

25 May, 2018

The Secretary  
Petroleum & Natural Gas Regulatory Board  
1<sup>st</sup> Floor, World Trade Centre  
New Delhi – 110 001

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DIRE MTA

Dear Sir,

**Subject: Comments and Suggestions in respect of PNGRB proposal to declare petroleum and petroleum products (ATF) pipeline of BPCL and HPCL to Mumbai Airport as common carrier pipeline.**

**Reference:**

- (a) Public Notice No. Infra/PPL /50/BPCL/MUMBAI-ATF/01/2018 dated 4<sup>th</sup> May 2018.
- (b) Public Notice No. Infra/PPL /50/HPCL/MUMBAI-ATF/01/2018 dated 4<sup>th</sup> May 2018.

We refer to the above Public Notice, wherein PNGRB has expressed the opinion that it is necessary to declare petroleum and petroleum products (ATF) pipeline of BPCL's Mahul refinery and HPCL's Mumbai refinery to Santa Cruz Airport at Mumbai as a common carrier and the same be regulated by PNGRB in terms of applicable notified Regulations. In this regard, we would like to submit our comments as under:

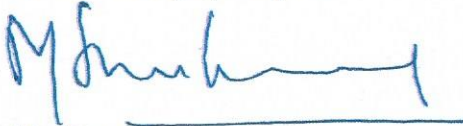
1. We, Jet Airways, are one of the leading Airlines operating out of Mumbai with more than 140 flight departures a day servicing 20,000 passengers on a daily basis. To meet the ATF requirement, we have been procuring from Oil Marketing companies to the tune of 20 Lac KL per annum.
2. With ATF pipeline under consideration for being declared as a Common Carrier, all ATF suppliers who are authorized by government will have access to the pipeline thereby making it possible for entry of many ATF suppliers at Mumbai Airport. This will give "Airline" more options to select ATF suppliers of its choice, based on competitive pricing.
3. Entry of more ATF players, will result in market competition among fuel suppliers at Mumbai airport which in turn will not only help "Airlines" but also be beneficial to the Aviation sector and passengers at large. Fuel cost being 40% of the total operating cost, such open access leading to competition will allow price reduction and translating to lower airfare over a period of time.
4. With the opening of ATF pipelines, "Airline" can also access pipeline to source supplier of ATF of their choice to service its needs.
5. With the declaration of the aforesaid pipelines as an open access, Airlines will be able to import their ATF to meet their requirement and utilize the pipeline infrastructure to transport the ATF to the airport with ease and at lower cost.

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We are appreciative of the initiatives taken by PNGRB to declare ATF Pipeline as Common Carrier / Contract Carrier and regulate the same as per the applicable regulations.

Thanking you,

Yours truly,  
For Jet Airways (India) Ltd. ^



M. Shivkumar  
Controller