

ABSTRACT

Indonesia started gas infrastructures development using Floating Storage Regasification Unit (FSRU) for fulfilling domestic gas demand in Indonesia in 2010 when PT Nusantara Regas established. PT Nusantara Regas then chartered FSRU as business main facility to the provider or owner that mostly played by international company. There are few factors that promoted FSRU business development in Indonesia such as gas demand growth, uneven geography supply-demand and Indonesia as maritime country. However, long term commitment from anchor buyer which is mainly electricity company, refinery or petrochemical plant is one of key factor to develop FSRU business. FSRU business required massive capital investment, complex project development and core competency in oil gas dan shipping industry. PT Nusantara Regas as part of Pertamina as state owned company will need to improve its strategy to support its future business continuation beyond 2022 and strategy to anticipate gas demand dynamics development in Indonesia especially for electricity company PLN.

Research method in this thesis using study case method with qualitative approach that combined primary data using deep dive interview and secondary data using observation dan supporting data such as book, article in reputable journal or publication, regulation, internal data analysis and others. Research analysis using some analytical tools which is (1) Porter's Five Forces Model, (2) Yellow Pages Test and (3) Framework "When and when not to vertically integrate" that consist of Vertical Market Structure Framework and Matrix-Asset Transaction Framework and further Vertical Restructuring Framework. Both Porter' Five Forces and Matrix-Asset Transaction Framework showed support toward vertical integration, meanwhile Yellow Pages Test, Vertical Market Structure Framework dan Vertical Restructuring Framework does not support with vertical integration strategy but quasi-integration strategy.

Keyword: LNG, regasification, FSRU, anchor buyer, vertical integration, when and when not to vertically integrate, quasi-integration