

Concerns raised about WA gas supplies

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THE pipeline rupture and fire at Apache Energy's Varanus Island gas processing plant near Karratha has shone a spotlight on Western Australia's reliance on gas supplies from a handful of suppliers in the state's remote northwest.

This scrutiny is especially relevant as the latest incident occurred just five months after Woodside Petroleum was forced to shut down the North West Shelf Venture's Karratha gas plant for two days due to electrical problems, slashing WA's gas supplies by two-thirds.

The Chamber of Commerce and Industry of WA said in a statement that the latest disruption exposed the state's dependence on a limited number of gas production plants and highlighted the need to implement policies that encourage the development of a more diverse primary fuel base.

"Any state energy policy should consider the full range of energy sources available including gas, coal, nuclear and renewable energy," the chamber said.

"A long-term energy policy would also give business and investors a greater degree of confidence about the state's energy future, both for export and domestic customers, and provide the market with pointers to potential investment opportunities."

WA Energy Minister Minister Francis Logan denied the incident showed that the state's gas supplies were vulnerable to disruption, adding that new projects proposed by Apache, Chevron and Woodside would increase the diversity of WA's gas sources.

However, he said the Government could introduce policies to encourage companies to explore for more gas, adding that the South West and Mid West regions had the potential to provide alternative gas sources in the future.

Meanwhile, Premier Alan Carpenter admitted a more competitive domestic gas supply market could help alleviate similar problems but said the market was more interested in liquefied natural gas exports.

He also played down the prospect of other gas plants outside the North West Shelf hub, saying that more gas plants would require more infrastructure.

"It's the people of Western Australia that have to buy all that supportive infrastructure, which is why rationalising all that requirement makes a hell of a lot of sense," the *West Australian* quoted Carpenter as saying.



WA Premier Alan Carpenter



An Apache Energy gas plant