



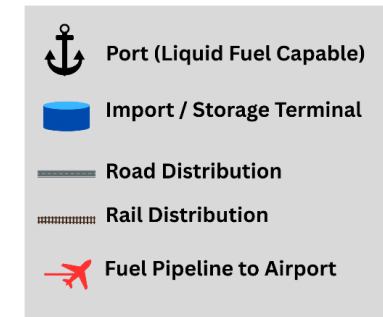
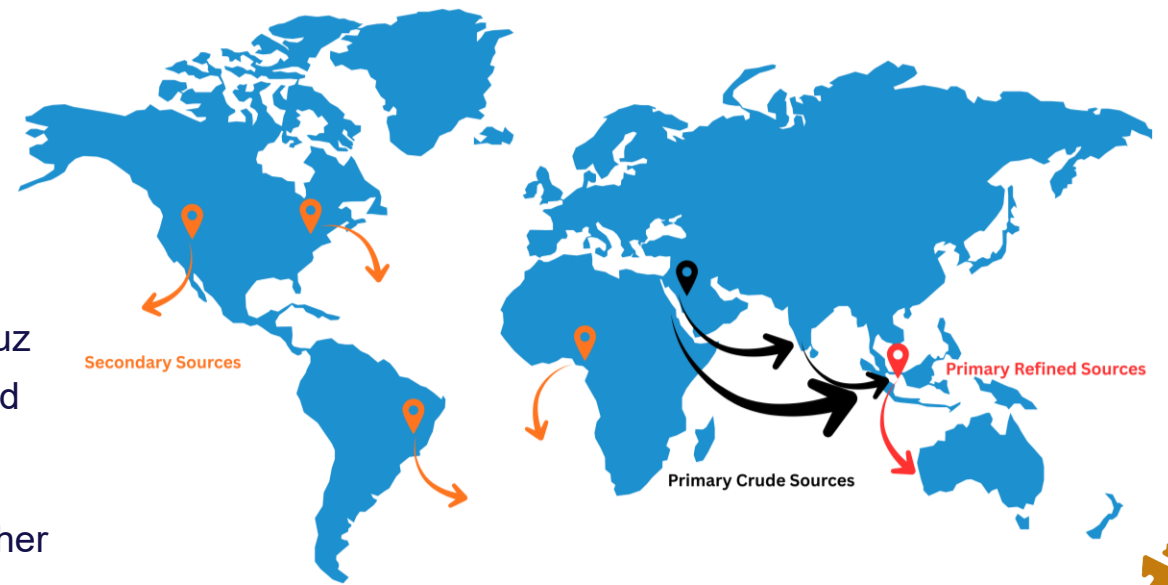
Department of
**Energy and Economic
Diversification**

Iranian Conflict – Fuel Supply

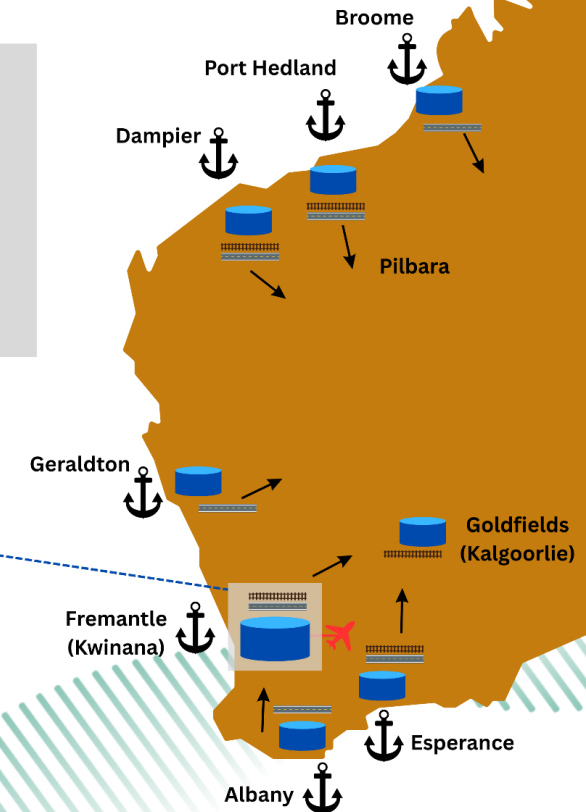
DEMC Briefing

Context


- On Monday 2 March 2026, Iran's military declared the Strait of Hormuz closed. Roughly 20% of the world's oil and 25% of LNG is constrained by this chokepoint.
- The conflict is ongoing, with confirmed attacks on fuel tankers and other oil infrastructure in the region.
- WA sources produces all domestic gas needs locally and as such no impacts to gas supply are expected.
- WA imports all of its petrol, diesel and aviation fuels in the form of refined product from refineries in Asia, with the primary provider being Singapore.
- Asian crude feedstock relies on Middle East supply (roughly 50%), however access to alternate sources can be increased.
- **At present there is no disruption to supply into Western Australia.**



BP Import Terminal
Impala Import Terminal
Coogee Chemicals Terminal




National Situation

- Shipments have continued to arrive as scheduled and providing the volume of fuel expected
 - Prices have risen sharply in reaction to the closure of the Strait and global uncertainty
 - ACCC is on heightened monitoring of anti-competitive behaviour
 - Counter-intuitively we also need exemptions during emergency response
 - Major fuel companies have placed their customers on 100% Bulk Allocations
 - The National Oil Supplies Emergency Committee has stood up (National Response Coordination and direction)
 - Cwth has:
 - Created a National Fuel Taskforce
 - Temporarily reduced fuel quality standards
 - Begun the release of 20% of Australia's Mandatory Stockholding Obligation volumes
 - Increased application of the Fuel Security Services Payment to Australian refineries
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WA Current Situation

- Current impacts have been:
 - price increases across the supply chain, including to end users.
 - stock-outs are being experienced in regional locations due to:
 - bulk allocation to contracted parties (no access to extra fuel)
 - excessive purchasing
 - The Coordinator of Energy is currently maintaining a **Level 1 (Yellow) incident**
 - moderate imbalance
 - increasing need to coordinate resources
 - Actions at present are focused on getting additional stocks out to the regions and end users that need them most, particular focus on agriculture
 - Minister stood up a Fuel Industry Operational Group
 - HMA has stood up a State Management Team
 - Incident Controller appointed – current focus is immediate regional supply concerns
 - MSO Stocks being released
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Key Messages

- 20% of global supply is compromised – there is still 80% available
 - All expected shipments of fuel into WA will continue to arrive for at least the next few weeks
 - Purchasing what you would normally will help the situation
 - Prices have risen due to global uncertainty and the ACCC is monitoring for price gouging
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WA Emergency Management Escalation

- Possibility this could escalate but likely it will be a gradual decrease in supply
- Will likely manifest in delayed shipments as everyone tries to access alternate global sources
- The HMA will continue to monitor the situation and escalate against the State Hazard Plan as needed.
- WA would need to reach a Level 3 incident to invoke emergency powers under the *Fuel, Energy and Power Resources Act 1972*.
- Any fuel rationing under our plan will follow the priority allocation guidelines (right).
- Could then fall under a National Response
- **Currently planning only**


Appendix F: Priority Allocation Guidelines

The following guidelines present an order of allocation that may be used by the HMA when distributing a limited amount of energy to the community. The allocation strategy will also be informed by an assessment of the impact of each individual incident on the State Core Objectives, which will also assist with prioritisation of individual services under each priority level.


General Order of Priority

Priority	Service	Including (but not limited to and in no particular order)
1	Energy Infrastructure	Gas, fuel and electricity production generation, transmission and distribution infrastructure.
2	Essential Services	Production, supply and distribution of water supplies. Health services as determined by the State Health Coordinator. Waste and wastewater management. Maintenance of communication networks. Maintenance of emergency service provision. Maintenance of law and order by police services, the judicial system and the correctional system.
3	Industry Providing Essential Goods and Services	Production, supply and distribution of basic food supplies. Child protection, children in care and community well-being. Maintenance of mortuary services (identification, certification, religious practices, storage, burials and cremations). Public transport services including taxi services. Maintenance of banking and financial services. Continuity of critical government functions.
4	Residential Customers	Not Applicable
5	All Other Industries	Not Applicable

DEMC Focus: Intelligence Gathering

- Seeking assistance from the Districts
 - HMA is already covering:
 - Major Fuel Suppliers
 - Fuel Distributors
 - Industry Sectors – agriculture, mining, transport
 - Service Stations – increasing visibility
 - DEMC Assistance:
 - Small Businesses
 - Community Services
 - Emergency Services – particularly any risk to volunteer organisations
 - Community sentiment that may be an indicator of increasing risk
 - May only be qualitative in nature – will establish an agreed process and structured form for submissions of intelligence of this nature
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Importance of the Districts and Local EM Arrangements

- Current structures reflect the unique nature of fuel supply **but**
 - Energy hazards (especially fuel and gas) that escalate to high levels usually have consequences for the entire State
 - HMA will be reliant on the work of District and Local EM assets
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HMA / Energy Policy WA Contacts

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