

Media release

17 September 2017

JET FUEL RATIONING AT AUCKLAND AIRPORT

The Board of Airline Representatives of Australia (BARA) today expressed concerns on behalf of its members at the deep jet fuel rationing currently in place for all airlines operating to Auckland Airport. This rationing will affect flights and airline costs between Australia and Auckland.

The National Operating Committee on Jet Fuel Supply Assurance (NOC) changed the fuel supply status in Auckland to a 'black traffic light' on Saturday, indicating the need to ration fuel. BARA understands that due to problems with the one supplying fuel pipeline to the airport, deep rationing is likely to remain for many days.

"Affected airlines will do all they can to minimise disruptions to the travelling public. Australia can help during this difficult period by supporting the movement of international aircraft, including crew and passengers, that will need to transit through Australian airports to obtain additional fuel," BARA Executive Director Barry Abrams said.

"The fuel reliability problems at both Australian and New Zealand airports directly impact passengers, freight forwarders and airlines. BARA has long argued that supply chain constraints and lack of effective competition among jet fuel suppliers stymie industry performance and will impede ongoing growth. Market-based reforms, including fair and reasonable access to on-airport jet fuel storage and distribution systems, are necessary to enable effective competition between suppliers and support reliability and industry resilience," Mr Abrams said.

Fuel rationing has been necessary in Australia from time to time. To address supply chain constraints and boost competitive outcomes in jet fuel supply, in December 2014 BARA released a major policy paper – <u>A Competitive Supply of Jet Fuel at Australia's Major International Airports</u> – which sets out a reform path to open up competition and break down bottle necks in the jet fuel supply chain.

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