



New SKK Migas Roles in Decarbonization and Energy Transition

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CHAIRMAN OF SKK MIGAS
(Special Task Force for Upstream Oil and Gas Activities
of Republic of Indonesia)
Dwi Soetjipto

Global Trend : Dynamic and Challenging

World Economy



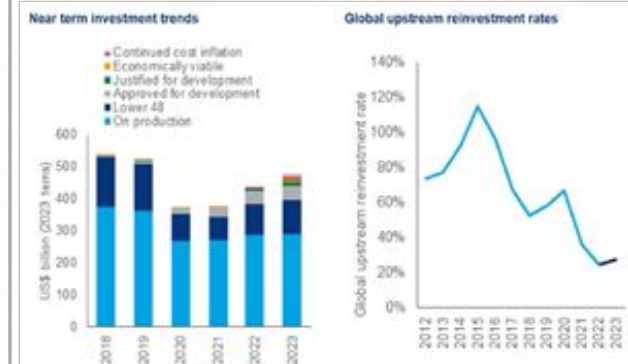
- ❖ Economic Rebound
- ❖ Geopolitic Russia - Ukraine
- ❖ US response: Inflation Reduction Act

Energy Trilemma



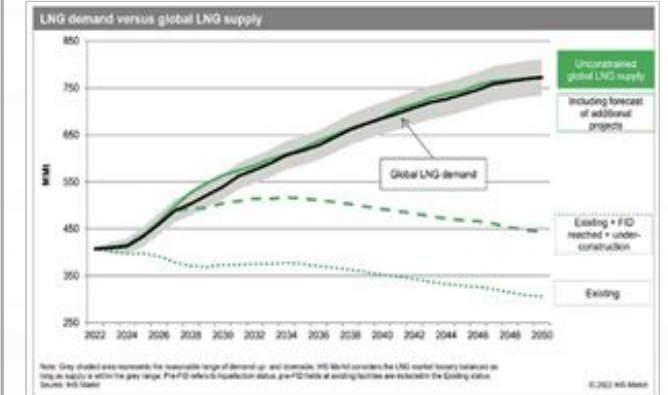
- ❖ Priority to Energy security and affordability

Investment Trends



- ❖ Global Investments increase by 6,5%
- ❖ Cost Inflation by 5% FID + Supply Chain Challenge
- ❖ Exploration Opportunity: Low Cycle Time, low Emission and Low Cost Resources

Gas as Transition Energy



- ❖ Increase global gas demand
- ❖ Unlock Gas Projects
- ❖ Tech Trend: FLNG & Modular LNG

Upstream Indonesia Oil & Gas Strategic Plan (IOG) 4.0

Background

Pres. Regulation 36/2018

Law Number 22 of 2001

UUD 1945 Article 33

Nawacita II

RPJMN 2020 - 2024

Ambition

Achieving level best production, national capabilities, and sustainable environment

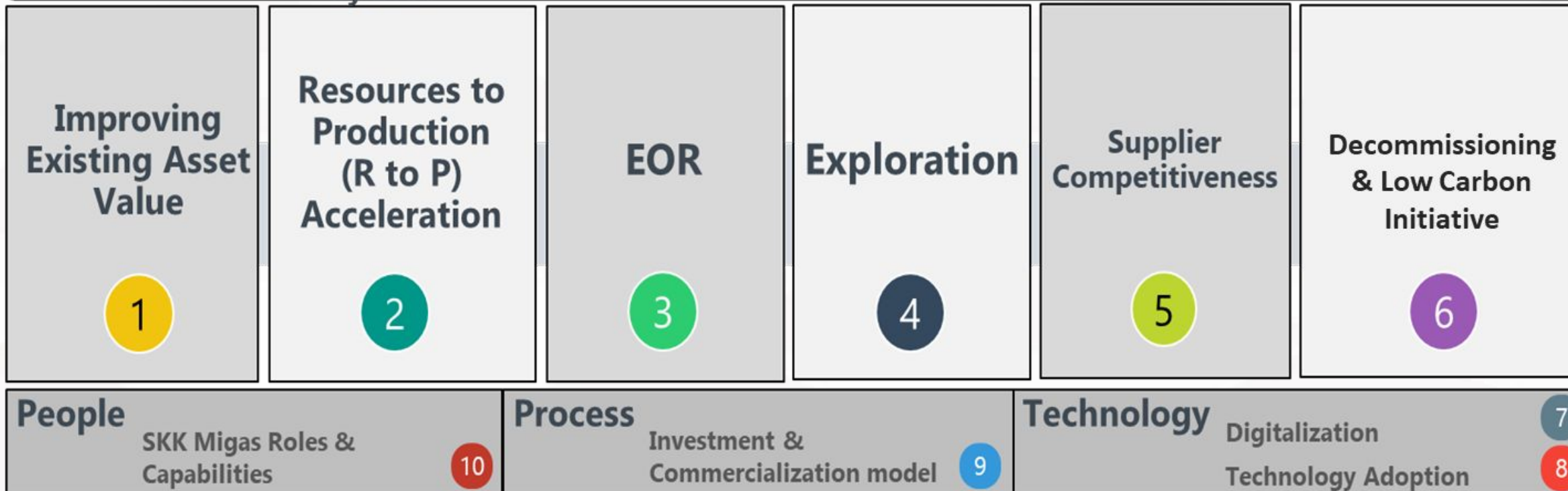
Target

Producing 1 MMBOPD oil and 12 BSCFD gas by 2030

Increasing multiplier effect





Ensuring environmental sustainability

Strategic Pillars



Enablers

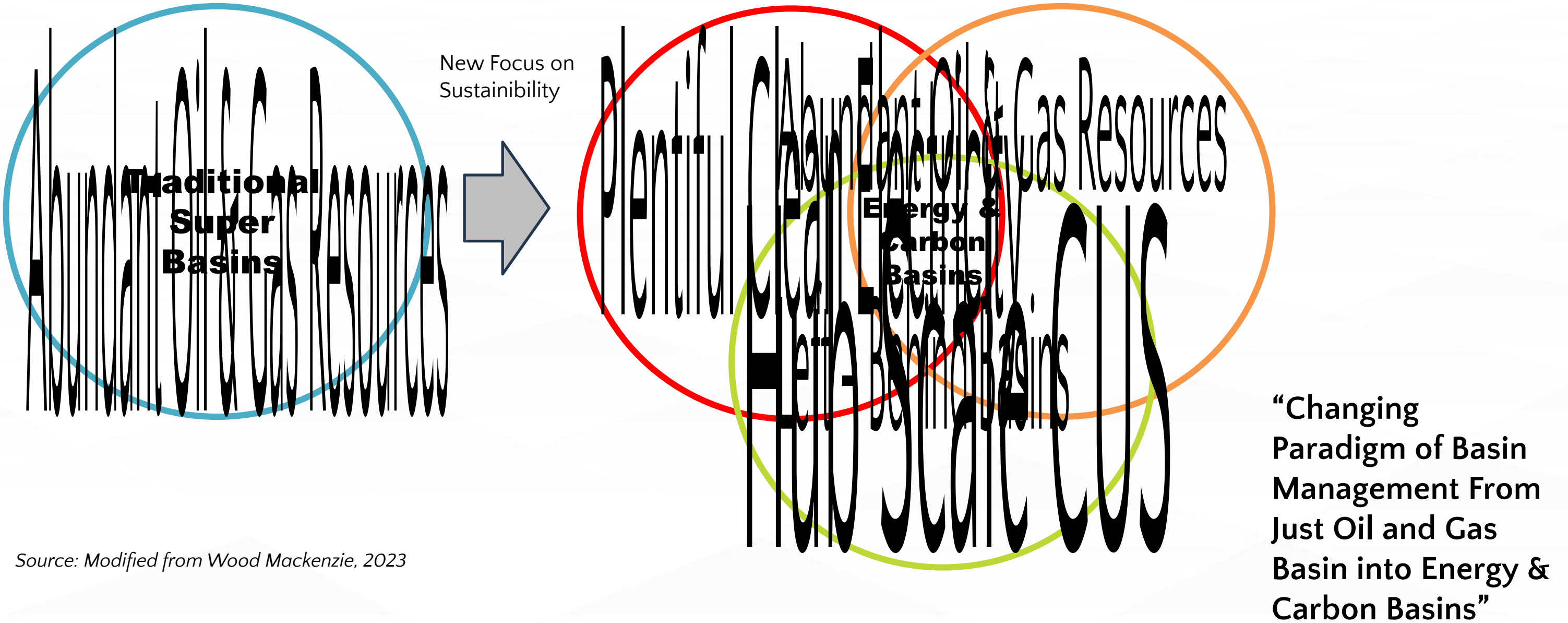
Low Carbon Initiatives

CO ₂ SEQUESTRATION (CCS-CCUS)	ENERGY MANAGEMENT (ENERGY CONSERVATION, FUEL SUBSTITUTIONS)	FUGITIVE EMISSIONS	ZERO ROUTINE FLARING (FLARE/ EMISSION REDUCTION)	REFORESTATION (OFFSET CARBON, NATURE BASED SOLUTIONS)
<ul style="list-style-type: none"> <input type="checkbox"/> INTERNAL ASSESSMENT  Zelda (OSes), Mudi (TEJ), Kawangan, Raja, Tambun, Tanjung Tiga Barat, Wasian, X-Ray (PEP) <input type="checkbox"/> STUDY  Air Serdang, Guruh, Sukowati, Ramba, Bajubang (PEP), Bekapai (PHM) <input type="checkbox"/> HUFF & PUFF  Jatibarang (PEP), Gemah (Petrochina) <input type="checkbox"/> CCS-CCUS  UCC (Ubadari, BPBL) CCS (Abadi, IML) 	<ul style="list-style-type: none"> <input type="checkbox"/> NEW & REN. ENERGY Photovoltaic (PHR). Reduce CO₂, 23 thousand Ton Per Annum <input type="checkbox"/> GAS TO WIRE CONVERSION 5 Projects mainly in Badak. Saving: 39 MMSCFD gas. <input type="checkbox"/> ENERGY CONSERVATION 9 Fuel Gas Efficiency Project. Saving: 7.5 MMSCFD gas. 	<ul style="list-style-type: none"> <input type="checkbox"/> METHANE INVENTORY Calculations based <input type="checkbox"/> FUGITIVE EMISSIONS Calculations based 	<ul style="list-style-type: none"> <input type="checkbox"/> FLARE UTILIZATION <ul style="list-style-type: none"> • 10 Ongoing Project with potential reduction 14 MMSCFD. • EMCL develops associated gas treatment projects with potential reduction: 10 MMSCFD. 	<ul style="list-style-type: none"> <input type="checkbox"/> Planting 2 Million Tree Each Year

POLICY AND REGULATIONS

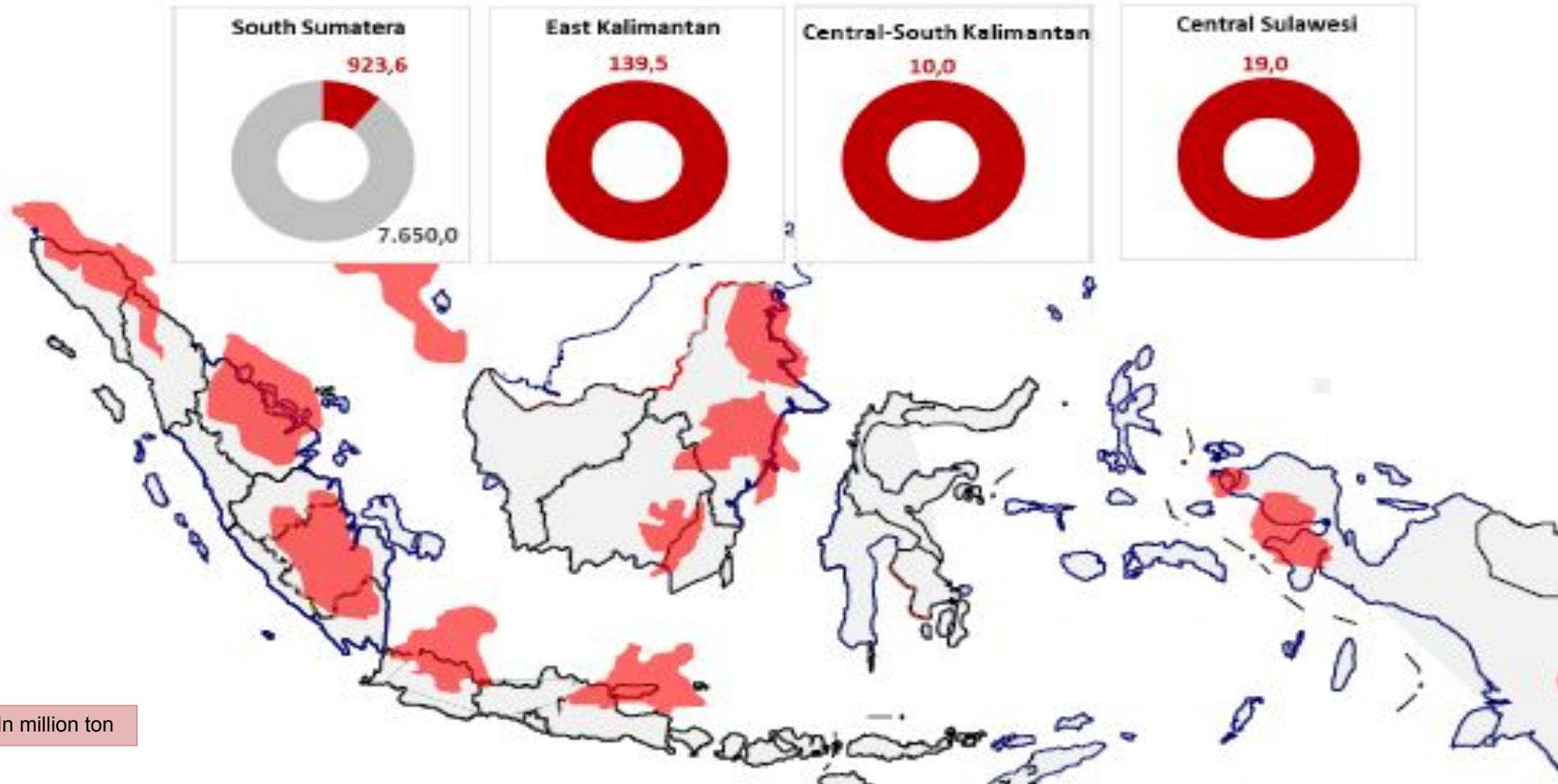
- SKK MIGAS - PSC**
Develop Guideline (PTK) on CCS-CCUS as part of POD and Carbon Management
- GOVERNMENT REGULATIONS**
Ministerial ESDM Decree no 2./2023 on CCS/CCUS
Develop Presidential Decree on CCS/CCUS and Revise Government Decree no 27 and 53.

Indonesia Energy & Carbon Basins



Source: Modified from Wood Mackenzie, 2023

Identifying Carbon Storage Potential Capacity

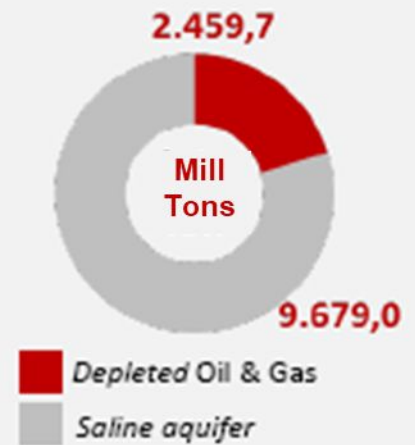


In million ton

Total Potential CO₂ Storage:

12.2 Billion tons CO₂

- *Depleted Oil & Gas:*
2.5 Billion tons CO₂
- *Saline Aquifers:*
9.7 Billion tons CO₂

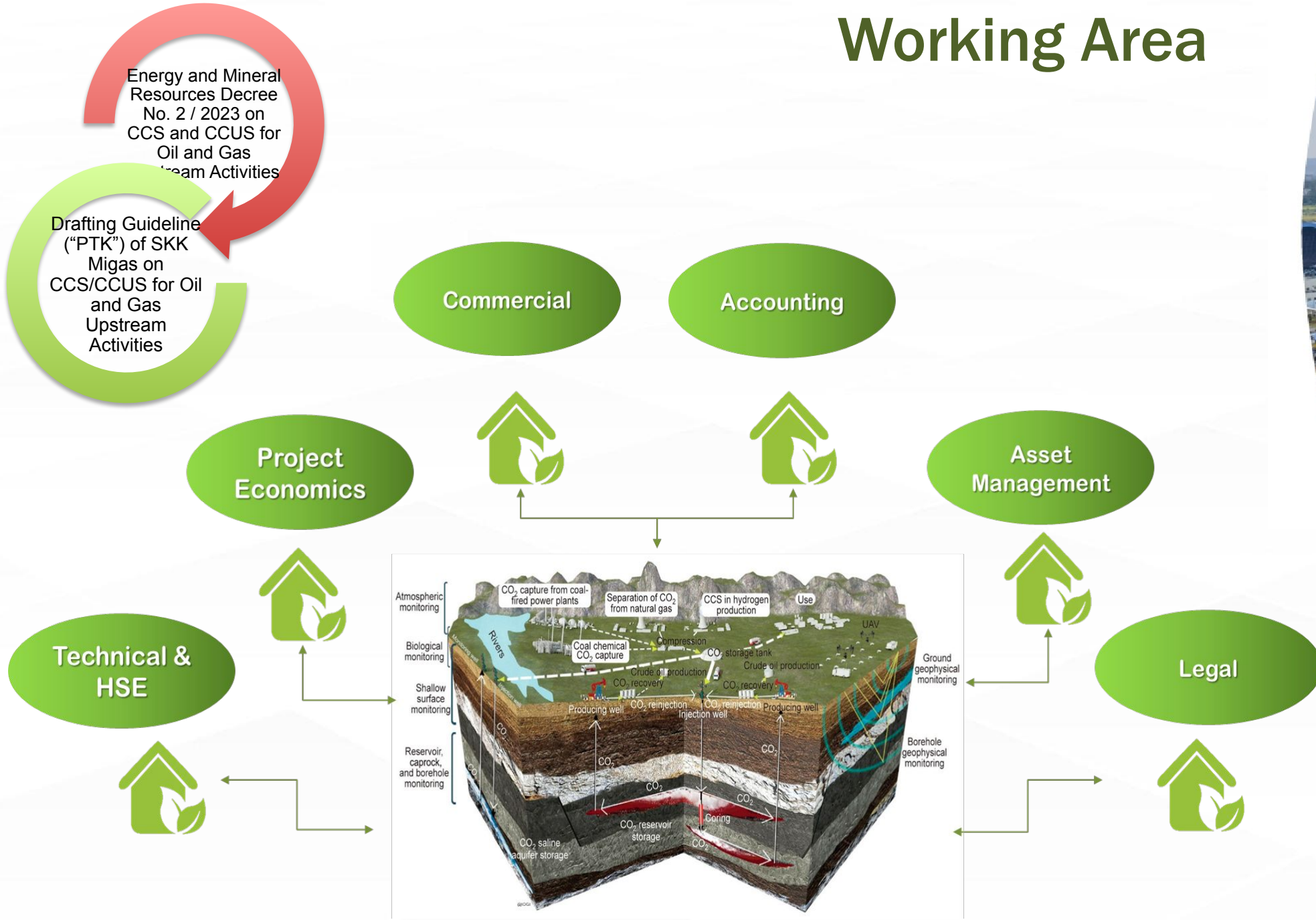


Source:
LEMIGAS 2009 Study; LEMIGAS-ADB 2012 Study; LEMIGAS-World Bank 2015 Study; Ditjen Migas, 15 ongoing-project

Study from International Institution:

- **ExxonMobile:**
~80 Giga Ton CO₂ in saline aquifers
- **Rystad Energy:**
>400 Giga Ton CO₂ Oil & Gas Reservoir and Saline Aquifers

Regulation and Guideline on CCS/CCUS on Oil and Gas Working Area



Energy and Mineral Resources Decree No. 2 / 2023 on CCS and CCUS for Oil and Gas Upstream Activities

Drafting Guideline ("PTK") of SKK Migas on CCS/CCUS for Oil and Gas Upstream Activities

- Oil and gas production is still priority
- Align with other regulations, such as Carbon Trading, MRV, etc
- Business concept between PSC and other parties
- Detailed guidelines on technical aspects

Thank You

