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Claim For Extension of Time and Additional Work Reviewed From the Aspect Construction Law and Contract

(Case Study of the Sintang Coal-Fired Power Plant Project 3 x 7 MW, West Kalimantan)

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ABSTRACT

The purpose of this research is to determine that during the implementation period of the construction work of the Sintang 3 x 7MW coal-fired power plant from start to finish, several disputes related to legal and contractual aspects have occurred between the Contractor and the Owner throughout the implementation of the Sintang 3 x 7 MW Project from 2011 to 2014.
Method This research is conducted using a normative-empirical approach, which is an approach that combines elements from both methods. Specifically, normative legal research is a process of discovering legal rules, legal principles, or legal doctrines to address the legal issues at hand. Empirical legal research is legal research that uses data obtained directly from its source.
Claim results, The contractor is entitled to their rights based on legal aspects and the work of contract for the extension of time, namely; (1) delay in the start of work and site allocation; (2) delay due to the approval of the turbine generator vendor; (3) delay due to justification for changing the foundation type; (4) delay in the approval of the pump equipment vendor; (5) delay due to extreme heavy rain occurring every day. Meanwhile, for claims related to additional work (variation order), there is only one claim, which is the change in foundation type from swallow pile foundation to bored pile foundation, resulting in changes in unit price and quantity of the foundation. Therefore, it can be concluded that construction work is a job that involves many risks from a technical aspect, namely design, execution, and maintenance, which ultimately has the potential to lead to claims from the Contractor to the Owner

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INTRODUCTION

During the era of President Susilo Bambang Yudhoyono's administration, the construction of power plants was targeted at 10,000 Megawatts spread across all corners of Indonesia in order to increase the national electricity supply. This is due to the rapid economic growth with the emergence of factories and housing in every region, which greatly require a large supply of electricity to meet these needs. President Susilo Bambang Yudhoyono issued Presidential Regulation No. 71/2006 juncto Presidential Regulation No. 59 of 2009 regarding the accelerated development program for coal-fired power plants (PLTU) 10,000 Phase I (Fast Track Program). The choice to build coal-fired power plants

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was driven by the relatively cheap and abundant availability of resources in Indonesia, which would make the investment in building these power plants cost-effective. In addition, the construction of coal-fired power plants is considered faster compared to renewable energy-based power plants (Detik Finance, 2014).One of the regions included in the accelerated power plant procurement program is the Kalimantan area, specifically the West Kalimantan region, located in Sei Ringin Village, Sintang District, Sintang Regency, West Kalimantan Province. By PLN (Persero) West Kalimantan Region ("Owner"), a Steam Power Plant (PLTU) named the Sintang Steam Power Plant Development 3 x 7 MW (Netto) has been built, aimed at meeting the electricity needs of the Sintang Regency community and fostering the growth of new industries in the area.

Based on the Letter of Appointment of Goods/Services Provider (SPPBJ) No.0006/121/WKB/2011, dated January 13, 2011, the winner of the tender for the construction of the Sintang Steam Power Plant 3 x 7 MW ("PLTU Sintang") was determined to be PT. Adhi Karya (Persero) Tbk ("ADHI"), EPC Division (Engineering, Procurement, Construction) as the Service Provider through the Letter of Appointment of Goods/Services Provider (SPPBJ) No.0006/121/WKB/2011, dated January 13, 2011.Therefore, based on the EPC Contract Agreement ("Contract") between PT PLN (Persero) and PT Adhikarya (Persero), which includes Agreement Letter Number First Party 01014.PJ/041/WKB/2011 and Number Second Party A-7/411.003/02-2011 signed on February 4, 2011, as the effective date for the commencement of the construction work for the Sintang Steam Power Plant 3 x 7 MW in Sintang Regency, West Kalimantan. Therefore, with the signing of the work contract, ADHI is preparing itself to carry out construction work on the site of the Sintang Steam Power Plant to undertake the construction of the power plant.

The basis for regulations related to the construction service industry will certainly refer to Law Number 2 of 2017 concerning Construction Services, which is an improvement of Law Number 18 of 1999 concerning Construction Services (Law No. 18 of 1999). Also refers to the Civil Code/Burgerlijk Wetboek (BW) (Subekti, 1981), and the Presidential Regulation of the Republic of Indonesia Number 12 of 2021 concerning Amendments to Presidential Regulation No. 16 of 2018 on the Procurement of Government Goods/Services and Presidential Regulation No. 16 of 2018 on the Procurement of Government Goods/Services (Presidential Regulation No. 16 of 2018).At the beginning of the implementation of the work, from preparation to execution of the PLTU Sintang project, there were already several indications of obstacles hindering the work process, such as the lack of land handover and the determination of land boundaries owned and controlled by PLN West Kalimantan Region. In addition, the absence of representatives from the Owner/PLN (representative) to coordinate and jointly survey the land boundaries that can be used for the construction of the Sintang Power Plant, as well as the handover of the site land to the Service Provider ("Contractor"), means that the land has not been officially handed over to the Contractor for the construction of the Sintang Power Plant 3 x 7 MW.

With the above constraints, it can be assured that the implementation of the Sintang PLTU project will potentially experience delays in its execution, where the Contractor will certainly submit a claim for an extension of time for the delays caused by the Service User and also additional costs related to personnel who have no work in the field (idle cost). If there are already several disputes and claims arising in the early stages of the project, this will raise doubts among service providers regarding the continuity of project completion and dispute resolution in the future. This will certainly disadvantage both the Owner and the Contractor in completing the construction project of the Sintang 3 x 7 MW PLTU, and it is certain that if this project is delayed, it will hinder the distribution of electricity to the

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community and industry in general in Sintang Regency. To further understand the occurrence of a claim for an extension of time and additional costs, it is necessary to first understand the definition of a claim itself in the construction world. In Law Number 2 of 2017 concerning Construction Services, the term "claim" is not explicitly mentioned in its articles. However, the consequences of the claim itself, such as the resolution of disputes between service users and service providers in construction activities, are regulated in Article 88. This article states that construction disputes can be resolved through the courts or out of court. Additionally, Article 51 regulates construction work contracts, which include the rights and obligations of the parties, including mechanisms for resolving disputes that may arise during the execution of construction work. Therefore, claims that are not properly addressed significantly affect the cost and time performance of the project, and can even lead to disputes (Dewa, 2006).

Khamis and Ghazali (2019) mention that claims in the construction industry can arise due to factors such as design changes, delays in material supply, and discrepancies between the agreed work and site conditions. Khamis and Ghazali emphasize the importance of good claim management to minimize the impact on project costs and time. According to Sarwono Hardjomuljadi (2015), a claim is defined as "an action by someone to request something that their right to it has previously been lost, because the person believes they have the right to obtain it back." Meanwhile, Zaneldin in his journal (2006) classifies claims in construction into four main types, namely: (a) variation claims; (b) delay claims; (c) disruption claims; (d) acceleration claims. Furthermore, Zaneldin emphasizes the importance of comprehensive documentation and effective management in handling various claims. Alzahrani and El-Gohary (2022) further suggest that for successful claim management, factors such as openness in communication, effective risk planning, and third-party involvement in claim resolution should be implemented. They also found that claims can be resolved more easily if project managers identify issues early and manage expectations realistically.

Furthermore, the issues that often arise in project completion claim disputes are delays in project time or schedule caused by the Owner and additional work (variation order) at the Owner's request, where the Owner officially instructs the Contractor to perform the additional work through a letter. This is regulated in the Contract/Agreement to grant the Contractor the right to submit a time extension claim, which will extend the Contractor's rights in project completion. In his book, Yasin Nazarkhan (2004) mentions the emergence of potential claims, there are 3 types of claims submitted by Service Providers or Contractors to Service Users, namely; (1) claims for extension of time and additional costs arising from errors by the service provider that result in delays in project completion, considering both cost and time; (2) indirect cost claims, which are claims resulting from delays in project completion submitted by the contractor because the service user requests additional overhead costs on the grounds that the work is not yet finished. This claim is divided into two types: "field overhead" and "home office overhead"; (3) time extension claim (without additional cost), similar to the above, but only considering time.

Next, according to Sarwono Hardjomuljadi (2014), there are 3 types of parties causing delays: (1) the contractor themselves causing the delay, resulting in no extension of time or additional costs, and they must pay compensation to the service user; (2) neutral events such as adverse weather conditions causing contractor delays, in which case there is no additional cost, but an extension of time is granted and they are exempt from paying compensation; (3) the service user (employer) or (engineer) causing the delay, in which case the contractor receives an extension of time, additional costs, and is exempt from the obligation to pay compensation.

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In the observation and experience of the researcher during the implementation period of the PLTU Sintang 3 x 7MW construction project from start to finish, several claim disputes related to the project implementation between the Contractor and the Owner were found to have occurred throughout the implementation of the PLTU Sintang 3 x 7 MW project from 2011 to 2014. Because this research is a case study that occurred from 2011 to 2014, the laws, regulations, and rules used by the researcher are those that were in effect and governing during that period, even though some of those laws, regulations, and rules may no longer be in effect today or have been updated and replaced.

Based on the researcher's experience, there are six claims made by the contractor related to time delays (extension of time) and additional work (variation order) that entitle the contractor to an extension of time and additional costs. These claims are: (1) delay in the start of work and site allocation; (2) delay in the approval of the steam generator vendor; (3) delay in the approval of the turbine generator vendor; (4) delay due to the approval of the change in foundation type; (5) delay in the approval of the pump equipment vendor; (6) delay due to heavy rain every day. Whereas for claims related to additional work (variation order), there is only 1 claim, which is the change in foundation type from swallow pile foundation to bored pile foundation, resulting in changes in unit price and quantity of the foundation. Therefore, it can be concluded that construction work is a job that contains many risks from a technical aspect, namely design, execution, and maintenance, which ultimately has the potential to generate claims from the Contractor to the Owner regulated according to the claim mechanism in the Contract (Ramadhan, 2010).

The findings of this study will make it easier for students and academics to see about the claim of extension of time and variation order (additional work), making learning more practical and understandable. This research will also assist Owner to aware and comprehend about the potential claim during execution of the work. The most frequent claims that arise in project implementation are claims for extension of time and additional work by the Contractor to the Owner.

LITERATURE REVIEW

This research is a case study related to time extension claims and additional work that occurred during the construction of the 3 x 7 Mega Watt Steam Power Plant during the period from 2011 to 2014. Research related to claims on the construction of the Sintang 3 x 7 MW Power Plant has not been written about until now. Therefore, the researcher is interested in raising the topic of claims with a case study on the Construction of the Sintang 3 x 7 MW Power Plant in Sintang Regency, with the aim that students and construction practitioners can understand and identify the potential and the process of claim submission that occurs during the construction of the power plant. In addition, it will serve as knowledge for the Company not to ignore claims and to comply with applicable laws and regulations as well as the agreed work contract. Semaan and El-Diraby (2021) stated that construction claims have a significant impact on project performance, including delays and cost increases. They identified that frequent claims is able to damage the relationships between the parties involved, thereby affecting the overall quality of the project. In his opinion, Hayati et al., (2019). Said that claims can occur due to differences in understanding with the initial agreement stated in the construction contract. Claims have the potential to become disputes if one party considers that there has been a violation of their rights by another party (Ariani et al., 2018).

METHOD

This research was conducted using a normative-empirical approach, which is an approach that combines elements from both methods. Specifically, normative legal research is a process of

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discovering legal rules, legal principles, or legal doctrines to address the legal issues at hand. Empirical legal research is legal research that uses data obtained directly from its source.

By combining these two research methods, it is expected to gain a more comprehensive understanding of the issues being studied, ultimately not only understanding the problems within a normative framework but also being able to test the effectiveness of the implementation of these norms in practice.

Here is the understanding of the normative and empirical juridical method approaches:

a) Normative Approach
This approach is based on primary legal materials by examining theories, concepts, legal principles, and regulations related to this research.

b) Empirical Approach
In conducting this research, primary and secondary data sources were explored. Primary data was collected by the author through direct experience and observation of the issues by recording information directly from the problems being studied during the discussion of those issues, as well as from experiments and problem analysis. This was followed by observing participants where the researcher was directly involved in the issues being studied and collecting qualitative data obtained directly from meeting notes and project documents available to the author.

RESULT AND DISCUSSION

1. Claim For Extension of Time For The Sintang 3 X 7 Mw Power Plant Project

In the discussion regarding the occurrence of a time extension claim for the Sintang 3 x 7 MW Power Plant Project, the causes of the arising issues have been identified as the basis for submitting the time extension claim to PLN West Kalimantan Region. This claim has been submitted for joint discussion between the Contractor and the Owner, and if the claim is approved by the Owner, a contract amendment will be made for the project completion time extension. Al-Tarawneh, K. S., & Al-Debei, M. A. (2020) state that claims in construction are seen as one of the factors that can disrupt project success, both in terms of time and cost. Furthermore, they suggest an analysis-based approach to mitigate potential claims and improve project performance.

Here is the chronology of the issues that arose during the construction of the Sintang 3 x 7 MW power plant project in Sintang Regency, West Kalimantan, which ultimately caused delays in the completion of the project as follows:

a) Contractor's Claim Due to Delay in Commencement of Work and Handover of Land (Allocation Location)

The Agreement was signed on February 4, 2011, as the Effective Date and the Completion Date on February 4, 2013. At the time of receiving the Contract and the Effective Date coming into effect, the Contractor urged the Owner to confirm the Handover of Location to ensure that construction work could commence. In this regard, the Contractor has sent several letters to confirm the Handover of Location to clarify the boundaries of the Location and coordinate with the local authorities. The contractor sent the first notice on February 24, 2011, regarding this issue. In Presidential Regulation Number 16 of 2018 concerning Government Procurement of Goods/Services and its amendments (Presidential Regulation Number 12 of 2021), Article 56 paragraph (3), states that an extension of the work execution period can be carried out through a contract addendum based on the evaluation and

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approval of the Commitment Making Officer (PPK). Taurano and Hardjomuljadi (2013) discuss the factors causing claims in construction projects that use FIDIC Conditions of Contract for Plant and Design Build, which often occur as follows:

- Internal factors, such as project management errors, inadequate planning, and design changes by the owner.
- External factors, such as weather conditions, regulatory changes, and third-party disruptions.

The contractor has also reminded the owner about the absence of the owner's representative on site, which is important for the contractor to coordinate and report directly to the owner at the project location. However, when the effective contract date came, the Owner had not yet been present on site to coordinate with the Contractor, citing the reason that there was a change of officials at the headquarters. In the end, the Owner only arrived at the site and was able to conduct a joint survey with the Owner on April 19, 2011. This joint survey has been delayed by almost two months.

Therefore, the Contractor is exercising its rights under the Contract and intends to claim this delay from February 4, 2011, until the start of the Joint Survey on April 19, 2011. From the results of the critical path calculation in the scheduling software, the Contractor is entitled to a time extension of 70 days due to the above-mentioned reasons.

The basis for the above claim is grounded in the provisions of the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero). The basic contract clause for this delay event is as follows:

- Clause 2.40 Commencement of Work
- Clause 2.41 Location Allocation

Supporting Clauses and Other Legal Opinions as guidelines for this delay event are as follows:

- Presidential Regulation Number 16 of 2018 concerning Government Procurement of Goods/Services and its amendments (Presidential Regulation Number 12 of 2021), Article 56 paragraph (3)
- FIDIC Conditions of Contract for EPC Projects, First Edition 1999. Clause 2.1 FIDIC Conditions of Contract for Construction, Fourth Edition 1987. Sub-Clause 42.1
- FIDIC Conditions of Contract for Plant and Design-Build, First Edition 1999. Sub-Clause 2.1

Regarding the Contractor's Claim above, the Owner (PLN WILKAL) explained that the delay duration to be considered is 70 calendar days. However, the Contractor is requested to provide evidence of all communications/correspondence with PLN related to the conditions that caused the Contractor to be unable to start the work. For the correspondence evidence, the Contractor sent a letter and EOT proposal to the Owner on June 22, 2012.

b) Contractor's Claim Due to Delay in Steam Generator Vendor Approval

The contractor proposed the steam generator vendor for the Owner's approval through letter No. ADHI-EPC/PLN/TC-G/022/VIII/11 on August 4, 2011, and several notification letters have also been sent to the owner regarding this matter. The Owner responded through letter No. 02043/121/UIP.KIT.SMT.II/2011, received by the Contractor on November 7, 2011, stating that the Owner has no objection to this vendor.

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This causes further delays suffered by the contractor, therefore the contractor is entitled to an extension of time of 50 calendar days. If the 50-day EoT entitlement is included in the master schedule, it will impact the completion date as shown in the project completion summary.

Regarding the Contractor's claim above, the Owner (PLN WILKAL) explained that the name of the vendor submitted is already listed in the Master List Schedule 3.11, so it cannot be claimed. Thus, the contractor's claim for an extension of time is considered irrelevant because it is already on the vendor list, in other words, the contractor's claim is rejected by the owner.

c) Contractor's Claim Rights Due to Delay in Turbine Generator Vendor Approval

The contractor proposed the Turbine-Generator vendor for the Owner's approval through letter No. ADHI-EPC/PLN/TC-G/020/VIII/11 dated August 4, 2011, and several notification letters have also been sent to the owner regarding this matter. The contractor proposed a new vendor not listed in Schedule 3.11 (Book II), the proposed vendor is CITIC Luoyang which has been approved by PLN. In Schedule 3.11, the listed vendors are Qingdao Jieneng Steam Turbine Group Co Ltd and China Changjiang Energy (Group).

The Owner replied via letter No.01812/121/UIP.KIT.SMT.II/2011, received by the Contractor on October 7, 2011, stating that the Owner has no objections to this vendor.

PLN asks the Contractor to find out the contract clause used as the basis for this claim; otherwise, the claim cannot be considered. Furthermore, PLN requests the Contractor to provide strong reasons and evidence as the basis for the vendor's proposal. In connection with the different vendor proposal from the Contractor, the Contractor has explained the reasons for the vendor replacement through a letter as per the explanation above.

The basis for the above claim is based on the provisions in the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero) Basic Contract Clauses for this delay event as follows:

- Clause 1.31. Use of Indonesian Manufactured Goods and Services/Local Content
- Clause 2.12. Work to The Satisfaction Of Owner
- Schedule 3.11. Sub Vendor List

Supporting Clauses and other Legal Opinions as guidelines for this delay event as follows:

- FIDIC Condition Contract for EPC Projects, First Edition 1999. Sub-Clause 2.1
- FIDIC Condition Contract for Plant and Design Build Contract, First Edition 1999. Sub-Clause 1.3

This resulted in further delays experienced by the Contractor; therefore the Contractor intends to apply for an extension of time for 81 calendar days.

d) Contractor's Claim Rights Due to Delays in Justification of Changes in Foundation Type (Shallow Pile Foundation to Bored Pile)

Based on the results of the soil investigation, the Contractor provided a recommendation for the type of foundation that is in accordance with the condition of the soil layer in the field, namely bored pile foundation to replace the shallow pile foundation.

The proposal was submitted to the Owner at the Monthly Coordination Meeting on August 25, 2011 and September 23, 2011.The Contractor also submitted a Soil Investigation report through letter No. PSG-X-AJ-PJ-0029 dated September 30, 2011 to PLNE for technical evaluation.

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In response to the report, the Engineer (PLNE) replied through letter No. 11.001/TM.10.2011/121/PLNE/X/2011 received by the Contractor on October 17, 2011, and provided comments asking why PC Spun pile was not recommended. In response to input from the Engineer, the Contractor sent a technical justification for changing the type of foundation from shallow foundation to bored pile foundation in the BTG (Boiler-Turbine-Generator), Chimney and Coal-crusher areas, through letter No. ADHI-EPC/PLN/TC-G/049/XI/11 dated 14 November 2011.

In the Monthly Coordination Meeting on 30 November 2011, the Contractor reminded the Owner about the proposed change in foundation type that had been submitted previously.Therefore, the Owner approved the proposed change in foundation type from Shallow Pile to Bored Pile through letter No.012/121/UIP.KIT.SMT.II/2012 received on 9 January 2012.

Due to the long modification approval process until the change is fully approved by the owner, the Contractor intends to claim this delay from 14 November 2011 until the approval of the foundation change is received on 9 January 2012. Therefore, the Contractor is entitled to an extension of 50 days (minus 14 days as per clause 2.56). This extension of time was approved to be claimed by PLN as stated in the Minutes of the Meeting dated 9 November 2012. PLN in this case finally approved the Contractor's claim for an extension of time of 36 days, this was stated in the MOM of 25 April 2013.

The basis for the above claim is based on the provisions in the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero) Basic Contract Clauses for this delay event as follows:

- Misleading Test in Geotechnical Test
- Clause 2.11 Adequacy of Bid Proposal
- Clause 2.18 Compensation
- Sub-Clause 2.19.1 Definition of Force Majeure
- Sub-Clause 2.1.47 Definition of Variation
- Clause 2.47 Variation
- SCL Delay and Disruption Protocol, October 2002, 1.7 Variation Assessment

Other Supporting Clauses and Legal Opinions as guidelines for this delay event as follows:

- Presidential Regulation No. 54 of 2010 concerning Government Procurement of Goods and Services.

e) Contractor's Claim Rights Due to Delays in Approval of Pump Equipment Vendors

The contractor proposed a vendor for pump equipment (i.e. boiler feed pump, circulation water pump and condensate pump) through letter No. ADHI-EPC/PLN/TC-G/058/XII/11 dated December 12, 2011, the proposed vendor is PT.KSB Indonesia (KSB).

Due to the unacceptable acceleration of work, fabrication and delivery of pump equipment promised by PT.KSB Indonesia (KSB), the contractor proposed a new vendor, namely SIHI Pumps (Asia) Pte.Ltd. (SIHI). Regarding this change, the owner requested that the prospective vendor conduct a product presentation and submit a company profile. Then, the presentation was held on December 29, 2012. Through the presentation, the Contractor re-submitted approval for the pump equipment to the Owner through letter No.ADHI-EPC/PLN/TC-G/70/I/12 dated January 17, 2012.

Considering the acceleration of the pump equipment manufacturing process, the Contractor sent a notification letter to the Owner through letter No.ADHI-EPC/PLN/TC-G/74/I/12 dated January 27, 2012 asking for the status of the vendor approval application. Receiving letter

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No.0219/121/UIP.KIT.SMT.II/2012 on February 8, 2012, the Owner asked for the reason for using a new vendor (SIHI) which was different from the previous vendor listed in the contract (KSB).

The Contractor explained through letter No.ADHI-EPC/PLN/TC-G/095/III/12 dated March 27, 2012, that referring to the tender proposal of PT. KSB Indonesia, their equipment delivery time was longer than SIHI Pumps (Asia) Pte.Ltd. Through letter No.0219/121/UIP.KIT.SMT.II/2012 dated March 14, 2012, the Owner accepted the Contractor's explanation, and they allowed the Contractor to use the pump equipment supply from SIHI Pumps (Asia) Pte.Ltd.

This resulted in further delays experienced by the Contractor, therefore the Contractor is entitled to an extension of time for 79 calendar days.

The basis for the above claim is based on the provisions in the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero) Basic Contract Clauses for this delay event are as follows:

- Clause 1.31 Use of Goods and Services Made in Indonesia/Local Content
- Schedule 3.11 List of Sub Vendors
- Clause 2.12 Work According to Owner's Satisfaction

f) Contractor's Claim Rights Due to Delays Due to Heavy (Extreme) Rain During Bored Pile Work

The problem of delays and loss of productivity of the Contractor's work during the implementation of the foundation work that occurred in the 3 X 7 MW Steam Power Plant (PLTU) project, Sintang, West Kalimantan in the period March 2012 to December 2012. The case that occurred was the delay or delay in drilling and casting of bored piles due to extreme rainfall. Referring to the existing data, the delay in work was almost certainly caused by extreme rainfall, which is often called 'La Nina' and local soil conditions which are classified as expansive soil. This was claimed by the contractor because the rainfall that occurred did not match the local BMKG forecast issued regarding the rainfall forecast in 2011 and 2012, where the actual rainfall conditions based on monitoring the rainfall station occurred almost every day with a very extreme amount of rainfall volume. Shabbar et.al (2017) emphasized that an extension of time is a contractual tool used to extend the duration of a project without imposing penalties on the contractor if there is a delay caused by factors beyond their control, such as; (1) design changes; (2) extreme weather conditions; (3) third party interference; (4) delays from the employer or other parties.

Extreme rainfall conditions or La Niña anomalies affect the delay and postponement of bored pile work because during the drilling process, water has the potential to cause landslides in the bored pile holes, so that the pile holes are full of mud and reduce the volume of the pile holes that will be cast with concrete. Meanwhile, during casting, the excess water volume either in the concrete mixture or from rainwater affects the decrease in the strength value of the concrete itself.

Expansive soil that tends to experience changes in volume as a result of changes in water content during extreme dry or extreme wet conditions also affects the delay and postponement of bored pile work. With the nature of the soil that has a medium to high expansive potential, this soil can damage the floor of the building to be built, or more dangerously can damage the foundation of the building.

The force majeure conditions that occur in this case are conditions that occur due to something beyond the expectations/control of the parties that directly affect the target of the work and which can result in delays in the implementation of the work and are included in it due to natural disasters such as; floods, storms, landslides, hurricanes, which are declared by the local government.

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To support the occurrence of delays due to extreme rainfall and affecting the soil to become plastic so that it affects the Contractor's productivity in carrying out bored pile foundation work, the Contractor asks for assistance from Getechnical Experts to investigate the rain incident that causes the soil condition to become plastic and very difficult to do work where heavy equipment has difficulty in maneuvering and sending materials into the field. Therefore, the Contractor appointed PT Protech Bumindotama Engineering to justify the extreme rainfall conditions and greatly affect the plasticity of the soil at the project location so that the Contractor has difficulty in carrying out work in the field so that productivity is lost which causes delays in completing the Bored Pile foundation work. In addition, to avoid loss of foundation quality, the Contractor will not cast when it rains.

The basis for the above claim is based on the provisions in the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero) Basic Contract Clauses for this delay event as follows:

- Clause 2.19.1 Definition of Force Majeure
- Clause 2.43 Extension of Time

Supporting Clauses and other Legal Opinions as guidelines for this delay event as follows:

- Law No. 18 of 1999 concerning Construction Services, Article 22

This resulted in further delays experienced by the contractor, therefore the Contractor is entitled to an extension of time for 275 calendar days.

2. Contract Amendment for Extension of Construction Time of Sintang 3 x 7 MW PLTU

Through long discussions and debates between the Contractor and the Owner by means of deliberation and consensus in resolving the dispute to provide approval for the claim for an extension of time by the Contractor in order to complete the implementation of the Sintang 3 x 7 MW PLTU construction project, then through Amendment V dated October 1, 2013, PT PLN agreed to grant a Contract Extension of 37 months and 9 calendar days from the date of signing the agreement, namely on February 4, 2014 to March 11, 2014. Thus, the Contractor can continue the work until completion on March 11, 2014 and avoid the maximum penalty for late payment (Liquidated Damage).

3. Claim for Additional Work (Variation Order) for Sintang 3 x 7 MW PLTU Project

Based on Presidential Regulation Number 16 of 2018 concerning Government Procurement of Goods/Services (along with Amendments to Presidential Regulation Number 12 of 2021), it is clearly regulated regarding additional work, namely:

Article 54 Paragraph 1:

"*Regulates that changes to contracts are permitted on the condition that; (a) There are changes to the design or technical specifications due to field conditions; (b) There is additional/less work according to field needs; (c) There is force majeure*."
Furthermore, Article 54 paragraph 6 states:

"Regulates that additional work may not exceed 10% of the initial contract value."

Junius and Waty (2019). Concluded that the occurrence of additional work claims is often caused by the following things, namely; (1) design changes are the main cause of variation orders, this often occurs due to lack of coordination between the planning team and project implementers; (2) the

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inconsistency between the initial design and actual conditions in the field triggers a variation order; (3) project owners often submit changes to the scope of work after the contract is signed.

In the Sintang 3 x 7 MW PLTU Development Project in Sintang Regency, West Kalimantan, there was also additional work caused by a mismatch between the design and actual field conditions. If you look at the chronology, the problem that initially arose was based on the results of the soil investigation carried out by the Contractor, the Contractor had submitted the type of foundation that could be used at the Sintang PLTU Project location. In this case, the Contractor submitted to use the Bored Pile foundation as a replacement for the Shallow Pile Foundation determined by PLN according to the Technical Requirements stated in the Contract. The Contractor has submitted the changes at the Monthly Coordination Meeting on August 25, 2011 and September 23, 2011.

The Contractor has also submitted this Soil Investigation report to PLN Engineering for technical evaluation, this is proven by transmittal No. No.PSG-X-AJ-PJ-0029 dated September 30, 2011 and PLN Engineering replied to the letter received by the Contractor on October 17, 2011, the letter contains comments asking why PC Spun is not recommended.

In response to the engineer's comments, the Contractor has sent a technical justification regarding the change in foundation type from Shallow Pile to Bored Pile in the BTG, Chimney and Coal Crusher areas, through letter No. ADHI-EPC/PLN/TC-G/049/XI/11 dated November 24, 2011.

In the Monthly Coordination Meeting dated November 30, 2011, the Contractor reminded PLN again about the submission of the change in the foundation type where previously a notification had been sent regarding the submission of the change on the grounds of technical considerations. Rostiyanti and Hansen (2017) identified various causes of claims that often arise in construction projects, especially from the perspective of the project owner, including:

- Errors in design and contract documents: Inaccuracies or ambiguities in the initial project documents can lead to different interpretations between the project owner and the contractor.
- Changes in technical specifications (variation orders): Changes in specifications made during project implementation often trigger claims from the contractor, both related to time and additional costs.
- Late payments: Delays by the project owner in providing payments according to the contract schedule can affect the contractor's cash flow, which is often the basis for claims.
- Lack of communication: Poor communication between the project owner, contractor, consultant, and other parties can exacerbate misunderstandings that trigger claims.
- Force majeure: External factors such as extreme weather, natural disasters, or market conditions (e.g., drastic increases in material prices) are also causes of claims that are often difficult to anticipate.

In the end, PLN approved the Contractor's submission regarding the change of foundation type from Shallow Pile to Bored Pile through letter No.012/121/UIP.KIT.SMT.II/2012 dated January 9, 2012. With the approval of the variation, the Owner made a Contract Amendment to the Contract Value and added a price claim due to the changes in the amount of IDR 3,487,870,981,-

The basis for the above claim is based on the provisions in the EPC Contract Agreement between PT PLN (Persero) and PT Adhikarya (Persero). The Basic Contract Clause for this delay event is Contract Document Book I Part 2 General Provisions of the Contract, Clause: 2.1.47 Definition of Variation, 2.18 Compensation, 2.19.1 Force Majeure, 2.47 Variation, Schedule 1.8, PERPRES NO.54

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of 2010, Attachment 2, Therefore, the Contractor proposed the right to variation to obtain additional costs for changes/modifications to the foundation type. has been approved by the Owner.

CONCLUSION

Based on the results of the research and discussion that have been reviewed in each section of the discussion above, it was concluded that there were six claims made by the contractor related to time delays caused by the Owner, which gave the Contractor the right to obtain an extension of time, namely; (1) delay in the start of work and field allocation; (2) delay in steam generator vendor approval; (3) delay in turbine generator vendor approval; (4) delay due to changes in foundation type; (5) delay in pump equipment vendor approval; (6) delay due to extreme heavy rain every day. Meanwhile, for claims related to additional work (variation orders), there was only 1 claim, namely a change in foundation type from swallow pile foundation to bored pile foundation which caused a change in unit price and number of foundations. Therefore, it can be concluded that construction work is a job that contains many risks from technical aspects, namely design, implementation, and maintenance, which ultimately has the potential to cause claims from the Contractor to the Owner which are regulated in accordance with the claim mechanism in the Sintang 3x 7 MW PLTU Construction Work Contract.

In the event of claims in the implementation of construction, it must refer to the rules on the construction services industry, namely referring to Law Number 2 of 2017 (Law No. 2 of 2017) concerning Construction Services, which is an improvement on Law Number 18 of 1999 concerning Construction Services (Law No. 18 of 1999). Also referring to the Civil Code/Burgerlijk Wetboek (BW) (Subekti, 1981), and Presidential Regulation of the Republic of Indonesia Number 12 of 2021 concerning Amendments to Presidential Regulation No. 16 of 2018 concerning Government Procurement of Goods/Services and Presidential Regulation No. 16 of 2018 concerning Government Procurement of Goods/Services (Presidential Regulation No. 16 of 2018). In addition, of course, it also refers to the provisions contained in the agreement or contract agreed by the parties and the documents during the procurement process of goods and services.

In the event of a discrepancy with the applicable provisions and laws, it is certain that a dispute will occur which will result in a claim by the Owner or Contractor in the implementation of the project completion. To resolve disputes or claims, it is best to do so through mutual consensus or with the assistance of a fair and honest third party so that it does not need to be resolved in court or other bodies through litigation which will prolong and incur even greater additional costs.

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