

# WA risks losing more gas projects

*27th September 2008, 6:00 WST*

WA risks losing the economic benefits of other gas processing projects in the Kimberley after a decision by Inpex to build a \$25 billion plant in Darwin and pipe the gas more than 800km from its field in the Browse Basin, Colin Barnett warned yesterday.

The Premier said he had not given up on trying to convince Inpex to build the project in WA before it made its final decision on the project in 12 to 18 months time but his comments were hosed down by the company's spokesman Sean Kildare.

"We have great respect for Colin Barnett's Government and his position and his aspirations," Mr Kildare said. "However, our project is operating to a very tight schedule and we have the certainty (in Darwin) that we need to meet the timetable."

Mr Kildare also said the additional cost of piping the Ichthys gas to Darwin, rather than the shorter distance to the Kimberley, was "not significant" because of the benefits of being based in the Northern Territory.

Inpex and its French partner Total formally made the decision to move to Darwin on Thursday, although sources have told The West Australian that an informal decision was made as early as July and that the Carpenter government and Kimberley Land Council had been informed.

Mr Kildare would not discuss the timing of Inpex's communications with the Labor government or KLC other than to stress it regularly updated all affected parties on its intentions.

The controversial decision, which became a major issue during the recent State election campaign, prompted Opposition Leader Eric Ripper to concede he had to accept responsibility for the loss of the project due to his role as former state development minister.

Describing Labor's management of the Inpex project as appalling, Mr Barnett said jobs and revenue would be lost as a result of the Labor government's failure to find a site for the plant, which would also deprive the Kimberley of economic and development opportunities.

"I think the final straw was when Eric Ripper gave a right of veto to indigenous people, they (Inpex) realised then not only did they not have a site, there was no certainty that they could ever get one," he said.

Mr Barnett said the Liberal-Nationals Government would take responsibility for finding a site and would not waste any time but he refused to commit to a deadline, despite criticising the "ad-hoc" and "open-ended" approach of the previous government.

Mr Barnett said that other project proponents could decide to build floating gas plants offshore, which would be constructed overseas, or pipe gas to the Pilbara which would result in lost development opportunities for the Kimberley.

“One of the ongoing problems is because of the failure to this point to have found a site for Inpex, there is a real risk that other Browse Basin projects will also not develop on the Kimberley Coast,” he said.

Mr Barnett repeated claims that Mr Ripper’s chief-of-staff was informed of Inpex’s decision to build in Darwin during the election campaign.

Mr Ripper, who maintains the Labor government was never advised of a final decision, said he was convinced a WA site for the project, with approvals, would be available quicker than one in the Northern Territory.

AMANDA BANKS, JESSICA STRUTT and PETER KLINGER