

West wobbles over Inpex gas plant deal

NICK CALACOURAS

August 26th, 2008

THE Western Australian Government is pessimistic about securing a \$12 billion gas plant, fuelling speculation it will be built in Darwin.

Japanese gas giant Inpex told WA Treasurer Eric Ripper last week that the state's prospects were "hindered" by environmental, Aboriginal and heritage issues.

Mr Ripper said Inpex assured him no decision had been made but said he was aware of an "undertaking" between the company and the Territory Government. It is believed this undertaking was the legal framework set up by the NT Government two days before calling the Territory election.

Chief Minister Paul Henderson's spokeswoman Rebecca Cass said no agreement had been made with the company since the election was called.

Resources Council NT spokesman Scott Perkins said he had brief talks with Inpex as part of the company's social and economic impact study.

"We discussed the broad impact the plant would have on Darwin, the skills and availability of workers and the planning issues," he said.

"I think we gave some useful comments in regards to skills in the Northern Territory."

The NT Government started campaigning to pinch the Inpex plant from Western Australia last year. WA was seen as the favourite, but there are concerns that Inpex is losing interest in the West because the State Government can't decide on where an LNG plant should be built.

The WA Government wants Inpex to build on a proposed LNG hub - but a shortlist of sites for the hub will not be released until October.

Inpex is expected to decide whether to build in WA or the Territory in October.

WA Premier Alan Carpenter has stood by the decision to set up a facility for LNG processing on the Kimberley coast.

"I don't believe that it would be in the best interests of the state to have a proliferation of LNG facilities all along the Kimberley coast - in fact, I think it would be nightmarish," he said.