

# COMPENSATION FOR LAND, BUILDING AND PLANT LOCATED BELOW FREE SPACE OF HIGH-VOLTAGE AERIAL NETWORK AND EXTRA HIGH-VOLTAGE AERIAL NETWORK (Regulation of the Minister of Energy and Mineral Resources Number 38 Year 2013 dated December 24, 2013)

BY GRACE OF GOD THE ALMIGHTY  
THE MINISTER OF ENERGY AND MINERAL  
RESOURCES OF THE REPUBLIC OF INDONESIA

**Considering:**

That in order to execute the provision of Article 38 of Government Regulation Number 14 Year 2012 on Electricity Supply Business Activity, it is necessary to stipulate a regulation of the Minister of Energy and Mineral Resources on Compensation for Land, Building and Plant Located Below Free Space of High-Voltage Aerial Network and Extra High-Voltage Aerial Network;

**In view of:**

1. Law Number 30 Year 2009 on Electricity (Statute Book of the Republic of Indonesia Year 2009 Number 133, Supplement to Statute Book of the Republic of Indonesia Number 5052);
2. Government Regulation Number 14 Year 2012 on Electricity Supply Business Activity (Statute Book of the Republic of Indonesia Year 2012 Number

28, Supplement to Statute Book of the Republic of Indonesia Number 5281);

3. Presidential Decree Number 59/P Year 2011 dated October 18, 2011;
4. Regulation of the Minister of Mining and Energy Number 01.P/47/M.PE/1992 dated February 7, 1992 on Free Space of High-Voltage Aerial Network (SUTT) and Extra High-Voltage Aerial Network (SUTET) for the Transmission of Electricity as already amended by Decree of the Minister of Mining and Energy Number 975 K/47/MPE/1999 dated May 11, 1999;
5. Regulation of the Minister of Finance Number 125/PMK. 01/2008 dated September 3, 2008 on Public Appraiser Service;
6. Regulation of the Minister of Energy and Mineral Resources Number 18 Year 2010 on Organization and Working Mechanism of the Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2010 Number 552) as already amended by Regulation of the Minister of Energy and Mineral Resources Number 22 Year 2013 (State Gazette of the Republic of Indonesia

Year 2013 Number 1022);

## DECIDES :

To stipulate:

THE REGULATION OF THE MINISTER OF ENERGY AND MINERAL RESOURCES ON COMPENSATION FOR LAND, BUILDING AND PLANT LOCATED BELOW FREE SPACE OF HIGH-VOLTAGE AERIAL NETWORK AND EXTRA HIGH-VOLTAGE AERIAL NETWORK

### CHAPTER I

#### GENERAL PROVISION

##### Article 1

Referred to in this ministerial regulation as:

1. Compensation shall be the granting of a certain amount of money to holder of land title along with building, plant and/or other material above a land plot because the land is used indirectly for the development of electricity without relinquishing or transferring land title.
2. High-Voltage Aerial Network hereinafter abbreviated to SUTT shall be electricity network using uncovered wire (conductor) in the air with the voltage exceeding 35 kV up to 245 kV in accordance with the standard in the electricity sector.
3. Extra High-Voltage Aerial Network hereinafter abbreviated to SUTET shall be electricity network using uncovered wire (conductor) in the air with the voltage above 245 kV in accordance with the standard in the electricity sector.

4. Appraisal Institution shall be a professional and independent public appraiser service office which may value the market value of land, building and plant.
5. Plant shall be horticultural plant with the height potential to come into free space.
6. Minister shall be the minister in charge of public administration affairs in the electricity sector.
7. Director General shall be the director general assigned and responsible for the formulation and execution of technical policies and standards in the electricity sector.

### CHAPTER II

#### REALIZATION OF COMPENSATION

##### Part One

##### Inventorizing of Land, Building and Plant

##### Article 2

- (1) Holders of Business License to Supply Electricity and Holders of Operational License shall be obliged to compensate land, building and plant located below free space of SUTT or SUTET before installing SUTT or SUTET in the location.
- (2) Holders of Business License to Supply Electricity and Holders of Operational License before executing the installation of SUTT or SUTET as meant in paragraph (1) shall be obliged to:
  - a. socialize plan for the development of SUTT or SUTET to communities that would be encompassed by SUTT or SUTET through local regency/municipal government office;

- b. conduct initial data collection of location of the plan for the development of SUTT or SUTET, which covers the collection of initial data about holders of the would be compensated right, land, building and plant located below free space of SUTT or SUTET;
  - c. inventory and identify ownership, the use and utilization of land, building and/or plant;
  - d. document results of the inventorying, containing among others:
    - 1. holders of land title, building and/or plant;
    - 2. kind of land;
    - 3. acreage of land and building;
    - 4. height of plant;
    - 5. position of land, building and plant; and
    - 6. map of land, building and plant object; and
  - e. announce results of the inventorying and identification in local sub-district/village and district office.
- (3) Unless the party entitled to land, building and plant accept the results of the inventorying and identification as meant in paragraph (2) letter c, the party entitled to land, building and plant may raise objection to holders of business license to supply electricity and holders of operational license or through local sub-district/village and district office in no later than 14 (fourteen) working days following the announcement.
- (4) Holders of Business License to Supply Electricity and Holders of Operational License shall be

obliged to follow up the objection as meant in paragraph (3) by verifying the ownership, use and utilization of land, building and plant and announce the result thereof in local sub-district/village and district office.

- (5) The result of the inventorying, identification and/or verification as meant in paragraphs (2) and (4) shall subsequently become the basis for the formulation of nominative list of prospective recipients of compensation.

## Part Two

### The Appointment of Appraisal Institution

#### Article 3

- (1) Holders of Business License to Supply Electricity and Holders of Operational License shall procure appraisal institution to value the amount of compensation.
- (2) The appraisal institution as meant in paragraph (1) shall have classification of appraisal service related to the field of service for the valuation of land, land and building, which secures business license from the Minister of Finance and license from land affairs institution.
- (3) Holders of Business License to Supply Electricity and Holders of Operational License shall be obliged to shall submit recommendation about the appointment of prospective appraisal institution to the Director General, governor, or regent/mayor by virtue of their authority.
- (4) The recommendation about the appointment of

the appraisal institution as meant in paragraph (3) shall be accompanied by at least the following documents:

- a. business license and/or license to open branch office of appraisal institution from the Minister of Finance;
- b. list of the names of appraisers already securing appraiser license from the Minister of Finance;
- c. license from land affairs institution; and
- d. list of related appraisal service.

(5) The Director General, governor or regent/mayor by virtue of their authority shall stipulate decision on the appointment or rejection of appraisal institution in no later than 14 (fourteen) working days as from the date of receipt of the application completely.

(6) IN the case of the application for the appointment of appraisal institution being rejected, the Director General, governor or regent/mayor by virtue of their authority shall notify the applicant in writing along with the reason for the rejection.

### Part Three

#### Formula of Calculation of Compensation

##### Article 4

(1) The formula of calculation of compensation for land, building and plant located below the free space of SUTT or SUTET shall be stipulated as follows:

- a. Formula of Calculation of Compensation for

Land:

$$\text{Compensation} = 15\% \times L_t \times NP$$

Remarks:

$L_t$  : Acreage of land below the free space

$NP$  : Market Value from Appraisal Institution

- b. Formula of Calculation of Compensation for Building:

$$\text{Compensation} = 15\% \times L_b \times NP_b$$

Remarks:

$L_b$  : Floor Space of Building Below the Free Space

$NP_b$  : Market Value of Building from Appraisal Institution

- c. Formula of Calculation of Compensation for Plan:

$$\text{Compensation} = NP_t$$

Remarks:

$NP_t$  : Market Value of Plant from Appraisal Institution

(2) The formula of calculation of compensation as meant in paragraph (1) shall become a basis for the stipulation of the amount of compensation.

(3) The free space of SUTT atau SUTET as meant in paragraph (1) shall refer to the provision of legislation.

## Part Four

## Stipulation of the Amount of Compensation

## Article 5

- (1) Appraisal Institution shall stipulate the amount of compensation on the basis of the formula of calculation of compensation as meant in Article 4.
- (2) Result of the stipulation of the amount of compensation as meant in paragraph (1) shall be final and become a basis for holders of business license to supply electricity and holders of operational license in the granting of compensation.

## Part Five

## Procedures for Paying Compensation

## Article 6

- (1) Compensation may only be granted once to land, building and plant located below the free space of SUTT or SUTET.
- (2) In the case of the land, building and plant located below the free space of SUTT or SUTET handing over to new owner, the new owner shall not have a right to demand the payment of compensation.
- (3) The compensation shall be paid by holders of business license to supply electricity and holders of operational license to holders of land, building and plant title.
- (4) The payment of the compensation as meant in paragraph (2) shall be witnessed by at least 2 (two) witnesses resulting from executive of local sub-district/village administration/apparatus,

which is accompanied receipt form of the payment of compensation.

- (5) In the case of prospective recipient of compensation being not found or rejecting the compensation, holders of business license to supply electricity and holders of operational license shall consign the payment of compensation in local district office in accordance with the provision of legislation and holders of business license to supply electricity and holders of operational license may install SUTT or SUTET.

## CHAPTER III

## RIGHT OF HOLDER OF LAND TITLE AS WELL AS HOLDER OF BUSINESS LICENSE TO SUPPLY ELECTRICITY AND HOLDER OF OPERATIONAL LICENSE

## Article 7

- (1) Holders of land title already receiving the compensation as meant in Article 6 may utilize their land as long the utilization does not come into free space of SUTT or SUTET.
- (2) Holders of business license to supply electricity and holders of operational license already paying compensation shall reserve a right to fell, cut or uproot plants located below free space of SUTT or SUTET.

## CHAPTER IV

## COMPENSATION IN THE INSTALLATION OF SUTT OR SUTET

## Article 8

- (1) Compensation for damage in building or plant and other uprights which occur during the installation of SUTT or SUTET shall be done by deliberation.
- (2) The other uprights as meant in paragraph (1) shall constitute non-horticultural plants.

## CHAPTER V

## FOSTERING AND SUPERVISION

## Article 9

The Director General, governor, regent/mayor by virtue of their authority shall foster and supervise the implementation of this ministerial regulation.

## CHAPTER VI

## COMPENSATION FOR LAND OWNED AND/OR CONTROLLED BY STATE AND COMMUNAL LAND

## Article 10

Compensation for land, building and plant owned and/or controlled by the government, regional government, state-owned business entity and regional administration-owned business entity and communal land shall be stipulated in accordance with the provision of legislation.

## CHAPTER VII

## TRANSITIONAL PROVISION

## Article 11

In the case of compensation for SUTT and SUTET currently being settled and having amount not yet stipulated, the compensation shall be settled in accordance with the provisions in this ministerial regulation.

## CHAPTER VIII

## CONCLUSION

## Article 12

Following the enforcement of this ministerial regulation, the provisions on compensation for land, building and plant located below the free space of SUTT or SUTET as meant in Regulation of the Minister of Mining and Energy Number 01.P/47/M.PE/1992 dated February 7, 1992 on Free Space of High-Voltage Aerial Network (SUTT) and Extra High-Voltage Aerial Network (SUTET) for the Transmission of Electricity as already amended

by Decree of the Minister of Mining and Energy Number 975 K/47/MPE/1999 dated May 11, 1999 shall be revoked and declared null and void.

Article 13

The regulation shall come into force as from the date of promulgation.

For public cognizance, the ministerial regulation shall be promulgated by placing it in State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On December 24, 2013

THE MINISTER OF ENERGY AND MINERAL RESOURCES OF THE REPUBLIC OF INDONESIA

sgd

JERO WACIK

Promulgated in Jakarta

On December 24, 2013

THE MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA

sgd

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2013 NUMBER 1541

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