

Woodside, Premier in gas talks

BEN SPENCER and RHIANNA KING

Alan Carpenter and Woodside chief Don Voelte are set to square off today over the Premier's demand that part of the State's gas reserves be kept for local use.

The meeting comes amid a claim by former State resource minister Colin Barnett that the company might be able to sell gas overseas as LNG for up to double what it could get selling it for domestic use in WA.

Mr Voelte has demanded a meeting with Mr Carpenter while the Premier is in Karratha for a regional Cabinet meeting today.

The Woodside boss has vowed to fight Mr Carpenter's plan, under which up to 20 per cent of WA's gas reserves would be quarantined for use solely within the State.

Mr Carpenter set the battle lines on Friday when he warned that the Government would not approve petroleum giants' projects unless they set aside a chunk of their reserves for local use.

Mr Voelte refused to comment yesterday. A spokesman for Mr Voelte said he was looking forward to meeting Mr Carpenter.

"We will continue to supply gas to

Western Australia like we have for the past 20 years as per our contractual arrangements and we look forward to any opportunity to have a chat," he said.

Much of the debate revolves around Woodside's huge Pluto gas field on the North-West Shelf which the company is preparing to bring into production.

Woodside stands to make substantially higher profits by converting the gas into LNG for sale to Asia than by selling it for use by WA power generators and households.

Mr Barnett, who supports reserving some of the State's gas reserves for domestic use, estimated that Woodside could make 50 to 100 per cent more by selling LNG internationally.

Federal Resources Minister Ian Macfarlane described the Premier's plan as "irrational" and a threat to future investment that would send shock waves through the industry.

Federal Labor leader Kim Beazley refused to comment, referring questions to shadow resources minister Martin Ferguson. Mr Ferguson said it was time for all parties to work out a settlement which suited both WA and the industry.