

GUIDELINE FOR COMPILING GENERAL PLAN ON NATIONAL ENERGY

**(Regulation of President of the Republic of Indonesia Number
1 Year 2014, dated January 2, 2014)**

WITH THE BLESSING OF THE ONE AND ONLY GOD
PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

Whereas, to implement the provision in Article 17, paragraph (3) of Law Number 30 Year 2007, concerning Energy, it is necessary to stipulate Presidential Regulation on Guideline for Compiling General Plan on National Energy;

In view of:

1. Article 4, paragraph (1) of the 1945 Constitution of the Unitary State of Republic of Indonesia;
2. Law Number 30 Year 2007, concerning Energy (Statute Book of the Republic of Indonesia Year 2007 Number 96, Supplement to Statute Book of the Republic of Indonesia Number 4746);

DECIDES:

To stipulate:

**PRESIDENTIAL REGULATION ON GUIDELINE FOR
COMPILING GENERAL PLAN ON NATIONAL ENERGY.**

CHAPTER I

GENERAL PROVISION

Article 1

What is meant in this Presidential Regulation

by:

- (1) General Plan on National Energy, hereinafter referred to as RUEN, shall be Government policy on energy management plan nationwide which constitutes application and implementation of National Policy on Energy cross sectors in order to achieve the target of National Policy on Energy.
- (2) General Plan on Energy in Provincial Region, hereinafter referred to as RUED-P, shall be Provincial Government policy on energy management plan provincial level that constitutes application and implementation of RUEN plan cross sectors for achievement of the target of RUEN.
- (3) General Plan on Energy of Regency/Municipality regions, hereinafter referred to as Regency-Municipality-RUED, shall be policy of regency/municipality government on energy management plan regency/municipality level that constitutes application and implementation of RUED-P plan cross

sectors in order to achieve the target of RUED-P.

(4) National Policy on Energy, hereinafter referred to as KEN, shall be policy for energy management which based on the principles of justice, continuity, and enviromental insight for the purpose of accomplishing independence and defense on national energy.

(5) Minister shall be minister exercising administration affairs on energy.

(6) Ministry shall be ministry exercising administration affairs on energy.

Article 2

Scope of governing of this Presidential Regulation covers:

- a. preparation of RUEN;
- b. preparation of RUED-P and Regency-Municipality-RUED; and
- c. role of the society.

Article 3

This Presidential Regulation is meant to:

- a. provide guideline in compiling RUEN for the Central Government, RUED-P for provincial government, and Regency-Municipality-RUED for regency/municipality government; and

- b. accomplish consistency of the material and system uniformity in compiling RUEN for the Central Government, RUED-P for provincial government, and Regency-Municipality-RUED for regency/municipality government.

Article 4

RUEN, RUED-P, and Regency-Municipality-RUED shall be compiled with due observance of the principles of efficiency, transparency, and participation.

Article 5

RUEN, RUED-P, and Regency/Municipality-RUED shall be compiled based on the data of the basic year and the target of KEN.

CHAPTER II

COMPILATION

GENERAL PLAN ON NATIONAL ENERGY

Part One

General

Article 6

- (1) The Central Government shall compile RUEN plan based on KEN.
- (2) The RUEN plan referred to paragraph (1) shall be compiled by the Minister with participation of the regional government and with due observance of the opinion and input from the society.

Article 7

The RUEN plan referred to in Article 6, must at least state the:

- a. present condition of national energy and the condition thereof forthcoming;
- b. stipulation of vision, mission, objective and target of national energy in the form of the stipulated target and the target to be achieved; and
- c. policy and strategy of management of national energy that applies the policy, strategy, institutional, policy on instrument, and program for energy development.

Article 8

The RUEN plan referred to in Article 7 shall be compiled systematically as specified the Attachment constituting inseparable part of this Presidential Regulation.

Part Two

Mechanism for Compilation General Plan on National Energy

Article 9

- (1) In compiling RUEN plan, the Minister shall establish a Team for Compiling RUEN Plan.
- (2) The composition of the Team for Compiling RUEN Plan referred to paragraph (1) comprises:
 - a. Chairman;

- b. Secretary; and
- c. Members.

- (3) The office of Chairman of RUEN Plan Compiling Team referred to paragraph (2) letter a will be occupied by Echelon I of the Ministry.
- (4) The office of Secretary of RUEN Plan Compilation Team referred to paragraph (2) letter b will be occupied Echelon II exercising the function of RUEN compilation at the Ministry.
- (5) Members of the RUEN Plan Compilation Team referred to paragraph (2) letter c consist of representatives of the Ministry and/or the relevant government institution.
- (6) Duty of RUEN Plan Compiling Team is to review the RUEN Plan compiled by the working unit carrying out the function in compiling RUEN comprehensively and cross sectors of the Ministry.

Article 10

- (1) The working unit referred to in Article 9, paragraph (6), shall function to prepare, process, and formulate RUEN Plan.
- (2) The working unit referred to paragraph (1) in compiling RUEN plan shall include participation of regional government.

Article 11

- (1) In reviewing the RUEN plan, the RUEN Plan Compiling Team shall take due observance of the opinion and input from the society.
- (2) The society referred to paragraph (1) comprises:
 - a. association that relates to energy;
 - b. universities; and
 - c. other members of the society having competence in the field of energy.

Article 12

- (1) The RUEN Plan Compiling Team shall submit RUEN Plan to the Minister.
- (2) The Minister shall submit the RUEN Plan referred to paragraph (1) to the Board of National Energy.
- (3) The Chairman of the Board of National Energy shall stipulate the RUEN Plan referred to paragraph (2).

Article 13

- (1) If there is different of opinion and/or input within the Board of National Energy on the RUEN Plan referred to in Article 12, paragraph (2), the Board of National Energy shall hold joint review with the Ministry.
- (2) The RUEN Plan resulting from the review referred to paragraph (1) shall be stipulated at RUEN by

the Chairman of National Energy.

Article 14

The RUEN shall be stipulated in accordance with the working system at the meeting of the Board of National Energy.

Article 15

- (1) RUEN shall be stipulated within one (1) year at the latest after KEN is stipulated.
- (2) RUEN may be reviewed and updated periodically once in five (5) years or at any time in line with the change in strategic environment and/or change in KEN.

CHAPTER III

COMPILATION OF GENERAL PLAN ON ENERGY OF PROVINCIAL REGION GENERAL PLAN ON ENERGY OF REGENCY/MUNICIPALITY REGION

Part One

Compilation of General Plan on Energy of Provincial Region

Article 16

- (1) The Provincial Government shall compile RUED-P Plan by referring to the RUEN.
- (2) The RUED-P plan referred to paragraph (1) shall be compiled by Work Unit of Provincial Regional Instrument exercising administrative affairs on energy by including participation of:

- a. Central Government;
- b. Regency/Municipality government; and
- c. stakeholder.

(3) The RUED-P plan referred to paragraph (1) must at least state:

- a. present condition of energy and in the future;
- b. stipulation of vision, mission, objective, and target on energy of the region in the form of stipulated target and the target to be achieved; and
- c. policy and strategy of management of energy of the region that applies the policy, strategy, institutional, instrument of policy, and development program of energy.

(4) The RUED-P plan shall be compiled systematically as specified in the Attachment that constitutes inseparable part of this Presidential Regulation.

(5) RUED-P plan shall be stipulated under Regulation of Provincial Region.

Article 17

(1) RUED-P plan shall be stipulated within one (1) year at the latest as of the RUEN is stipulated.

(2) RUED-P shall be reviewed and updated periodically once in five (5) years or at any time in line with the change in environmental strategy and/or any amendment to the RUEN.

Part Two

Compilation of General Plan on

Energy of the Region

Article 18

(1) Regency/municipality government shall compile Regency/Municipality-RUED plan by referring to the RUEN and RUED-P.

(2) The Regency/Municipality plan referred to paragraph (1) shall be compiled by Work Unit of Regional Instrument of Regency/Municipality exercising administration affairs on energy by including participation of:

- a. government of Province; and
- b. stakeholder.

(3) The Regency/Municipality-RUED plan referred to paragraph (1) shall at least state:

- a. condition of energy at present and forthcoming;
- b. stipulation of vision, mission, objective, and target of energy of the region in the form of stipulated target and the target to be achieved; and
- c. policy and strategy of management of energy in the region applying the policy, strategy, institutional, instrument of policy, and development program of energy.

(4) Regency/Municipality-RUED plan shall be compiled systematically as specified in the Attachment that constitutes inseparable part of this Presidential Regulation.

(5) Regency/Municipality-RUED plan shall be stipulated under Regional Regulation of Regency/Municipality.

Article 19

(1) Regency-Municipality-RUED plan shall be stipulated within one (1) year as of the RUED-P is stipulated.

(2) Regency-Municipality RUED plan shall be reviewed and updated once every five (5) years or at any time in line with the change to environmental strategy and/or amendment to the RUED-P.

CHAPTER IV

ROLE OF THE SOCIETY

Article 20

(1) The society, either individually or in group may take role in the compilation of RUEN, RUED-P and Regency-Municipality-RUED.

(2) The society referred to paragraph (1) may take role by providing idea, data, and/or information in writing.

(3) The society referred to paragraph (2) shall take role

within 30 (thirty) working days, effective as of:

a. the Head of working unit exercising the function in compiling RUEN at the Ministry shall announce the RUEN compilation program through the website of Ministry;

b. the Head of working unit of Provincial Regional Instrument exercising administrative affairs on energy shall announce the RUED-P plan compilation through the website of provincial government or other media;

c. the Head of working unit of Regional Instrument of Regency/Municipality exercising administrative affairs on energy shall announce the compilation plan of Regency/Municipality-RUED plan through the website of regency/municipality government or other media.

CHAPTER V

OTHER PROVISIONS

Article 21

(1) The work unit exercising the function in the compilation of RUEN at the Ministry shall synchronize and integrate the compilation of RUEN and RUED-P plans.

(2) The work unit of Provincial Regional Instrument exercising administrative affairs on energy shall synchronize and integrate the compilation of RUED-P and Regency-Municipality-RUED.

Article 22

Teh provincial government in compiling RUED-P plan and the government of regency/municipality in compiling Regency-Municipality-RUED shall initiate consultation with the Ministry.

CHAPTER VI

CLOSING PROVISION

Article 23

This Presidential Regulation comes to force on the date it is enacted.

For public cognizance, this Presidential Regulation shall be announced by placing it in the Statute Book of the Republic of Indonesia.

Stipulated in Jakarta

Dated January 2, 2014

sgd.

DR. H. SUSILO BAMBANG YUDHOYONO

Enacted in Jakarta

Dated January 22, 2014

MINISTER OF LAW AND HUMAN RIGHTS

OF THE REPUBLIC OF INDONESIA,

sgd.

AMIR SYAMSUDIN

STATUTE BOOK OF THE REPUBLIC OF INDONESIA

YEAR 2014 NUMBER 11

ATTACHMENT

GENERAL PLAN ON ENERGY OF
PROVINCIAL REGION AND
GENERAL PLAN ON ENERGY OF
REGENCY/MUNICIPALITY REGION

I. PREAMBLE

Some points need to be prepared and initiated by Central Government, Provincial government or regency/municipality government in the compiling process of RUEN, RUED-P, and Regency/Municipality-RUED shall be to:

1. explain the background of compiling RUEN, RUED-P, or Regency/Municipality- RUED plans and the importance thereof in the management system of national/regional energy. In this background, the issue and challenge in energy management encountered and anticipated to be encountered in the future in regional, national level or globally;
2. identify the legal aspect to Central Government, provincial government, regency/municipality government on their respective duty, function, and authority in the management of energy nationwide and regionally.
3. explain the position and relevancy RUEN,

RUED-P, or Regency-Municipality-RUED plans with the document of national/regional planning and the nature of compilation of RUEN, RUED-P, or Regency-Municipality-RUED involving top down (top down) process and and the same time bottom up (bottom up) process.

4. explain the terms and meaning contained in the RUEN, RUED-P, or Regency/Municipality RUED plans and their relevancy with the context of management of national/regional energy.

II. PRESENT CONDITION OF NATIONAL/REGIONAL ENERGY AND FUTURE EXPECTATION

The general condition to be specified in the RUEN, RUED-P, and Regency-Municipality-RUED shall be among other things, as follows:

1. Issue on Energy

Definition of the result of identification from various issues on energy, either regional, national, or global. Specifically the general issues on energy sector that may be disclosed are among other things, concerning:

- a. dependency on fossil energy, specifically oil fuel, whereas fossil energy resource is becoming less;
- b. utilization of new energy, renewable en-

ergy, and implementation of energy conservation;

- c. energy infrastructure;
- d. subsidized oil fuel and electricity;
- e. economic price of energy commodity;
- f. environmental impact caused by energy production and consumption;
- g. measures to control critical condition and urgent situation of energy.

From the above issue on energy, it is necessary to conduct analysis in order to seek strategic solution which later will be mentioned in the RUEN, RUED-P, and Regency/Municipality-RUED.

2. The present condition of energy nationally/regionally

Conduct inventory and make verification on the data of energy management nationally/regionally in the basic year of modelling according to KEN, covering among other things:

- a. indicator of socio-economy constituting the general image of socio-economy in the basic year, that at least contain PDB, revenue per capita, total number of population, total number of manpower, total number of motor vehicles, rate of unemployment, and rate of poverty;
- b. indicator of energy constituting general

image of energy condition, that at least contain potential and utilization of energy, mixed energy, electrificated ratio, energy elasticity, energy intensity, supply and need for energy, energy consumption per capita, electricity consumption per capita, and energy reserve;

c. environmental indicator constituting general image of environmental condition, that at least contain CO2 emission per capita and CO2 emission per PDB.

3. Energy Condition Nationally/Regionally Forthcoming

Contains the result of modelling calculation in the form of energy projected condition nationally/regionally in the future in order to achieve the targets stipulated in the KEN, RUEN, RUED-P or Regency-Municipality-RUED. The result of modelling consists of energy indicator and environment indicator.

Measures for modelling calculation are as follows:

a. conduct inventory and verification of the data on energy management nationally/regionally in the modelling basic year according to KEN, as referred to figure 2.

b. formulate model structure with two (2) prime module.

1) need for energy, consists of sub-model covering household, transportation, industry, etc., and non-energy;

2) energy supply consists of sub-modal covering electric power, natural oil and gas, coal, and new energy and renewable energy;

c. compile and stipulate basic assumption and scenario:

1) basic assumption covers:

a) growth of population to be achieved nationally/regionally in the RUEN, RUEN-P, and Regency/Municipality-RUED to be adjusted to the target of KEN;

b) growth of PDB to be achieved nationally/regionally in the RUEN, RUED-P, and Regency-Municipality-RUED to be adjusted to the target of KEN.

2) basic scenario, illustrating the condition in the future considered to operate, such as the tendency existing and taking place without intervention from policy that relates to energy sector;

- 3) scenario of RUEN that refers to accomplishment of the target of KEN;
- 4) scenario of RUED-P or Regency/Municipality RUED refers to the program stipulated in the RUEN.

d. operate the model by using software that applies top down method (top down) and bottom up (bottom up) in energy planning.

III. VISION, MISSION, OBJECTIVE AND TARGET OF NATIONAL/REGIONAL ENERGY

1. The vision referred to in RUEN, RUED-P, or Regency/Municipality-RUED is general formulation on fulfillment of the local need for energy, continuously, fairly, and to optimum in the context of accomplishing defense and independency on national/regional energy.

2. Mission covers:

- a. guarantee available energy nationally/regionally;
- b. maximize national/regional potentiality in the form of natural resource and human resource in order to accomplish energy independency;
- c. improve accessibility to energy with accessible price to the whole people;

- d. accelerate utilization of new energy, renewable energy, and preserved energy;
- e. optimize improvement of added value in energy use;
- f. motivate energy management with environmental insight.

3. Objective shall be to compile and implement the policy, strategy and development program on energy in order to achieve the targets stipulated in the KEN, RUEN, RUED-P, or Regency/Municipality-RUED.

4. Target shall be targets to be achieved in compliance with the objectives stipulated in the KEN, RUEN, or Regency/Municipality-RUED.

IV. POLICY AND STRATEGY ON ENERGY MANAGEMENT NATIONALLY/REGIONALLY

Defines the outline of the tendency of the direction of policy and strategy on energy nationally/regionally, either in long-term or medium term, in response to the strategic condition of the environment in line with the expected condition of energy nationally/regionally in the future.

Specifically this part also defines all measures in governing institutional and instrument of policy required in the management of energy nationally/

regionally, including the role and responsibility of interested parties, in order to support the implementation of efforts and development programs on energy so as to conform the the plan.

Matters to be reviewed in this Chapter are as follows:

1. Policy

Apply all matters stipulated and targeted in the KEN or RUEN covering the prime policy or supporting policy on energy nationally/regionally to achieve the target that has been stipulated.

2. Strategy

Explain the strategy according to the direction of the policy nationally/regionally.

3. Institutional

Management of energy nationally/regionally involves government agency and the relevant stakeholder based on their respective duty and function, such as,: Coordinating Minister in Economics, Minister of Energy and Mineral Resource, Minister of Finance, Minister of National Development Planning/National Development Planning Agency, Minister of Communication, Minister of Industry, Minister of Agriculture, Minister of Research and Technology, Minister of Living Environment, Minister of Forestry, Minister of Trade, Statistic

Central Agency, Regional Government, State-owned Business Entity, Regional-owned Business Entity, and association in energy sector.

4. Instrument of Policy

Instrument of policy is instrument of the statutory regulation nationwide, provincial, regency/municipality that is required to support activities in energy sector and is related to energy management stipulated in the RUEN, RUED-P, or Regency/Municipality-RUED.

5. Energy Development Program

Energy Development Program covers:

- a. Prime program constituting prime activity of Central Government / regional government and/or national/foreign private entities constituting application of effort in big scale, issue defining and improvement of added value as well as having impact on national/regional development. Prime program is multi-years program involving several agencies in the implementation thereof.
- b. Supporting program is activity/project of central government/regional government and/or small to medium scale national/foreign private entities which impact is only on regional development. Supporting program is one year to multi years term that involves several agencies in its operation.

This prime program may be compiled in matrix form containing:

Example:

No.	Sub-sector	Policy	Strategy	Institution	Instrument	Program Prime	Name Activity	Value Investment (IDR Billion)	Period	Location
1.	Electric Power	Availability energy to the national needs	increase the supply of electricity generating capacity	Ministry Coordinating Economics, Ministry of Energy and Mineral Resource, Ministry BUMN, Ministry of Forestry, Ministry of Living Environment Ministry of Finance, Ministry of Industry, National Land Agency, Bappenas, PT PLN (Limited Liability), and Private	Law, Government Regulation, Presidential Regulation, Presidential Instruction Ministry Regulation	Development of a gas power plant	PLTG Sunyaragi 600MW	3.000	2015-2018	West Java
2.	same as above	idem.	idem.	idem.	idem.	idem.	PLTG Grati 800 MW	4.000	2015-2019	east java
3.	...	...	...	...	...	...	...	...	...	...
and so forth	idem.	idem	idem.	idem.	idem.	idem	idem	idem	idem.	idem

PRESIDENT OF THE REPUBLIC OF INDONESIA,
sgd.
DR. H. SUSILO BAMBANG YUDHOYONO
(MA)