

**Fwd: Legal and Economic Justification for the
Inclusion of ECT in the RAB- KIAB Tariff
Determination**

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Mon, 22 Jun 2026 11:10:54 AM +0530

To "rajan gupta"<rajan.gupta1@aera.gov.in>

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===== Forwarded message =====

From: Secretary AERA <secretary@aera.gov.in>
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Date: Mon, 22 Jun 2026 09:58:34 +0530
Subject: Fwd: Legal and Economic Justification for the Inclusion of ECT in the RAB- KIAB
Tariff Determination

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From: GP Maltesh <gpmaltesh@millennium.in>
To: <director-ps@aera.gov>, <rajan.gupta1@aera.gov.in>
Cc: <secretary@aera.gov.in>
Date: Fri, 19 Jun 2026 09:22:41 +0530
Subject: Legal and Economic Justification for the Inclusion of ECT in the RAB- KIAB Tariff
Determination

===== Forwarded message =====

Dear Sir/ Madam

On behalf of the Air Passengers Association of India (APAI), I am submitting out technical comments regarding the inclusion of the Eastern Connectivity Tunnel (ECT) in Regulatory Asset Base (RAB) for the Fourth Control Period at KIAB. Our stance is based on the following regulatory and economic principals.

1. **Inherent Aeronautical Integration:** We contend that the ECT is not a standalone road project. The design necessitates the tunnel to be developed directly under future aircraft parking stands. By virtue of this physical integration and its role in

side-wide landside- airside traffic Management, the ECT should be classified as an integral component of airport's ground facility.

2. **Mitigation of Business Continuity Risc:** Under the AERA Act , the authority must consider the economic and viable operation of major airports. “ The reliance on a single point of failure (NH-44) poses an unacceptable risk to airport business continuity. The ECT mitigates this risk by providing a secondary, secure access point, thereby directly supporting the operational viability mandated under section 13(1)(a)(iv)

3. **Economic justification of RAB inclusion:** APAI argues that the “User – Pays” principal should be interpreted to include the cost of infrastructure that directly optimizes airport throughput. The tunnel addresses the specific traffic distribution of KIAB (where nearly 30% of traffic is from Eastern Corridor) and its inclusion in the RABis the most transparent mechanism to ensure that the assets is funded and maintained to international safety and capacity standards.

We invite Authority to perform a holistic cost benefit analysis that quantifies the “time cost” savings for 30% passenger currently forced into inefficient detours and we remain available to discuss the legal merits of classifying this tunnel as essential airport infrastructure.

Sincerely



GP Maltesh

Technical Advisor- Airports

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1 Attachment(s)

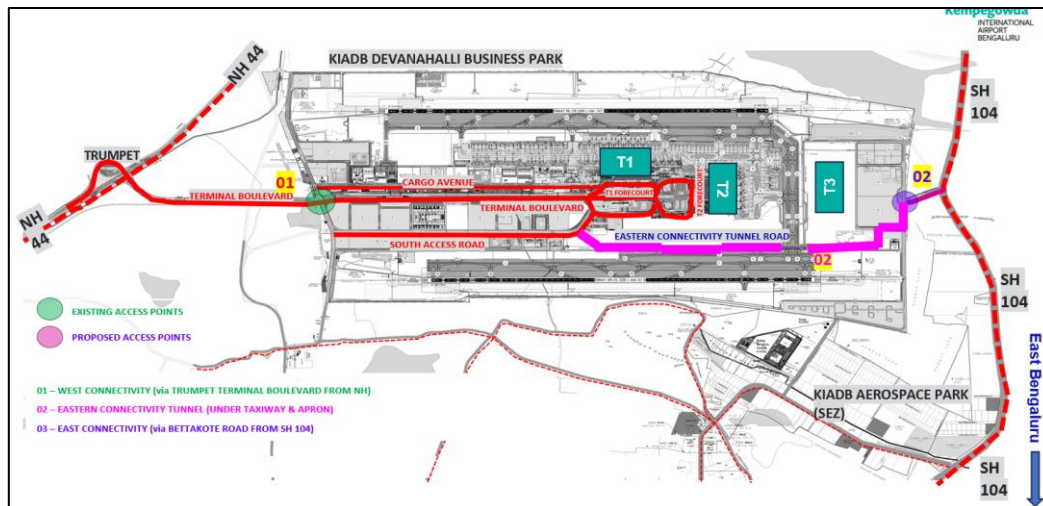
Note on ECT.docx

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Eastern Connectivity Tunnel

- Bangalore city is infamous for traffic congestion
- At present, the airport is connected to the city through National Highway 44 – a single point of failure with no connectivity from the eastern side – making it a key risk from the business continuity perspective.
- Given the layout of the airport land parcel, to develop connectivity from the Eastern part of the campus, BIAL has proposed a tunnel connectivity which will be developed under future aircraft parking stands

Layout – The pink road is the proposed eastern connectivity tunnel



- Based on the taxi data, about 25% to 30% of vehicles at the airport emanate from East/ South East Bangalore.
- The tunnel (which will be 1.9km) will be of tremendous benefit to the passengers who come from the East/ Southeast part of Bangalore city as it would enable them to avoid take the outer ring road – saving in driving distance, time & Carbon emissions.
- The cost for the tunnel (as per BIAL's estimate) will be about Rs 2,500 crores (given the need to make it blast resistant as aircraft parking will be located above the tunnel).
- In terms of per passenger fee, the tunnel itself will result in an increase of 15 Rs/ passenger as the cost recovery will be spread over 30 years.
- AERA on 29th May 2026 has formally written to BIAL to seek Government of Karnataka's (GoK) support to fund the project. As per the state support agreement, the infrastructure within the airport premises form part of BIAL's obligation.
- Since the tunnel is within the airport's premises, contractually and legally, this is BIAL's obligation and GoK may not be in a position to fund it.
- If this project is not approved now, it may not be possible to build it at a later date.

Request: The Eastern connectivity tunnel is essential to expand potential options for landside connectivity to the airport (which is expected to double from its existing passenger traffic of 44.5 million by 2035). While the absence of the connectivity itself may not hurt the airport (maybe slow down growth in the later years), rejecting the project will definitely be detriment of the city of Bangalore and further the image of being a city of traffic congestion.