

January 13rd, 2015

Accelerates the Electricity Investment, MEMR Minister Established Two New Rules



DGE – Minister of MEMR (ESDM) Sudirman Said has determined two new rules for accelerates the electricity development. First rule that established is Ministerial Decree No. 74K/21/MEM/2015 on Ratification of the Electricity Supply Business Plan PT PLN (Persero) 2015-2024. The Second rule is Ministerial Regulation of MEMR No. 3 of 2015 on Electricity Power Purchasing Procedural of Mulut Tambang Coal-fired steam Power Plant, Batu Bara Coal-fired steam Power Plant, Gas Turbine Power Plant/ Gas Engine Power Plant, Hydro power plant by PT. PLN (Persero) through direct assignation. “The aim is to encourage electricity power plant project especially 35,000 MW program”, said MEMR Minister in Electricity press Conference Leaders Forum which held in the office Training Center of Electrification and New & Renewable Energy, Ciracas, Tuesday, January 13rd, 2015.

Sudirman said that with the establishment of the two new rules can facilitates PT PLN (Persero) for the procurement and purchasing electricity rates without the permission of the Minister of Energy and Mineral Resources. "So we have agreed about the range of buying and selling price of electricity. So the companies do not have to report to the minister for the purchase of electricity as long as still in the range of buying and selling of electricity price. This is to speed up the whole process," he said.

Minister of Energy and Mineral Resources give fully supports to PT PLN (Persero) in providing electricity to the public. Ministers reminded that electricity investment needs the support of all parties. Due to 35,000 MW Program, PT PLN (Persero) will build about 10,000 MW while the remains are offered to the private parties or independent power producer (IPP). "This does not include the PLN 7,000 MW project that has been on the pipeline," he said.

The Minister also presented the results of the Electricity Leaders Forum that has been held since Monday afternoon, January 12th, 2015. Another important thing that announced is the formation of Implementation Unit of the National Electricity Development Program (UP3KN) as a Project Management Office (PMO). This unit was formed to accelerate the process of supplying power and speeding the targets power plant of 35 thousand MW. The team is tasked to overcome all the problems that have been inhibiting the supply of electricity in the country.

In order to make this unit can work optimally, the Minister of Energy and Mineral Resources appointed former of PLN President Director, Nur Pamudji and members of Performance Control Unit in the Ministry of Energy and Mineral Resources, Wicaksono to be the coordinator of the UP3KN (Implementation Unit of the National Electricity Development Program). "In addition, we formed the Independent Procurement Agent (IPA) and proposed the formation of the national team of electricity development," said the Minister. The team will be strengthened through a Presidential Decree (Decree) with some *lex specialis* to support their work. (PSJ)