

Woodside delays naming Browse Basin LNG site until June

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Woodside said yesterday it would not meet a self-imposed deadline to finalise the onshore site for its Browse Basin liquefied natural gas project by the end of this month.

Instead, Woodside's Browse project boss, Betsy Donaghey, said a decision on its preferred processing site for the massive LNG project, which analysts believe will cost more than \$20 billion, would be made in by June.

Only last month Ms Donaghey told investors that Woodside would make a "theme selection" by the end of this year by deciding whether to build the LNG trains at the proposed Kimberley hub or expand Woodside's existing processing plants on the Burrup Peninsula in the Pilbara.

Ms Donaghey yesterday would not reveal the reason for scrapping the deadline but hinted it was due to the WA Government process of securing a site for the Kimberley hub.

Colin Barnett yesterday announced James Price Point, 60km north of

Broome, as the Government's preferred site for the Kimberley LNG hub.

The Premier said he expected negotiations with stakeholders, including Aboriginal groups, over the coming three months to pave the way for the Government to begin acquiring the required land in April.

Ms Donaghey, who "welcomed" the Premier's announcement, said the Government negotiations with stakeholders would "have an impact on our decision" but she was hopeful of finalising Woodside's choice by June.

"Yes, I think the first half of next year is something we would really try to achieve," Ms Donaghey said

"The Browse development will be a huge development for Woodside and our partners. Where we take that gas is going to be a very big decision and we still have a lot more work to do."

Industry observers said yesterday it was likely Woodside would choose the Burrup option which, despite incur-

ring extra costs due to the need for an 850km pipeline linking the LNG trains to the Browse Basin gasfields, provided far greater project approvals certainty than a greenfields proposal in the Kimberley.

Woodside is also keeping a close eye on the oil price, which provides a benchmark for LNG prices. Oil was trading at \$US42 a barrel yesterday.



Betsy Donaghey