

SCARBOROUGH LNG PROJECT

810. Dr D.J. HONEY to the Minister for Energy:

I refer to a report in *The West Australian* today that both Goldman Sachs and Citi are expressing serious concerns about regulatory delays that could push back the expected first gas production at the Woodside Scarborough project by six months, into 2027.

- (1) If the Scarborough gas project is delayed as reported, how would this impact the supply of natural gas to the Western Australian domestic market?
- (2) Can the minister guarantee that this reported delay will not threaten electricity supply reliability in the south west interconnected system in 2026?
- (3) What action is the minister taking to ensure that regulatory delays do not impact the Scarborough project, which is so critical to energy security in our state?

Mr W.J. JOHNSTON replied:

I thank the member for Cottesloe for the question, which, with your indulgence, Madam Speaker, I am going to answer. Of course, this question should have been addressed to the Minister for State and Industry Development, Jobs and Trade because the Minister for State and Industry Development, Jobs and Trade has responsibility for our gas approvals processes and not me, as Minister for Energy. However, I know that the member for Cottesloe gets upset when I have information and do not provide it to the chamber. Even though this question is not about my portfolio responsibilities, I am keen to answer it.

- (1)–(3) Firstly, the regulatory challenges for the Scarborough project are commonwealth regulatory matters and not state regulatory matters. All regulatory matters for the project for state waters have been provided. The last of those was my approval of the shore crossing for the tieback to the Pluto facility, so there are no outstanding state government approvals for that project. Of course, we know that the National Offshore Petroleum Safety and Environmental Management Authority, which is a commonwealth agency, provided all the relevant approvals; however, the Federal Court overturned one aspect of those approvals. I make it clear that it was not the outcome of the approval that was overturned but the process that led to the outcome that was overturned. Nonetheless, that means that not all commonwealth approvals are in place.

The member for Cottesloe should remember that 100 per cent of the domestic gas from the Scarborough field is contracted to the Perdaman project, which is a future urea project that is being built on the Burrup Peninsula. That means that none of the gas that is coming from Scarborough will go into existing operations in Western Australia; it will go into the brand new, job-creating, employment-generating, export revenue-generating Perdaman project that will revolutionise Western Australia's contribution to the global food supply, because urea principally goes into fertiliser and that fertiliser will be used in India and elsewhere around the world. Of course, it could also be used as part of the AdBlue product that is used to reduce emissions from buses and trucks. It is a very important project. All that additional gas will come from additional production that will be on top of the existing gas supply in Western Australia, so it will have no impact on the existing supply. The member asked what I am doing and whether I can guarantee that it will have no impact on the electricity system. The answer to that is, of course, yes, because none of the gas from Scarborough will be used to make electricity in Western Australia.

Several members interjected.

The SPEAKER: Order, please!