

Lobby Group Concerned Carbon Trading To Hit Australian LNG

April 28, 2008: 08:11 PM EST

MELBOURNE -(Dow Jones)- Australia's biggest oil and gas lobby group Tuesday voiced fears that Australia's planned carbon trading scheme could hurt liquefied natural gas, or LNG, exports, adding to concerns stated by producers Woodside Petroleum Ltd. (WPL.AU) and Chevron Corp. (CVX).



"While ever Australian emissions-intensive industries are exposed to competition from countries that do not have Kyoto emissions reduction obligations, it is incumbent upon an Australian emissions trading scheme to incorporate a design feature that prevents the undermining of the viability of those industries," Belinda Robinson, Chief Executive of the Australian Petroleum & Exploration Association, or APPEA, said in a statement.

"Any setback for Australia's LNG industry would not only be a setback for Australia's economy, but it would also deny energy-hungry countries in the Asia- Pacific region a cleaner energy source," she said.

Woodside Chief Executive Don Voelte said earlier this month that LNG producers have big concerns over the emissions trading scheme, the form of which is yet to be decided. Chevron, which is planning to build the massive Greater Gorgon project, also said this month that any trading scheme needs to protect the competitiveness of the Australian LNG industry.

-By Matt Chambers, Dow Jones Newswires; 61-3-9671-4393; matt.chambers@dowjones.com