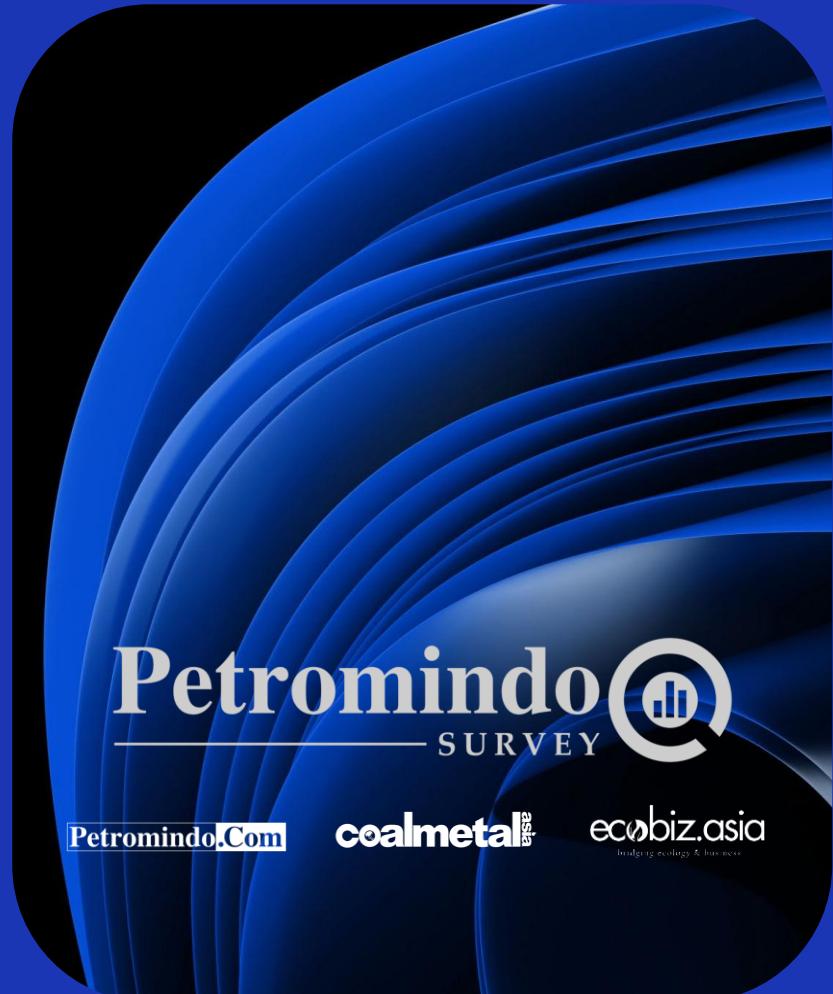


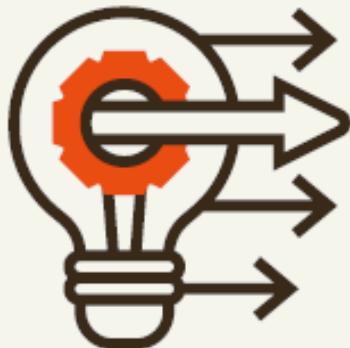
# **Survey Report on Confidence, Challenges, and Policy Readiness for Geothermal Energy as Indonesia's Primary Power Source**

June 2025



## RESEARCH OBJECTIVE

Dari survei ini dapat diketahui:

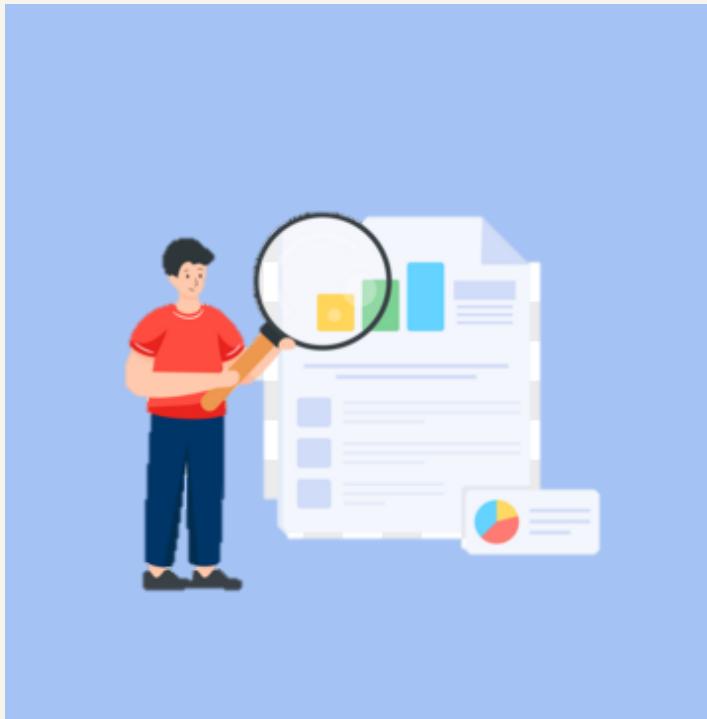


**Measuring Perception:** the level of confidence in the potential of geothermal energy to be developed as a primary energy source in Indonesia

**Identifying Challenges:** technical, regulatory, and social challenges encountered in geothermal project development

**Policy & Regulatory Support:** identifying the support and regulations needed to facilitate the implementation of the geothermal sector

# SURVEY METHOD & SAMPLING



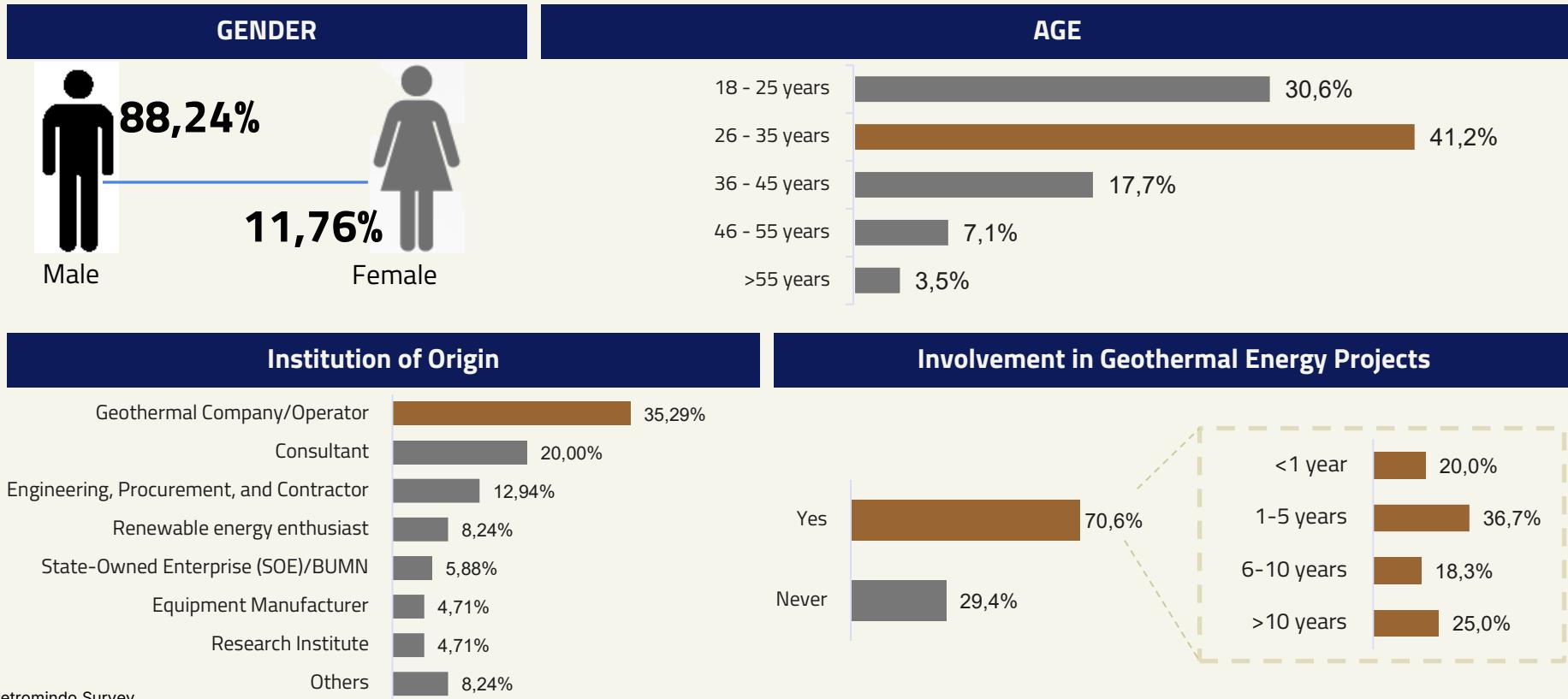
Sample Size \_\_\_\_\_  
**(Call us to know more details)**

<b>Date of Survey</b>	5 May – 15 June 2025
<b>Survey Method</b>	Quantitative – Online questionnaire with non-probability, Purposive Sampling
<b>Population</b>	All Indonesian residents aged 18 and above who have an interest in or are involved in the geothermal sector
<b>Respondent Criteria</b>	Male and female, aged >= 18 tahun
	<ul style="list-style-type: none"><li>Energy Industry Players: Developers, consultants, contractors, and off-takers such as PLN.</li><li>Academics and Researchers: Educational institutions and research organizations focused on renewable energy</li></ul>

# 4 RESPONDENT PROFILE

Overall, majority of respondents are male, aged 26-35 years old, mostly working in Geothermal companies/operators and have been involved in geothermal energy projects for 1-5 years.

(Base: All respondent, n=)



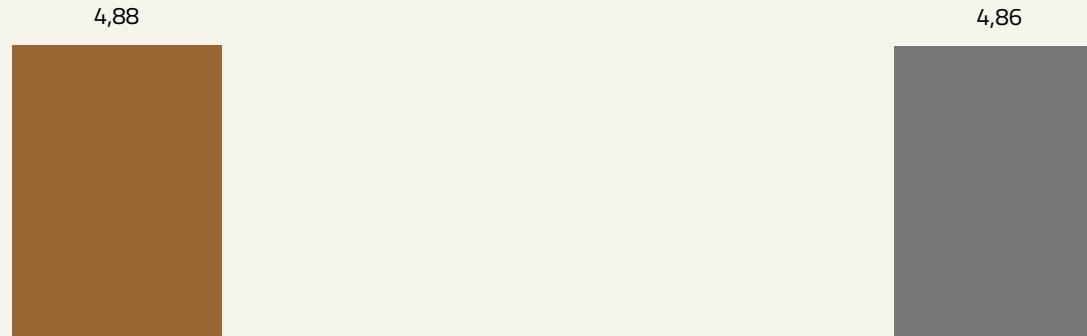


**Measuring Perception:** the level of confidence in the potential of geothermal energy to be developed as a primary energy source in Indonesia

## Respondents' perceptions indicate strong optimism regarding the development of geothermal energy in Indonesia

*This is reflected in its score, which is at level 4.*

On a scale 1-5, Please rate your assessment of the following statement? [SA]  
(Base: All respondent, n=)



Geothermal energy has great potential for development in Indonesia

Geothermal energy plays a role in supporting the clean energy transition in Indonesia

### Remark :

1: Strongly disagree

2: Disagree

3: Somewhat agree

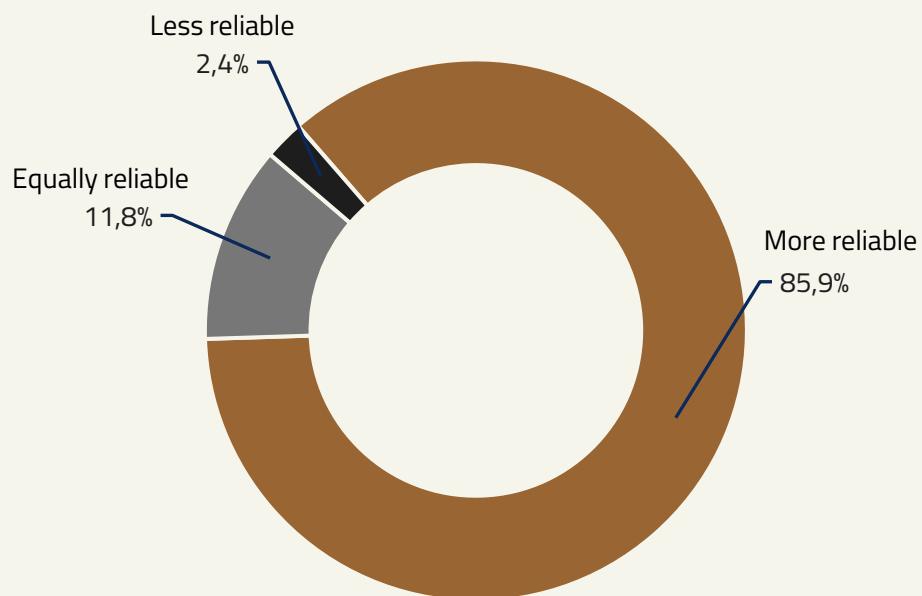
4: Agree

5: Strongly agree

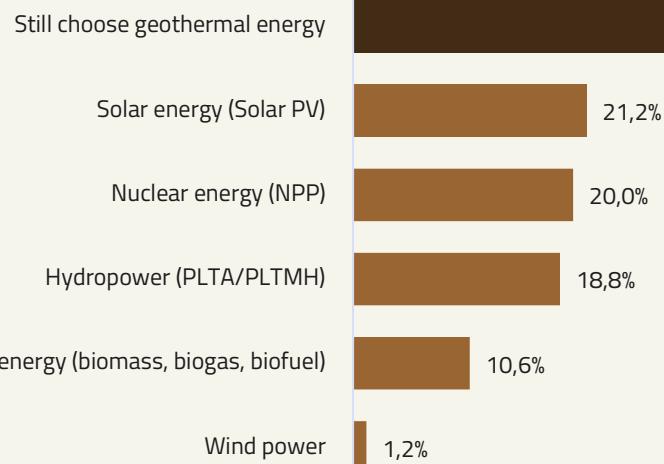
85.9% of respondents consider geothermal energy to be more reliable than other forms of renewable energy

Therefore, when asked to choose an alternative energy source, 28.2% of respondents still preferred geothermal energy, followed by solar and nuclear energy.

In your opinion, how reliable is geothermal energy compared to other renewable energy sources? [SA]  
(Base: All respondent, n=)



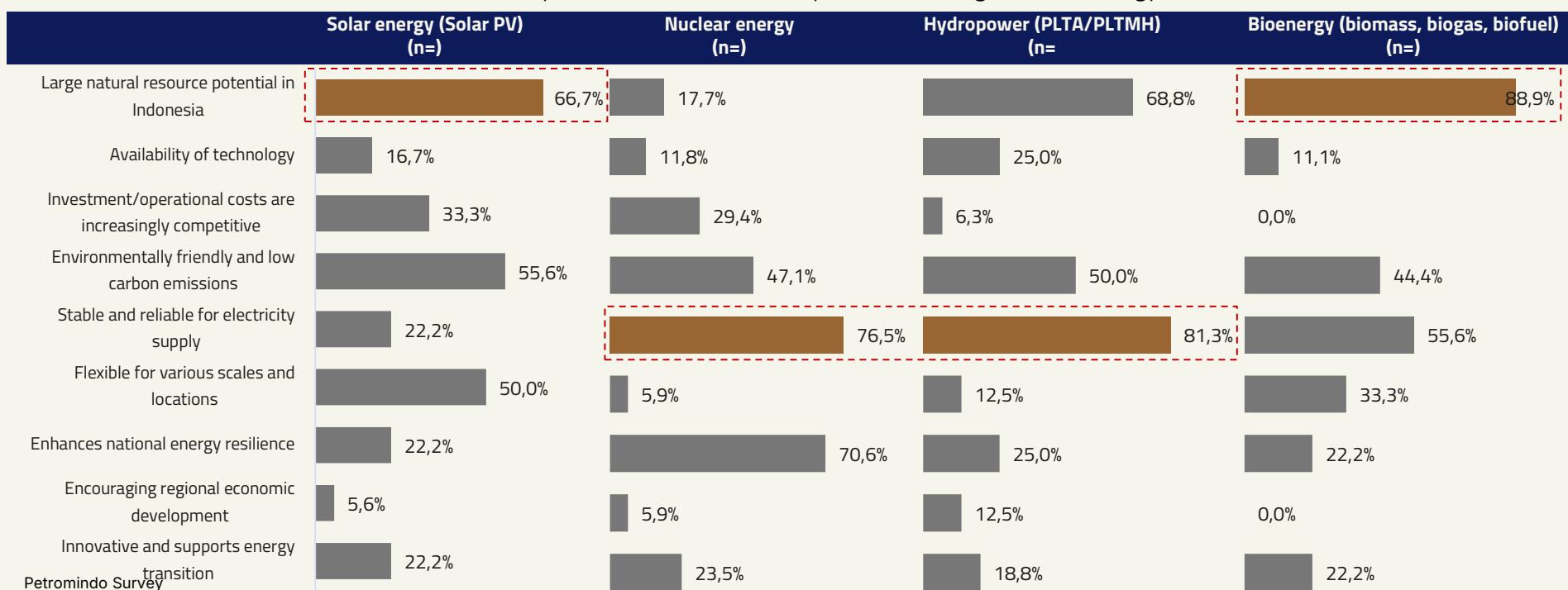
If you had to choose, apart from geothermal energy, which renewable energy source do you think is the most potential for development in Indonesia today?  
(Base: All respondent, n=)



## Each energy source has its own specific reasons for being chosen

*Solar PV and bioenergy are preferred due to the large natural resource potential in Indonesia, while nuclear energy and hydropower are chosen for their stability and reliability in electricity supply.*

What are your main reasons for choosing that renewable energy source? [MA]  
(Base: Respondents who selected an option other than geothermal energy, n=)

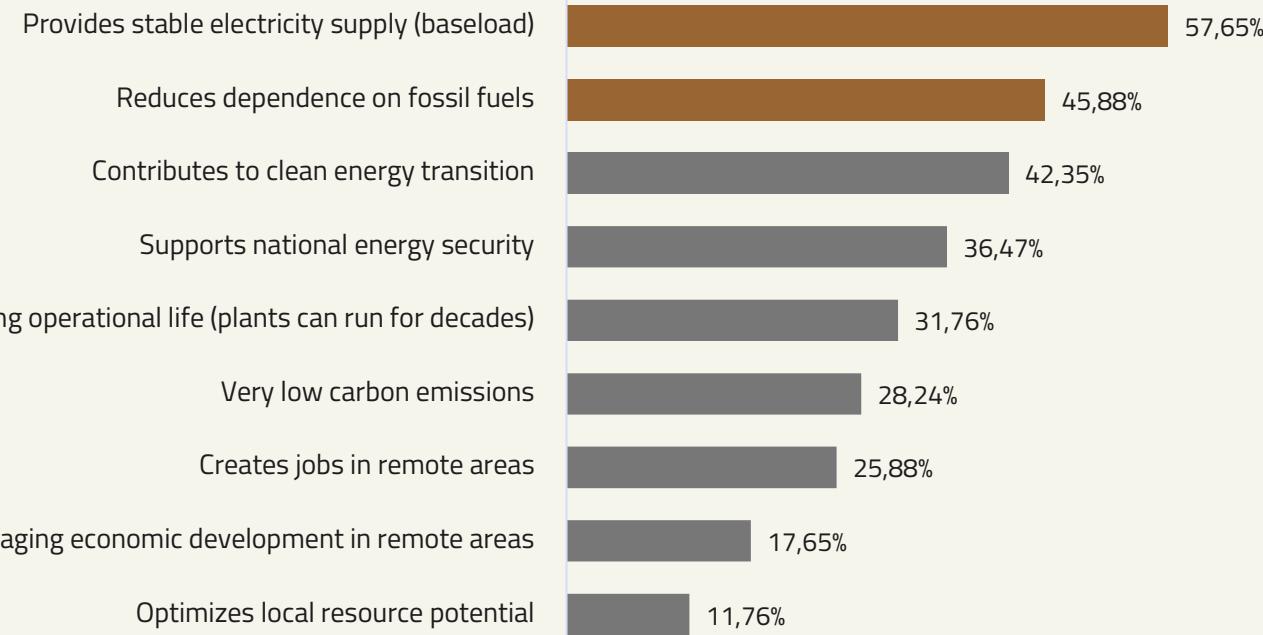




**Identifying Challenges:** technical, regulatory, and social challenges encountered in geothermal project development

## Ensuring a stable electricity supply and reducing reliance on fossil fuels are among the most commonly acknowledged benefits of using geothermal energy

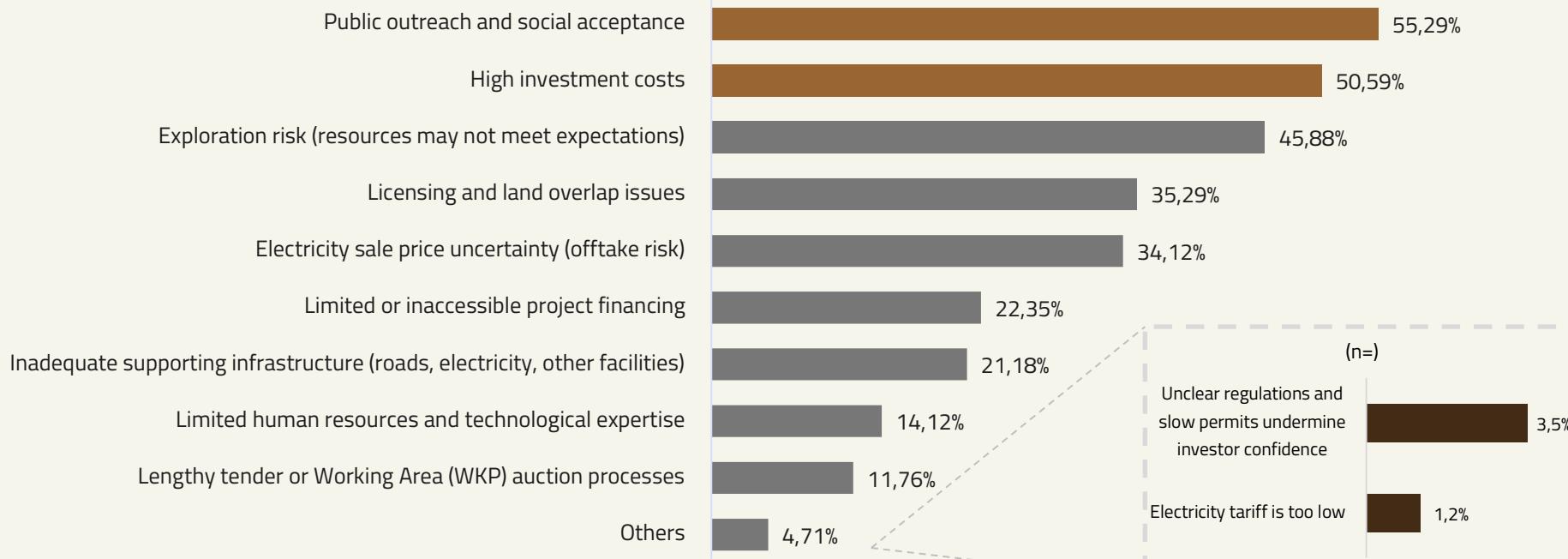
In your opinion, what are the perceived benefits of implementing geothermal energy? [MA]  
(Base: All respondent, n=)



# Public outreach and social acceptance remain key challenges to the development of geothermal energy in Indonesia

*the next major obstacles include high investment costs and exploration risks.*

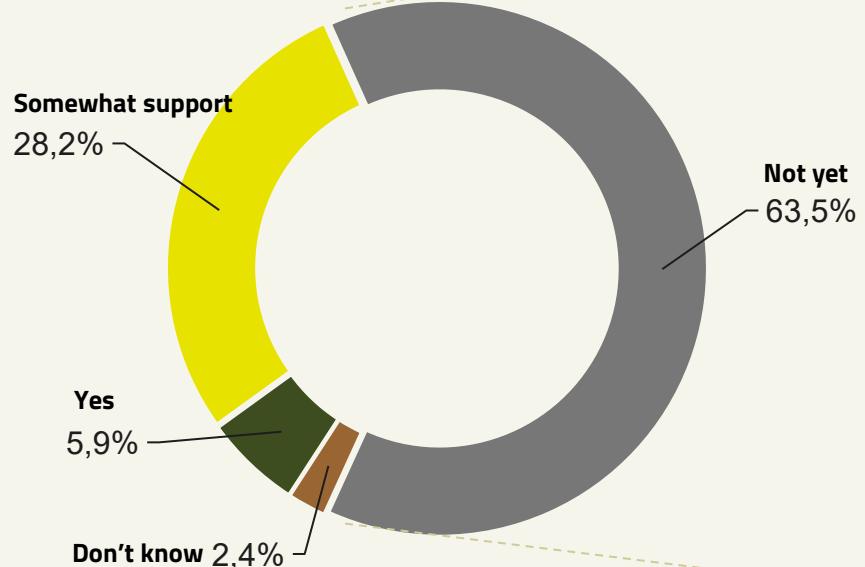
What are the main challenges in developing geothermal energy in Indonesia? [MA]  
(Base: All respondent, n=)



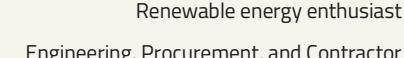
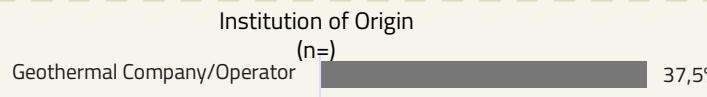
Only 5.9% of respondents believe that the government has provided sufficient support for geothermal energy development in Indonesia, while 63.5% stated that it has not

*the majority of those who responded 'not yet' are respondents from geothermal companies or individuals who have been involved in geothermal projects for more than 10 years.*

In your opinion, has the government provided sufficient support for geothermal energy development in Indonesia? [SA]  
(Base: All respondent, n=)



Respondents who believe that the government has not provided sufficient support for the development of geothermal energy in Indonesia include the following:



## Presidential Regulation No. 112/2022 is considered one of the policies that still needs to be improved or re-evaluated

*the electricity tariff cap set by the presidential regulation is deemed insufficient to attract investment in geothermal power plant development.*

Which government policies need improvement to better support geothermal development in Indonesia? [MA]

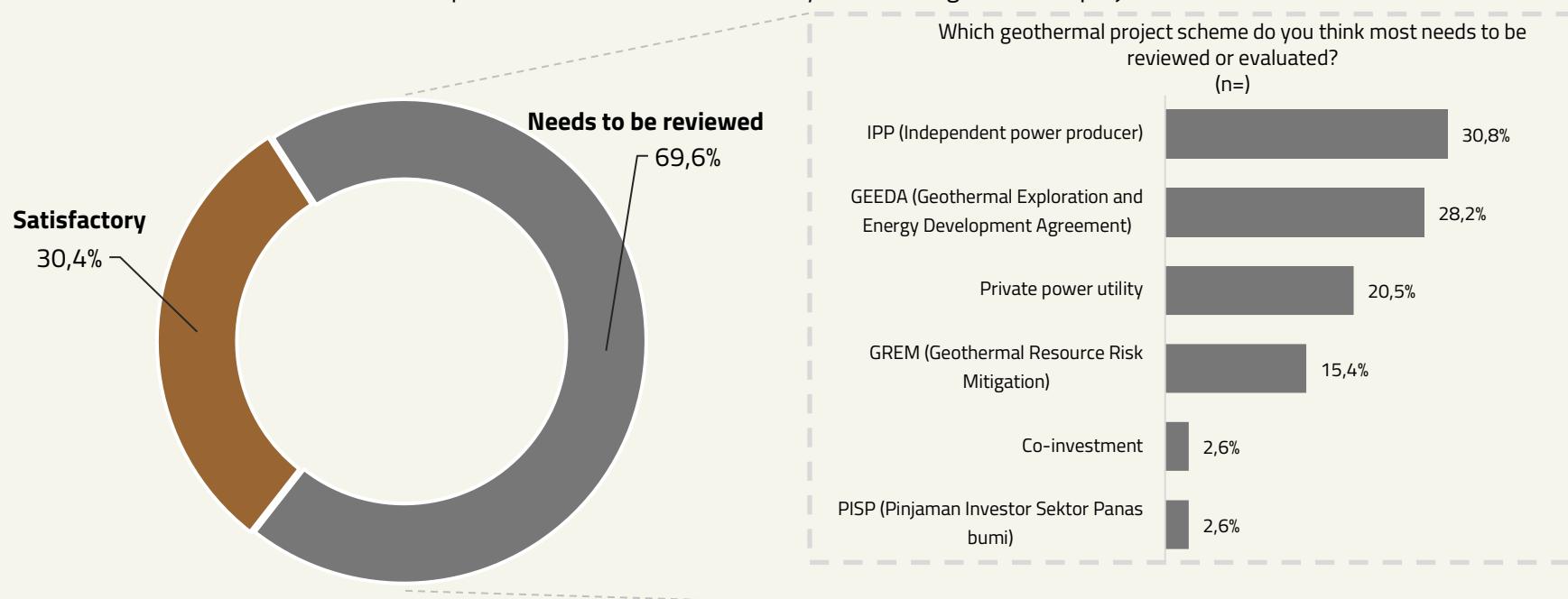
(Base: Respondents who believe government policies remain insufficient to support geothermal development in Indonesia, n=)



## 69,6% of respondents believe that the current geothermal energy development project schemes require further review

*The schemes considered most in need of review include the IPP (Independent Power Producer) and GEEDA (Geothermal Exploration and Energy Development Agreement).*

In your opinion, how is the current geothermal project development scheme? [SA]  
(Base: Respondents who have been directly involved in geothermal projects, n=)

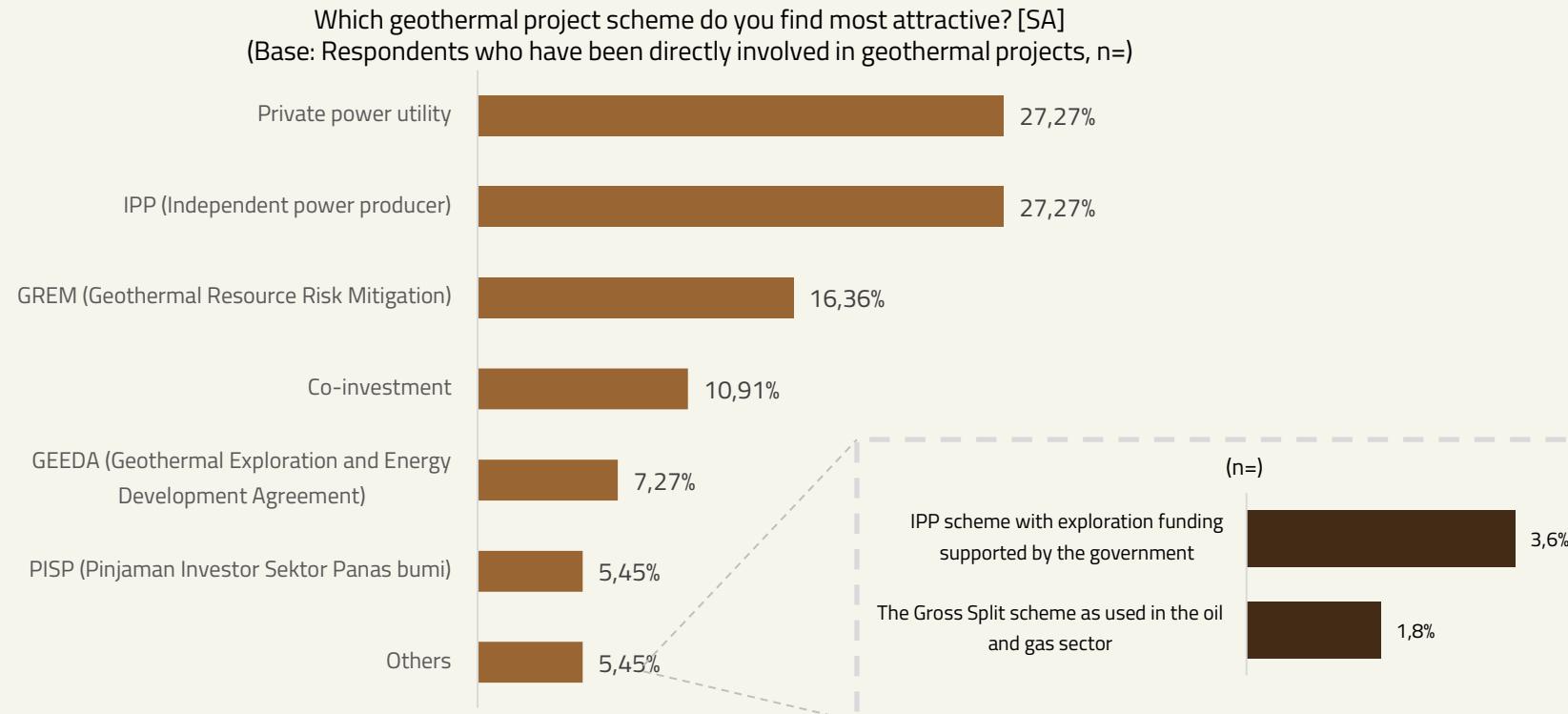




**Policy & Regulatory Support:** Identifying the support and regulations needed to facilitate the implementation of the geothermal sector

## Private power utilities and IPP (Independent Power Producer) are the geothermal project schemes considered the most attractive

Although it was previously mentioned that the IPP (Independent Power Producer) scheme still needs to be reviewed or reassessed.



## According to the respondents, each geothermal project scheme has its own rationale for being selected

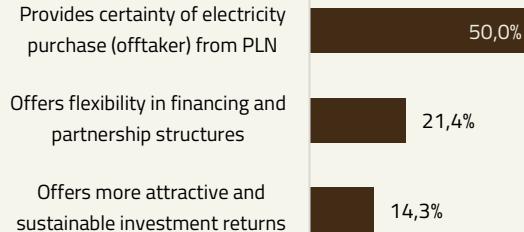
Why do you consider that scheme the most attractive for geothermal energy project development? [SA]

(Base: Respondents who have been directly involved in geothermal projects, n=)

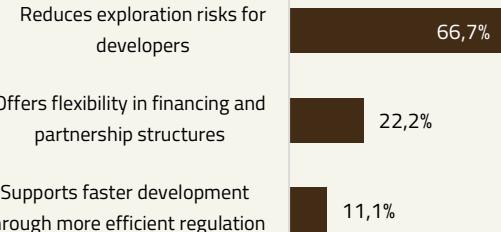
### Private Power Utility (n=)



### IPP (Independent power producer) (n=)



### GREM (Geothermal Resource Risk Mitigation) (n=)



### Co-investment (n=)



### GEEDA (Geothermal Exploration and Energy Development Agreement) (n=)



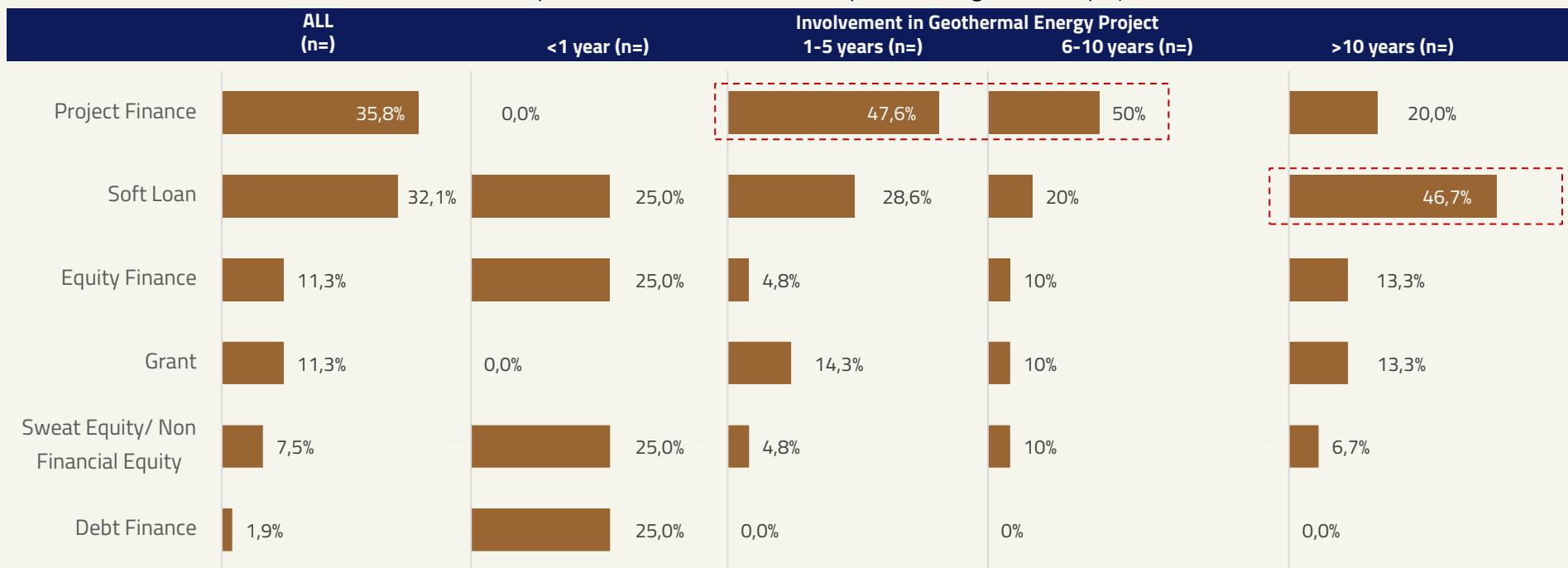
### PISP (Pinjaman Investor Sektor Panas bumi) (n=)



## Respondents with 1–10 years of experience prefer project financing, while those with over 10 years of experience prefer soft loans

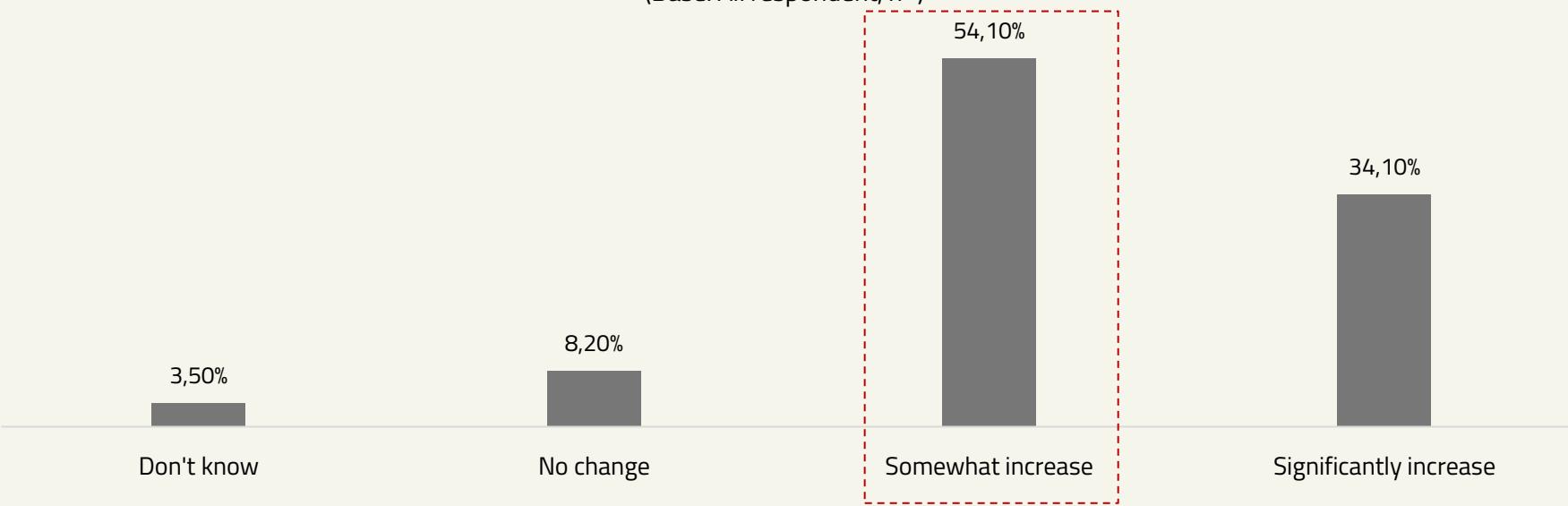
Although overall, project finance is considered the most attractive option for geothermal project financing

What type of geothermal **project financing** do you find most attractive? [SA]  
(Base: Respondents who have been directly involved in geothermal projects, n=)



A majority of respondents (88.2%) express optimism that the Power Wheeling scheme will have a positive impact, with the largest portion (54.1%) perceiving it as a moderate improvement

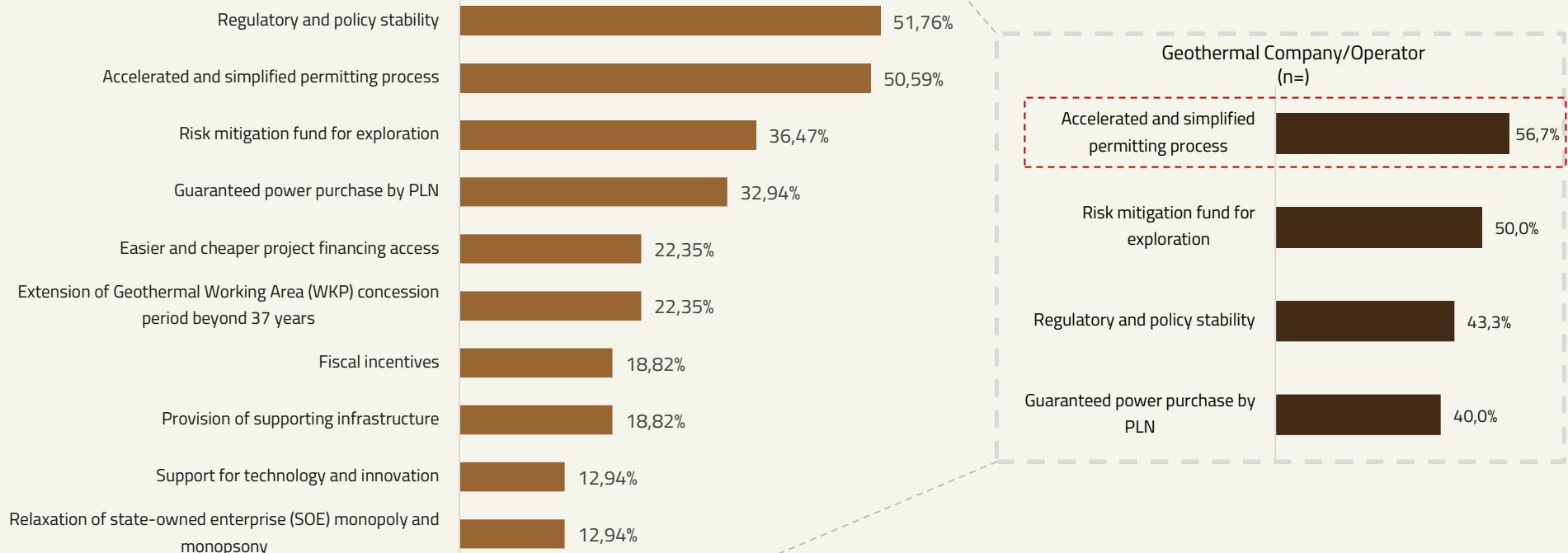
In your opinion, if the Power Wheeling (shared transmission utilization scheme) policy is implemented, will it increase the economic feasibility of geothermal investments? [SA]  
(Base: All respondent, n=)



## Key factors that could boost investor interest in the geothermal sector include stable regulations and policies, as well as an accelerated and simplified permitting process

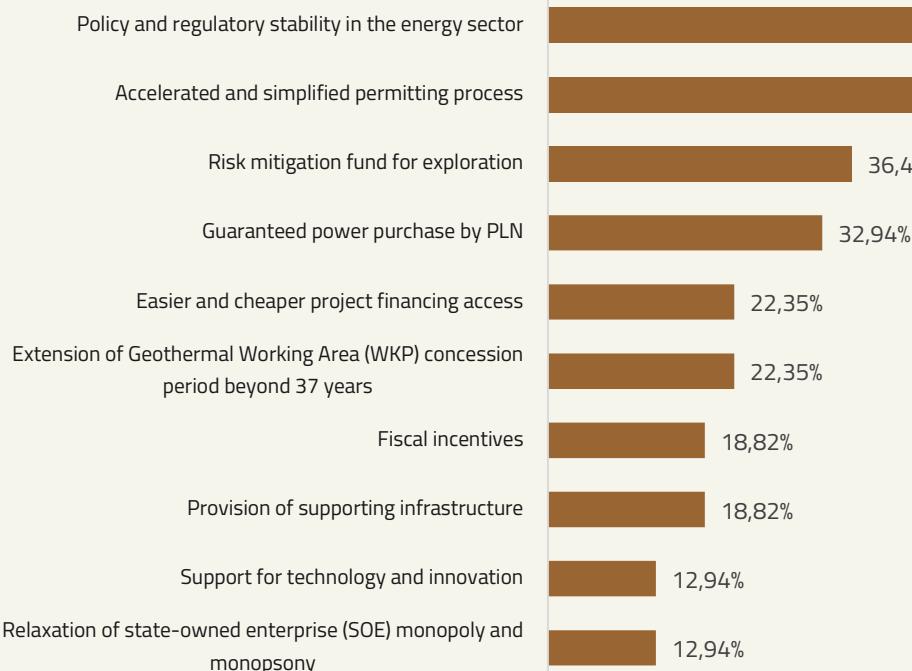
Meanwhile, geothermal companies emphasize the need for an accelerated and simplified permitting process as a key priority.

In your opinion, what factors can most increase investor interest in Indonesia's geothermal sector?? [MA]  
(Base: All respondent, n=)



## Key factors that could boost investor interest in the geothermal sector include stable regulations and policies, as well as an accelerated and simplified permitting process

In your opinion, what factors can most increase investor interest in Indonesia's geothermal sector? [MA]  
(Base: All respondent, n=)



- Adopting a project cost recovery scheme similar to that in the oil and gas sector.
- Government support in addressing non-technical issues (permits, social matters, etc.).
- Additional incentives, particularly for medium and low enthalpy geothermal working areas (WKP).
- Establishing a deadline for PLN in relation to Power Purchase Agreement (PPA) negotiations.

- Acceleration of the permitting process
- Simplification of bureaucracy across institutions
- Strengthening coordination among ministries and government agencies

### Measuring Perception

- Respondents' perceptions indicate strong optimism regarding the development of geothermal energy in Indonesia. This is reflected in its score, which is at level 4.
- 85.9% of respondents consider geothermal energy to be more reliable than other forms of renewable energy. Therefore, when asked to choose an alternative energy source, 28.2% of respondents still preferred geothermal energy, followed by solar and nuclear energy.

### Identifying Challenges

- Social acceptance and high investment costs remain key challenges to the development of geothermal energy in Indonesia.
- Only 5.9% of respondents believe that the government has provided sufficient support for geothermal energy development in Indonesia, while 63.5% stated that it has not. Those presidential Regulation No. 112/2022 is considered one of the policies that still needs to be improved or re-evaluated.
- Also 69.6% of respondents believe that the current geothermal energy development project schemes require further review. Those schemes include the IPP (Independent Power Producer) and GEEDA (Geothermal Exploration and Energy Development Agreement).

### Policy & Regulatory Support

- Private power utilities and IPP (Independent Power Producer) are the geothermal project schemes considered the most attractive.
- Key factors that could enhance investor interest in the geothermal sector include:
  1. Regulatory and policy stability, including government support in addressing non-technical challenges such as permitting, social issues, and others
  2. An accelerated and simplified permitting process

# THANK YOU

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