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PETRONAS-BINTULU

PETRONAS SEEKS LOWER PORT CHARGES FOR LNG

By: Azman Ujang

BINTULU, April 21 (Bernama) -- Petronas is talking with Bintulu Port Sdn Bhd to lower the port's charges for the national oil corporation's tankers carrying liquefied natural gas (LNG) to export markets.

Petronas and chief executive officer, Tan Sri Mohd Hassan Marican, said the port now charges RM800,000 per tanker leaving the port, which is the highest in the world.

With more LNG producers joining the market to meet growing demand worldwide, lowering port charges could help ensure Malaysia's LNG exports remain competitive, he told a group of journalists who were taken on a tour of the Malaysia LNG Sdn Bhd complex here.

With 400 shipments per year, mainly to buyers in Japan, Taiwan and South Korea, the port earns some RM320 million from MNLG alone.

"The port charges we pay at the receiving end to Tokyo Gas and Electric Co. are much lower," Mohd Hassan said.

He said that with the LNG industry becoming more and more competitive and with the emergence of new players, it would be very much in the national interest to lower the port charges.

"It will take time but we are going for a win-win situation," he said when asked about the chances of the port lowering its charges.

Malaysia has been producing LNG for the last 20 years and to meet the growing demand, MLNG, majority-owned by Petronas, put into operation its third plant here three weeks ago.

The new plant to be opened by Prime Minister Datuk Dr Mahathir Mohamad on May 8, would make Petronas the largest producer of LNG among oil companies in the world.

Malaysia's production of 16.5 million tonnes of LNG however, is the third largest in the world.

LNG earned RM12.4 billion last year, matching up 5.6 percent of the Gross National Product (GNP). -- BERNAMA

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