

Woodside gives green light to Pluto project

Woodside's board of directors has given the go ahead to its \$11.2 billion Pluto Liquefied Natural Gas (LNG) project in the State's North West.

The project, subject to final environmental and other regulatory approval, is the largest single investment by one company in Australia's resources sector.

Pluto is expected to create up to 3000 direct jobs during construction and 300 during operations.

Preliminary site works for the onshore facilities began in January 2007. In addition to a LNG production train, the onshore facilities will include storage tanks and a loading terminal.

Woodside Chief Executive Don Voelte said the decision to proceed with the project represented the most significant step in Western Australia's gas industry since the initial development of the North West Shelf in the 1980s.

He said Pluto would boost the economy over its life by at least \$28 billion and contribute \$8 billion in federal taxes as well as provide \$450 million in revenue to State and Local Governments.

"The Pluto LNG project will join the North West Shelf Venture in underpinning Woodside for decades into the future, and showcases the unique position Woodside enjoys among its oil and gas peers," Mr Voelte said.

Mr Voelte said the Pluto project would provide an important new supply of LNG to the Asia-Pacific region, where demand is expected to outstrip supply well into the next decade.

"Pluto will play a critical role in meeting Asia-Pacific demand and will make a substantial contribution to Australia's export income," he said.

The Pluto project is based on Woodside's Pluto and Xena gas fields which are located about 190 kilometres northwest of Karratha.

The initial phase will include a single LNG production train with forecast production of 4.3 million tonnes per annum (4.8 mtpa at 100 per cent capacity)

connected by a 180 kilometre, 36-inch offshore pipeline to a platform in 85 metres of water.

The platform will be connected to five subsea big bore wells on the Pluto field, with first gas to be produced in late 2010. To date approximately \$796 million has been spent on all phases of the Pluto field and LNG project.

Japanese companies Tokyo Gas and Kansai Electric have agreed to take the majority of the gas after recently signing agreements.

Woodside has committed about \$300 million in additional infrastructure to facilitate future expansion for other Woodside or third party gas, allowing the onshore plant to operate as an open-access facility with additional LNG trains.

Woodside also gave approval to begin studies on an expansion of LNG capacity – by the addition of a second and third train – and a domestic gas facility to supply the Western Australian market.

The size of subsequent LNG trains, and the technology used, will be evaluated during the study. ■



Go ahead: Woodside has approved development of its Pluto LNG project.