

Inpex flags WA islands as best for LNG plant

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THE Maret Islands are "the best" location for Inpex to process its Icthyis gas, the company has said.

Though Darwin's hopes to win the gas plant had risen on the back of potential delays caused by the pending West Australian election, Inpex spokesman Sean Kildare said Inpex had been studying site selection for the Icthyis field since 2001.

"The best location for Inpex is the Maret Islands," he said.

Mr Kildare was responding to questions on whether Inpex would consider a compromise site at Packer Island, WA -- a similar distance from both Inpex's Icthyis deposit and Woodside's Browse project.

Industry watchers have suggested that Packer Island is the biggest threat to Darwin's chances of winning the gas after the Maret Islands.

Woodside's Browse joint venture partner Chevron showed a map with a potential pipeline sketched from Browse to Packer Island to audience members at the recent SEAAOC conference in Darwin.

Chevron is also a joint venture with Inpex on the nearby WA-410-P acreage permit that was granted in November last year.

Icthyis has 12.8 trillion cubic feet of gas, while Browse has 20 trillion cubic feet of gas.

Packer Island, 40km southwest of Cape Leveque on the WA coast is about 300km away from both projects, making it a tempting location for the WA Government's proposed multi-user gas hub.

The West Australian Government's Northern Development Taskforce (NDT) has confirmed Packer Island is one of 11 sites being considered for a potential hub.

But Mr Kildare said the NDT had not yet proposed Packer Island or any emerging options in the Kimberley. The only two options being considered were still the Maret Islands or Darwin 850km away.

"We don't know what the NDT is going to produce as a site -- it's quite possible the NDT itself may not proceed with Packer Island as its hub location," Mr Kildare said.

An 850km pipeline to Darwin would cost about \$850 million and take about 18 months to build, industry experts have said.