



REGULATION OF THE OIL AND GAS DOWNSTREAM REGULATORY AGENCY
OF THE REPUBLIC OF INDONESIA
NUMBER 3 OF 2024
CONCERNING THE SHARED USE OF NATURAL GAS TRANSPORTATION
FACILITIES THROUGH PIPELINES

WITH THE GRACE OF GOD ALMIGHTY

HEAD OF THE OIL AND GAS DOWNSTREAM 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 through pipelines in the downstream oil and gas business, it is necessary to regulate the shared use of natural gas transportation facilities through pipelines;
- b. that the Regulation of the Oil and Gas Downstream Regulatory Agency Number 15/P/BPHMigas/VII/2008 concerning the Shared Use of Natural Gas Transportation Facilities through Pipelines, which was amended by the Regulation of the Oil and Gas Downstream Regulatory Agency Number 21 of 2019 concerning Amendments to the Regulation of the Oil and Gas Downstream Regulatory Agency Number 15/P/BPHMigas/VII/2008 regarding the Shared Use of Natural Gas Transportation Facilities through Pipelines, is no longer in line with legal needs and, therefore, needs to be replaced;
- c. that based on the considerations mentioned in letters a and b, it is necessary to establish the Regulation of the Oil and Gas Downstream Regulatory Agency regarding the Shared Use of Natural Gas Transportation Facilities through Pipelines;

- Considering : 1. Law Number 22 of 2001 on Oil and Natural Gas (State Gazette of the Republic of Indonesia Year 2001 Number 136, Supplement to the State Gazette of the Republic of Indonesia Number 4152), as amended by Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia Year 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);

2. Government Regulation Number 67 of 2002 on the Regulatory Body for the Provision and Distribution of Fuel and the Business of Natural Gas Transportation through Pipelines (State Gazette of the Republic of Indonesia Year 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 Amendments to Government Regulation Number 67 of 2002 concerning the Regulatory Body for the Provision and Distribution of Fuel and the Business of Natural Gas Transportation through Pipelines (State Gazette of the Republic of Indonesia Year 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 Year 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 Amendments to Government Regulation Number 36 of 2004 concerning Downstream Oil and Gas Business Activities (State Gazette of the Republic of Indonesia Year 2009 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 4996);
4. Presidential Decree Number 86 of 2002 on the Establishment of the Regulatory Body for the Provision and Distribution of Fuel and the Business of Natural Gas Transportation through Pipelines, as amended by Presidential Regulation Number 45 of 2012 on Amendments to Presidential Decree Number 86 of 2002 concerning the Establishment of the Regulatory Body for the Provision and Distribution of Fuel and the Business of Natural Gas Transportation through Pipelines (State Gazette of the Republic of Indonesia Year 2012 Number 103);
5. Minister of Energy and Mineral Resources Regulation Number 4 of 2018 on Natural Gas Business in the Downstream Oil and Gas Sector (State News of the Republic of Indonesia Year 2018 Number 169), as amended by Minister of Energy and Mineral Resources Regulation Number 19 of 2021 on Amendments to Minister of Energy and Mineral Resources Regulation Number 4 of 2018 on Natural Gas Business in the Downstream Oil and Gas Sector (State News of the Republic of Indonesia Year 2021 Number 792);
6. Regulation of the Oil and Gas Downstream Regulatory Agency Number 8 of 2019 on Granting Special Rights for Transmission Lines and/or Distribution Network Areas (State News of the Republic of Indonesia Year 2019 Number 411);

DECIDING:

To establish : REGULATION OF THE DOWNSTREAM OIL AND GAS
REGULATORY BODY ON THE JOINT USE OF NATURAL GAS
TRANSPORTATION FACILITIES THROUGH PIPELINES.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Regulation, the following terms shall have the meanings ascribed to them:

1. Natural Gas means a naturally occurring hydrocarbon in the form of gas at atmospheric pressure and temperature, obtained from the extraction of Oil and Natural Gas.
2. Transmission Pipeline means a pipeline used to transport Natural Gas from gas supply sources or natural gas fields to transmission lines, 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 through pipelines.
5. Natural Gas Transportation Through Pipelines means the activity of transporting Natural Gas through pipelines, including transmission activities, and/or transmission and distribution activities through pipelines and equipment that are operated and/or managed as an integrated system.
6. Special Rights means the rights granted by the regulatory body to a business entity to operate the Transportation of Natural Gas through pipelines on a transmission route and/or within a distribution network area based on an auction.
7. Downstream Oil and Gas Regulatory Body, hereinafter referred to as the Regulatory Body, is a body established to regulate and supervise the supply and distribution of Oil and Gas as well as the Transportation of Natural Gas through Pipelines in Downstream Business Activities.
8. Business Entity means a legal entity engaged in a continuous and permanent type of business, established in accordance with the prevailing laws and regulations, and operates within 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 through Pipelines and/or holds Special Rights.

10. Shipper is a Business Entity that utilizes the Transporter's Facilities to transport the Natural Gas it owns.
11. Prospective Shipper is a Business Entity proposing to utilize the Transporter's Facilities to transport the Natural Gas it owns.
12. Gas Transportation Agreement, abbreviated as PPG, is a cooperation agreement between the Transporter and the Shipper concerning the transportation of the Shipper's Natural Gas through the Transporter's natural gas pipeline facilities.
13. Access Arrangement, abbreviated as AA, is a document prepared by the Transporter, approved and authorized by the Regulatory Agency, containing the terms and conditions that must be met for the shared utilization of the Transporter's pipeline, which binds Prospective Shippers and/or Shippers.
14. Gas Management System is an electronic and/or manual system and its supporting facilities that provide information to the Transporter and Shipper.
15. Receipt Point Operator is 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 refers to 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 is the transfer of the Gas Stock Account between Shippers.
18. Shipper Stock is the volume of Natural Gas owned by the Shipper stored in the Facilities.
19. Receipt Point is the point of Natural Gas delivery into the Facilities from the Shipper to the Transporter.
20. Delivery Point is the point of Natural Gas delivery from the Transporter to the Shipper and/or offtaker.
21. Gas Transportation Tariff Through Pipelines, hereinafter referred to as Tariff, is the fee charged by the Transporter to the Shipper for gas transportation services through pipelines, calculated in USD (United States Dollar) per one MSCF of Natural Gas transported by the Transporter.
22. Maximum Flow Capacity is the maximum volume of Natural Gas that can flow through Transmission and/or Distribution Pipelines without jeopardizing the normal and safe operation of the Transmission and/or Distribution Pipeline systems.
23. Firm Capacity is the guaranteed pipeline capacity provided by the Transporter according to the contract, which consists of reserved capacity for the Transporter and/or reserved capacity for the Shipper.
24. Reserved Capacity for the Transporter is the pipeline system capacity used for the Transporter's own Natural Gas commercial activities, as approved by the Regulatory Agency.
25. Reserved Capacity for the Shipper is the capacity reserved by the Shipper with the Transporter, either in the form of Firm Capacity or Interruptible Capacity.

26. Interruptible Capacity is the provision of Transmission Pipeline capacity consisting of daily quantities made available to the Shipper, which can be discontinued or temporarily reduced.
27. Transmission Segment is a specific section of the Natural Gas transmission network that forms 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 THROUGH PIPELINES

Section One

Governance of Joint Utilization of Natural Gas Transportation Facilities Through Pipelines

Article 2

- (1) Natural Gas Transportation Facilities Through 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 Through Pipelines as referred to in paragraph (1), the Transporter must consider technical and economic aspects.
- (3) The technical aspects referred to in paragraph (2) include:
 - a. the availability of pipeline capacity that can be jointly utilized and is technically feasible; and
 - b. that the joint utilization of Natural Gas Transportation Facilities Through Pipelines by Shippers and Prospective Shippers does not impact or disrupt the operational activities of the Transporter's transportation business.
- (4) The economic aspects referred to in paragraph (2) include not reducing economic value, in the form of the Transporter's investment return rate.

Section Two

Procedures for Joint Utilization of Natural Gas Transportation Facilities Through Pipelines

Article 3

- (1) A Prospective Shipper as referred to in Article 2 paragraph (1) must submit a written application for the joint utilization of the Facilities to the Transporter.
- (2) In addition to the written application referred to in paragraph (1), the Prospective Shipper must notify the Regulatory Agency in writing.

- (3) The application as referred to in paragraph (1) and the notification as referred to in paragraph (2) must be submitted with supporting data, at a minimum:
 - a. Identification data of the Prospective Shipper, including at least:
 - 1) Articles of association 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 quantity contract; 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 of the Shipper.

Article 4

- (1) The Transporter shall assess the feasibility of the application submitted by the Prospective Shipper as referred to in Article 3 paragraph (1), based on the order of the date of receipt of the Prospective Shipper's application letter by the Transporter.
- (2) In conducting the feasibility assessment as referred to in paragraph (1), the Transporter may accept feedback from other Shippers regarding the application of the Prospective Shipper.
- (3) The results of the feasibility assessment as referred to in paragraph (1) shall be:
 - a. Approval; or
 - b. Rejection.
- (4) If the application submitted by the Prospective Shipper complies with the technical and economic aspects as referred to in paragraph (1), the Transporter shall approve the application and proceed with the discussion and signing of the Gas Transportation Agreement (PPG), whereby the Prospective Shipper becomes a Shipper.
- (5) In the event that the application submitted by the Prospective Shipper does not meet the technical and economic aspects as referred to in paragraph (1), the Transporter shall reject the application of the Prospective Shipper.
- (6) The approval or rejection by the Transporter as referred to in paragraphs (4) and (5) shall be communicated to the Prospective Shipper and the Regulatory Agency no later

than 30 (thirty) business days from the date of receipt of the Prospective Shipper's application.

- (7) The approval or rejection as referred to in paragraph (6) shall include the results of the feasibility assessment and feedback from other Shippers as referred to in paragraph (3).

Article 5

- (1) The Regulatory Agency evaluates the Transporter's rejection as referred to in Article 4 paragraph (5) upon receipt of the rejection letter from the Transporter, taking into account:
 - a. Technical aspects;
 - b. Economic aspects;
 - c. Opinions from parties related to the joint utilization of Natural Gas Transportation Facilities Through Pipelines; and
 - d. Government policies.
- (2) The Regulatory Agency shall convey the evaluation results as referred to in paragraph (1) to the Transporter and the Prospective Shipper no later than 45 (forty-five) business days from the date the rejection letter from the Transporter is received.

CHAPTER III

RIGHTS AND OBLIGATIONS OF THE TRANSPORTER

Article 6

The Transporter has the right 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 actions deemed necessary to maintain the value of the Gas Stock Account in accordance with the provisions in the Access Arrangement (AA), 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 by the Shipper; and
- f. Submit proposals for the resolution of disputes arising in relation to the joint utilization of Natural Gas Transportation Facilities to the Regulatory Agency.

Article 7

The Transporter is obliged 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 Access Arrangement (AA) and the Gas Transportation Agreement (PPG);
- 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 PPG 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 PPG;
- i. Provide equal opportunities for all Shippers in the joint utilization of Facilities;
- j. Enhance the capacity of the installed (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 PPG;
 - 2) PPGs that are being created or are in the process of renewal; or
 - 3) PPGs that are about to expire or have 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 contributions to the Regulatory Agency in accordance with applicable laws and regulations.

CHAPTER IV RIGHTS AND OBLIGATIONS OF SHIPPERS

Article 8

Shippers have the right to:

- a. Receive natural gas transportation services in accordance with the Access Arrangement (AA) and Gas Transportation Agreement (PPG);
- b. Obtain information or reports from the Transporter related to the transportation activities of the Shipper's Natural Gas;
- c. Receive equal opportunities in the joint utilization of the Transporter's Facilities;
- d. Submit proposals for transportation tariff evaluations to the Regulatory Agency, with a copy to the Transporter;

- e. Submit proposals for adjustments to the AA to the Transporter, with a copy to the Regulatory Agency; and
- f. Submit proposals for dispute resolution related to the joint utilization of Natural Gas Transportation Facilities to the Regulatory Agency.

Article 9

Shippers are obligated to:

- a. Pay Tariffs to the Transporter;
- b. Provide information or reports to the Transporter regarding the Natural Gas they own;
- c. Meet the required specifications for Natural Gas (required gas specification);
- d. Maintain a minimum Shipper Stock or ensure it does not exceed the maximum Shipper Stock;
- e. Report plans and agreements for Stock Transfers between Shippers to the Transporter; and
- f. Comply with the provisions stipulated in the PPG and AA.

CHAPTER V ACCESS ARRANGEMENT

Article 10

A Transporter who already possesses Special Rights or does not yet possess Special Rights is required to prepare an Access Arrangement (AA) and submit an application for its approval to the Regulatory Agency.

Article 11

A Business Entity that owns Natural Gas Transportation Facilities Through Pipelines but does not yet possess Special Rights and a Gas Transportation Agreement (PPG) is required to prepare an AA and submit an application for its approval to the Regulatory Agency.

Article 12

- (1) Transporters as referred to in Article 10 and Business Entities that own Natural Gas Transportation Facilities Through Pipelines but do not yet possess Special Rights as referred to in Article 11, who fail to prepare an AA and submit an application for its approval, shall be subject to administrative sanctions.
- (2) The administrative sanctions referred to in paragraph (1) consist of:
 - a. A written warning;
 - b. Suspension of granting Special Rights for Transporters who do not yet possess Special Rights; and
 - c. Revocation of Special Rights for Transporters who already possess Special Rights in specific Transmission Segments or distribution network areas.

- (3) The procedures for imposing administrative sanctions as referred to in paragraph (2) shall be determined by the Head of the Regulatory Agency.

Article 13

- (1) Applications for approval of the AA as referred to in Articles 10 and 11 shall be submitted within the documents for Special Rights applications or documents for AA adjustment applications if there are operational technical changes to the Facilities.
- (2) The AA referred to in paragraph (1) shall be prepared in both Indonesian and English and include:
 - a. Operational philosophy;
 - b. Gas Management System;
 - c. Technical aspects; and
 - d. Legal aspects.
- (3) Applications for approval as referred to in paragraph (1) may be submitted:
 - a. Manually; or
 - b. Electronically through an information technology system.
- (4) The Regulatory Agency shall analyze and evaluate the proposed AA submitted by the Transporter until it is declared complete and accurate.
- (5) During the analysis and evaluation process as referred to in paragraph (4), the Transporter must present the proposed AA.

Article 14

In the event of a dispute arising from differences in the interpretation of the Access Arrangement (AA) as referred to in Article 12 paragraph (2), the interpretation shall be made using the Indonesian language.

Article 15

- (1) In granting approval for the AA, the Regulatory Agency shall hold a hearing with:
 - a. The Transporter;
 - b. The Shipper; and/or
 - c. Other relevant stakeholders.
- (2) The results of the hearing as referred to in paragraph (1) may be used as consideration by the Regulatory Agency.
- (3) Approval of the AA shall be determined by a Decision of the Head of the Regulatory Agency through a committee meeting.
- (4) The Regulatory Agency shall issue approval for the AA as referred to in paragraph (3) within a maximum of 60 (sixty) business days after it is declared complete and accurate as referred to in Article 13 paragraph (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 paragraph (1) has expired, the AA may be extended based on an assessment of the residual lifetime of the service, which includes:
 - a. Evaluation of technical capability; and
 - b. Safety of pipeline utilization.
- (3) The Transporter may submit an application for AA adjustments as referred to in paragraph (1) in accordance with the application provisions as referred to in Article 13.

Article 17

- (1) The operational philosophy as referred to in Article 13 paragraph (2) point a must at least include:
 - 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 referred to in paragraph (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 paragraph (2) point b must at least include:
 - a. Planning, construction, 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 referred to in paragraph (1) may be included in the Gas Management System if relevant and approved by the Head of the Regulatory Agency.
- (3) The provisions referred to in paragraph (1) may be excluded depending 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 paragraph (2) point c must at least include:
 - a. Maximum Flow Capacity;
 - b. Conditions during a reduction in Maximum Flow Capacity;
 - c. Pipeline maintenance;
 - d. Measurement of Natural Gas;
 - e. Natural Gas quality;
 - f. Operational pressure and temperature;
 - g. Emergency procedures and system integration; and
 - h. Termination, addition, or replacement of Receipt Points and Delivery Points.
- (2) Provisions other than those referred to in paragraph (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 referred to in Article 13 paragraph (2) point d must at least include:
 - a. Risk guarantees for the physical condition and reliability of the Natural Gas Transportation Facilities Through Pipelines, using insurance;
 - b. Conditions necessitating amendments to the Access Arrangement (AA);
 - c. Violations of AA clauses and penalties;
 - d. Force majeure;
 - e. Liability and limits of liability;
 - f. Dispute resolution; and
 - g. Compliance with laws and regulations.
- (2) The insurance referred to in paragraph (1) point a must have a contract period of at least 1 (one) year and be renewed annually or in accordance with the Gas Transportation Agreement (PPG) contract period.
- (3) The insurance provider referred to in paragraph (2) must meet the following criteria:
 - a. Be a national insurance provider;
 - b. Have a good reputation; and
 - c. Hold a business license from an authority supervising non-bank financial institutions.
- (4) Provisions other than those referred to in paragraph (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 Access Arrangement (AA) or create separate AAs for each segment by submitting a new AA application.

- (2) The submission of a new AA application as referred to in paragraph (1) shall be conducted in accordance with the provisions outlined in Article 13.

CHAPTER VI GAS TRANSPORTATION AGREEMENT

Article 22

- (1) The agreement between the Transporter and the Shipper regarding the joint utilization of Natural Gas Transportation Facilities Through Pipelines shall be documented in a Gas Transportation Agreement (PPG).
- (2) The PPG as referred to in paragraph (1) shall at least include:
 - a. Rights and obligations of the Transporter and the Shipper;
 - b. The pipeline route and each Receipt Point and Delivery Point agreed upon between the Transporter and the Shipper;
 - c. Services provided by the Transporter, consisting of:
 - 1) Reserved Capacity for the 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 measuring Natural Gas;
 - h. Procedures and timelines for returning gas stock;
 - i. Specifications of the Natural Gas;
 - j. Billing and payment procedures;
 - k. Transfer of Reserved Capacity for the Shipper;
 - l. Breach of contract;
 - m. Force majeure;
 - n. Duration of the agreement;
 - o. Mechanism for terminating the agreement;
 - p. Procedures and timelines for obtaining initial gas fill (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, considering system reliability and efficient network operations.
- (2) The Transporter must inform and implement a mechanism for delivering Natural Gas under the Reserved Capacity for the Shipper, in a transparent and accountable manner,

and apply equal treatment, considering technical and economic aspects.

- (3) Reserved Capacity services provided by the Transporter consist of guaranteed pipeline capacity (Firm Capacity) and/or interruptible pipeline capacity (Interruptible Capacity).
- (4) The Transporter shall provide Firm Capacity as requested by the Shipper, 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 all available Firm Capacity has been fully reserved by Shippers.

Article 24

- (1) The Transporter may conduct Natural Gas transportation activities for its own Natural Gas using the Transporter's Facilities.
- (2) The Transporter as referred to in paragraph (1) must obtain a business license for Natural Gas commercial activities if there is unused capacity not utilized by Shippers.
- (3) Violations as referred to in paragraph (2) shall be subject to administrative sanctions in accordance with the provisions of laws and regulations on business licensing.
- (4) The Transporter is required to apply the principle of separation (unbundling), at a minimum, accounting unbundling, between the Natural Gas Transportation Business Through Pipelines and the Natural Gas commercial activities conducted through the Transporter's Facilities.
- (5) Violations as referred to in paragraph (4) shall be subject to administrative sanctions in accordance with the provisions of laws and regulations.
- (6) A Transporter conducting Natural Gas commercial activities through the Transporter's Facilities as referred to in paragraph (1) must apply for approval of Reserved Capacity Transporter to the Regulatory Agency.
- (7) The Regulatory Agency shall verify the application for approval of Reserved Capacity Transporter as referred to in paragraph (6).

Article 25

- (1) Transporters with new Facilities and/or those originating from commercial activities are required to provide Reserved Capacity for Shippers for public interest and/or to support government programs, amounting to at least 20 (twenty) percent of the Maximum Flow Capacity.
- (2) If the Transporter cannot provide Reserved Capacity for Shippers for public interest and/or to support government programs amounting to at least 20 (twenty) percent of the

Maximum Flow Capacity as referred to in paragraph (1), the Transporter shall be subject to administrative sanctions.

- (3) The administrative sanctions referred to in paragraph (2) shall consist of:
 - a. A written warning; and
 - b. An administrative fine.
- (4) The written warning referred to in paragraph (3) point a shall be issued no more than 3 (three) times within a maximum period of 6 (six) months.
- (5) The Transporter shall submit 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 current year.
- (6) If the Reserved Capacity Transporter has been in operation for 2 (two) consecutive years since its approval by the Regulatory Agency, it must be operated as a separate function distinct from the Natural Gas Transportation Business Through Pipelines

Article 26

If the Reserved Capacity for the Transporter is not utilized based on the verification process as referred to in Article 24 paragraph (7), the Reserved Capacity for the Transporter shall be open for use by Prospective Shippers or other Shippers.

Article 27

The Head of the Regulatory Agency establishes technical guidelines for Natural Gas Transportation Through Pipelines concerning the mechanism for determining the Access Arrangement (AA), Reserved Capacity for the Transporter, and Reserved Capacity for Shippers.

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 Through Pipelines.

Article 29

- (1) The Transporter is required to submit reports on the utilization activities of natural gas joint facilities to the Regulatory Agency on a monthly basis or whenever necessary.
- (2) The report as referred to in paragraph (1) shall include 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 for Shippers;
- e. Reserved Capacity for the Transporter;
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.
 - 7) The condition and composition of Natural Gas quality (gas specification), including temperature and pressure at the Receipt Point and Delivery Point;
 - 8) Stock Transfers;
 - 9) Evaluation of discrepancies (unaccounted gas) or measurement differences between the Receipt Point and the Delivery Point;
 - 10) Available capacity; and
 - 11) Other costs that contribute to the Transporter's revenue from the utilization of Facilities.
- (3) If the Transporter fails to submit the report as referred to in paragraph (1), it will be subject to administrative sanctions.
- (4) The administrative sanctions referred to in paragraph (3) consist of:
 - a. A written warning; and
 - b. An administrative fine.
- (5) The written warning referred to in paragraph (4) point a may be issued up to 3 (three) times within a maximum period of 6 (six) months.

CHAPTER IX SUPERVISION

Article 30

- (1) The Regulatory Agency conducts supervision, which includes:
 - a. Examination of data and information submitted by the Transporter; and
 - b. Field visits.
- (2) If findings are identified based on the results of supervision as referred to in paragraph (1), the Regulatory Agency may propose adjustments to the Access Arrangement (AA).

CHAPTER X TRANSITIONAL PROVISIONS

Article 31

At the time this Regulation comes into effect:

- a. Transporters who already have an Access Arrangement (AA) in place and have been using it in a Gas Transportation Agreement (PPG) prior to the issuance of this Regulation shall remain valid but must adjust the AA to comply with the provisions of this Regulation no later than 1 (one) year from the effective date of this Regulation.
- b. Transporters and Shippers with PPGs that are not in compliance with the provisions of the AA under this Regulation must adjust their PPGs no later than 6 (six) months from the date of AA approval by the Head of the Regulatory Agency.
- c. Transporters who have been conducting Natural Gas commercial activities through the Transporter's Facilities prior to the issuance of this Regulation must apply for 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 effect:

- a. The Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH MIGAS/VII/2008 concerning the Joint Utilization of Natural Gas Transportation Facilities Through Pipelines; and
 - b. The Regulation of the Downstream Oil and Gas Regulatory Agency Number 21 of 2019 concerning the Amendment to the Regulation of the Downstream Oil and Gas Regulatory Agency Number 15/P/BPH MIGAS/VII/2008 concerning the Joint Utilization of Natural Gas Transportation Facilities Through Pipelines (State Gazette of the Republic of Indonesia Year 2019 Number 1406),
- are revoked and declared invalid.

Article 33

This Regulation shall come into effect on the date of its promulgation..

To ensure public awareness, it is ordered that this Regulation be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Issued in Jakarta
on September 27, 2024

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

ERIKA RETNOWATI

Promulgated in Jakarta
on October 3, 2024

ACTING DIRECTOR-GENERAL OF LEGISLATION
MINISTRY OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,

ASEP N. MULYANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2024 NUMBER 619

Certified true copy
DOWNSTREAM OIL AND GAS REGULATORY AGENCY
SECRETARY OF BPH MIGAS,

Patuan Alfon S.

