

IMPLEMENTATION OF PHYSICAL UTILIZATION OF NEW AND RENEWABLE ENERGY

(Regulation of Minister of Energy and Mineral Resource of
the Republic of Indonesia Number 10 Year 2012, dated
May 10, 2012)

WITH THE BLESSING OF THE ONE AND ONLY GOD
MINISTER OF ENERGY AND MINERAL RESOURCE
OF THE REPUBLIC OF INDONESIA ,

Considering:

- a. participation of the Government in the provision and utilization of new and renewable energy in the form of electric power and non-electric power has very important role in improving capability to supply energy nationwide;
- b. to motivate provision and utilization of new and renewable energy referred to in letter a, it is necessary to govern physical activity on utilization of new and renewable energy;
- c. based on the consideration referred to in letters a and b, it is necessary to stipulate Regulation of the Minister of Energy and Mineral Resource on Implementation of Physical Activity on Utilization of New Energy and Renewable Energy;

In view of:

1. Law Number 17 Year 2003 (BN No. 6913 pgs.

16B-20B), concerning State Finance (Statute Book of the Republic of Indonesia Year 2003 Number 47, Supplement to Statute Book of the Republic of Indonesia Number 4286);

2. Law Number 1 Year 2004 (BN No. 7031 Pgs. 13B-14B) concerning State Treasury (Statute Book of the Republic of Indonesia Year 2004 Number 5, Supplement to Statute Book of the Republic of Indonesia Number 4355);

3. Law Number 32 Year 2004 (BN No. 7152 Pgs. 9B-18B) concerning Regional Administration (Statute Book of the Republic of Indonesia Year 2004 Number 125, Supplement to Statute Book of the Republic of Indonesia Number 4437) as amended twice and lately amended by Law Number 12 Year 2008 (BN No. 7661 Pgs. 11B-18B) (Statute Book of the Republic of Indonesia Year 2008 Number 59, Supplement to Statute Book of the Republic of Indonesia Number 4844);

4. Law Number 30 Year 2007 (BN No. 7566 Pgs. 2B-8B) concerning Energy (Statute Book of the

Republic of Indonesia Year 2007 Number 96, Supplement to Statute Book of the Republic of Indonesia Number 4746);

5. Government Regulation Number 6 Year 2006 concerning Management of State/Regional-owned Property (Statute Book of the Republic of Indonesia Year 2006 Number 20, Supplement to Statute Book of the Republic of Indonesia Number 4609) as amended by Government Regulation Number 38 Year 2008 (Statute Book of the Republic of Indonesia Year 2008 Number 78, Supplement to Statute Book of the Republic of Indonesia Number 4855);

6. Presidential Regulation Number 5 Year 2006 dated January 25, 2006 concerning Policy of National Energy;

7. Presidential Regulation Number 54 Year 2010 dated August 6, 2010 concerning Procurement of Government Goods/Services as amended by Presidential Regulation Number 35 Year 2011 dated June 30, 2011;

8. Presidential Decree Number 59/P Year 2011 dated October 18, 2011;

9. Regulation of the Minister of Energy and Mineral Resource Number 18 Year 2010 concerning Organization and Work Procedure of the Ministry of

Energy and Mineral Resource (State Gazette of the State of the Republic of Indonesia Year 2010 Number 552);

10. Regulation of Minister of Finance Number 101/PMK.02/2011 concerning Budget Classification (State Gazette of the Republic of Indonesia Year 2011 Number 397);

DECIDES:

To stipulate:

REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCE ON IMPLEMENTATION OF PHYSICAL ACTIVITY IN UTILIZATION OF NEW AND RENEWAL ENERGY.

CHAPTER I

GENERAL PROVISION

Article 1

What is meant in this Regulation of the Minister by:

1. Utilization of New or Renewable Energy shall be activity in utilizing energy, either directly or indirectly, of new or renewable energy.
2. Proposal shall be plan containing general view of the location/area and objective to be achieved that provides information on potentially available energy and the total volume of need for energy utilization.

3. Feasibility Study shall be document containing result of measuring and calculation of potential resource and the total volume of need for energy utilizing party and preparedness for management of the environment.
4. Detail Engineering Design shall be technical engineering design document containing power or energy estimate that may be utilized, selectio of type and measurement of energy convering device, installation construction design as specified in technical drawing and cost budget program.
5. Installation for Centralized Supply of Electric Power shall be installation for supply of new and renewable energy which operation is centralized in one (1) installation for energy, further the energy produced will be distributed to the users/utilizers of energy.
6. Minister shall be Minister exercising administration affairs on energy and mineral resource.
7. Director General shall be Director General of New, Renewable and Preserved Energy.
8. Director General shall be Directorate General of New, Renewable, and Preserved Energy.

Article 2

Physical activity on utilization of new and re-

newal energy in support of continuous national development in upgrading defense of national energy.

CHAPTER II

SCOPE AND OBJECTIVE

Article 3

- (1) The physical activities in monitoring new and renewable energy referred to in Article 2 are development, procurement and installation of:
 - a. supply installation for electric power;
 - b. supply installation for vegetable oil fuel; and/or
 - c. productive tools to support business activities of the people produced from new or renewable energy.
- (2) The physical activity referred to in paragraph (1) is meant to:
 - a. motivate development program of independant rural energy;
 - b. motivate supply of energy originating from new or renewable source of energy;
 - c. encourage growth and equitable development in remote areas Infrastructure energy, left, border, small islands and outermost, post-disaster, and / or post-conflict, and
 - d. pilot exploitation of new energy and renewable energy.

CHAPTER III

RESPONSIBILITIES

Article 4

- (1) Minister responsible for policy, program, and implementation of physical activity energy utilization and renewable energy.
- (2) Implementing physical activity energy utilization of new and renewable energy as described in paragraph (1) shall be conducted by the Director General through the New Energy Management Program, Renewable Energy and Energy Conservation.
- (3) New Energy Management Program, Renewable Energy and Energy Conservation as referred to in paragraph (2) shall be implemented to support the accelerated development of new energy and renewable energy.

Article 15

The Directorate General is obliged to:

- a. report accountability on the implementation of physical utilization of new and renewable energy;
- b. monitor and evaluate implementation of physical utilization of new and renewable energy;
- c. report accomplishment of the target and objective of the physical utilization of new and renewable energy to the Minister;
- d. exercise monitoring, evaluation and fostering and supervision of management of physical utilization of new and renewable energy; and

- e. process and proposal the result of physical utilization of new and renewable energy as referred to in Article 3 paragraph (1) as grant of the Ministry of Energy and Mineral Resource to the Regional Government.

CHAPTER IV

IMPLEMENTATION OF ACTIVITIES

Part One

General

Article 16

Physical utilization of new and renewable energy referred to in Article 3 shall be exercised in phases as follows:

- a. application;
- b. evaluation;
- c. decision;
- d. procurement; and
- e. hand-over.

Part Two

Application Phase

Article 7

- (1) The Governor or Regent/Mayor shall submit written application for proposed physical utilization of new and renewable energy to the Minister c.q. the Director General.
- (2) The application referred to in paragraph (1) must be supported by at least the documents below:
 - a. Proposal;
 - b. Feasibility Study and/or Detail Engineering

Design for Installation for Central Electric Power Supply and installation for supply of vegetable fuel oil with capacity greater than 400 (four hundred) liters for each process;

- c. statement letter on commitment to provide land for implementation of physical utilization of new and renewable energy; and
- d. statement letter on commitment to receive and manage the result of physical utilization of new and renewable energy.

(3) The Regent/Mayor's proposal must be copied to the Governor.

Part Three
Evaluation Phase
Article 18

Based on the application for physical utilization of new and renewable energy referred to in Article 7, the Directorate General shall evaluate all documents received, review and examine the completeness thereof, including the authenticity, the signing and delivery of the copy of application letter to the intended addressee.

Article 19

(1) In the context of evaluation and clarification on the application referred to in Article 7, the Directorate General may conduct verification in the

field and/or ask for written information pertaining to the Proposal, Feasibility Study and/or Detailed Engineering Design submitted.

(2) The verification referred to in paragraph (1) shall be made on:

- a. statement letter of sole responsibility on the authenticity and correctness of all supporting documents submitted;
- b. Proposal, Feasibility Study and/or Detailed Engineering Design;
- c. statement letter of commitment to provide land and/or basic material, etc, as required; and
- d. statement letter of commitment to accept and manage as well as utilize the result of physical utilization of new and renewable energy.

Part Four
Specification Phase
Article 10

Based on the result of evaluation of the application referred to in Article 8 and Article 9, the Directorate General may reject or grant approval to application that complies with the terms and specification of the region to receive the result of physical utilization of new and renewable energy based on available budget of the Directorate General.

Part Five

Procurement Phase

Article 11

Procurement of physical utilization of new and renewable energy shall be exercised by the Directorate General according to the provisions in the statutory regulation.

Part Six

Phase of Handing Over

Article 12

- (1) The result of physical utilization of new and renewable energy shall be recorded in management information system and accountancy of State-owned property of the Directorate General.
- (2) The Directorate General through the Secretary of the Directorate General shall deliver the result of physical utilization of new and renewable energy to the Government of Province of the Government of Regency/Municipality receiving the result of activities supported by Minutes of Hand-Over and Manuscript of Grant based on the provisions in the statutory regulation.
- (3) Prior to or at the latest at handing-over of physical utilization of new and renewable energy referred to in Article 11 must be trial tested or conducted commissioning test, to be witnessed by the Directorate General and the Provincial Government or Regency/Municipality Government receiving the

result of activities referred to in paragraph (2).

CHAPTER V

MANAGEMENT

Article 13

- (1) The Governor or Regent/Mayor according to their respective authority shall determine management of the result of physical utilization of new and renewable energy that have been handed-over as referred to in Article 12 paragraph (2).
- (2) Management of the result of physical utilization referred to in paragraph (1) shall involve:
 - a. the people directly; or
 - b. management institution that may be in the form of joint business, cooperatives, association, society self-support institution, or customary group.

Article 14

Management of the result of physical utilization of new and renewable energy referred to in Article 13 paragraph (2) is responsible for the operation and maintenance of the result of physical utilization of new and renewable energy to maximum.

Article 15

The Governor and Regent/Mayor according to their respective authority shall foster and supervise the management of activities exercised by the management referred to in Article 13 paragraph (2).

Article 16

The result of physical utilization of new and renewable energy referred to in Article 2 is not for sale and purchase to other party.

CHAPTER VI

REPORTING

Article 17

- (1) The management of the result of physical utilization of new and renewable energy referred to in Article 13 paragraph (2) shall submit report periodically once every six (6) months on the management of the result of physical utilization of new and renewable energy to the Governor or Regent/Mayor according to their respective authority with copy to the technical department in charge of energy of provincial or regency/municipality level concerned..
- (2) The Governor shall submit report periodically once every six (6) months on the management of the result of utilization of new and renewable energy to the Minister c.q. the Director General.
- (3) The Regent/Mayor shall submit report periodically once every six (6) months on the management of the result from physical utilization of new and renewable energy to the Minister c.q. the Director General with copy to the Governor.

CHAPTER VII

CLOSING PROVISION

Article 18

This Regulation of the Minister takes effect on the date it is enacted.

For public cognizance, this Regulation of the Minister shall be announced by placing it in the State Gazette of the Republic of Indonesia .

Stipulated di Jakarta

Dated May 10, 2012

MINISTER OF ENERGY AND MINERAL RESOURCE

REPUBLIC OF INDONESIA

sgd.

JERO WACIK

Enacted di Jakarta

Dated May 10, 2012

MINISTER OF LAW AND HUMAN RIGHTS

OF THE REPUBLIC OF INDONESIA ,

sgd.

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA

YEAR 2012 NUMBER 506

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