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## PLN's Rooftop Solar PVs Electricity Quota for 2024-2028

### Introduction

The Minister of Energy and Mineral Resources ("MEMR"), through the Director General of Electricity ("DGE") has recently set the electricity quota relating to rooftop solar photovoltaic power system facilities ("Rooftop Solar PVs") for PT Perusahaan Listrik Negara ("PLN"), a state-owned enterprise within the electricity sector. This electricity quota for PLN's Rooftop Solar PVs is set under DGE Decree No. 279.K/TL.03/DJL.2/2024 on the Development Quota for Rooftop Solar PVs of PLN for the period from 2024 to 2028 ("DGE Decree 279/2024").

DGE Decree No. 279/2024 is issued based on PLN's electricity quota proposal which has been assessed and approved by the DGE as mandated by MEMR Regulation No. 2/2024 on Rooftop Solar PVs Connected to Electrical Power Networks of Holders of Business License for the Provision of Electrical Power for Public Interests ("MEMR Reg. 2/2024"). DGE Decree No. 279/2024 not only sets the electricity quota for PLN's Rooftop Solar PVs but also places the obligation on PLN to implement the electricity quota in accordance with MEMR Reg. 2/2024.

We highlight below notable remarks under DGE Decree 279/2024:

### I. Distribution of Rooftop Solar PV Electricity Quota

The electricity quota set by DGE Decree 279/2024 for PLN's Rooftop Solar PVs will be distributed differently throughout PLN's systems and/or each region in Indonesia. A breakdown of the planned distribution of the electricity quota for PLN's Rooftop Solar PVs, in megawatt units, is set out below:

Power System / Province	Rooftop Solar PV Quota (MW)				
	2024	2025	2026	2027	2028
Sumatera	35,0	45,0	60,0	70,0	80,0
West Kalimantan	7,1	9,8	16,4	17,2	18,5
South, Central, and East Kalimantan	22,1	34,0	58,7	62,8	68,3
North Kalimantan	0,8	1,1	1,9	2,0	2,2
Java, Madura, and Bali	825,0	900,0	910,0	1.010,0	1.400,0
North Sulawesi and Gorontalo	0,2	0,4	0,6	0,8	1,0
South Sulawesi	8,0	10,0	12,0	14,0	16,0
Maluku and North Maluku	0,7	1,0	1,2	1,4	1,7

Power System / Province	Rooftop Solar PV Quota (MW)				
	2024	2025	2026	2027	2028
Papua and West Papua	0,8	1,1	1,3	1,6	1,9
West Nusa Tenggara	0,9	1,2	1,5	1,8	2,2
East Nusa Tenggara	0,6	0,7	0,9	1,1	1,3
<b>Total</b>	901	1.004	1.065	1.183	1.593

From the table above, it can be seen that the largest portion is allocated to the Java, Madura and Bali region, which accounts for more than 70% of the total quota in 2024 and more than 60% in the following years. This suggests there is high demand and potential for solar energy within this region, as well as demonstrating its commitment to reducing fossil fuel dependency. The second largest quota distribution is designated to Sumatera, for which the assigned quantity is initially 35 MW and then it steadily increases until it has doubled by the end of the term. This indicates that PLN predicts a growing interest and opportunities for Rooftop Solar PV development in this region.

Regions such as Kalimantan, Sulawesi, Maluku, Papua, and Nusa Tenggara, are designated comparatively smaller portions. However, PLN plans to gradually increase the quotas for these regions, indicating that PLN is optimistic that there will be developments within the new and renewable energy sector within these regions and a reduction in dependency on diesel generators, which are currently widely used.

## II. Obligations of PLN in Relation to its Rooftop Solar PV Electricity Quota

To ensure that PLN implements the electricity quota accordingly, DGE Decree 279/2024, imposes several obligations that must be implemented, which are as follows:

- a. PLN is obligated to arrange the Rooftop Solar PV electricity quota in clusters in accordance with the electricity quota that has been determined by DGE Decree 279/2024;
- b. For a maximum of 10 business days after the issuance of DGE Decree 279/2024, PLN is obligated to report on the Rooftop Solar PV electricity quota in clusters to the DGE and the Directorate General of New Renewable Energy, and Energy Conservation ("DGNRE");
- c. For a maximum of 10 business days after the issuance of DGE Decree 279/2024, PLN is obligated to publish the Rooftop Solar PV electricity quota in clusters on its website, application(s), and social media; and
- d. PLN is obligated to submit a report on the use of Rooftop Solar PVs for each tariff class in each region of the power grid to the DGNRE, with a copy submitted to the DGE.

## III. Other Provisions

In addition to the provisions mentioned above, DGE Decree 279/2024 mentions that in certain cases, the DGE may request that PLN revise the already existing 2024-2028 electricity quota if deemed necessary, including in the event of changes to the national energy policy or electricity supply plan. After the electricity quota has been adjusted, PLN shall report the revision to the DGE in accordance with the reporting mechanism specified under MEMR Reg. 2/2024.

#### IV. Key Takeaways

The electricity quota set by DGE Decree 279/2024 is made in order to support the national energy plan, which targets an increase in the utilization of renewable energy and reduction in dependency on fossil fuel, as well as being geared towards meeting the current and future demand for renewable energy in certain regions. However, the quota set under DGE Decree 279/2024 does not yet include other regions mentioned in the national energy plan, such as Kepulauan Riau and other uncategorized regions in Indonesia. Nevertheless, as these regions are already mentioned in the national energy plan, it is highly likely that they will be included in the next electricity quota term.

If you have any questions in relation to the issues raised in this briefing, please contact the authors in the left-hand column.

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