

REGULATION OF THE DOWNSTREAM OIL AND GAS REGULATORY
AGENCY OF THE REPUBLIC OF INDONESIA
NUMBER 3 OF 2024
ON
JOINT UTILIZATION OF NATURAL GAS TRANSPORTATION FACILITIES BY
PIPELINES

BY THE BLESSINGS OF THE ALMIGHTY GOD

HEAD OF THE DOWNSTREAM OIL AND GAS REGULATORY AGENCY OF
THE REPUBLIC OF INDONESIA,

Considering:

- a. that in order to improve the utilization of natural gas effectively and efficiently, as well as optimize the added value of natural gas transportation activities by pipelines in the downstream oil and gas business, it is necessary to regulate the joint utilization of natural gas transportation facilities by pipelines;
- b. that Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH Migas/VII/2008 on Joint Utilization of Natural Gas Transportation Facilities by Pipelines as amended by Regulation of the Regulatory Agency of Downstream Oil and Gas Number 21 of 2019 on Amendment to Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH Migas/VII/2008 on Joint Utilization of Natural Gas Transportation Facilities by Pipelines, is no longer in line with legal needs and needs to be replaced;
- c. that based on the considerations as referred to in point a and point b, it is necessary to issue the Regulation of the Regulatory Agency of Downstream Oil and Gas on Joint Utilization of Natural Gas Transportation Facilities by Pipelines;

Observing:

- 1. Law Number 22 of 2001 on Oil and Gas (State Gazette of the Republic of Indonesia of 2001 Number 136, Supplement to the State Gazette of the Republic of Indonesia Number 4152) as amended by Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation to Become Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);
- 2. Government Regulation Number 67 of 2002 on Regulatory Agency for Providing and Distributing Fuel

Oil and Transportation Business Activity of Natural Gas by Pipeline (State Gazette of the Republic of Indonesia of 2002 Number 141, Supplement to the State Gazette of the Republic of Indonesia Number 4253) as amended by Government Regulation Number 49 of 2012 on Amendment to Government Regulation Number 67 of 2002 on Regulatory Agency for Providing and Distributing Fuel Oil and Transportation Business Activity of Natural Gas by Pipeline (State Gazette of the Republic of Indonesia of 2012 Number 95, Supplement to the State Gazette of the Republic of Indonesia Number 5308);

3. Government Regulation Number 36 of 2004 on Downstream Oil and Gas Business Activities (State Gazette of the Republic of Indonesia of 2004 Number 124, Supplement to the State Gazette of the Republic of Indonesia Number 4436) as amended by Government Regulation Number 30 of 2009 on Amendment to Government Regulation Number 36 of 2004 on Downstream Oil and Gas Business Activities (State Gazette of the Republic of Indonesia of 2009 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 4996);
4. Presidential Decision Number 86 of 2002 on Establishment of Regulatory Agency for the Providing and Distributing Fuel Oil and Transportation Business Activity of Natural Gas by Pipeline as amended by Presidential Regulation Number 45 of 2012 on Amendment to Presidential Decision Number 86 of 2002 on Establishment of Regulatory Agency for Providing and Distributing Fuel Oil and Transportation Business Activity of Natural Gas by Pipeline (State Gazette of the Republic of Indonesia of 2012 Number 103);
5. Regulation of the Minister of Energy and Mineral Resources Number 4 of 2018 on Natural Gas Business in the Downstream Oil and Gas Sector (State Bulletin of the Republic of Indonesia of 2018 Number 169) as amended by Regulation of the Minister of Energy and Mineral Resources Number 19 of 2021 on Amendment to Regulation of the Minister of Energy and Mineral Resources Number 4 of 2018 on Natural Gas Business in the Downstream Oil and Gas Sector (State Bulletin of the Republic of Indonesia of 2021 Number 792);
6. Regulation of the Downstream Oil and Gas Regulatory Agency Number 8 of 2019 on Granting Exclusive Right for Transmission Segments and/or Distribution Network Areas (State Bulletin of the Republic of Indonesia of 2019 Number 411);

HAS DECIDED:

To issue: REGULATION OF THE DOWNSTREAM OIL AND GAS REGULATORY AGENCY ON JOINT UTILIZATION OF NATURAL GAS TRANSPORTATION FACILITIES BY PIPELINES.

CHAPTER 1 GENERAL PROVISIONS

Article 1

In this Agency Regulation:

1. Natural Gas means the result of a natural process in the form of hydrocarbon which is under pressure and atmospheric temperature in the gas phase which results from the Petroleum and Natural Gas mining process.
2. Transmission Pipeline means a pipeline used to transport Natural Gas from Natural Gas supply sources or fields to transmission segments, distribution network areas, specific commercial areas, and/or Natural Gas consumers.
3. Distribution Pipeline means a pipeline that transports Natural Gas from a Transmission Pipeline and/or distribution pipeline within a distribution network area to Natural Gas consumers and/or other distribution network areas in the form of a network.
4. Facility means the Transmission Pipeline and/or Distribution Pipeline along with its supporting facilities used in the Natural Gas transportation business by pipelines.
5. Natural Gas Transportation by Pipelines means the activity of transporting Natural Gas by pipelines, including transmission activities, and/or transmission and distribution activities by pipelines and equipment that are operated and/or used as an integrated system.
6. Exclusive Right means a right granted by the Regulatory Agency to a business entity to operate the Transportation of Natural Gas by pipelines on a transmission segments and/or within a distribution network area based on an auction.
7. Downstream Oil and Gas Regulatory Agency, hereinafter referred to as Regulatory Agency, means a agency established to regulate and supervise the supply and distribution of Oil and Gas as well as the Transportation of Natural Gas by Pipelines in Downstream Business Activities.
8. Business Entity means a company with legal entity status engaged in business activities that is permanent, continuous and established in accordance with the provisions of legislation as well as works and is located in the jurisdiction of the Unitary State of the Republic of Indonesia.
9. Transporter means a Business Entity that holds a permit for Natural Gas Transportation by Pipelines and/or holds an Exclusive Right.
10. Shipper means a Business Entity that utilizes the Transporter's Facilities to transport the Natural Gas that it owns.
11. Prospective Shipper means a Business Entity proposing to utilize the Transporter's Facilities to transport the Natural Gas that it owns.
12. Gas Transportation Agreement, hereinafter abbreviated to GTA, means a cooperation agreement between the Transporter and the Shipper concerning the transportation

of the Shipper's Natural Gas by the Transporter's natural gas pipeline facilities.

- 13. Access Arrangement, hereinafter abbreviated to AA, means a document prepared by the Transporter, approved and authorized by the Regulatory Agency, containing the terms and conditions that must be met for the joint utilization of the Transporter's pipeline, which binds Prospective Shippers and/or Shippers.
- 14. Gas Management System means an electronic and/or manual system and its supporting facilities that provide information to the Transporter and Shipper.
- 15. Receipt Point Operator means a Business Entity designated by the Shipper to operate the Natural Gas delivery Facilities at the receipt point owned by the Transporter.
- 16. Gas Stock Account means the Natural Gas that has entered the Transporter's Facilities but has not yet been delivered to the final recipient at the delivery point.
- 17. Stock Transfer means the transfer of the Gas Stock Account between Shippers.
- 18. Shipper Stock means the volume of Natural Gas owned by the Shipper stored in the Facilities.
- 19. Receipt Point means the point of Natural Gas delivery into the Facilities from the Shipper to the Transporter.
- 20. Delivery Point means the point of Natural Gas delivery from the Transporter to the Shipper and/or offtaker.
- 21. Gas Transportation by Pipelines Tariff, hereinafter referred to as Tariff, means the fee charged by the Transporter to the Shipper for Natural Gas transportation services by pipelines in USD (United States Dollar) per one MSCF (Million Standard Cubic Feet) of Natural Gas transported by the Transporter.
- 22. Maximum Flow Capacity means the maximum volume of Natural Gas that can flow through Transmission and/or Distribution Pipelines without endangering the normal and safe operation of the Transmission and/or Distribution Pipeline systems.
- 23. Firm Capacity means the guaranteed pipeline capacity provided by the Transporter according to the contract, in the form of reserved capacity Transporter and/or reserved capacity Shipper.
- 24. Reserved Capacity Transporter means the pipeline system capacity used for the Transporter's Natural Gas trading activities, as approved by the Regulatory Agency.
- 25. Reserved Capacity Shipper means the capacity reserved by the Shipper with the Transporter, either in the form of Firm Capacity or interruptible capacity.
- 26. Interruptible Capacity means the provision of Transmission Pipeline capacity consisting of daily quantities made available to the Shipper, which can be temporarily discontinued and reduced.
- 27. Transmission Segment means a specific segment of the Natural Gas transmission network which is part of the master plan for the national Natural Gas transmission and distribution network.

CHAPTER II
GOVERNANCE AND PROCEDURES FOR JOINT UTILIZATION
OF NATURAL GAS TRANSPORTATION FACILITIES BY
PIPELINES

Part One

Governance of Joint Utilization of Natural Gas Transportation
Facilities by Pipelines

Article 2

- (1) Natural Gas Transportation Facilities by Pipelines owned or controlled by the Transporter may be jointly utilized by Shippers and Prospective Shippers in an open, transparent, accountable, and fair manner.
- (2) In the joint utilization of Natural Gas Transportation Facilities by Pipelines as referred to in section (1), the Transporter must consider technical and economic aspects.
- (3) The technical aspects as referred to in section (2) include:
 - a. the availability of pipeline capacity that can be jointly utilized and is technically feasible; and
 - b. that Shippers and Prospective Shippers in jointly utilizing Natural Gas Transportation Facilities do not impact or disrupt the operational activities of the Transporter's transportation business activities.
- (4) The economic aspects as referred to in section (2) includes not reducing economic value, in the form of the Transporter's investment return rate.

Part Two

Procedures for Joint Utilization of Natural Gas Transportation
Facilities by Pipelines

Article 3

- (1) A Prospective Shipper as referred to in Article 2 section (1) must submit a written request for the joint utilization of the Facilities to the Transporter.
- (2) In addition to a written application as referred to in Article 2 section (1) A Prospective Shipper gives a written notification to the Regulatory Agency.
- (3) The request as referred to in section (1) and the notification as referred to in section (2) must be submitted with supporting data, at a minimum:
 - a. Identification data of the Prospective Shipper, including at least:
 - 1) deed of establishment of the Business Entity; and
 - 2) Profile of the Business Entity.
 - b. Business license of the Prospective Shipper;
 - c. information on the plan for the flow of Natural Gas, including:
 - 1) information on the supply of Natural Gas;
 - 2) Receipt Point, Delivery Point, and coordinates;
 - 3) daily contract quantity; and
 - 4) contract period.
 - d. specifications of Natural Gas, including temperature and pressure of the Natural Gas;

- e. information on the purchase and sale agreement of Natural Gas by prospective consumers and/or producers of Natural Gas; and
- f. type of transportation service and the duration of the Reserved Capacity Shipper.

Article 4

- (1) The Transporter assesses the feasibility of the request submitted by the Prospective Shipper as referred to in Article 3 section (1), based on the sequences of the date of receipt of the Prospective Shipper's request letter by the Transporter.
- (2) In conducting the feasibility assessment as referred to in section (1), the Transporter may accept feedback from other Shippers regarding the request of the Prospective Shipper.
- (3) The results of the feasibility assessment as referred to in section (1) are in the form of:
 - a. approval; or
 - b. rejection.
- (4) If the request submitted by the Prospective Shipper complies with the technical and economic aspects as referred to in section (1), the Transporter approves the request and proceeds with the discussion and signing of the GTA, whereby the Prospective Shipper becomes a Shipper.
- (5) In the event that the request submitted by the Prospective Shipper does not comply with the technical and economic aspects as referred to in section (1), the Transporter rejects the request of the Prospective Shipper.
- (6) The approval or rejection by the Transporter as referred to in section (4) and section (5) is informed to the Prospective Shipper and the Regulatory Agency not later than 30 (thirty) workdays from the date of receipt of the Prospective Shipper's request.
- (7) The approval or rejection as referred to in section (6) is accompanied by the results of the feasibility assessment and feedback from other Shippers as referred to in section (3).

Article 5

- (1) The Regulatory Agency evaluates the Transporter's rejection as referred to in Article 4 section (5) upon receipt of the rejection letter from the Transporter by taking into account:
 - a. technical aspects;
 - b. economic aspects;
 - c. opinions from parties related to the joint utilization of Natural Gas Transportation Facilities by Pipelines; and
 - d. Government policies.
- (2) The Regulatory Agency conveys the evaluation results as referred to in section (1) to the Transporter and the Prospective Shipper not later than 45 (forty-five) workdays since the rejection letter from the Transporter is received.

CHAPTER III

RIGHTS AND OBLIGATIONS OF THE TRANSPORTER

Article 6

The Transporter is entitled to:

- a. collect Tariffs from Shippers as determined by the Regulatory Agency;
- b. propose a tariff evaluation to the Regulatory Agency due to changes in the parameters of the applicable Tariff determination;
- c. take the best efforts deemed necessary to maintain the value of the Gas Stock Account in accordance with the provisions in the AA by considering technical and economic aspects;
- d. utilize its pipeline capacity in accordance with the Maximum Flow Capacity;
- e. obtain information on the appointment of the Receipt Point Operator from the Shipper; and
- f. submit proposals for the dispute resolution arising in relation to the joint utilization of Natural Gas Transportation Facilities to the Regulatory Agency.

Article 7

The Transporter is obligated to:

- a. provide the necessary information for the Prospective Shipper to access the Natural Gas Transportation Facilities owned by the Transporter;
- b. transport the Shipper's Natural Gas in accordance with the AA and GTA;
- c. apply Tariffs in accordance with the provisions set by the Regulatory Agency;
- d. maintain the Gas Stock Account in accordance with the provisions in the AA;
- e. report penalty clauses in the GTA to the Regulatory Agency to maintain the Gas Stock Account as referred to in point d;
- f. report all forms of cooperation in the procurement of Facilities and transportation service activities between the Transporter and the Shipper to the Regulatory Agency;
- g. report to the Regulatory Agency if there are fees other than the Tariff charged to the Shipper and/or other costs related to operational and maintenance expenses;
- h. comply with the provisions stipulated in the AA and GTA;
- i. provide equal opportunities for all Shippers in the joint utilization of Facilities;
- j. enhance the capacity of the existing pipeline;
- k. support government programs in the provision and utilization of Natural Gas domestically;
- l. provide information to the Shipper regarding the transportation of the Shipper's Natural Gas;
- m. submit and inform:
 - 1) copies of the GTA;
 - 2) GTA to be made or extended; or
 - 3) GTA that will expire or has already expired, to the Regulatory Agency.

- n. maintain the quality of the transported Natural Gas in accordance with the required gas specifications; and
- o. pay a levy to the Regulatory Agency in accordance with the provisions of legislation

CHAPTER IV RIGHTS AND OBLIGATIONS OF SHIPPERS

Article 8

Shippers are entitled to:

- g. receive natural gas transportation services in accordance with the AA and GTA;
- h. obtain information or reports from the Transporter related to the transportation activities of the Shipper's Natural Gas;
- i. receive equal opportunities in the joint utilization of the Transporter's Facilities;
- j. submit proposals for transportation tariff evaluations to the Regulatory Agency, with a copy to the Transporter;
- k. submit proposals for adjustments to of the AA to the Transporter, with a copy to the Regulatory Agency; and
- l. submit proposals for dispute resolution related to the joint utilization of Natural Gas Transportation Facilities to the Regulatory Agency.

Article 9

The Shipper is obligated to:

- a. pay Tariffs to the Transporter;
- b. provide information or reports to the Transporter regarding the Natural Gas that it owns;
- c. meet the required gas specification;
- d. maintain a minimum amount of Shipper Stock or ensure that it does not exceed the maximum amount of Shipper Stock;
- e. report plans and agreements between Shippers for Stock Transfers to the Transporter; and
- f. comply with the provisions stipulated in the GTA and AA.

CHAPTER V ACCESS ARRANGEMENT

Article 10

A Transporter who already holds Exclusive Right or does not yet hold Exclusive Right is obligated to prepare an (AA) and requests an approval to the Regulatory Agency.

Article 11

A Business Entity that owns Natural Gas Transportation Facilities by Pipelines but does not yet hold Exclusive Right and a GTA is obligated to prepare an AA and request an approval to the Regulatory Agency.

Article 12

- (1) The Transporter as referred to in Article 10 and Business Entity that owns Natural Gas Transportation Facilities by

Pipelines but does not yet hold Exclusive Right as referred to in Article 11, who fails to prepare an AA and request an approval, is subject to administrative sanctions.

- (2) The administrative sanctions as referred to in section (1) consist of:
 - a. written warning;
 - b. Suspension of granting Exclusive Right for Transporters who do not yet hold Exclusive Right; and
 - c. Revocation of Exclusive Right for Transporters who already hold Exclusive Right in specific Transmission Segments or distribution network areas.
- (3) The procedures for imposing administrative sanctions as referred to in section (2) are determined by the Head of the Regulatory Agency.

Article 13

- (1) Requests for approval of the AA as referred to in Article 10 and Article 11 are submitted within the documents for Exclusive Right applications or documents for AA adjustment if there are operational technical changes to the Facilities.
- (2) The AA as referred to in section (1) is made in both Indonesian and English including:
 - a. operational philosophy;
 - b. Gas Management System;
 - c. technical aspects; and
 - d. legal aspects.
- (3) Requests for approval as referred to in section (1) may be submitted:
 - a. manually; or
 - b. electronically through an information technology system.
- (4) The Regulatory Agency analyze and evaluate the draft AA proposal submitted by the Transporter until it is declared complete and accurate.
- (5) In the analysis and evaluation process as referred to in section (4), the Transporter must present the AA proposal.

Article 14

In the event of a dispute arising from differences in the interpretation of the AA as referred to in Article 12 section (2), the interpretation is made using the Indonesian.

Article 15

- (1) In granting approval for the AA, the Regulatory Agency holds a hearing with:
 - a. the Transporter;
 - b. the Shipper(s); and/or
 - c. other relevant stakeholders.
- (2) The results of the hearing as referred to in section (1) may be used as consideration by the Regulatory Agency.
- (3) Approval of the AA is determined by a Decision of the Head of the Regulatory Agency through a committee hearing.
- (4) The Regulatory Agency issues approval for the AA as referred to in section (3) within a maximum of 60 (sixty)

workdays after it is declared complete and accurate as referred to in Article 13 section (4).

Article 16

- (1) The validity period of the AA is 30 (thirty) years from the commissioning of the Facilities or if there are adjustments to the AA.
- (2) After the validity period of the AA as referred to in section (1) has expired, the AA may be extended based on the residual lifetime assessment which includes:
 - a. evaluation of technical capability; and
 - b. safety of pipeline utilization.
- (3) The Transporter may submit a request for AA adjustments as referred to in section (1) in accordance with the request provisions as referred to in Article 13.

Article 17

- (1) The operational philosophy as referred to in Article 13 section (2) point at least includes:
 - a. the basis of the philosophy and operational priorities;
 - b. requirements for accessing the pipeline;
 - c. rights and obligations of the Transporter;
 - d. rights and obligations of the Shipper;
 - e. Receipt Point Operator; and
 - f. Addition of Shippers.
- (2) Provisions other than those as referred to in section (1) may be included in the operational philosophy if relevant and approved by the Head of the Regulatory Agency.

Article 18

- (1) The Gas Management System as referred to in Article 13 section (2) point at least includes:
 - a. planning, construction and installation, and development of the Gas Management System;
 - b. prediction of Natural Gas supply and demand;
 - c. the process of calculating the volume of Natural Gas flow;
 - d. allocation and attribution principles;
 - e. Gas Stock Account;
 - f. Gas Stock Transfer;
 - g. Discrepancies in Natural Gas calculations between Receipt Points and Delivery Points; and
 - h. reporting.
- (2) Provisions other than those as referred to in section (1) may be included in the Gas Management System if relevant and approved by the Head of the Regulatory Agency.
- (3) The provisions as referred to in section (1) may be excluded based on the conditions of the Transporter's Facilities if relevant and approved by the Head of the Regulatory Agency.

Article 19

- (1) The technical aspects as referred to in Article 13 section (2) point at least include:
 - a. Maximum Flow Capacity;

- b. conditions during a reduction in Maximum Flow Capacity;
- c. pipeline maintenance;
- d. Natural Gas measurement;
- e. Natural Gas quality;
- f. operational pressure and temperature;
- g. emergency procedures and system integration; and
- h. termination, addition, or replacement of Delivery Points and Receipt Points.

(2) Provisions other than those as referred to in section (1) may be included in the technical aspects if relevant and approved by the Head of the Regulatory Agency.

Article 20

- (1) The legal aspects as referred to in Article 13 section (2) point d at least include:
 - a. risk guarantees for the physical condition and reliability of the Natural Gas Transportation Facilities by Pipelines, using insurance;
 - b. conditions causing amendments to the AA;
 - c. breaches of AA clauses and penalties;
 - d. force majeure;
 - e. liability and limitation of liability;
 - f. dispute resolution; and
 - g. compliance with legislation.
- (2) The insurance as referred to in section (1) point a has a contract period of at least 1 (one) year and be extended annually or in accordance with the GTA contract period.
- (3) The insurance provider as referred to in section (2) must meet the following criteria:
 - a. be a national insurance;
 - b. have a good reputation; and
 - c. hold a business license from an authority supervising non-bank financial institutions.
- (4) Provisions other than those as referred to in section (1) point a may be included in the legal aspects if relevant and approved by the Head of the Regulatory Agency.

Article 21

- (1) In the event that the Transporter has more than one (1) Transmission Segment to be integrated, the Transporter may adjust an integrated AA or with separate AAs for each segment by submitting a new AA application.
- (2) The submission of a new AA application as referred to in section (1) is conducted in accordance with the provisions as referred to in Article 13.

CHAPTER VI GAS TRANSPORTATION AGREEMENT

Article 22

- (1) The agreement between the Transporter and the Shipper(s) regarding the joint utilization of Natural Gas Transportation Facilities by Pipelines is documented in GTA.
- (2) The GTA as referred to in section (1) at least includes:

- a. rights and obligations of the Transporter and the Shipper(s);
- b. the pipeline route and each Receipt Point and Delivery Point agreed upon between the Transporter and the Shipper(s);
- c. services provided by the Transporter, consisting of:
 - 1) Reserved Capacity Shipper;
 - 2) daily quantities; and
 - 3) transportation reservation period;
- d. special additional services provided by the Transporter;
- e. tariffs to be paid by the Shipper for the Transporter's services;
- f. volume of Natural Gas delivery;
- g. procedures for Natural Gas measurement;
- h. procedures and period for returning gas stock;
- i. Natural Gas specifications;
- j. billing and payment procedures;
- k. transfer of Reserved Capacity Shipper;
- l. default;
- m. force majeure;
- n. agreement period;
- o. mechanism for terminating the agreement;
- p. procedures and period for obtaining initial fill, if the initial fill belongs to the Shipper; and
- q. dispute resolution.

CHAPTER VII RESERVED CAPACITY

Article 23

- (1) In providing services to the Shipper, the Transporter may utilize the Maximum Flow Capacity by considering system reliability and efficient network operations.
- (2) The Transporter must inform and implement a mechanism for delivering Natural Gas under the Reserved Capacity Shipper, in a transparent and accountable manner and apply equal treatment, by considering technical and economic aspects.
- (3) Reserved Capacity Shipper services provided by the Transporter consist of Firm Capacity and/or Interruptible Capacity.
- (4) The Transporter provides Firm Capacity as requested by the Shipper, by taking into account the Maximum Flow Capacity.
- (5) The Transporter may offer unused Firm Capacity at specific times to other Shippers as Interruptible Capacity.
- (6) The Transporter may offer Interruptible Capacity services to Shippers and Prospective Shippers if Shippers have fully reserved all available Firm Capacity.

Article 24

- (1) The Transporter may conduct Natural Gas transportation activities for its own Natural Gas in the Transporter's Facilities.

- (2) The Transporter as referred to in section (1) is obligated to obtain a business license for Natural Gas commercial activities if there is reserved capacity not utilized by Shippers.
- (3) Violations as referred to in section (2) are imposed on administrative sanctions in accordance with the provisions of legislation on business licensing.
- (4) The Transporter is obligated to apply the principle of unbundling, at least accounting unbundling, between the Natural Gas Transportation Business by Pipelines and the Natural Gas commercial activities conducted in the Transporter's Facilities.
- (5) Violations as referred to in section (4) are imposed on administrative sanctions in accordance with the provisions of legislation.
- (6) A Transporter conducting Natural Gas commercial activities through the Transporter's Facilities as referred to in section (1) must request approval of Reserved Capacity Transporter to the Regulatory Agency.
- (7) The Regulatory Agency verifies the request for approval of Reserved Capacity Transporter as referred to in section (6).

Article 25

- (1) Transporters with new Facilities and/or those originating from commercial activities are obligated to provide Reserved Capacity Shippers for public interest and/or to support government programs, at minimum 20 (twenty) percent of the Maximum Flow Capacity.
- (2) In the event that the Transporter cannot provide Reserved Capacity for Shippers for public interest and/or support government programs at minimum 20 (twenty) percent of the Maximum Flow Capacity as referred to in section (1), the Transporter is subject to administrative sanctions.
- (3) The administrative sanctions as referred to in section (2) consist of:
 - a. a written warning; and
 - b. an administrative fine.
- (4) The written warning as referred to in section (3) point a is issued no more than 3 (three) times within a maximum period of 6 (six) months.
- (5) The Transporter submits a proposal for Reserved Capacity Transporter in the form of a detailed plan for the transportation of its own Natural Gas for the following year, to be submitted no later than October 31 of the following year.
- (6) In the event that the Reserved Capacity Transporter has been in operation for 2 (two) consecutive years since its approval by the Regulatory Agency, Reserved Capacity Transporter must be operated by as a separate function from the Natural Gas Transportation Business by Pipelines.

Article 26

In the event that the Reserved Capacity Transporter is not utilized based on the verification process as referred to in Article

24 section (7), the Reserved Capacity Transporter is open for utilization by Prospective Shippers or other Shippers.

Article 27

The Head of the Regulatory Agency establishes technical guidelines for Natural Gas Transportation by Pipelines concerning the mechanism for determining the AA, Reserved Capacity Transporter, and Reserved Capacity Shipper.

CHAPTER VIII EVALUATION AND REPORTING

Article 28

The Transporter must submit the data and information required by the Regulatory Agency for the evaluation of the joint utilization of Natural Gas Transportation Facilities by Pipelines.

Article 29

- (1) The Transporter is obligated to submit reports on the joint utilization of natural gas facilities to the Regulatory Agency on a monthly basis or whenever necessary.
- (2) The report as referred to in section (1) includes the following data and information:
 - a. Shipper;
 - b. location of Facilities at the Receipt Point and Delivery Point;
 - c. Maximum Flow Capacity and operational conditions;
 - d. Reserved Capacity Shipper;
 - e. Reserved Capacity Transporter;
 - f. Gas balance, including:
 1. linepack or the total volume of Natural Gas in the pipeline;
 2. volume of Natural Gas transported;
 3. input per point, representing the volume of Natural Gas entering the pipeline system;
 4. output per point, representing the volume of Natural Gas exiting the pipeline system;
 5. own use gas; and
 6. losses.
 - g. the condition of gas specification), including temperature and pressure at the Receipt Point and Delivery Point;
 - h. Stock Transfer;
 - i. evaluation of discrepancies (unaccounted gas) or measurement differences between the Receipt Point and the Delivery Point;
 - j. available capacity; and
 - k. other costs that contribute to the Transporter's revenue from the utilization of Facilities.
- (3) In the event that the Transporter fails to submit the report as referred to in section (1), the Transporter is subject to administrative sanctions.
- (4) The administrative sanctions referred to in section (3) consist of:
 - a. a written warning; and
 - b. an administrative fine.

(5) The written warning as referred to in section (4) point a may be imposed up to 3 (three) times within a maximum period of 6 (six) months.

CHAPTER IX SUPERVISION

Article 30

(1) The Regulatory Agency conducts supervision, including:

- examination of data and information submitted by the Transporter; and
- on-site visits.

(2) In the event that the result of supervision indicates a violation as referred to in section (1), the Regulatory Agency may propose adjustments to the AA.

CHAPTER X TRANSITIONAL PROVISIONS

Article 31

At the time this Regulation comes into force:

- Transporters who already have an AA and have been using it in a GTA prior to the issuance of this Regulation, it remains valid but must be adjusted in accordance with the provisions of this Regulation no later than 1 (one) year from the effective date of this Regulation.
- Transporters and Shippers with GTA that do not comply with the provisions of the AA under this Regulation must adjust their GTA no later than 6 (six) months from the date of AA approval by the Head of the Regulatory Agency.
- Transporters who have been conducting Natural Gas commercial activities in the Transporter's Facilities prior to the issuance of this Regulation must request approval of Reserved Capacity Transporter to the Regulatory Agency no later than 6 (six) months from the effective date of this Regulation.

CHAPTER XI CLOSING PROVISIONS

Article 32

At the time this Regulation comes into force:

- Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH MIGAS/VII/2008 on Joint Utilization of Natural Gas Transportation Facilities by Pipelines; and
- Regulation of the Downstream Oil and Gas Regulatory Agency Number 21 of 2019 on Amendment to Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH MIGAS/VII/2008 on Joint Utilization of Natural Gas Transportation Facilities by Pipelines (State Bulletin of the Republic of Indonesia of 2019 Number 1406), are repealed and declared effective.

Article 33

This Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Regulation by its placement in the State Bulletin of the Republic of Indonesia.

Issued in Jakarta
on 27 September 2024

HEAD OF THE DOWNSTREAM OIL AND GAS
REGULATORY AGENCY,

signed

ERIKA RETNOWATI

Promulgated in Jakarta
on 3 October 2024

DIRECTOR GENERAL OF LEGISLATION AD INTERIM,

signed

ASEP N. MULAYANA

STATE BULLETIN OF THE REPUBLIC OF INDONESIA OF 2024 NUMBER 619

Jakarta, 18 December 2025
Has been translated as an Official Translation
on behalf of the Minister of Law
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,

