

付 属 資 料

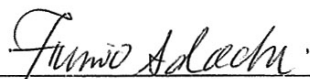
1. 署名したM/M及び S/W案
2. 署名した S/W 及び M/M
3. 発電設備視察記録
4. 送変電設備視察記録
5. 収集資料リスト

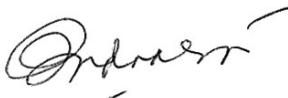
1. 署名したM/M及びS/W案


MINUTES OF MEETING
FOR
THE PROJECT FORMULATION STUDY
ON
UPDATE OF TRANSMISSION DEVELOPMENT PLAN OF
OPTIMAL ELECTRIC POWER
IN JAVA-BALI
IN THE REPUBLIC OF INDONESIA

AGREED UPON BETWEEN
THE MINISTRY OF ENERGY AND MINERAL RESOURCES,
PT. PLN (PERSERO)
AND
THE JAPAN INTERNATIONAL COOPERATION AGENCY

Jakarta, 16th August, 2007


Ms. Fumio Adachi
Team Leader
Project Formulation Study Team
Japan International Cooperation Agency


Ms. Emy Perdanahari
Director of Electricity Program Supervision
Directorate General of
Electricity and Energy Utilization
Ministry of Energy and Mineral Resources


Dr. Herman Darnel Ibrahim
Director of Transmission and Distribution
PT. PLN (PERSERO)

The Government of Republic of Indonesia (hereinafter referred to as “the Government of Indonesia”) officially requested the Government of Japan to implement the Update of Transmission Development Plan of Optimal Electric Power in Java-Bali (hereinafter referred to as “the Study”) in August 2006. In response to the request, the Project Formulation Study Team (hereinafter referred to as “the Team”) organized by the Japan International Cooperation Agency (hereinafter referred to as “JICA”) was dispatched and had a series of discussions with the authorities concerned of the Government of Indonesia from August 7th to August 16th, 2007 (List of Main Attendants is shown in Attachment I.).

The discussions were conducted in a cordial atmosphere and both parties agreed to record the following points as summarized conclusions of the discussions between Indonesian side, the Ministry of Energy and Mineral Resources (hereinafter referred to as “MEMR”) and PT. PLN (PERSERO) KANTOR PUSAT (hereinafter referred to as “PLN”), and the Team.

1. Basic Mutual Understandings

In response to soaring world oil prices since 2005, MEMR accelerates the construction of new coal thermal power plants and has target to raise the percentage of coal thermal power plants from 42%(2006) to 71%(2010) in its twenty-year national electricity general plan (hereinafter referred to as “RUKN”). Besides, MEMR has begun to take concrete actions to run a nuclear power plant by 2017 for stable power supply. In addition, the construction of a southern high voltage transmission line (500KV) from Paiton to Depok III was completed in 2006, and also electricity generated in Sumatra is expected to be transmitted to Java by DC interconnection by 2012. In consideration of these situations, MEMR and PLN are immediately required to update the present power development plan.

Because of insufficient capacity, MEMR and PLN need JICA’s support to develop the twenty-year power development plan in Java-Madura-Bali (hereinafter referred to as “Jamali”). Both parties confirmed that MEMR will consider the outcome of the Study to formulate RUKN and that PLN also will consider the outcome of the Study to formulate its ten-year power supply plan (RUPTL).

2. Agreement of draft Scope of Work

Based on the above mutual understandings, both parties discussed detailed contents of the Study and reached an agreement on the draft Scope of Work as Attachment II.

3. Title of the Study

Both parties agreed that the title of the Study shall be changed from “Update of Transmission Development Plan of Optimal Electric Power in Java-Bali” to “The Study on Optimal Electric Power Development in Java-Madura-Bali”.

4. Understanding of the Draft Scope of Work

Both parties agreed that the Study will consider the improvement plan of existing transmission and substation facilities i.e rehabilitation, extension of transmission and substation facilities and power system

Handwritten initials 'NS', 'R', and 'P' are written in the right margin. A checkmark is drawn to the right of these initials.

F.A.

operation regarding entering the new power plants to the transmission system under the crash program (10,000 MW).

The Study will also consider the power development plan of Jamali system including strategies of IPP developments, developments of nuclear power plants and developments of mine mouth power plants in Sumatra for Jamali power demand.

The Team agreed that the issues on the appropriate generation capacity in one site and environmental impacts will be covered in the Scope of Work of the Study.

* Power system operation will not include power dispatching center.

5. Institutional Framework for the Study

MEMR shall act as the coordinating body for the authorities concerned, such as BAPPENAS, PLN including Penyaluran dan Pusat Pengatur Beban Jawa Bali (hereinafter referred to as "P3B JB"), Indonesia Power and PJB to conduct smooth implementation of the Study.

Both parties reached an agreement to organize a steering committee and a counterpart team which shall be established by MEMR before implementing the Study.

1) Steering Committee

To ensure smooth collaboration between relevant organizations of the Indonesian side and the JICA study team and to monitor the progress of the Study, the steering committee shall be held by MEMR in a timely manner. The steering committee shall be composed of representatives from MEMR, BAPPENAS, PLN, team and the JICA study team and it will be chaired by MEMR.

2) Counterpart Team

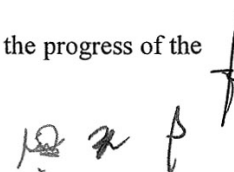
To conduct the Study smoothly and efficiently, and to realize technology transfer for staff in related institutions in the course of the Study, the counterpart team shall be organized by MEMR. The counterpart team shall be composed of MEMR, BAPPENAS, PLN including P3B JB, Indonesia Power, and PJB not only to facilitate and provide data and information such as "a." to "e." but also to actively contribute and participate on the Study activities.

- a. Power Demand Forecast
- b. Development Plan of Power Resources/Primary Energy Review
- c. Development Plan of Transmission System
- d. Economic and Financial Analysis/Promotion of Private Investment
- e. Environmental and Social Consideration

6. Workshop

Both parties agreed that workshops shall be held three times in order to confirm the progress of the

F.A.

Handwritten signature and initials, possibly 'F.A.' and 'P3B JB', with a vertical line extending upwards from the right side.

Study among stakeholders. First workshop will be held in Jakarta at the time of submission of inception report. Second workshop will be held in Surabaya at the time of submission of interim report. Third workshop will be held in Jakarta at time of submission of draft final report. All the arrangement of workshops shall be made by MEMR in cooperation with PLN. JICA will closely cooperate with MEMR and PLN by preparing the necessary documents and presentation, and by providing necessary expenses for venue.

7. Technology Transfer Seminar

Both parties agreed that technology transfer seminar shall be held one time in Surabaya. The contents of the technology transfer seminar will include the transmission design, operation and technology.

8. Environmental and Social Considerations

The Team explained that JICA had introduced the Guideline for Environmental and Social Considerations for all projects, and consequently, the guideline would be also applied to the Study. As a study on electric power development planning, the Study will be classified as Category B and therefore, surveys on environmental and social aspects are required to foresee environmental and social impacts of each development project. The Indonesian side understood the necessity of such surveys and agreed to take into account these impacts and mitigation measures in the Study.

9. Utilization of Proposals by JICA Master Plan Studies

"The study on the improvement measures for electric power generation facilities in Java-Bali region (2005-2006)" and "The master plan study on geothermal power development (2006-2007)" are JICA studies to show how to increase power supply in Java-Bali region. Therefore, the analysis of existing development plan of power resources in the Study shall refer to the recommendations of these two studies. Besides, MEMR and PLN explained that they would discuss with JICA on the utilization of the former studies before signing of the Scope of Work.

Both parties agreed the Study would be conducted based on the outcome of the previous JICA studies.

10. Undertakings of Indonesian Side

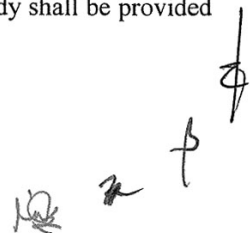
1) Budget allocation

The budget for counterpart personnel related to the Study will be borne by each Indonesian institution.

2) Office space

Office space with enough furnishing for the JICA study team to implement the Study shall be provided by PLN.

F.A



11. Procedure before Implementation of the Study

Some procedures as follows should be taken before the Study starts.

- 1) Internal procedure in the Government of Japan for approval of the Study.
- 2) Preparatory study for finalizing the scope of work for the Study if necessary.
- 3) Signing the scope of work by representatives of both parties.

Attachment I: List of Main Attendants

Attachment II: Draft Scope of Work

F.A.



List of Main Attendants

Ministry of Energy and Mineral Resources

Ms. Emy Perdanahari, Director of Electricity Program Supervision, Directorate General of Electricity and
Energy Utilization

Mr. Benhur PL Tobing, Deputy Director, Electric Power Planning

PT. PLN

Dr. Herman Darnel Ibrahim, Director for Transmission and Distribution

Mr. Bambang Hermawanto, Deputy Director of System Planning

Mr. Indra Tjahja, Planning Manager for Java-Bali Region

Mr. Susanto Wibowo, Manager of Planning, P3B JB

JICA Project Formulation Study Team

Ms. Fumio Adachi, Team Leader

Mr. Kenji Okamura, Study Planning

Mr. Noboru Yumoto, Power Development Planning/Environmental and Social Considerations

Mr. Kenichi Kuwahara, Planning for Transmission and Substation

JICA Indonesia Office

Mr. Takashi Sakamoto, Resident Representative

Mr. Hiroyuki Katayama, Deputy Resident Representative

Mr. Katsuhiko Ohara, Program officer

JICA Expert

Mr. Masahiko Nagai

F.A.

