



REPUBLIC OF INDONESIA  
MINISTRY OF NATIONAL DEVELOPMENT PLANNING/  
NATIONAL DEVELOPMENT PLANNING AGENCY

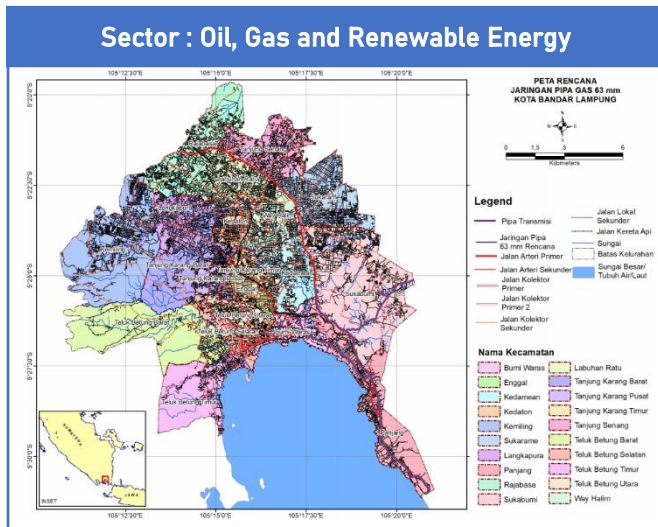
# PUBLIC PRIVATE PARTNERSHIP

INFRASTRUCTURE PROJECTS PLAN IN INDONESIA

# 2022

# Natural Gas Distribution Network for Bandar Lampung City Households

Location : Bandar Lampung, Lampung Province



**Sub-Sector : Natural Gas**

**Description:**  
Construction and operation network distribution of household gases from the tie-in to stove connection for 329,395 home connections in Bandar Lampung City. There are 2 (two) business activities related to piped gas, as a transporter and as a gas distributor through pipelines.

**Estimated Project Cost: USD 184.67 Million**

**Financial Feasibility:**  
IRR : Under Calculation  
NPV : Under Calculation

**Estimated Concession Period: 30 years**

**Government Contracting Agency:**  
Minister of Energy and Mineral Resources

**Type of PPP:**  
Solicited

**Return of Investment:**  
Under Review

## Indicative Project Schedule



## Indicative Project Structure

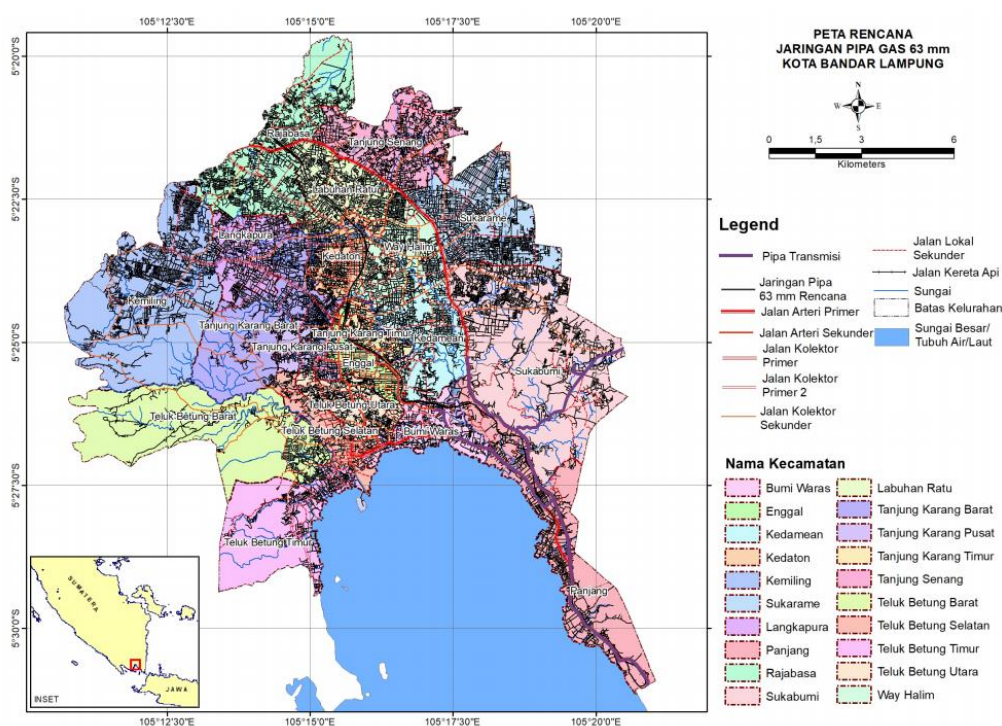
**Will be determined in OBC/FBC**



## Project Digest

<b>Project Title</b>	<b>Construction of Natural Gas Distribution Network for Bandar Lampung City Households</b>
<b>Government Contracting Agency</b>	Minister of Energy and Mineral Resources
<b>Implementing Agency</b>	Under Review
<b>Preparation Agency</b>	Directorate General of Oil and Gas & LEMIGAS
<b>Project Cost</b>	USD 184.67 Million
<b>Estimated Concession Period</b>	30 years
<b>Location</b>	Bandar Lampung, Lampung Province

### 1. Project Picture (Map and/or Illustration of Project)



Picture 1 – Layout of Natural Gas Network for Bandar Lampung City Household

## 2. The Opportunity

### 2.1. Project Background

Bandar Lampung City has a potential customer of 329,395 households, with an area of 197.22 km<sup>2</sup>. To support the government program in Reduce LPG imports, a natural gas distribution network for households will be built in the city of Bandar Lampung. The choice of Bandar Lampung City, among others, is due to its proximity to the gas transmission and distribution network, natural gas allocation, population density, and support from the local government, as well as a major potential to develop a commercial gas network. For those reasons, Bandar

Lampung City was selected as one of the regions where the gas distribution network to be carried out through PPP.

## **2.2. Project Description**

Construction and operation of the gas distribution network from the tie-in to household stove connection for 329,395 household connections in Bandar Lampung City.

## **2.3. Project Objectives**

The objectives of the Natural Gas Network for Bandar Lampung City Household are as follows:

- Meeting the target of the National Mid-Term Development Plan (RPJMN) 2020-2024;
- Increasing the access to household fuel services, especially the gas pipeline to the public;
- Improving the government's performance in delivering the household fuel services;
- Supporting the energy diversification program in reducing the consumption of subsidized LPG;
- Supporting the government's program in providing the cleaner and more secure energy.

## **3. Business Entity's Scope of Work**

The Project will implement the Design - Build - Finance - Operate - Maintenance - Transfer (DBFOMT) scheme. The business entity is responsible for:

- building assets;
- operating within a certain period;
- providing services at an agreed level to the community;
- transferring ownership to the government after the cooperation period ends;
- securing minimum income guarantees and / or additional income if service performance exceeds the agreement.

## **4. Technical Specification**

Project technical specification will be further studied during the finalization of the FBC report.

## **5. Environmental Impact Assessment (EIA/AMDAL) Findings**

Any environmental document requirement will be identified in the OBC/FBC.

## **6. Land Acquisition and Resettlement Action Plan**

The land will be procured by the GCA and the detailed plan will be provided the OBC/FBC stage (before the procurement of business entity).

## 7. Project Cost Structure

<b>Estimated Project Cost</b>		<b>USD 184.67 Million</b>
<b>Indicative Debt to Equity Ratio</b>		
- Debt Level		70%
- Equity Level		30%
IRR		Under Calculation
NPV		Under Calculation

## 8. Government Support and Guarantee

The Preliminary Study of the project indicates the need for government supports which will be further analyzed in the OBC/FBC stage.

## 9. Contact Information

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