

Thomson Financial News

Woodside says Australia unlikely to triple LNG output over next decade - report

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SYDNEY (Thomson Financial) - Australia is unlikely to triple its liquefied natural gas production over the next decade, the Sydney Morning Herald reported on Thursday, quoting Woodside Petroleum Ltd. Chief Executive Don Voelte.

Voelte's comments came after the Australian Petroleum Production and Exploration Association forecast a rise in LNG production from 20 million tonnes last year to 50 million or 60 million tonnes by 2017.

'I'll just say it's my considered opinion that is not an aspiration,' Voelte was quoted by the newspaper as saying.

'It's not even a dream. It's impossible. It is not going to happen.'

Woodside, 34 percent owned by the Royal Dutch Shell group, operates six out of the seven LNG plants in production or under construction in Australia, including five at the North West Shelf joint venture.

International oil companies including Chevron Corp, Shell and Japan's Inpex have proposed other projects offshore of Western Australia, such as the long-delayed Gorgon joint venture led by Chevron.

Voelte said there were so many proposed projects -- and so much uncertainty over which ones would proceed -- that it made it difficult for Asian LNG buyers to sign supply agreements.

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