Indonesia’s Electricity Subsidy Reforms

17 Juni 2021

PT PLN (Persero)
Electricity Subsidy Policy in Indonesia on 2022

Based on Letter of the Directorate General of Electricity no B-616/TL.04/DJL.3/2021, electricity subsidy policy:

- Providing electricity subsidies only to people who are entitled
- Electricity subsidies are provided for poor and underprivileged household customers with 450 VA power and 900 VA power by referring to the Integrated Social Welfare Data (DTKS), as well as supporting the implementation of electricity subsidies for households through a direct subsidy mechanism.
- Improve electric power customer services.
- Improving the efficiency of electricity supply, by reducing the composition of fuel consumption in power plants and encouraging the development of efficient renewable energy
Who is the Beneficiary of the Subsidy?

Based on the Integrated Social Welfare Data (DTKS)

Recipients of household electricity subsidies at PLN refer to the Integrated Social Welfare Data (DTKS) which covers the lowest 40% of households in the economy.

Until now, the number of households that should be able to get electricity subsidies according to the DTKS is 27,703,976 households

(Source: dtks.kemensos.go.id; on January 2021)

Based on PLN Customer Data

- Currently, there are 37.4 million subscribers (47% of total customers) who receive SUBSIDIES.
- The majority of the subsidy was received by household customers with 450 VA and 900 VA power with a total of 32,079,466 customers (85.66% of total subsidy recipients).
- PLN has made efforts to ensure that the recipient of the household subsidy is the right person.
PLN’s efforts to ensure that recipients of subsidies are right on target

Matching DTKS with PLN Data

Matching data through direct surveys by PLN officers to household addresses according to the Integrated Data to maintain the accuracy of subsidy recipients.

The collaboration in data utilization between the Directorate General of Dukcapil and PLN is in the context of validating NIK data and other attributes (synchronization) in order to further improve the accuracy of subsidy recipient data sourced from DTKS.

Using Artificial Intelligence

Using a Custom AI-engine specially designed for Image Recognition from PLN Customer Home Photos with Hybrid Cognitive & Intuition Prediction. It’s analyzes the types of Floor, Wall, Roof materials as the basis for automatic prediction of the value of the house and also uses the Multiple Stages Recognition Process to detect the presence of special objects such as: Air Conditioning (AC), Cars, Motorcycles, Iron Fences, House Materials belonging to the luxury category, etc.

Media complaints for people who have not received subsidies can be done through web technology-based digital channels www.subsidi.djk.esdm.go.id and the mobile application on the Android Playstore under the name PEDULI Mobile.

Cooperation with Dukcapil

Digital Complaint Channel

www.pln.co.id
To improve customer service, PLN issued a mobile digital application, namely PLN Mobile as a Leading Digital Platform to Meet All the Needs of 79.98 Million Customers in improving Customer Experience.

With the launch of the PLN Mobile application, all PLN products and services can be easily reached by customers and prospective customers (All Services In Hand)
Direct Subsidy Distribution Mechanism

Matching results between DTKS & TNP2K with IDPEL verification are the reference for the number of subsidy recipients.

The amount of the subsidy money is the multiplication of the number of kWh results from the study of "basic needs" + stimulants with BPP + Margin - electricity tariffs for customers of that group plus taxes (during the transition process).

Followed by the tariff simplification process, all subsidized and non-subsidized customers are subject to a single tariff.

Subsidy money goes to an E-Wallet account that is integrated with New PLN Mobile or ATMs or other merchants and can be used for monthly electricity bill payment transactions as well as token purchase transactions.
Steps Towards Direct Subsidy

January 2021
Initial Condition

September 2021
Subsidized Electric Energy Volume Limit and Amount
Determination of basic energy*) use for subsidy limits
Method: By Survey

June 2022
Final Condition

June 2021
(Our position Right Now - on progress)

December 2021
Transition Process and Implementation
Mechanism of Direct Subsidy Strategy
Implementation of new tariff group, new subsidy patterns

Criteria Identification and Regulatory Changes
Filtering subsidy customer data (matching DTKS data with PLN customers)

*basic energy: The basic energy determination is based on the national electricity tariff structure and the PLN's obligation to supply electricity to certain customer categories.