



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

PUBLIC PRIVATE PARTNERSHIP

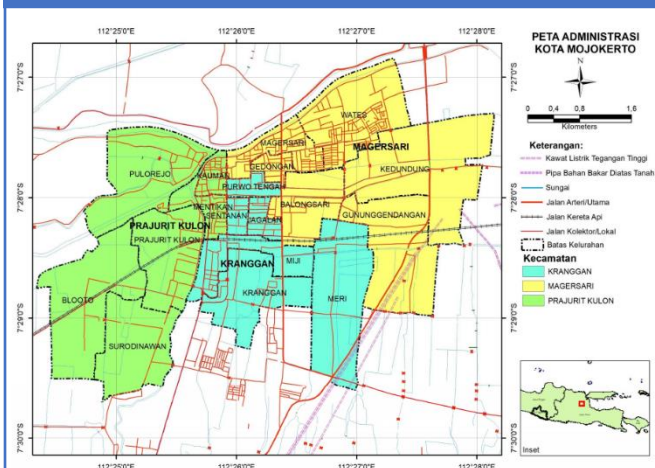
INFRASTRUCTURE PROJECTS PLAN IN INDONESIA

2022

Natural Gas Distribution Network for Mojokerto City Households

Location : Mojokerto, East Java Province

Sector : Oil, Gas and Renewable Energy



Sub-Sector : Natural Gas

Description:

Construction and operation network distribution of household gases from the tie-in to stove connection for 29,575 home connections in Mojokerto 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 16.38 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



Project Status : Preliminary Study

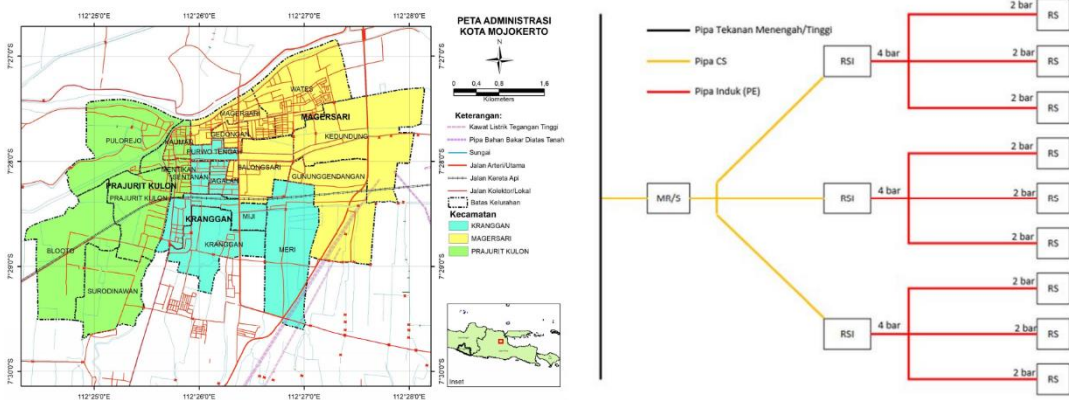
Indicative Project Structure

Will be determined in OBC/FBC

Project Digest

Project Title	Construction of Natural Gas Distribution Network for Mojokerto City Households
Government Contracting Agency	Minister of Energy and Mineral Resources
Implementing Agency	Under Review
Preparation Agency	Directorate General of Oil and Gas & LEMIGAS
Project Cost	USD 16.38 Million
Estimated Concession Period	30 years
Location	Mojokerto, East Java Province

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



Picture 1 – Layout of Mojokerto City and Pipe Network Scheme in the Mojokerto city

2. The Opportunity

2.1. Project Background

To support the government program in reducing the LPG imports, the provision of the natural gas distribution network for households in Mojokerto City needs to be carried out. The city location is near the existing gas transmission and distribution network, availability of natural gas allocation, population density, regional government support, as well as great potential to develop a gas distribution network for commercial and industrial sectors. For that reason, Mojokerto City was selected as one of the regions where the gas distribution network to be carried out through PPP.

Mojokerto City has 45,027 households with an area of 16.50 km². Currently, a number of 15,452 households have been connected with the gas distribution network. The government plans to add 29,575 household connections under PPP scheme. This is 100% of the potential household connections.

2.2. Project Description

Construction and operation of gas distribution network from the tie-in to the household stove connection for 29,575 household connections in Mojokerto City.

2.3. Project Objectives

The objectives of Natural Gas Network for Mojokerto 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 household fuel services;
- Supporting the energy diversification program in reducing the consumption of subsidized LPG;
- Supporting the government's program in providing a 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 specifications 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 a detailed plan will be provided in the OBC/FBC stage (before the procurement of business entity).

7. Project Cost Structure

Estimated Project Cost		USD 16.38 Million
Indicative Debt to Equity Ratio		
- 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 support which will be further analyzed in the OBC/FBC stage.

9. Contact Information

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