

Barnett nominates Kimberley gas site

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West Australian Premier Colin Barnett has ended years of uncertainty by nominating a preferred site for a gas processing precinct in the state's environmentally fragile Kimberley region. The move could spark investments worth tens of billions of dollars.

Mr Barnett yesterday released a government report that identified four potential sites for gas processing on the Kimberley coast, to be used by companies including Woodside, BHP Billiton, Inpex and ConocoPhillips.

But he said he favoured North Head, which is on an Aboriginal reserve about 120 kilometres north of Broome and is known as a whale migration area,

The state would compulsorily acquire the 1000-hectare site and

pay compensation to its traditional owners.

Mr Barnett said the environment would not be compromised and he was confident the liquefied natural gas (LNG) industry would operate to high standards.

The LNG precinct would process gas from the Browse Basin, which holds more than a third of Australia's known offshore gas reserves.

The establishment of a single facility is aimed at preventing piecemeal development along the sensitive Kimberley coastline.

Mr Barnett blamed the former Labor government for moving too slowly in selecting a location and for granting traditional owners the power of veto over site selection.

He said he hoped a quick government decision in choosing a final site after the 28-day public comment period could lead to Japanese com-

pany Inpex revisiting its decision to process gas from its Browse Basin field in Darwin instead of WA.

"It's an indictment on the previous government that in eight years it could not select a site for developments to allow the growth of WA."

Woodside chief executive Don Voelte said the release of the report would allow the company to better compare the advantages of processing gas in the Kimberley or piping it to Woodside's existing facilities on the Burrup Peninsula.

"This presents a viable option so we can compare this to other options that we've developed along the way," he said.

A spokesman for federal Environment Minister Peter Garrett said the release of the report meant the next stage of a joint environmental assessment between the commonwealth and WA could continue.