

Voelte signs for infinity – or at least to \$5b Pluto

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Woodside Petroleum has moved to lock in the services of its Nebraskan chief executive Don Voelte at least until the end of the decade following changes to Australian taxation laws.

Until the recent tax changes were made, foreign expatriates would be taxed heavily on their overseas assets once they had been employed in Australia for five years.

That provision has since been removed.

Woodside said it had subsequently revised Mr Voelte's employment contract, which had previously included a fixed term of four years and 360 days, removing the end date from his contract and allowing him to serve beyond early 2009.

"The change removes the end date from Mr Voelte's contract and thus provides greater stability in the management for the longer term planning required in the company," chairman Charles Goode said.

It is understood that two main factors contributed to the change.

Firstly, the extension will allow Mr Voelte to oversee the development of the vaunted \$5 billion Pluto liquefied natural gas project off Karratha.

Widely regarded as Mr Voelte's "pet project", Pluto is being fast-tracked in a bid to significantly boost Woodside's share of the world LNG trade.

Pluto was only discovered in early 2005, but Mr Voelte has personally thrown his weight behind the wholly-owned Woodside venture in a bid to start production in 2010-11 and reduce the company's dependence on a one-sixth share of the North West Shelf.

Despite renewed opposition to Woodside's preferred plant site on the Burrup Peninsula due to its proximity to ancient Aboriginal rock art, Pluto has now overtaken the bigger Browse and Sunrise projects as Woodside's most advanced new LNG venture.

Extending Mr Voelte's tenure is also seen as an important stabilising

initiative given the looming handover of the chairmanship from Mr Goode to former Wesfarmers boss Michael Chaney in the middle of next year.

Mr Chaney will now have longer to settle into his new role before there is any change of chief executive.

As a result of the contractual change, Woodside has also altered the termination provisions of Mr Voelte's contract, entitling him to a termination payment equal to 12 months of his fixed annual reward where his employment is terminated by the company.

Previously, he would have received the lesser of 18 months fixed annual reward or the period remaining under his contract if terminated early.

He would have received no payment if his employment contract simply expired.



Freed up: Woodside chief Don Voelte, a US citizen, will now be able to oversee the Pluto LNG project off Karratha