



CoalindoNews is published in 2007 by PT.Coalindo Energy and dedicated as complimentary for each subscriber of Indonesian Coal-price Index (ICI) . With regards to new ICI subscriber and trial issues , please contact : Telephone + 62-21-3001 2490 and + 62-21-3001 2488, Fax : + 62-21-3001 2491, Email : maydins @coalindoenergy.com & Website : www.coalindoenergy.com

HBA REVISION COMPLETED

Finally the Ministry of Energy and Mineral Resources has completed the revision of the formula of Coal Price Reference (HBA). Director of Coal Business Development Adhi Wibowo said the formula will be used for the determination of HBA in January 2016.

NEW SCHEME IN COAL SECTOR

Indonesian Ministry of Energy and Mineral Resources will consider the use of scheme on cost plus margin in addition to HBA in order to prevent any of the companies in the country to suffer from losses. Director of Coal Business Development Adhi Wibowo said the draft scheme will be finalized soon.

RP722.32 BILLION OF IPO FUND HAS BEEN USED

Berau Coal Energy's Independent Director Arief Wiedhartono said the fund from the proceeds of the initial public offering (IPO) up to 30 September 2015 had already been spent for as much as Rp722.32 billion; the remaining fund is Rp346 billion that will be allocated to additional working capital and to its subsidiaries.

YEAR-END PRICE AT RP700,000 PER TON

PT Bukit Asam Tbk expected the average selling price of coal until the end of this year at Rp700,000 per ton. It is in assumption that the exchange rate is at Rp13,000 per US dollar, said Finance Director of Bukit Asam Achmad Sudarto.

TWO TERMINALS TEMPORARILY CLOSED

Two terminals of coal loading and unloading at the Seaport of Cirebon in West Java are temporarily closed because they are very close to the neighbourhoods and areas of offices. They are Pelita terminal and Linggarjati terminal. It was said by GMP Control of Performance and Port Facility Security Officer Iman Wahyu.

DECEMBER PRICE AT US\$53.70

Contract price of coal delivery in December 2015 at ICE Futures Exchange is stagnant on a level of US\$53.70 per metric ton. The price was slightly moving in the past week declining 0.27 percent. It was reported by the press.

PLANNING TO CLOSE PLTUS

The British government will likely follow the steps taken by the government of China to close all its coal-fired power plants (PLTUs) and to replace them with gas-fired power plants (PLTGs). It was informed by Researcher and Analyst of PT Fortis Asia Futures Deddy Yusuf Siregar.

PRODUCTION TO INCREASE 1.2 MILLION TONS

The management of PT Mitrabara Adiperdana Tbk predicted that until the end of the year 2015 the company will manage to increase 1.2 million tons of coal production when compared to the production in the year 2014. In the year 2014 the production was at 2.8 million tons and this year the production is 4 million tons.

STOP TO FUND THE COAL INDUSTRY

Executive Director of Rainforest Action Network (RAN) Lindsey Allen said, Well Fargo is committed to reducing its lending to mining companies. Meanwhile, Morgan Stanley will stop the lending and guarantee of financing for the construction of power plants in developed countries.

MINISTERIAL DECREE ON NON-CNC STATUSES DRAFTED

As planned the Ministry of Energy and Mineral Resources will soon issue a Ministerial Decree (Permen) of Energy and Mineral Resources concerning the procedures on permits for mining undertakings (IUPs) of companies that are still in non-clean and clear (CnC) statuses. Director General of Mineral and Coal, Bambang Gatot said the policy is aimed for local authorities.

NATIONAL PRODUCTION DOWN 15.58 PERCENT

Indonesian Directorate General of Mineral recorded the coal production during January-October 2015 reached 322.5 million tons, down 15.58 percent when compared with the production in the same period last year at 382 million tons. The realization of production is equivalent to 75.8 percent of the total production as planned by coal companies this year at 425 million tons.

IMPACT ONLY TO EXPORT VOLUME

Director of Coal Business Development under Ministry of Energy and Mineral Resources (ESDM) Adhi Wibowo said the plan to cut the production of 20 percent by coal producers will give an impact only to the volume of coal exports. The domestic market obligation (DMO) will not be changing.

BAN TO GO ON PUBLIC ROADS

East Kalimantan provincial government together with related parties will actively monitor the deliveries of coal and palm oil on the public roads. "During the monitoring there will also be taking action for sanction if there is a violation," said Head of Land Transportation under Transportation Division of East Kalimantan Mahmud Syamsul Hadi.

TO ACCELERATE THE COMPLETION OF TWO PROJECTS

President Director of PT Mitrabara Adiperdana Tbk Khoirudin said the company will accelerate the completion of two projects in the year 2016. They are the development of conveyor facilities at the seaport of Malinau in North Borneo and the development of coal mining facilities in Malinau and Muara Bengalon in East Kalimantan.

ALREADY IN PRODUCTION

Director of Sekawan Intipratama Tbk Suluhuddin Noor said that PT Indo Wana Bara Mining Coal has been producing coal since the beginning of this year. "The preparation of mining design, mining plan, and land acquisition has been started since July 2014," he explained in a report submitted to the Indonesia Stock Exchange.

PROGRAM TO TERMINATE EXPORTS

Indonesia's National Energy Council (DEN) called on the Government of Indonesia to make a long-term program for the termination of the exports of commodities of coal and gas. DEN's member Rinaldi Dalini said currently the exports of gas are at 50 percent of the total production and the exports of coal are at 80 percent of the production.

SWITCHING FROM GAS TO COAL

PT Pupuk Indonesia considered that the replacement of gas with coal is an appropriate action. It can be used as part of the raw materials of fertilizer. "As targeted in the next 10-15 years we will fully use coal," said President Director of PT Pupuk Indonesia (Persero) Arifin Tasrif.