

Explosion threatens WA gas supplies

4th June 2008, 6:00 WST

West Australians have been urged to conserve energy after the state's gas supplies were disrupted by an explosion at an offshore gas plant.



It is expected WA's energy supplies could be disrupted for days after an explosion occurred around 1.40pm yesterday near one of Apache Energy's gas export pipelines on tiny Varanus Island, about 100km off Karratha in the gas-rich North West Shelf.

Apache Energy supplies 30 to 40 per cent of the state's domestic gas, but major disruptions to domestic residential electricity supplies are considered unlikely, as it does not supply gas to Verve Energy, the state's principal power station operator.

The WA government said major industrial customers would be the hardest hit.

"They don't supply it to the mums and dads and they don't supply it to the government electricity generator (Verve)," WA Energy Minister Fran Logan said.

"They do supply it to some very big industrial customers though and it has had a very significant impact on them."

Mr Logan said aluminum manufacturer Alcoa depended heavily on the gas and would switch to diesel to keep going in the interim.

"The major customers, industrial customers, that have long term contracts with Apache will be affected," Mr Logan said.

"To what extent, and for how long, we won't know until the engineering team on site does a review and will be able to provide us with a clearer picture."

A spokesman for WA's largest gas supplier Alinta, which is a client of Apache, the company was doing what it could to ensure supply.

"Alinta's working closely with its suppliers, customers and the pipeline operator to minimise to the impact on its customers and ensure the gas transmission and distribution networks are not compromised," spokesman Tim Larkham said.

"Securing supplies is of paramount importance to Alinta and we're working closely with major customers in particular to reduce gas demand in an orderly manner."

He said residential gas demands should not be affected.

"However, we request that customers be mindful of their gas use during this period."

PERTH
AAP