Increasing the Use of LNG on the Java Island (Bali Province) through the Development of Small-Scale LNG Projects

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Abstract : Bali province is one of the most famous tourist destinations in Indonesia. As a central tourist destination, Bali is very concerned about the use of clean energy. Since Bali is an area that does not have natural resources, so all of its energy sources are imported from java island and other islands. As an example, currently, Pertagas is developing the use of LNG for the needs of the retail industry. Right now, LNG is transported from the LNG plant facility in Bontang (Kalimantan Province) using ISO Tanks which are transported by cargo ships and then transported by trucks to the island of Bali. After that, LNG from ISO Tank is breakbulk into LNG Cylinders for distribution to retail customers. The existing distribution scheme is very long and costly since the source of LNG is come from another island (Kalimantan) and is relatively far away. To solve this problem, we plan to build the mini-LNG plant on Java Island since there are lots of gas sources available. There are some small gas reserves (flared or stranded gas) that are not yet monetized and are less valuable (cheaper) because the volume is very small. After liquifying the gas from the gas field, the LNG is transported by the truck using ISO Tank. After that, LNG from ISO Tank is breakbulk into LNG Cylinders for distribution to retail customers. From this new LNG distribution scheme, there are 4-5 USD/MMBTU saving compared to the existing distribution scheme. It is hoped that with these cost savings, the number of retail LNG sales can increase rapidly.

Keywords: LNG, LNG retail, mini LNG, small scale LNG

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