

Another hurdle cleared by Pluto

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WESTERN Australia's Environmental Protection Authority has recommended provisional approval for Australia's next planned export LNG project.

The recommendation to approve the project despite development plans not meeting requirements concerning dredging is one of the last major hurdles Pluto had to overcome before Woodside's board meets next month to make a final investment decision on the \$10 billion development.

EPA deputy chairman Andrea Hinwood said yesterday Woodside's proposal, as presented, did not fully meet the EPA's objectives for the marine environment, with the company's offset package judged

not adequate to meet the potential loss of coral from installing a pipeline from the Pluto reserves to the Burrup Peninsula.

"However, provided a substantive offset package is agreed to and stringent conditions recommended are fully implemented, the Pluto LNG development could be allowed to proceed," Dr Hinwood said.

A Woodside spokeswoman said the company was generally satisfied with the EPA's recommendations.

Woodside's board has already approved commitments of up to \$1.4 billion for Pluto, allowing funding for site preparation and long lead items ahead of a final investment decision.

Federal Environmental Minister Malcolm Turnbull last week effectively ruled against a campaign to block Pluto when

he excluded two sites from a 241sq km area of the Dampier Archipelago given National Heritage listing to protect 30,000-year-old Aboriginal rock art.

Sites A and B on the Burrup are on land granted by the WA Government for Pluto's on-shore plant, known as the Burrup LNG Park, and will require some rock art to be moved before construction begins.

The project, which is designed to be a gas hub processing gas for third-party owners, is based on Woodside's 100 per cent-owned Pluto gas field found in April 2005.

It is set to become the fastest LNG development in the world, meeting an unexpected surge in North Asian demand from late 2010 seven years after discovery. Initial sales and purchase con-

tracts have been signed with Tokyo Electric and Kansai Gas.

Woodside maintains there are about 100 million tonnes a year of uncontracted demand for LNG worldwide from 2015.

The EPA recommendations on Pluto are subject to appeal. Another assessment before state Environment Minister David Templeman makes his final decision, probably in August.

The EPA has flagged in the Pluto recommendation its concern at the cumulative impacts of development in Mermaid Sound leading to the port of Dampier.

The EPA suggested that future industrial proponents in Mermaid Sound might have difficulty securing approvals for single-user facilities.