting for truing up exercise at the end of their control period.

Please contact the undersigned, if any, further information is required from our end.

Thanks & Regards

Satyan Nayar
Secretary General**Association of Private Airport Operators (APAO)**710, 7th floor, Surya Kiran Building,
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