



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

**REGULATION OF THE MINISTER OF ENERGY AND MINERAL RESOURCES  
OF THE REPUBLIC OF INDONESIA  
NUMBER 43 YEAR 2017**

**REGARDING**

**AMENDMENT OF THE REGULATION OF THE MINISTER OF ENERGY AND  
MINERAL RESOURCES NUMBER 12 YEAR 2017 REGARDING  
THE UTILIZATION OF RENEWABLE ENERGY SOURCES FOR ELECTRICITY  
SUPPLY**

**BY THE BLESSING OF THE ONE AND ONLY ALMIGHTY GOD**

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

Considering : a. that for the accelerated of development for renewable energy from hydropower, it's necessary to re-stipulated the price of electricity purchased from Hydroelectric

Power Plant as regulated in the Regulation of the Minister of Energy and Mineral Resources Number 12 Year 2017 regarding the Utilization of Renewable Energy Sources for Electricity Supply;

b. that based on such considerations as referred to in letter a, it is necessary to stipulate a Regulation of the Minister of Energy and Mineral Resources regarding Amendment of the Regulation of the Minister of Energy and Mineral Resources Number 12 Year 2017 regarding the Utilization of Renewable Energy Sources for Electricity Supply;

In view of : 1. Law Number 30 Year 2007 regarding Energy (State Gazette of the Republic of Indonesia Year 2007 Number 96, Supplement to the State Gazette of the Republic of Indonesia Number 4746);

2. Law Number 30 Year 2009 regarding Electricity (State Gazette of the Republic of Indonesia Year 2009 Number 133,

Supplement to the State Gazette of the Republic of Indonesia Number 5052);

3. Government Regulation Number 14 Year 2012 regarding Business Activities for the Electric Power Provision (State Gazette of the Republic of Indonesia Year 2012 Number 28, Supplement to the State Gazette of the Republic of Indonesia Number 5281) as has been amended by Government Regulation Number 23 Year 2014 regarding Amendment to the Government Regulation Number 14 Year 2012 regarding Business Activities for the Electric Power Provision (State Gazette of the Republic of Indonesia Year 2014 Number 75, Supplement to the State Gazette of the Republic of Indonesia Number 5530);

4. Government Regulation Number 79 Year 2014 regarding National Energy Policy (State Gazette of the Republic of Indonesia Year 2014 Number 300, Supplement to the State Gazette of the Republic of Indonesia Number 5609);

5. Presidential Regulation Number 68 Year 2015 regarding Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2015 Number 132) as has been amended by Presidential Regulation Number 105 Year 2016 regarding Amendment to the Presidential Regulation Number 68 Year 2015 regarding Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2016 Number 289);

6. Presidential Regulation Number 4 Year 2016 regarding Acceleration of Power Electricity Infrastructure Development (State Gazette of the Republic of Indonesia Year 2016 Number 8) as has been amended by Presidential Regulation Number 14 Year 2017 regarding Amendment to the Presidential Regulation Number 4 Year 2016 regarding Acceleration of Power Electricity Infrastructure Development (State Gazette of the Republic of Indonesia Year 2017 Number 27);

7. Regulation of Minister of Energy and Mineral Resources Number 13 Year 2016

regarding Organization and Work Procedures of Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2016 Number 762);

8. Regulation of Minister of Energy and Mineral Resources Number 12 Year 2017 regarding Utilization of Renewable Energy Sources for Electricity Supply (State Gazette of the Republic of Indonesia Year 2017 Number 189);

HEREBY DECIDES:

To stipulate : REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCE REGARDING AMENDMENT OF THE REGULATION OF THE MINISTER OF ENERGY AND MINERAL RESOURCES NUMBER 12 YEAR 2017 REGARDING THE UTILIZATION OF RENEWABLE ENERGY SOURCES FOR ELECTRICITY SUPPLY

Article I

The provisions of Article 7 in this Regulation of the Minister of Energy and Mineral Resources Number 12 Year 2017 regarding Utilization of Renewable Energy Sources for Electricity Supply

(State Gazette of the Republic of Indonesia Year 2017 Number 189) is amended, therefore shall be expressed as follows:

#### Article 7

- (1) The purchase of electricity power from the Hydropower by PT PLN (Persero) as referred to in Article 3 paragraph (3) letter c constitutes the purchase of electricity for all capacity of the Hydropower Plant
- (2) The purchase of electricity from Hydropower by PT PLN (Persero) as referred to in paragraph (1) may be obtained from any Hydropower that uses :
  - a. power from water flows / river waterfalls; or
  - b. hydropower from reservoirs / dams or multi-purpose irrigation channels.
- (3) Such purchase of electricity from Hydropower by PT PLN (Persero) as referred to in paragraph (2) shall be made by using the reference price or by direct selection mechanism.
- (4) Hydropower with a maximum capacity of 10 MW (ten megawatts) shall be able to operate with a capacity factor of at least 65% (sixty percent), meanwhile any other Hydropower with a capacity of more than 10 MW (ten

megawatts) shall be operated with such capacity factor that depends on the system requirements.

- (5) In the event that the BPP for Generation on the local electricity system is above the average national BPP for Generation, the reference price of electricity purchased from Hydropower as referred to in paragraph (3) shall be a maximum of the BPP for Generation on the local electricity system.
- (6) In the case that the BPP for Generation on the Sumatra, Java and Bali Areas or other local electricity system is equal to or below the average national BPP for Generation, the price of electricity purchased from Hydropower shall be determined under mutual agreement between the parties.
- (7) Such BPP for Generation on the local electricity system and the average national BPP for Generation as referred to in paragraph (5) and paragraph (6) shall be the BPP for Generation on the local electricity system and the average national BPP for Generation of the previous year that has been determined by the Minister based on the proposal submitted by PT PLN (Persero).

- (8) Purchase of electricity from Hydropower as referred to in paragraph (3) shall use the cooperation pattern of Build, Own, Operate, and Transfer (BOOT).
- (9) Transmission line construction for power evacuation from Hydropower to the connection points of PT PLN (Persero) may be performed by the PPL based on the mutually beneficial (business to business) mechanisms.

## Article II

This Ministerial Regulation shall become effective as from the date of enactment.

In order to make known to all citizens, it is hereby order to promulgate the enactment of this Ministerial Regulation in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On the date of 14 July 2017

MINISTER OF ENERGY AND MINERAL RESOURCES

THE REPUBLIC OF INDONESIA,

[signed]

IGNASIUS JONAN



Enacted in Jakarta

On the date of 17 July 2017

DIRECTOR GENERAL OF  
LAWS AND REGULATIONS  
MINISTER OF LAW AND HUMAN RIGHTS  
THE REPUBLIC OF INDONESIA

[signed]

WIDODO EKATJAHJANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2017 NUMBER  
975

In conformity with the original  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
HEAD OF LEGAL BUREAU

[signed and sealed]

Hufron Asrofi

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