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PETRONAS expands energy options amid conflict worries

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PETALING JAYA: PETRONAS is actively exploring alternative sources of gas and fuel if the blockade in the Strait of Hormuz persists, says Deputy Prime Minister Datuk Seri Fadillah Yusof.

Fadillah, who is also the Energy Transition and Water Transformation Minister, said the national oil company was studying how other countries in the Asia-Pacific

region, including Australia, were coping.

"PETRONAS is studying alternative sources in case gas or oil shipments cannot pass through the Strait of Hormuz due to the conflict.

"They are prepared with alternative energy sources, and so far, Malaysia remains better prepared, with supply levels still stable," he told reporters after attending an event organised by local leaders of Petra Jaya yesterday.

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Fadillah said it was important for Malaysians to conserve natural resources, noting that the government had, several years ago, set a guideline for air-conditioning in government facilities to be no lower than 24°C.

"The people must conserve

electricity. Ensure air-conditioning units are switched off when not needed," he added.

He said the government was considering allowing work from home for non-essential categories.

Asked if the government was prepared for any eventuality if Brent crude oil were to hit US\$150 per barrel, Fadillah said Putrajaya was constantly monitoring the situation to ensure the security of national energy sources.

"So far, we are able to with-

stand subsidies for RON95.

"As for diesel, despite spikes in market prices, there are certain groups, including logistics, which benefit from subsidies via the use of fleet cards. Sabah and Sarawak also have it (diesel subsidies)," he said.

"We must focus on ensuring enough supplies, reduce smuggling activities and for oil producers and industry players to abide

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Fadillah: Fuel smuggling must be curbed

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by all rules to ensure adequate national supplies so that our energy security is not affected."

Fadillah also stressed the importance of curbing diesel or RON95 smuggling activities, given that Malaysia's oil prices were significantly lower than those of

its neighbouring countries.

Following the US-Israeli airstrikes against Iran on Feb 28, the country's Islamic Revolutionary Guard Corps said on March 2 that the Strait of Hormuz had been closed and warned that vessels attempting to cross would be attacked.

Prior to the Middle East con-

flict, Brent crude oil was trading at US\$70 to US\$73 per barrel.

As of March 21, Brent crude oil stood at US\$112.19 per barrel.

The Strait of Hormuz, the only sea passage out of the Gulf, is one of the world's busiest oil shipping routes, carrying a significant share of international energy trade.