

別添 1

・調査にて結ばれたM/M

MINUTES OF MEETING  
Between

Ministry of Energy and Mineral Resources  
PT. PLN (PERSERO)  
And  
Japan International Cooperation Agency

On

The Project Identification Study on the Electrical Power Sector in  
the Republic of Indonesia

The Project Identification Team (hereinafter referred to as "the Team") organized by the Japan International Cooperation Agency (hereinafter referred to as the "JICA") headed by Mr. Hiroshi Kurakata, visited the Republic of Indonesia from January 27 to February 4, 2003. For the purpose of collecting data in the power sector reform in Indonesia, by clarifying the background, concept and scope of the project proposal made by the authorities concerned of the Government of Indonesia (hereinafter referred to as "the Indonesian side") and studying the viability of the Technical Cooperation.

During its stay in Indonesia, the Team had a series of discussions and exchanged views with the authorities concerned of the Government of Indonesia. As a result of the discussions, both sides reached a common understanding concerning the matters referred to in the document attached hereto.

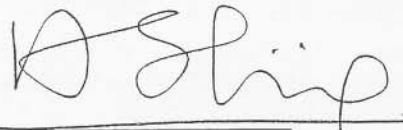
Jakarta, February 3, 2003



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1. Both parties exchanged views on the following items and studied the possibility of the technical cooperation in the future.

- (1) current status of power sector reform and the necessity of JICA's technical assistance;
- (2) current situation and future prospective on the balance of power demand and supply in the whole country, and probable power crisis of near future in Java-Bali system, by following up the report of "Study on the Optimal Electric Power Development and Operation in Indonesia", submitted by JICA on August 2002; and
- (3) request for development studies on "Study on Sumatra System Electricity Development, Optimal System Operation, and SCADA Master Plan" and "Study of the Hydroelectric Power Development in the Sa'dang River Basin in Consideration of Effective Transmission System Operation".

2. The results of discussion and possibilities of project formations are the following:

- (1) Power sector reform

Indonesian side explained the status of power sector reform. Both party have agreed to continue to seek possibilities of cooperation for capacity building in the field of:

- 1) regulatory and institutional frame work on technical aspect;
- 2) policy development on requirements of a competitive market; and
- 3) system planning of power development to sustain the long-term power balance

- (2) Java-Bali system

Both parties have confirmed the necessity of further studies to follow up the recommendation of "Study on the Optimal Electric Power Development and Operation in Indonesia" submitted by JICA, as mentioned below:

- 1) comprehensive study on existing power facilities for improvement of operation, maintenance and rehabilitation;
- 2) study on the effective use of captive power to mitigate possible power crisis in near future;

- (3) Request of development study

Both parties have confirmed the high priority of implementation for development "Study on Sumatra System Electricity Development, Optimal System Operation, and SCADA Master Plan", in the light of current

circumstances of priorities in balance of power demand and supply in the whole country.

### 3. Others

The Team explained that the final decision of implementation of the development studies or technical assistance would be made after consultation in Tokyo with relevant authorities of the Government of Japan. The Indonesian side understood this procedure.

## **TOR of the proposed Development Study**

### 1. Development study on operation, maintenance and rehabilitation

#### (1) Tentative Title

Comprehensive study on existing power facilities for improvement of operation, maintenance and rehabilitation

#### (2) Purpose

To increase effective supply capacity of power generation with possible economical manner to meet the medium-term demand mainly in Java-Bali system

#### (3) Activities

- a) Inventory survey of existing power facilities and current situation
- b) Actual inspection of facilities with hearing and monitoring
- c) Establishment of optimal rehabilitation scheme for each facility
- d) Analysis of current situation of operation and maintenance
- e) Propose of improvement of operation and maintenance procedures
- f) Economic and financial analysis

#### (4) Output

Recommendation for the improvement of operation and maintenance with technology transfer, and rehabilitation scheme with financial plan

### 2. Development study on captive power

#### (1) Tentative Title

Study on the effective use of captive power to mitigate possible power crisis in near future

#### (2) Purpose

To increase supply capacity of grid power generation with possible technical manner to balance the supply with the short-term demand in Java-Bali system

#### (3) Activities

- a) Inventory survey of existing captive power facilities and current situation
- b) Actual inspection of facilities with hearing and monitoring
- c) Study on technical countermeasures for captive power to connect to the grid
- d) Economic and financial analysis
- e) Recommendation for effective captive power use including to proposal for appropriate commercial arrangement

#### (4) Output

Utilization scheme of captive power to the grid for immediate measures