



MINISTRY OF ENERGY AND MINERAL RESOURCES OF REPUBLIC OF INDONESIA

GEOHERMAL IN INDONESIA

“Unlocking Geothermal Investments: Challenges and Opportunities”

by:

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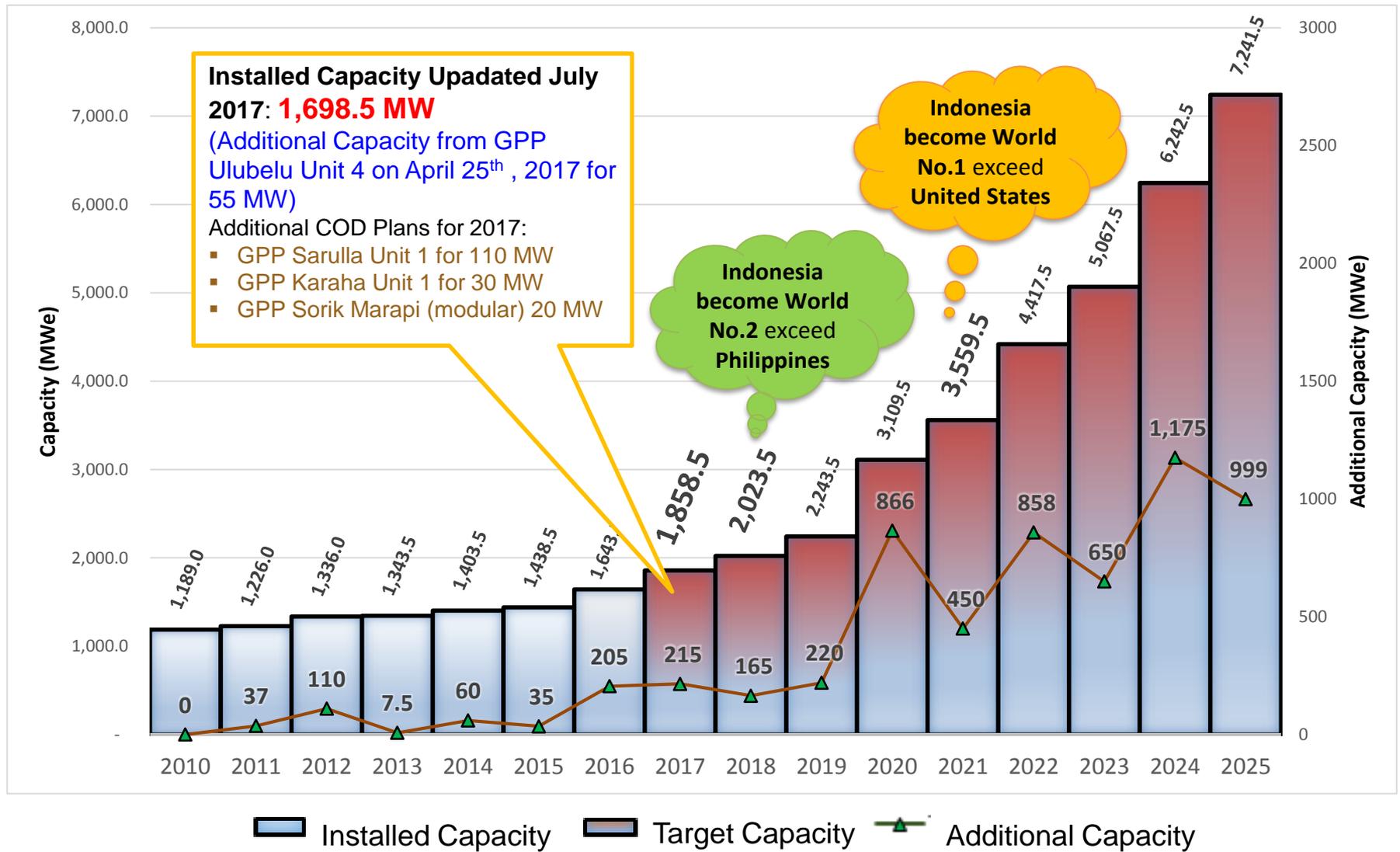
Republic of Indonesia

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TARGET AND MILESTONE OF GEOTHERMAL DEVELOPMENT



*Assumption: Philippines (1.870 MW) and US (3.450 MW) not performing any capacity increment



ACCELERATION FOR GEOTHERMAL DEVELOPMENT



Assignment for SOE

The Government will give particular assignment for Geothermal SOE to develop concession including upstream and downstream based on Geothermal Law No. 21/2014



Preliminary Survey Assignment + Exploration

Investors who meet the requirements allowed to have opportunity to obtain a Preliminary Survey Assignment up to Exploration stage. As the incentive, concession will be tendered using direct selection mechanism.



Ceiling Price

For further acceleration, Government will implement a ceiling price mechanism, in which the tender will be based on work programs and exploration commitment while the tariff will be set by the Government.



Simplifying the Licensing Process

One-Stop Service Center (PTSP) at Investment Coordinating Board (BKPM), eliminating unnecessary licences, shorten the time period



Incentives (fiscal & non-fiscal)

Tax allowance, tax holiday & Government Guarantee



Geothermal Fund

Allocate USD 300 million on national budget for geothermal exploration



Resource Optimization on Giant Field

Encourage PGE and GDE to develop another geothermal system inside the concession



INVESTMENT OPPORTUNITIES AND RECENT UPDATES

Investment opportunities:

- ❑ Access to Geothermal Resources for Investors:
 - Preliminary Survey Assignment + Exploration;
 - Obtain geothermal concession through open tender mechanism.
- ❑ Other business opportunities in geothermal sector:
 - Geothermal direct use;
 - Low temperature geothermal potential;
 - Small scale power plant;
 - Services company to support the core business of geothermal.

Recent Updates:

- ❑ Commercial Operation Date (COD) of 4 projects **(215 MW)**:
 - GPP Ulubelu Unit 4: 55 MW (April, 25th 2017)
 - GPP Karaha Bodas: 30 MW (November 2017)
 - GPP Sarulla Unit 2: 110 MW (December 2017)
 - GPP Sorik Marapi (Modular Unit) 20 MW (December, 2017)
- ❑ 2 concessions (130 MW) successfully tendered and license issued;
- ❑ 30 concessions (1725 MW) are going to be **tendered** in the near future (6 concessions (295 MW) tendered in 2017);
- ❑ 5 concessions (210 MW) assigned to SOE.



THANK YOU



Go Green Indonesia ! GREEN ENERGY, FUTURE ENERGY



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