

Indonesia Set For LNG Expansion

During a recent visit to Perth, R. Priyono, Chairman of Indonesia's oil and gas regulator BPMIGAS, forecast the rapid growth of the global LNG industry, particularly in the Asia Pacific, stating strong regional economic growth will drive energy demand.

In a speech, 'Maximising LNG Output in Indonesia, and the Potential for Future Growth', Priyono traced the history of the industry in Indonesia and focused on its current status and potential for future development.

Priyono stated Indonesia is in a strong position to capitalise on LNG demand, noting the

accelerated development of new gas fields around existing LNG plants will continue to ensure their viability while also potentially leading to the development of new LNG centres.

Priyono stated within the period 2010–2015 Indonesia is expected to have an additional LNG capacity of 11–13 MMT/y from the expansion of Tangguh LNG and new LNG trains in Senoro, Matindok and Masela.

Speaking to *PESA News*, Priyono stressed the importance of Australian-Indonesian collaboration. "Especially when we found big fields, big, scarce fields in the cross-waters with Australia, like Masela—we're trying to look to

the future opportunity, that we can, let's say, cooperate when we develop that field", he observed.

Priyono also noted the potential for the development of CBM in Indonesia, primarily for domestic consumption. "The government have a plan to start producing CBM in 2011. It's very important to us to learn from Australia how to speed up our CBM production", he stated.

"We understand that Indonesia and Australia are the two biggest producers, gas producing countries, in the Asia Pacific. We have the same objective, in that we try to maintain a seller market, because in the future oil and gas will be more and more difficult to get." ■