

Republik Indonesia

# KEYNOTE SPEECH MINISTER OF ENERGY AND MINERAL RESOURCES ON THE OPENING OF PAMERINDO - ELECTRIC, POWER & RENEWABLE ENERGY INDONESIA 2017 Wednesday, September 6th, 2017

# <Bismillahirrahmanirrahim>

Distinguish,

- Chairman of the Indonesian Electricity Communities;
- President Director of PT PLN (Persero);
- Guests and exhibitors.

Assalamu'alaikum Warahmatullahi Wabarakaatuh,

Good morning and best wishes for all of us.

First of all, let us all praise our God Almighty, for He has given us health and wellness, that we are given this opportunity to meet and gather today in the opening ceremony of Electric Exhibition, Power & Renewable Energy Indonesia 2017, in an exciting atmosphere.

### Ladies and gentleman,

- Aiming to strengthen the national energy resilient and sovereignity, Our Energy policy are focus in 5 main pillars: (1) increasing of electrification ratio, (2) fair distribution on equality & affordability, (3) sustainability, (4) condusive investment & economic growth, and (5) good governance & streamlining beurocracy and licencing.
- Government is aimed to increase the electrification ratio and strengthen the system by accelerating the realization of 35.000 MW program. The Government also pay a serious attention to electrify 2.500 under-developed vilages that has no access to electricity. Those villages are located in border country area, remote area, and along coast line.
- The Government has made improvements to the governance electricity by issuing some policies, among others:
  - Optimizing the utilization of local energy resources in effective and efficient manner to increase the sustainability, for instance developing renewable and minemouth coal/wellhead gas powerplant and shorten the energy supply chain.
  - Creating a conducive business environment to ensure a proper and balance PPA between National Utilities (PLN), such as long term contract and fuel supply guarantee, to create competitive business opportunities for providing affordable prices
  - Utilizing the energy with a reliable supply, and prioritizing domestic market obligation as well as considering the local content to drive the acceleration of national economic growth.

### Ladies and gentleman,

- Nowadays, the electricity is a basic necessity of modern society. The electricity consumption per capita in Indonesia keep on increasing. In 2010, it reached 698 kWh/capita, while at the end of 2016 that number reach to 956,36 kWh/capita. It shows that in the past six years, our society continuesly increase the use of electrical equipments in their homes, the industries also continue to rely on electrical energy to produce various goods that are marketed local and abroad.
- The increase in electricity consumption of the community must be balanced with the provision of equivalent electricity production in order to avoid shortage of electricity supply. With the growth in power demand as projected about 8.7% per year, it is necessary to add an average capacity of 7,000 MW every year and additional transmission lines of 9.3 thousand kms per year.

## Ladies and gentleman,

- The 35,000 MW electricity development acceleration program continues to run. The government set the goal to year 2019, it is expected that the entire 35,000 MW project can be contracted and the electricity will soon be utilized. Through the hard work of the central government, local government, business entities, and supported by all elements of the electricity community, I am optimistic that the 35,000 MW electricity infrastructure development program can be completed in accordance with the target and the electricity can be soon accessed by all of the people.
- I hope that business entities in the electricity sector will support government programs such as the 35,000 MW program and the

electrifying of 2,500 villages. The efforts undertaken aimed to make the electricity business is more fair and reasonable, so the people will get huge benefits with additional of large and stable power capacity, with reasonable price.

- In the future, the capacity of our power plants should continue to grow due to the population and our electricity consumption continues to increase. The next few years, people need electricity for transportation that replaces oil-fueled vehicles (BBM). Besides its cheaper fuel price, electric vehicles are also more environmentally friendly. If Indonesia do serious about developing electric cars, the regulation, supporting facilities, and infrastructure must be prepared, so people can ride on the highway safely and comfortably.
- If the electric vehicle is actually realized, then the construction of large-capacity power plants such as PLTU (Mine Mouth Power Plant)
   Java 4 is needed to support our electrical system. The need for large-capacity power plants, both gas-fired and environment-friendly coal, is needed to support the supply of energy to support electric vehicles.

### Ladies and gentlemen,

- We welcome the Electricity Exhibition, Power & Renewable Energy Indonesia 2017. Through this event, the government hopes that stakeholders can share their knowledge and experience in sustainable power development, especially in applying technology in electricity sector which is more useful for the community.
- Domestic and foreign companies are expected to be able to demonstrate the various technologies and innovations used in the electricity sector. I hope this event also to be an opportunity for the

stakeholders to expand the network and to attract more investment in electricity development programs in Indonesia.

# Ladies and gentlemen,

Please have a good participations on the series of events of the exhibition of Electric, Power & Renewable Energy Indonesia 2017.

Finally, hereby I officially open the exhibition of Electricity, Power & Renewable Energy Indonesia 2017.

Thank you for your attention.

Wassalamualaikum warahmatullahi wabarakatuh.

Minister of Energy and Mineral Resources,

Ignasius Jonan