

PGE Targeted 2,300 MW on 2025

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DGNREEC – PT. PGE targeted to produce 2,300 MW electricity power from geothermal until 2025. This is a company support towards the effort to comply the national energy for new and renewable energy based.

President Director of PGE Rony Gunawan said that nowadays the electric production of geothermal company achieved 402 MW. Some projects with 655 MW of total capacity have been developed by the company, while the 1,120 MW of new projects are still being prepared to be implemented.

“So, if all projects has finished, in the future, the electric production capacity of PGE geothermal will achieve 2.3 GW”, said Rony at Jakarta, Monday, January 19th, 2015.

He explained that based on the project which has been running until 2018, Geothermal Power Plant (PLTP) capacity expected to be achieved 847 MW. He gave the examples, PLTP Kamojang unit 5 with capacity 35 MW will be on stream on 2015, Karaha unit 1 with capacity 30 MW on 2016, Lahendong unit 5 & 6 with capacity 2 X 20 MW on 2016, Ulubelu unit 3 & 4 with total capacity 40 MW will be on stream on 2016 & 2017.

“So, on 2018, PGE would have 847 MW of production capacity, either from total project activity or steam production. This thing show that the company is never stop to keep looking and producing electricity from geothermal”, he said.

However, Rony admitted that the company still needs some supports which possible to make the investment able to give interesting result to the investor in order to accelerate the implementation of geothermal projects in the future.

He expects some things, such as fast Environment Impact Assessment (AMDAL) licensing process, long-term guarantee from the government to be able operate in the area of geothermal resources which are generally located in forest nature reserves and protection forest areas, the tariff that reflects good economic according to the Ministerial Regulation of MEMR No. 22 of 2012 on determination of feed-in tariff, and also the guarantee of project implementation time for developers who won the bid or tender process.

"After there is a solution for the tariff problem, the company's main obstacles nowadays, especially for the new Geothermal Working Area (WKP), there is no binding commitment or guarantee in the tendering process, so the tendency of developers to bid for a low price in order to win the tender and there is no definite time limit for the development, and this is disadvantage for companies which want to develop geothermal seriously, including PGE", said Rony.