AMENDMENT TO REGULATION OF MINISTER OF INDUSTRY NUMBER 54/M-IND/PER/3/2012 CONCERNING GUIDELINE FOR USING LOCAL PRODUCT FOR CONSTRUCTION OF INFRASTRUCTURE ELECTRIC POWER

(Regulation of Minister of Industry of R.I Number 05/M-IND/PER/2/2017, dated February 9, 2017)

WITH THE BLESSING OF THE ONE AND ONLY GOD

MINISTER OF INDUSTRY

OF THE REPUBLIC OF INDONESIA

Considering:

a. whereas in the context of accommodating progress of technology on supply of electric power based on phototovoltaik, it is necessary to amend the regulation pertaining to guideline for using Local Product from Sun Electric Power Generator and amend Regulation of Minister of Industry Number 54/M-IND/PER/3/2012, concerning Guideline for Using Local Product for Infrastructure for Electric Power;

b. whereas based on the consideration referred to in letter a, it is necesssary to stipulate Regulation of Minister of Industry on amendment to Regulation of Minister of Industry Number 54/M-IND/PER/3/2012, concerning Guideline for Using Local Product for construction of infrastructure for electric power use;

In view of:

1. Law Number 3 Year 2014, concerning Industry (Statute Book of Republic of Indonesia Year 2014 Number 4, Supplement to Statute Book of Republic of Indonesia Number 5492);

2. Presidential Regulation Number 29 Year 2015, concerning, Ministry of Industry (Statute Book of the Republic of Indonesia Year 2015 Number 54);

3. Regulation of Minister of Industry Number 54/M-IND/PER/3/2012, concerning Guideline for Using Local Product for Infrastructure for electric power (State Gazette Republic of Indonesia Year 2012 Number 342);

4. Regulation of Minister of Industry Number 107/M-IND/PER/11/2015, concerning Organization and Work Procedure of Ministry of Industry (State Gazette of the Republic of Indonesia Year 2015 Number 1806);

5. Regulation of Minister of Industry Number 04/M-IND/PER/2/2017, concerning terms and conditions for evaluation of level of local component for Sun Electric Power Generator (State Gazette of the Republic of Indonesia Year 2017 Number 274);

D E C I D E S :

To stipulate:

REGULATION OF MINISTER OF INDUSTRY ON AMENDMENT TO REGULATION OF MINISTER OF INDUSTRY NUMBER 54/M-IND/PER/3/2012, ON GUIDELINE FOR USING LOCAL PRODUCT FOR CONSTRUCTION OF INFRASTRUCTURE FOR ELECTRIC POWER.

Article I

Several provisions in Regulation of Minister of Industry Number 54/M-IND/ PER/3/2012, concerning Guideline for Using Local Product for construction of Infrastructure for Electric Power have been amended as follows:

1. Add three (3) figures, namely figure 25, figure 27, and figure 28, to provisions in Article 1 so as to read as follows:

"Article 1

1. Infrastructure for electric power covering generator, master installation, transmission network, and distribution of electric power.

2. Construction of infrastructure for electric power shall be construction of generator, master installation, transmission network, and/or electric power distribution.

3. Local Product shall be goods and services including design and build and engineering produced or worked out by company investing and producing in Indonesia, wherein the producing process of which is probably using imported components.

4. Level of Local Component, hereinafter referred to as TKDN, shall be local component which is combined goods and services in any series of goods and services at every construction of infrastructure for electric power use.

5. Weight shall be figures equivalent to price / material cost / work service of any project as stipulated based on capacity of local industry for obtaining TKDN content of any infrastructure for electric power.

6. Local component for goods shall be use of local basic material, design and build, and engineering covering elements of manufacture, fabrication, engineering, and final completion of work carried out locally.

7. Local Component for Services shall be services provided locally using experts power and local software.

8. Local component of combined goods and services shall be use of basic material, design and build, and engineering containing elements manufacture, fabrication, assembling, work completion, and services worked out locally using local experts manpower and software.

9. Goods shall be items / things in the form of main component forming a system of infrastructure for electric power.

10. Services shall be service in the form of consultancy, Engineering, Procurement, and Construction (Jasa EPC), trial test and certification, training, and/or support services.

11. Engineering, Procurement, and Construction companies hereinafter referred to as EPC Company, shall be business entity providing combined services on planning, design and build, procurement of equipment and material, and carrying out construction work, including operation, maintenance, and trial testing, hol;ding certification, classification, and qualification in line with the provisions in the statutory regulation.

12. National company shall be business entity operating in integrated construction service duly established under the law of ndonesia, which share ownership and management are partly or wholy belong to and controlled by Indonesian citizen or Indonesia legal entity.

13. Foreign company shall be business entity operating on integrated construction service and established under the law of Indonesia.

14. User of goods / services shall be business entity operating business in provding goods and services to construction of infrastructure for electric power use.

15. Goods / Services Provider shall be business entity operating business in providing goods and services for construction of infrastructure for electric power use.

16. Minister shall be Minister exercising Administration affair on industry.

17. Director General shall be Director General in charge of industry on machinery at the Ministry of Industry.

18. Steam Power Electric Power Generator (PLTU) shall be electric power generator that changes steam kinetic energy to produce electric power, using main energy source from Coal, Biomass and other relevant energy sources.

19. Water Power Electric Generator (PLTA) shall be electric power genreator that changes potential energy and kinetic water energy to produce electric power, not only limited to water from reservoir or waterfall, but also covering electric power generator using water power in other form such as waves power.

20. Geothermal Electric Generator (PLTP) shall be electric power generator using hydrothermal basic material or steam from geohermal as its main source of energy.

21. Gas Power Elelctric Generator (PLTG) shall be electric generator that changes pressured gas kinetic energy to produce electric power, using main energy source from natural gas and other relevant energy sources.

22. Steam Gas Electric Power Generator (PLTGU) shall be electric generator that merged PLTU and PLTG, where PLTG exhaust gas still with high temperature used to change standard water into steam.

23. Sun Electric Power Generator (PLTS) shall be electric power generator utilizing sun rays as the source of electric power, with main device to catch, changer, and producer of electric power shall be Photovoltaic generally called as Modul/Panel Solar Cell.

24. Gas Insulated Switchgear (GIS), shall be Master Installation that is busbar and ther main device thereof is placed in a cylinder and isolated by one gas SF6 and the other so as to make its physical construction compact.

25. PLTS Tersebar Berdiri Sendiri or Spreaded PLTS Stand Alone shall be PLTS spreading out and automatically connected with charges or electric utilizer without distribution network. (agak ragu, perlu ahli listrik di sini)!.

26. PLTS Terpusat Berdiri Sendiri shall be PLTS located at a location where electric energy is distributed to posts utilizing electric power not connected to the network of Perusahaan Listrik Nasional (PLN), or known as off-grid.

27. PLTS Terpusat Terhubung shall be PLTS placed in a location where electric energy is automatically connected to PLN network, or known as on-grid.

2. The provisions in letter a and letter b of Article 11 have been amended by adding letter c, so that Article 11 now reads as follows:

Article 11

The value of TKDN on Goods and services for PLTS covers:

a. PLTS Tersebar Berdiri Sendiri; = Spreaded and Stand Alone
b. PLTS Terpusat Berdiri Sendiri; dan = Centered and Stand Alone
c. PLTS Terpusat Terhubung. = Centered Connected

3. The provision in Article 12 has been amended, so as to read as follows:

Article 12

(1) PLTS Tersebar Berdiri Sendiri referred to in Article 11 paragraph (1) letter a consists of:
   a. main component consisting of sun (surya) module, battery, battery control unit, modul stand (penyangga), cable, and accessories; and
   b. services consist of tranmission service and installation service.

(2) Value of TKDN of goods and services for PLTS Tersebar Berdiri Sendiri as referred to in paragraph (1) shall be:
   a. TKDN of goods is minimum 39,87%;
   b. TKDN of services is 100%; and
   c. TKDN of combined goods and services is minimum 45,90%.

(3) TKDN of goods is minimum as referred to in paragraph (2) letter a consisting of:
   a. sun module with TKDN minimum 40%;
   b. battery with TKDN is minimum 40%;

c. battery control unit with TKDN is minimumn 10%;

d. module stand with TKDN is minimum 42,40%; and

e. cable with TKDN is minimum 90,00%.

4. Provision in Article 13 has been amended so as to read as follows:

Article 13

(1) Centralized Self-contained PLTS as referred to in Article 11 letter b consists of:

a. main component consists of sun module, inverter and solar charge controller, DC combiner box, distribution panel, battery, cable (AC and DC), system protection, module stand, and energy limiter; and

b. Services consisting of transmission service, Services consisting transmission service, installation service, and construction service

(2) The value of TKDN of goods and services for PLTS Terpusat Berdiri Sendiri as referred to in paragraph (1) with installed per unit, namely:

a. TKDN of goods is minium 37,47%;

b. TKDN of services is 100%; and

c. TKDN combined goods and services is minimum 43,72%.

(3) TKDN of goods of minimum as referred to in paragraph (1) letter a consists of:

a. sun (surya) module with TKDN minimum 40%;

b. DC combiner box with TKDN minimum 20%;

c. distribution panel with TKDN minimum 40,00%;

d. battery with TKDN minimum 40,00%;

e. cable with TKDN minimum 90,00%;

f. protection system with TKDN minimum 20,00%;

g. module stand with TKDN minimum 42,40%; and

h. energy limited with TKDN minimum 40%.

5. Insert in between Article 13 and Article 14 and one (1) Article, namely Article 13A so as to read as:

Article 13A

(1) PLTS Terpusat Terhubung as referred to in Article 11 letter c consisting of:

a. main component consisting of sun module, inverter, DC combiner box, distribution panel, travo, cable (AC dan DC), protection system, and module stand / support; and

b. Services consisting of transmission service, installation service, and construction service.

(2) Value of TKDN of goods and services for PLTS Terpusat Terhubung referred to in paragraph (1) with installed per unit, namely:

a. TKDN of goods minimum 34,09%;

b. TKDN of services 100%; dan

c. TKDN combined goods and services minimum 40,68%.

(3) TKDN of goods of minimum as referred to in paragraph (1) letter a consists of :

a. surya module with TKDN minimum 40%;

b. DC combiner box wiith TKDN minimum 20%;

c. distribution panel with TKDN minimum 40,00%;

d. travo with TKDN minimum 40,00%;

e. cable with TKDN minimum 90,00%;

f. protection system with TKDN minimum 20,00%; and

g. module support / stand with TKDN minimum 42,40%.

6. Insert in between Article 13A and Article 14 one (1) Article, namely Article 13B so as to read as follows:

Article 13B

Value of TKDN is minimum for surya module as referred to in Article 12 paragraph (3) letter a, Article 13 paragraph (3) letter a, and Article 13A paragraph (3) letter a:

a. now minimum 50%, on the provision that it takes effect as of January 1, 2018; and
b. now minimum 60%, on the provision that it takes effect as of January 1, 2019.

7. Provision in Article 15 has been amended so as to read as follows:

Article 15

(1) The provisions and procedures for calculating TKDN for goods, services and combined goods and services for each power plant and transmission line, substation, and electricity distribution network as referred to in Article 6 up to Article 10 and Article 14 refers to Regulation Minister of Industry Number 16 / M-IND / PER / 2/2011 concerning Provision and Procedure for computing level of local component and / or amendment thereto.

(2) Provision and procedure for computing TKDN for goods and services, and combined goods and services for PLTS as referred to in Article 11 through Article 13A shall refer to Regulation of Minister of Industry Number 04/M-IND/PER/2/2017, concerning provision and procedure for evaluating level of local component for Sun Electric Power Generator (State Gazette Republic of Indonesia Year 2017 Number 274) andor amendment therto.

Article II

This Regulation of Menteri takes effect on the date it is enacted.

For public recognition this Regulation of Minister shall be announced by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
Dated February 9, 2017
MINISTER OF INDUSTRY
OF THE REPUBLIC OF INDONESIA,
sgd.
AIRLANGGA HARTARTO
Enacted in Jakarta
Dated February 13, 2017
DIRECTOR GENERAL OF STATUTORY REGULATION
OF MINISTRY OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,
sgd.
WIDODO EKATJAHJANA
(MA)