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Java-Bali Transmission and Substation Project (East Java) (I) (II)

Substation installed by the project

Outline of Loan Agreement

Loan Amount / Disbursed Amount	14,533 million yen / 6,459 million yen
Loan Agreement	September 1991 / October 1992
Terms & Conditions	Interest rate 2.6% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	October 1997 / February 2001

Project Outline

(Phase I) The reliability of power supplies was improved by meeting increases in demand from regions already linked to the grid, supplying power to new customers and enhancing the reliability of the transmission system.
(Phase II) The stability and reliability of power supplies in East Java were improved via a combination of investment in the region's two large-scale power stations, Gresik combined cycle power plant and Paiton thermal power plant, and improvement/expansion of secondary power distribution system facilities.

Results and Evaluation

Through this project, the performance of the existing substations and medium voltage transformers was strengthened, and the new transformers and distribution lines were constructed. The volume of transformer capacity increase by 1,470MVA, accounted for approximately 16% of the cumulative capacity of maintained transformers in the East Java region, whilst occupying approximately 21% of the number of operating transformers. From the increased capacity of transformers and alleviations of the excessive strain on operations due to this project, great improvements have been seen in the number and durations of blackouts in the East Java region in the past ten years. Thus, this project can be said to have contributed to the rise in reliability levels of supply and the growth in power demand in the region.
In recent years, the executing agency, Indonesia's Electricity Corporation (PLN) has attempted to increase the efficiency of management, for example through organizational reform, and there does not appear to be any significant problems in the sustainability of this project.