

Inpex framework tabled in parliament

Thursday, 27 November 2008

JAPANESE major Inpex has been given the go-ahead to plan its Ichthys liquefied natural gas project in Darwin after the Northern Territory government tabled a framework and passed the LNG Project Bill yesterday.

Chief Minister Paul Henderson said the LNG Project Bill – subject to environmental assessment and other NT regulations – gives Inpex a guarantee the project will be able to be built at Blaydin Point if Darwin is given the go-ahead in the company's final investment decision.

"Project proponents must comply with the Northern Territory regulatory framework, but an investment of this size requires some additional certainty around arrangements such as land tenure," he said.



The proposed site of Ichthys liquefied natural gas plant

Inpex had in September selected Blaydin Point at Darwin's Middle Arm Peninsula as the preferred site for its LNG plant, saying this provided the company with the certainty needed to meet its schedule of shipping LNG in late 2014 or early 2015.

Ichthys has been assessed to hold 12.8 trillion cubic feet of gas and 527 million barrels of condensate.

The \$20 billion two-train project is expected to initially produce more than 8 million tonnes of LNG as well as 1.6Mt of LPG per annum and 100,000 barrels of condensate per day.

The project is also expected to inject about \$50 billion into the territory's economy over the next two decades, from the start of site work in 2010.

Henderson said the project is now more important to the Territory due to the current global financial crisis.

"The project will deliver some 2000 to 3000 jobs during construction – providing opportunities for Territorians and a significant boost for our economy," he said.

"While the Territory economy is well placed to withstand the fallout from the crisis, no one will be immune from the effects and the \$12 billion Inpex project is great insurance for the Territory."

Henderson also said the company is holding forums in Darwin this week to provide further information to the public about some details around the project.