

Coal Bed Methane (CBM) Development in Indonesia: The Economics of the Stakeholders' Perspective

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About



Background (Electricity Demand & Supply, Government Plan & CBM in Indonesia)

Research Questions

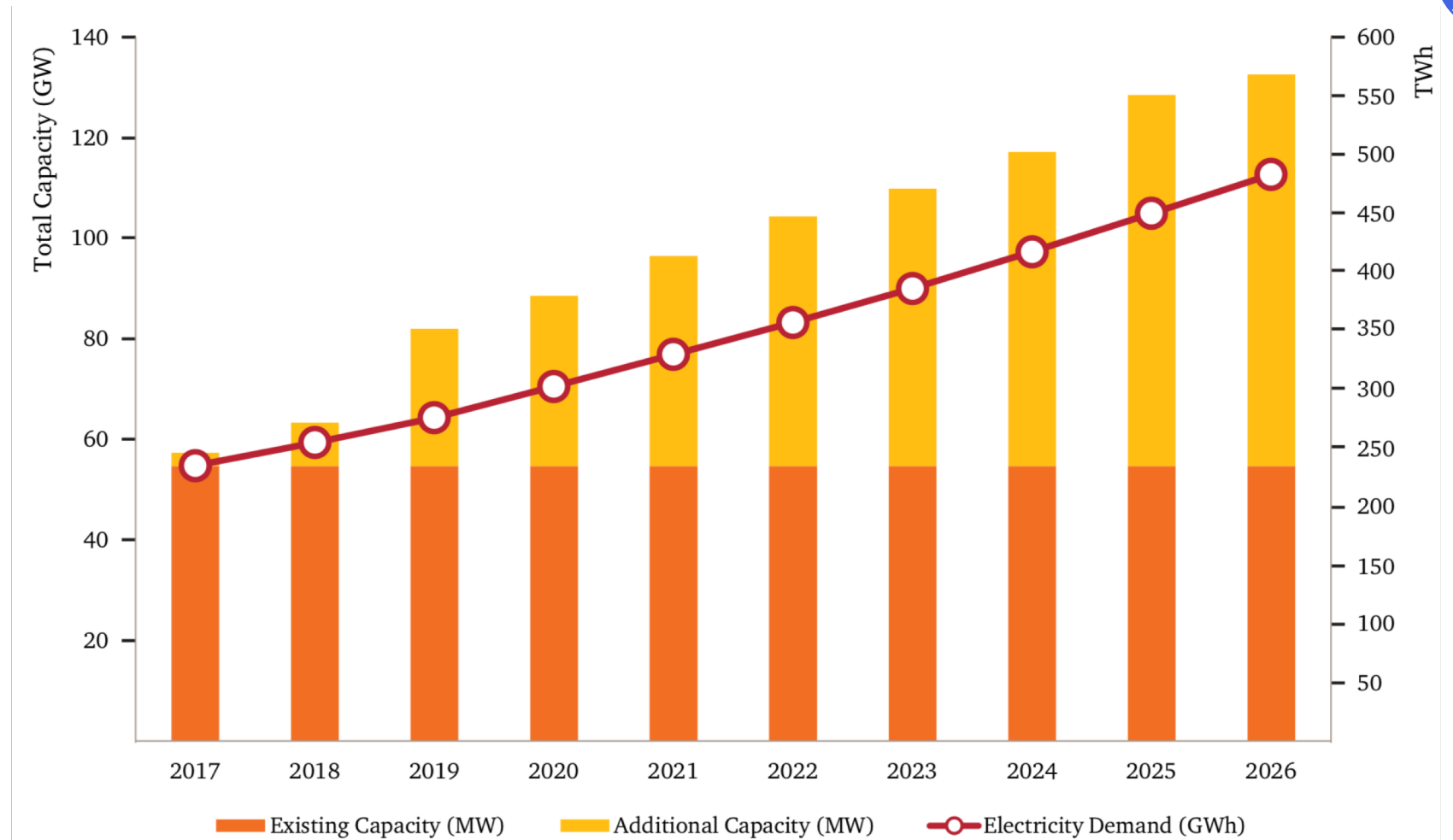
Methodology (Data Collection; Analysis)

Findings & Analysis

Conclusions & Recommendations



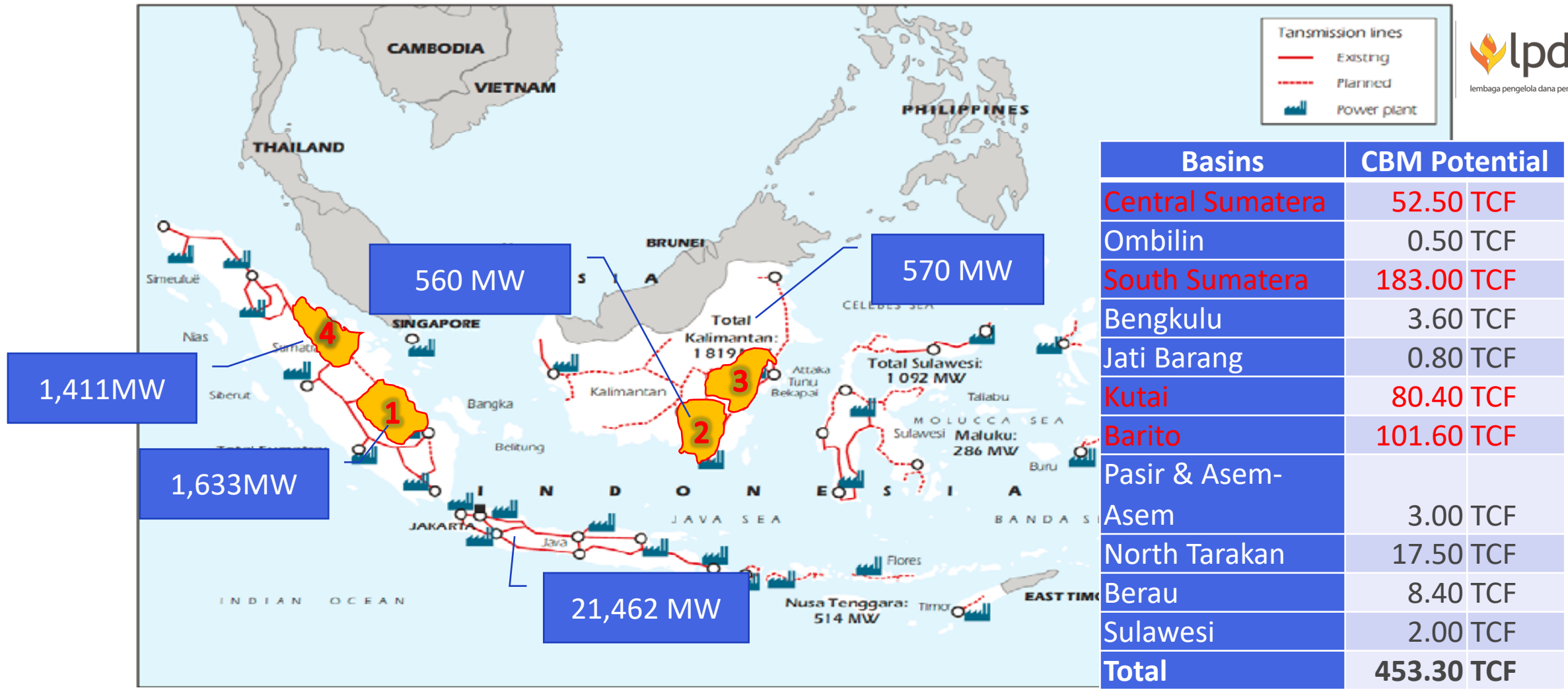
Electricity Demand in Indonesia



Source: RUPTL, 2017 (Electricity Supply Business Plan, 2017 by the Ministry of Energy & Mineral Resources, Republic of Indonesia)

General Plan for National Electricity 2015 -2034
Government Program - 35,000MW

CBM Potential Resources & 2017 Electricity Supply



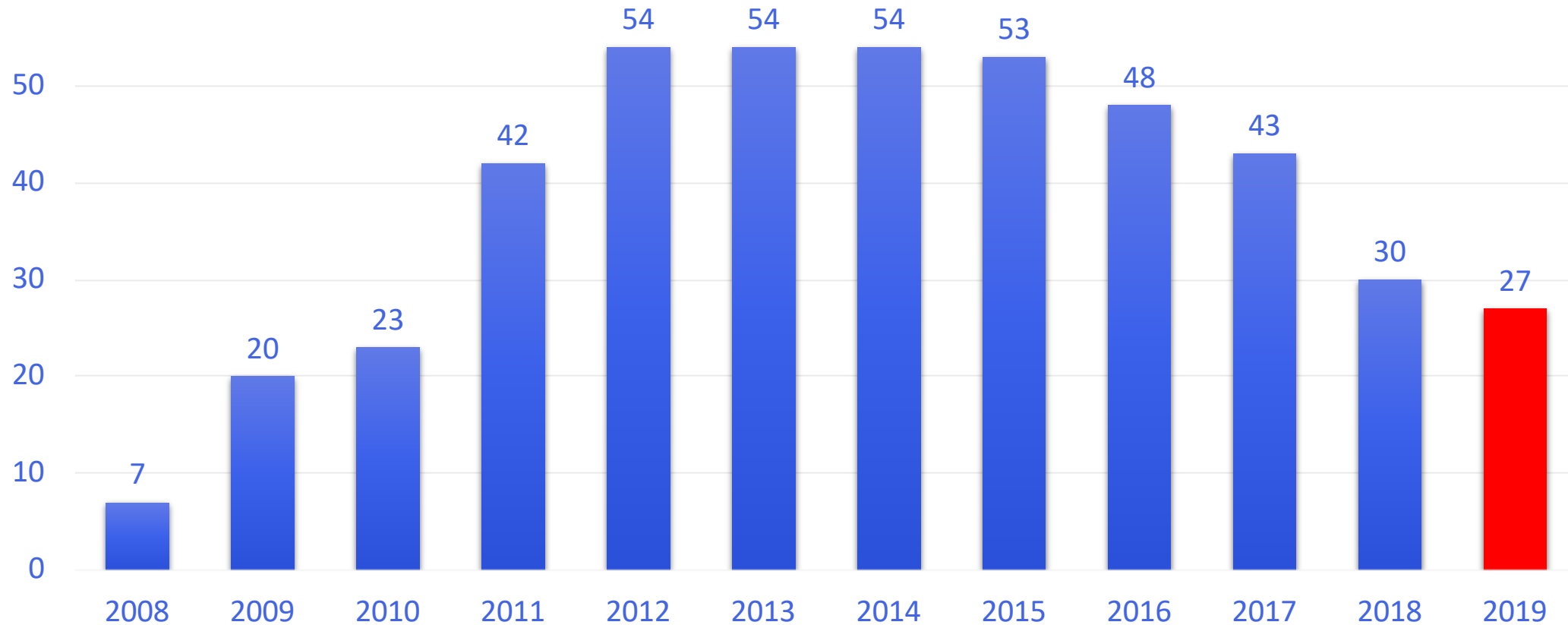
(International Energy Agency, 2014 &

Directorate General of Electricity Ministry of Energy & Mineral Resources, Republic of Indonesia, 2017)

CBM projects growth



The Number of CBM projects in Indonesia



Sources: Graph is developed by the Author in 2018 using the data from SKKMigas (2018)



Research Questions

- What are the issues that impede the CBM (Coal Bed Methane) development in Indonesia?



Identifying Issues

Local Impact & Local Expectation towards CBM Development

Survey

- 6th - 21st December 2017
- 4 Basins – 11 villages (161 collected, 25 sampling errors, 130 analysed)

How?

Blocks CBM in Indonesia

Villages located Closest to CBM Well

Interviews

- 8th Jan 2018 – 16th May 2018
- One to One Interview, Phone, & email
- Open questions

Who?

Government

Investors

Industry Association

Consultancies

Focus Group Discussion

- 4th Feb 2018

Who?

Government

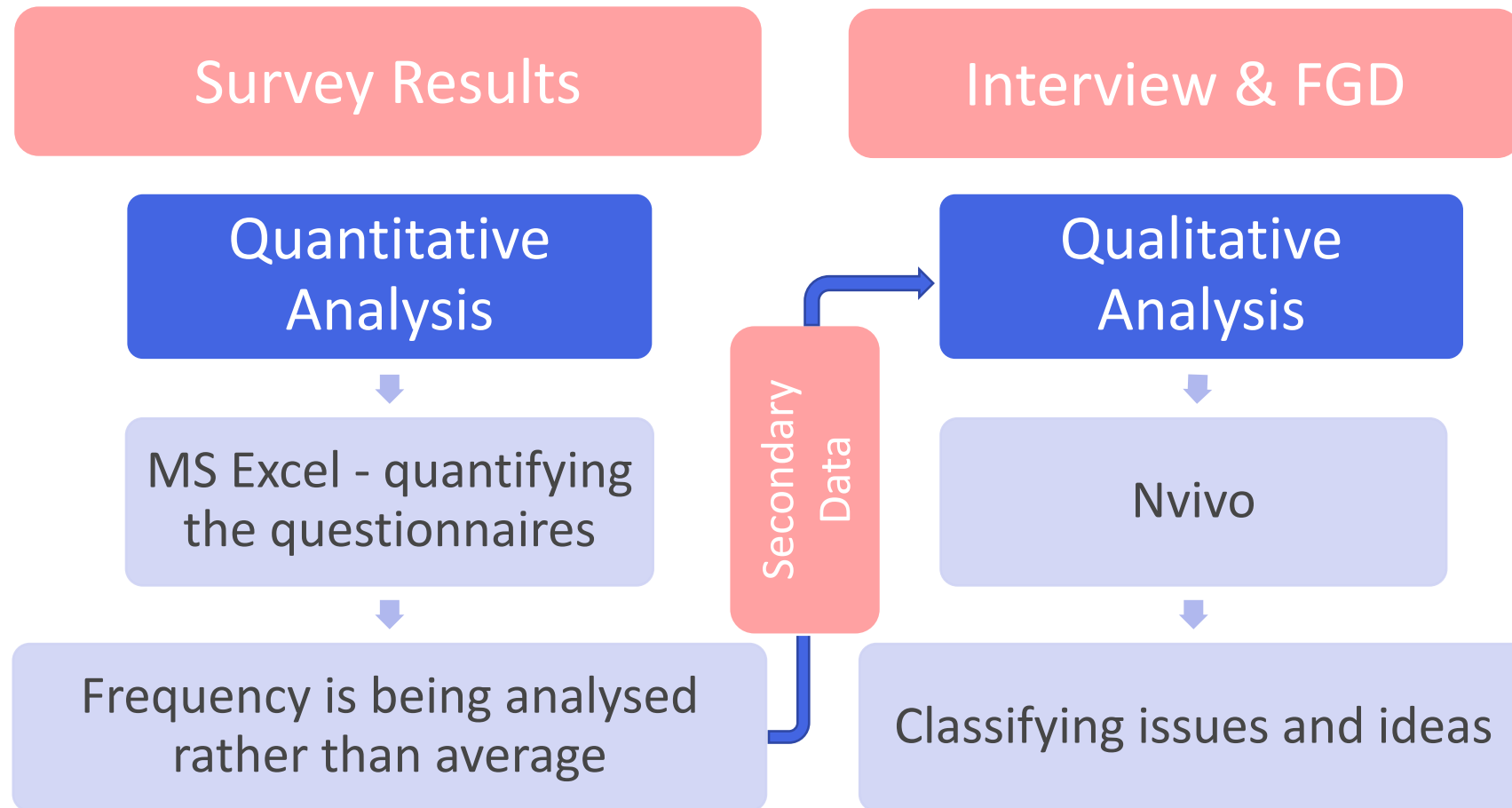
Investors

Industry Association

Local Communities *)

Primary Data Collections Processes



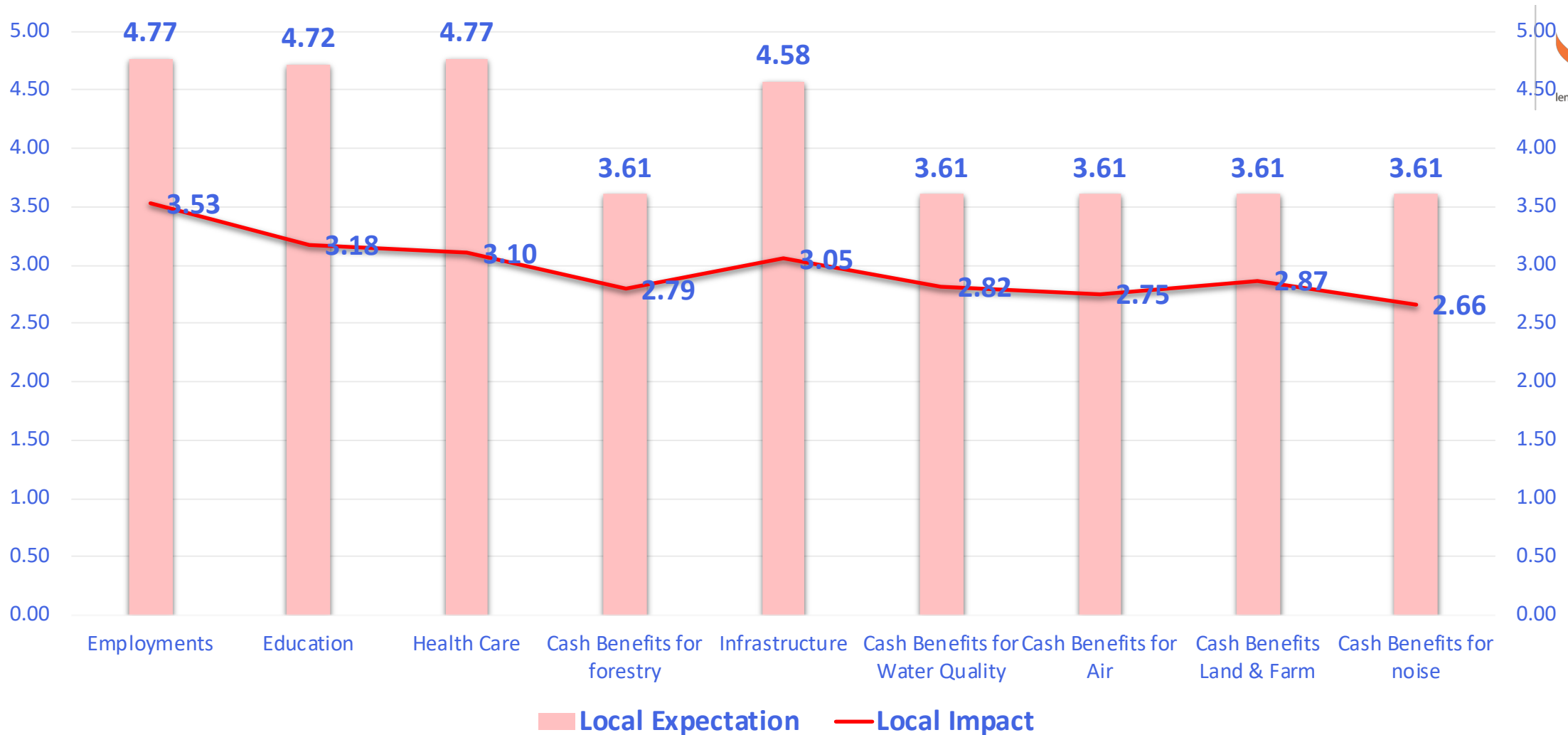


Data Analysis Processes

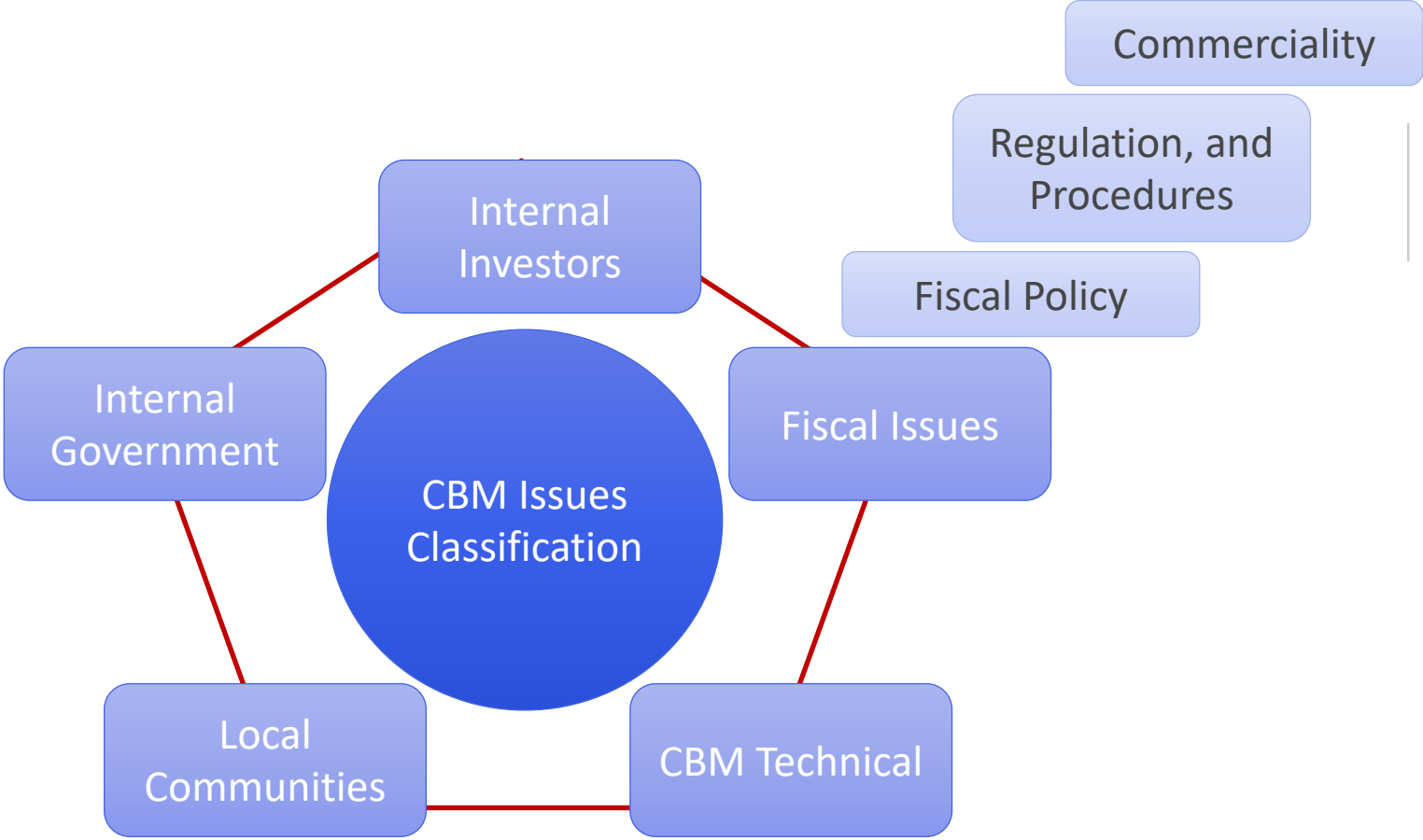
Results Analysis - Survey



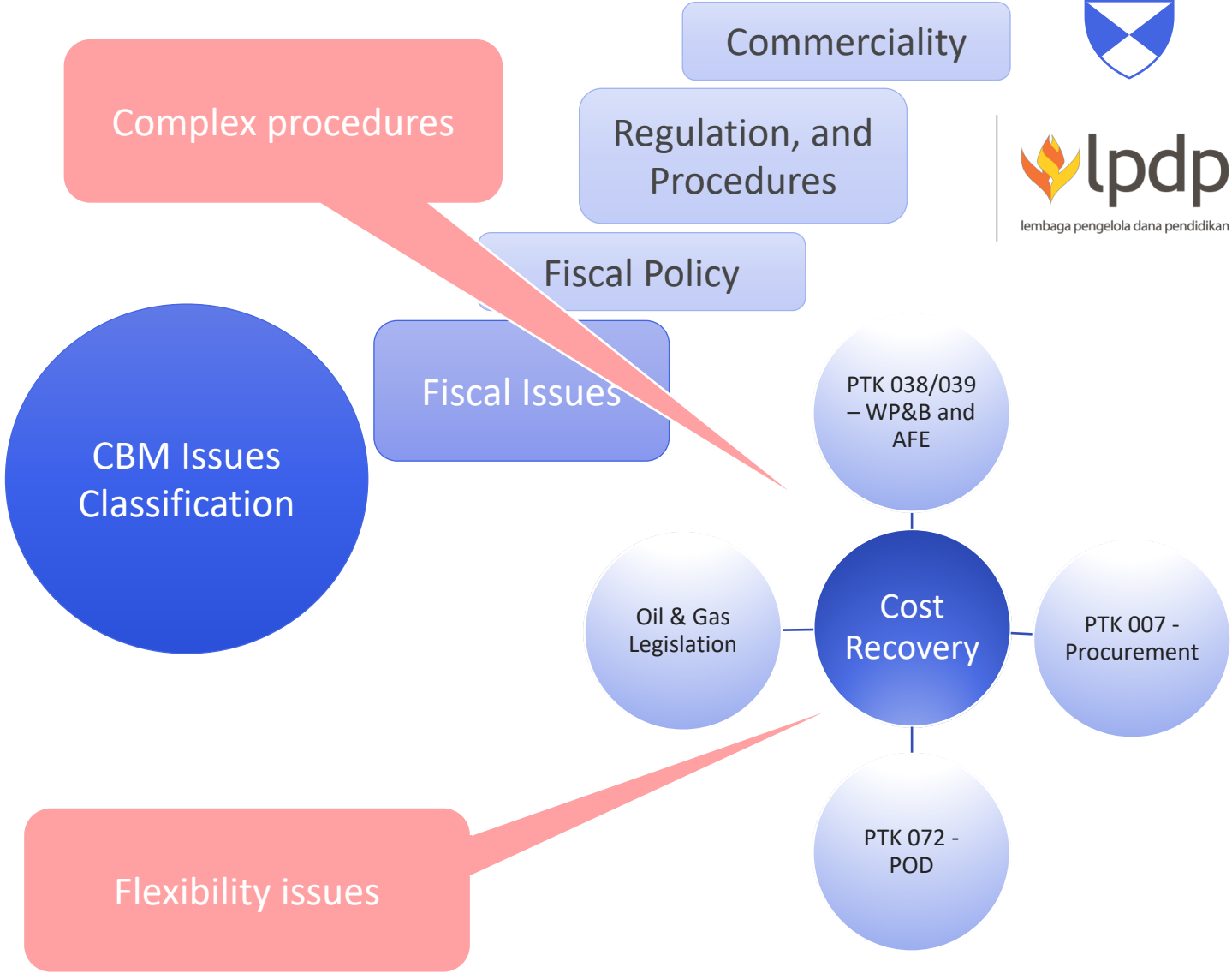
Local Expectation VS Local Impact



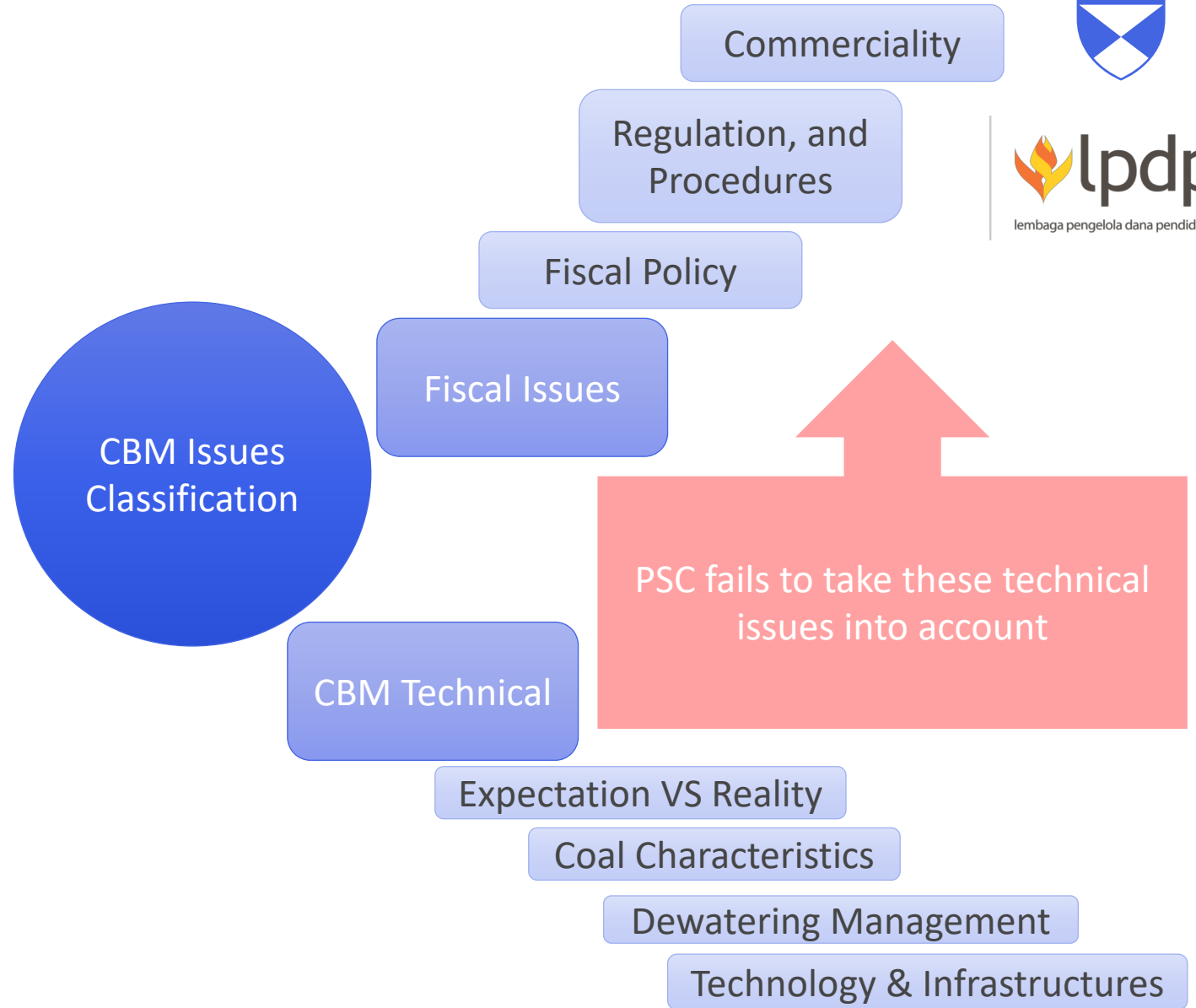
Findings



Findings



Findings

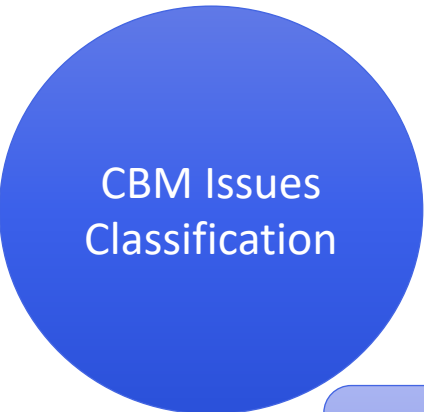


Findings

No CBM production being targeted in the Energy Mix Indonesia until today, yet the first CBM project was started in 2008, and the first CBM study was in 2002 by the Oil and Gas Research Institution, Lemigas (Bachtiar, 2018; Legowo, 2018)

- Readiness
- Involvement
- Leadership
- Paradigm

- Ignorance
- Internal Government

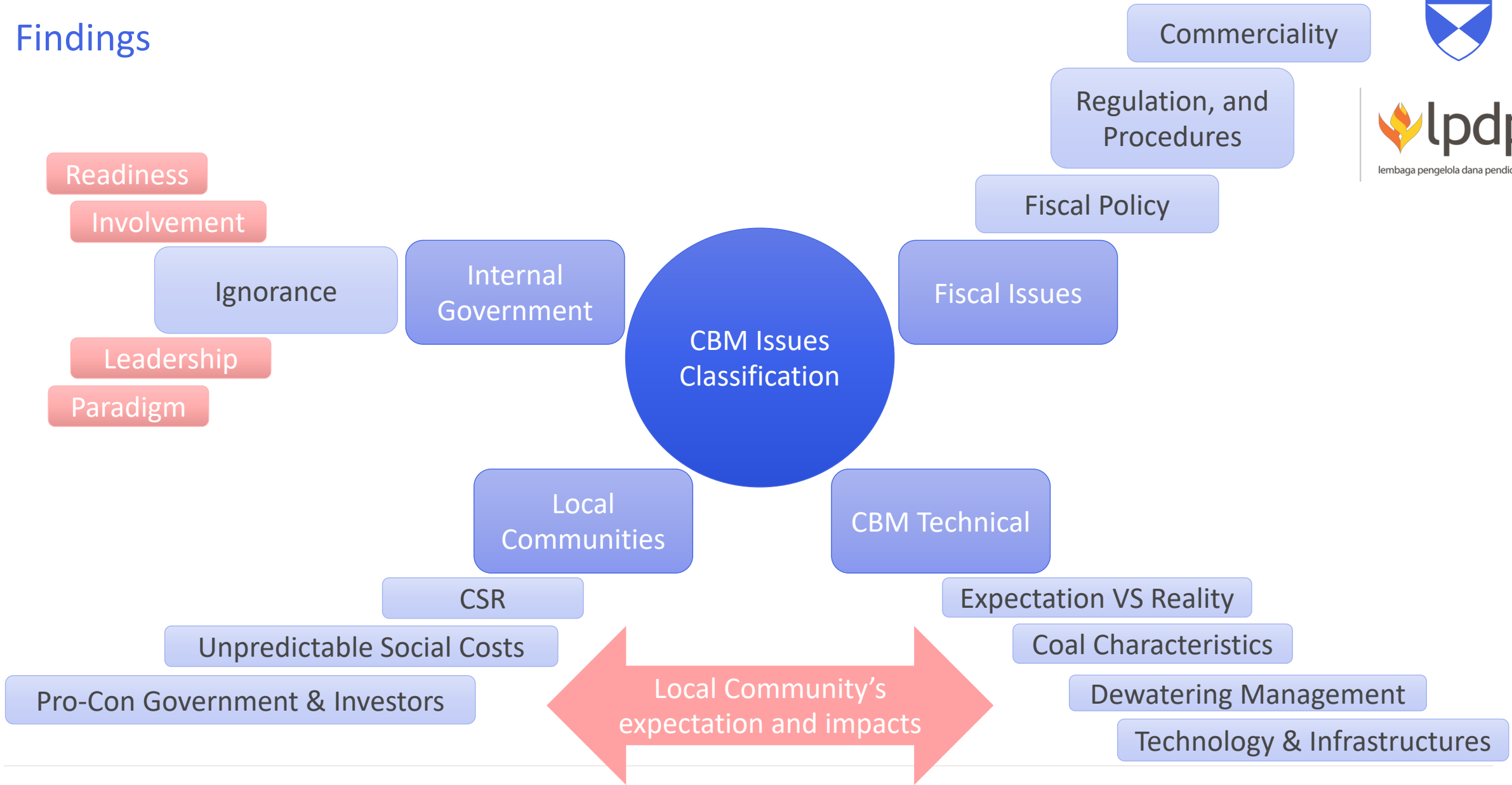


- Fiscal Issues
 - Fiscal Policy
 - Regulation, and Procedures
 - Commerciality
- CBM Technical
 - Expectation VS Reality
 - Coal Characteristics
 - Dewatering Management
 - Technology & Infrastructures

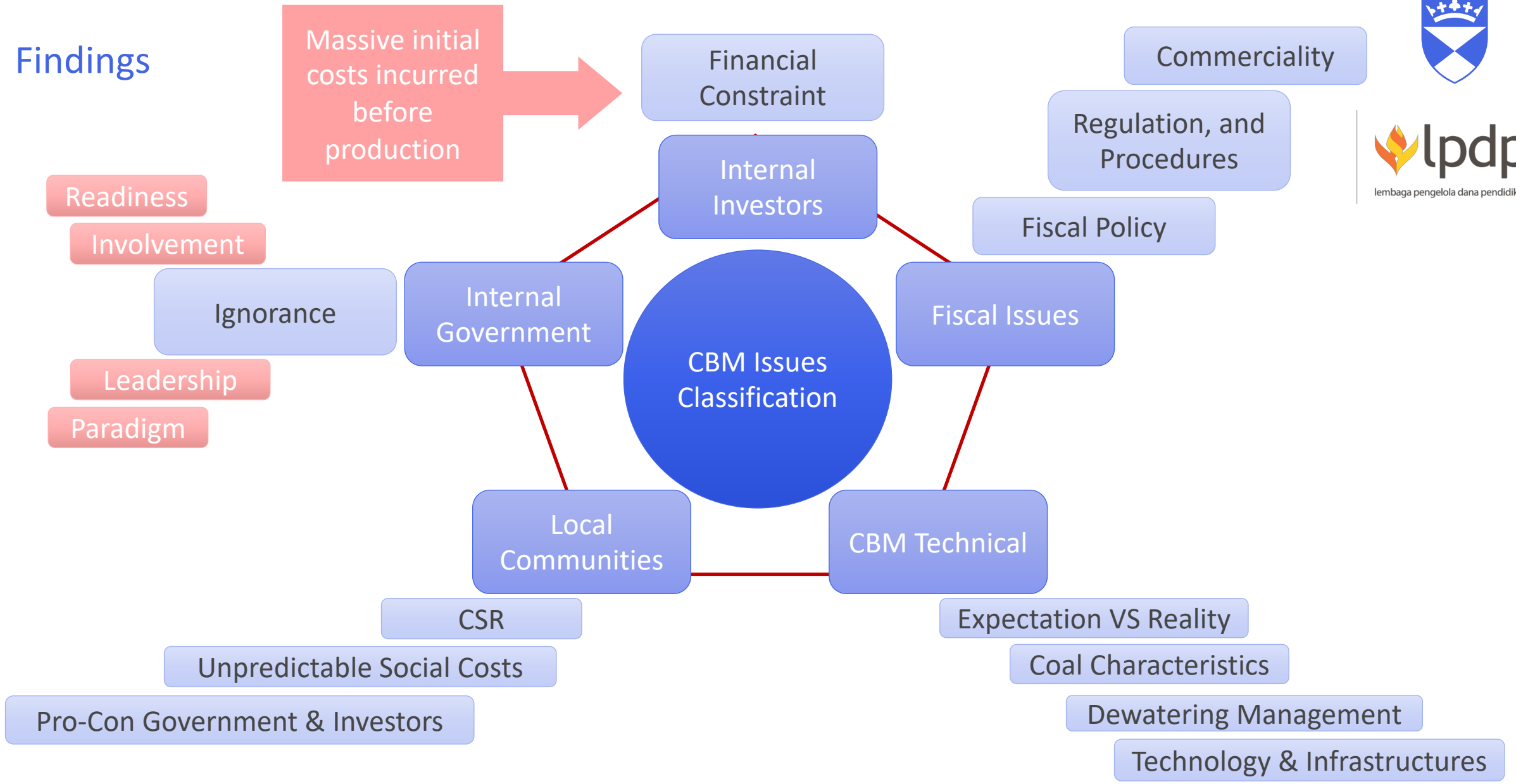
“The energy resources is no longer as export commodity only, but as the engine of national growth”. (Article 6, Government Regulation No 79/2014)



Findings

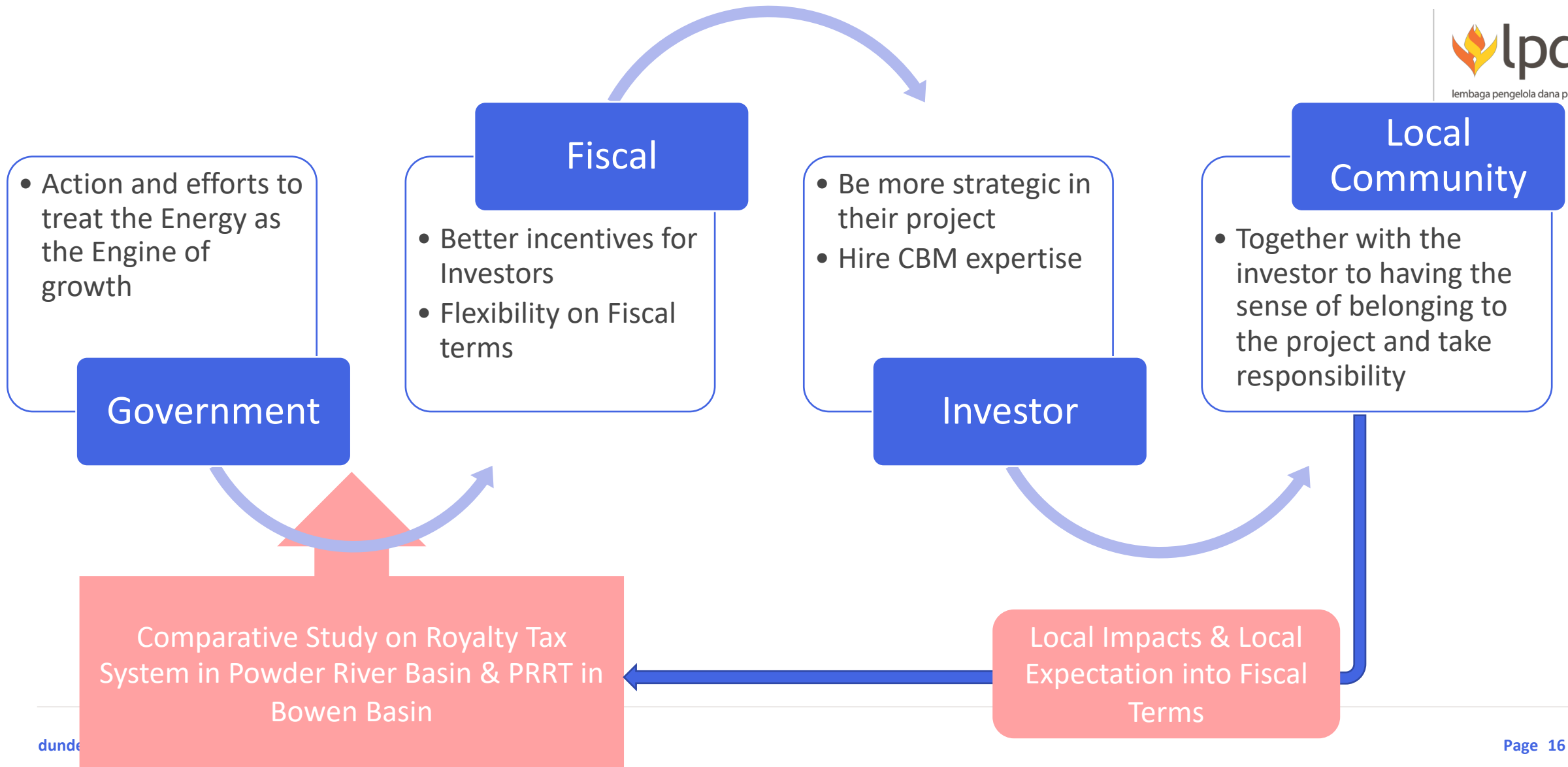


Findings



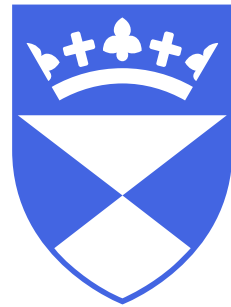


Conclusions & Recommendation





Thank you!



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of Dundee**