

WWF calls for ban of LNG plants in Kimberley

Steve Rotherham
Thursday, 9 October 2008

CONSERVATIONIST group WWF wants to see the vast bulk of Western Australia's Kimberley region made off-limits to liquefied natural gas plants.

WWF oceans program leader Gilly Llewellyn told the 2008 APPEA Environment Conference that her organisation recognised that energy resources were essential for human societies and that the Kimberley's Aboriginal people would benefit from investment by companies keen to develop the vast Browse Basin gas resources off the Kimberley coast.



The Kimberley coast

But she also said the Kimberley was an area of enormous environmental significance that hosted unique coral atolls and reefs, islands free of introduced predators and weeds, as well as rare turtles and whales.

"The Kimberley is one of the few truly intact places left on the planet," Llewellyn said.

WWF wanted a project assessment system that looked not only at individual projects but also at the cumulative impact of projects across the region.

The organisation was pleased when the Howard federal government and the WA government announced they had set up the Northern Development Taskforce as a whole-of-government initiative to coordinate the issues relating to the development of Browse Basin gas in the Kimberley, and the National Heritage Listing of the Burrup Peninsula.

"We welcomed the creation of the Northern Development Taskforce, but we are now concerned that this intensive work might not be used," she said, alluding to statements from new WA Premier Colin Barnett, that he might scrap the Northern Development Taskforce.

In February, the new Rudd federal government and the then WA government charged the taskforce with finding a site for a proposed common-user Kimberley LNG hub. The WWF had been advocating such a hub for some time.

"If it can be shown that new gas infrastructure can't be accommodated in existing industrial areas [in the Kimberley], then separate processes should be gathered together in a hub to minimise the cumulative environmental footprint," Llewellyn said.

"And places like Scott Reef should be marked as off-limits to development."
(Scott Reef was the original proposed site for Woodside's Browse LNG development.)

However, this Kimberley hub policy was only introduced at the beginning of the year, upsetting Japanese petroleum major Inpex, which had developed advanced

plans for an LNG plant to be sited on the Maret Islands off the Kimberley coast.

Inpex recently announced it would pipe gas from the Ichthys fields to Darwin for liquefaction rather than wait for a hub site to be identified and approved.

Also addressing the APPEA Environment Conference, Productivity Commissioner Phillip Weickhardt said governments had a right to place tight restrictions on projects and even to deem that some projects could not be developed, but they also had an obligation to let industry know where it stood early in the planning process.

"Industry has the right to expect an answer early in the piece rather than after it has spent billions of dollars," he said.

With Ichthys now no longer a candidate for the proposed Kimberley LNG hub, the question is whether the Kimberley's only other relatively advanced LNG will be based in the hub.

Woodside and another possible Browse basin LNG developer are believed to want to see the Northern Development Taskforce remain intact until it has whittled down the shortlist of four sites for the LNG hub to one preferred site.

However, Woodside is now being equivocal on its Browse LNG project.

The company may defer the project, which will be using carbon dioxide-rich gas, over concerns about the Rudd government's proposed emissions trading system.

But Woodside also might pipe its gas away from the Kimberley region, southwest to the Pilbara area, where it is building the Pluto LNG plant.

The company needs more gas supplies to underpin construction of a second and perhaps third LNG train.

With the other leading Kimberley LNG proponent, Shell, being a frontrunner in developing floating LNG, it is possible that no onshore Kimberley gas hub will ever be developed.