

January 20th, 2015

IPP Role Will get Bigger than PLN

DGE – IPP role will get bigger than PLN as effort to increase the power plant capacity in 35,000 MW program (35 GW). This was conveyed by the Director of Planning and Development Affiliate of PT. PLN (Persero), Murtaqi Shamsuddin, when he explained about potential of private investment in 35 GW development program on 2015-2019, at DGE Building, Jakarta, January 20th, 2015. PT. PLN has to be finished the 10.2 GW program of 35 GW program, and the remains will be finished by IPP.

Murtaqi said that MEMR Minister already have ratified the RUPTL (Electricity Power Supply Business Plan) 2015-2024 from PLN for 10 years period, meanwhile the government has program that have to be done in 5 years period.

There are some issues that highlighted in this RUPTL, especially these five-year terms. One of the issues is the crisis or electricity deficit, due to the electricity demand is keep growing but on the other hand, the additional capacity is not as expected. That is why RUPTL also got encouragement from Government to accelerate the electrification in low electrification areas in a fast way.

“RUPTL will be highlighted with how PLN fundamentally can overcome the deficit and speed up the construction in some regions, especially outside Java,” said Murtaqi

Nonetheless, the largest distribution of power plant development still at the island of Java.

“The size of Java is so big. The 6-7% growth in the next 5 year is need tens of thousands of MW”, added Murtaqi.

From the total 35.5 GW, 20.9 GW will be build at Java, following with 8.7 GW at Sumatera, 2.7 GW at Sulawesi, 1.87 GW at Kalimantan, 0.70 GW at Nusa Tenggara, 0.34 GW at Papua, and 0.28 GW at Maluku.

For the process of power plant on 2015-2019, Murtaqi said the total capacity of PLN and IPP for the construction status is about 7.4 GW, the committed status is about 7.2 GW, the procurement status is about 13.6 GW and for the plan status is about 14.7 GW. The Plan status is means still under preparation for procurement and/or funding.

The scheme of power plant development in the next 5 years will be dominated by coal-fired steam power plant (23.1 GW) and Gas Turbine Power Plant/Combined Cycle Power Plant/Gas Engine Power Plant (13.4 GW). The others are Mulut Tambang Coal-Fired Steam Power Plant (2.8 GW), Hydro Power Plant (1.7 GW), and, the other power plant (0.8 GW).

Murtaqi also said that PLN will make many transmission connections during the next 5 years for demands more than 40,000 kms.

“PLN have to focus in accelerates the transmission development. Some Banks has stated willing to support with sufficient fund allocation, easy loan scheme, direct loan to PLN and Government only give the guarantee”.

PLN is formulating the transformation in procurement process, especially related with the transmission to accelerate the development project. Construction Implementation units which relying on the procurement in separately segments project for whole this time will be changed.

“Construction implementation unit will focus on the land acquisitions, permit process, land clearing, and how to make well communicate with the land owner, therefore when the construction project have to be done, land and the permit have prepared”, said Murtaqi. (AMH)