

Inquiry into gas blackout threat

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and PHILIPPA PERRY

Energy Minister Fran Logan has ordered the WA Office of Energy to carry out a six-month investigation into last month's problems at Woodside's North-West Shelf gas project which threatened to cause rolling power blackouts in Perth.

Mr Logan confirmed the investigation would take place after a meeting with Woodside officials yesterday to discuss the events of January 2 when an electrical fault at the Karratha plant triggered a 48-hour shutdown of domestic gas supplies, forcing industry and households in the State's south to cut back their power use to avoid rolling blackouts.

He said Woodside had agreed to cooperate with the investigation and would nominate a person for the Office of Energy to liaise with. Mr Logan said apart from probing what had occurred and how it affected the State's economy, he expected the investigation would recommend protocols for dealing with similar incidents in the future, including communication channels.

It would also examine gas trading arrangements to ensure alternative gas supplies could be sourced in the

event of future domestic gas supply shut-downs on the North-West Shelf.

Mr Logan personally telephoned the Burrup Fertilisers ammonia plant on the Burrup Peninsula last month to secure enough gas to avoid rolling power cuts in Karratha and to help boost supplies in the South-West grid. The Burrup plant was not affected by the problems on the North-West Shelf because its gas comes from a rival supplier, Apache Energy.

"It shouldn't be up to the Minister to go around and see if there's any gas around the place," Mr Logan said.

While he had been critical of Woodside's refusal to make public comment about the gas problems last month, he said he had been told at yesterday's meeting that the situation had arisen because the company's senior media relations staff had been on holiday.

"They've indicated they would probably have handled it differently if other people were there at the time," Mr Logan said.

He said he had also written to key stakeholders, including State-owned electricity generator Verve Energy, Alcoa, Alinta and Wesfarmers seeking their input in the investigation.

The investigation comes as Mr Logan and his Federal counterpart Martin Ferguson make critical determinations on leases covering vast untapped gas reserves off WA's northern coast which oil and gas giants Chevron and Woodside want to roll over for another five years on the basis they are not considered economically viable as domestic gas developments.

A Woodside spokeswoman said the meeting with Mr Logan had been positive and the company would cooperate with the investigation.

Yesterday's meeting came as the WA Chamber of Commerce and Industry called on the State Government to implement an energy policy as a matter of urgency, claiming the current situation was too ad hoc.

CCI director of industry policy Trevor Lovelle said that a considered energy strategy providing a statement of principles and goals was "now seriously overdue".

But Mr Logan rejected the call.

"The energy sector is constantly changing . . . There are far more important things to be working on than writing a document that would soon be out of date," he said.



Phone call: Fran Logan.