



Alan Carpenter

Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management



Francis Logan

Minister for Energy; Resources; Industry and Enterprise

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Government orders review into gas security

Portfolio: Energy, Premier

The State Government has ordered a wide-ranging review into the security of Western Australia's gas supplies, in the wake of two major interruptions to the State's gas supply this year.

Premier Alan Carpenter and Energy Minister Fran Logan visited Varanus Island today to inspect repair work to the gas facilities that were damaged in the June 3 explosion.

Mr Carpenter said it was time for the State to consider what was needed to be done to ensure any future supply interruptions had the smallest possible impact on the State.

He said the Government's Office of Energy, which had managed the gas shortage caused by the explosion on Varanus Island, would undertake the review.

"While investigations continue into what caused the Varanus Island incident, we need to ensure we have security of supply into the future," the Premier said.

"It is great news that gas has begun flowing from Varanus Island again and that the worst of the gas shortage is behind us.

"However, full restoration is not expected until later in the year and it cannot be forgotten that challenging times still lay ahead for some sections of WA industry."

Mr Carpenter congratulated Apache Energy for restoring one-third of its gas supply ahead of schedule. More than two-thirds of its supply will be flowing by the middle of this month.

Mr Logan said WA had managed the gas shortage well.

"The fact that we have come through this shortage without widespread power cuts shows that we have a remarkably robust energy system," the Minister said.

"Our ability to switch from gas to diesel and coal for a substantial percentage of our power generation, and the willingness of businesses and householders to show restraint in a time of need, has enabled us to manage a very difficult situation.

"To everyone, we say thank you for your efforts."

The Premier said the Office of Energy was already reviewing the circumstances behind WA's first gas interruption this year, when an incident at the North West Shelf Joint Venture's Karratha gas plant cut supplies for several days in January.

That review would be expanded to also consider future gas security options.

"Various propositions have been put forward this year, ranging from a second pipeline from the north of the State to the south, to building massive gas storage facilities near Perth," Mr Carpenter said.

"The cost and viability of many of these ideas has been called into question by industry.

"But we need to consider all options - and that is exactly what I have asked the Office of Energy to do."

The office will report back to Government within six months.

The Premier said WA had been well served by the Government's efforts to diversify energy supplies.

"We currently have two major suppliers of gas and that number will increase in years to come," he said.

"In addition, we have major coal reserves in the State's south, a growing fleet of wind farms, a rapidly growing renewable energy sector and the ability to switch between gas, coal and diesel when that becomes necessary.

"We are also encouraging more gas production activity closer to Perth and actively pursuing geothermal energy options.

"What we don't have, and will not have for the foreseeable future, is a nuclear power plant. We don't want one, and we don't need one."

Mr Carpenter said the Office of Energy would work with the Federal Government in its review.

"I am aware that the Federal Government is considering the nation's energy security and that it is conducting a nationwide audit of major infrastructure needs," he said.

"This work at a Federal level must be made aware of WA's needs to ensure we can continue to be the major driving force behind Australia's economic prosperity."

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