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## Gas can power WA's needs

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**CLAIRE WILKINSON**



The Pilbara is the beating heart of Western Australia's economy.

A recent visit to the region highlighted for me the palpable sense of purpose it has from the large-scale resources developments in operation and future projects being planned.

There is a feeling of optimism and a "can-do" attitude and a realisation that our way of life in WA would be very different without these resource exports that bring jobs, wealth, and a world-class standard of living.

In the Pilbara, one can see firsthand how integral natural gas is to the State's economy.

Fed by large fields from the North West Shelf, there are liquefied natural gas plants and domestic gas processing facilities near Karratha and Onslow.

The LNG plants ensure lower-emissions natural gas is supplied to consumers across Asia while domestic facilities feed natural gas into the Dampier-Bunbury pipeline as well as a network of pipelines inland.

More than half of WA's energy needs are supplied by natural gas. In the north, gas provides energy for manufacturing fertiliser and ammonium nitrate and powers mines producing the long trains of iron ore that roll into our north-west ports each day.

And the importance of maintaining a stable supply of energy for the State and the region has been heightened this year as COVID-19 has turned the world upside down and

turbocharged change in the way we do business and conduct our operations.

The pandemic has left indelible marks on Australia's oil and gas sector.

It has been tough on our workforce, many of whom have been away from home and family for extended periods of time, and industry has had to grapple with a sharply

depressed commodity market as demand dropped and prices followed. Despite the challenges, the industry has continued to supply gas to WA homes, businesses, hospitals, schools, and other critical industries such as mining and minerals processing from the north-west to the south-west and out to the Goldfields.

This has been achieved through incredible collaboration — sharing best practice to maintain focus on protecting the health of workers and local communities while maintaining safe operations and gas supply — and working closely with government and authorities on the movement of people across State borders.

Keeping natural gas flowing throughout the pandemic is

something of which thousands of WA oil and gas workers located on offshore platforms, support vessels, drilling rigs, LNG plants, and in Perth offices, should be very proud.

Looking ahead, the need for reliable, lower-emissions energy production has never been more important to support the ongoing economic recovery and prosperity of WA.

It is encouraging that some major developments, delayed in 2020, will be able to proceed next year. Woodside's

Scarborough project, which includes building a second LNG train at the Pluto plant in Karratha, is expected to take its final investment decision next year to begin construction.

And several other developments are expected to go ahead next year where

untapped offshore fields will be connected to existing processing infrastructure.

Onshore, industry looks forward to a final investment decision on Mitsui's Waitisia Stage 2 development near Dongara, and Strike Energy taking FID on its West Erregulla gas project early next year with production already under contract to big WA industrial users, including CSBP.

Bringing these projects to life is a complex technical and commercial challenge. There is fierce competition for scarce global capital, and it is critical that the State works hard to prevent a permanent flight of investment capital from Western Australia.

We must ensure policies and regulatory settings support responsible development. Industry will continue to advocate for efficient and effective regulation that reduces duplication, supports development while also ensuring high safety and environmental standards.

In addition to the ongoing reliable supply of energy, industry is also ready to support the development and growth of renewable energy.

Natural gas and renewables are not in competition but can complement each other, supporting a lower-emissions future with gas-fired baseload power supporting the uptake of intermittent renewables.



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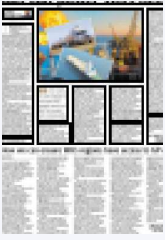
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From the Pilbara to the four corners of WA, let us hope we have a much brighter year in 2021. Let's use our natural gas advantage to underpin the energy needs of WA's economy and community for years to come.

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**Claire Wilkinson is WA director of the Australian Petroleum Production & Exploration Association.**

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