

# gas-free KIMBERLEY COAST!

CAMPAIGN UPDATE MAY 2011



## DECISION TIME FOR THE KIMBERLEY

The Kimberley is at the crossroads. A number of proposals for industrial development and mining are on the drawing boards. This is happening right at the time the world is learning about the outstanding values of the Kimberley.

### **Plans to build an oil and gas refinery on the coast 40km north of Broome are just the beginning.**

Last year alone, 736 mining tenements were granted in the Kimberley. Over 500 exploration licences have been granted or applied for in the Kimberley. The wholesale industrialisation of the resource-rich Kimberley is at stake.

Mining leases have been sought to establish a whole new outpost of the polluting coal industry in the West Kimberley's Fitzroy valley, and plans are afoot for bauxite mining in the spectacular and remote Mitchell Plateau of the North Kimberley. These plans for heavy industry are entirely at odds with protecting the region's natural and cultural heritage.

## WA GOVERNMENT & MINING INDUSTRY SIZES UP THE KIMBERLEY:

At a recent resources and energy conference in Broome, Dr Ivor Roberts, of the Department of Mines & Petroleum said of the Kimberley:

**"...the real story of the region is its potential – recent discoveries and planned projects suggest that one day it will become another of the State's world-class resources provinces..."**

While the Premier Colin Barnett has said the Kimberley will be the next Pilbara:

**"...Just as the Pilbara was critically important to the development of WA from the '60s, over the next 50 years the Kimberley will play a similar role..."**

The proposal to build a massive oil and gas refinery facility at James Price Point, 40 km north of Broome is currently being considered by the state and federal governments via a joint Strategic Assessment process. Meanwhile, there are a number of parallel conservation decision-making processes underway in the Kimberley that provide some opportunity to provide protection for this globally significant corner of the world.

## THE THREAT OF GAS TO THE KIMBERLEY COAST

Woodside Petroleum and the WA Premier want to turn the Kimberley into another industrialised oil and gas region by building gas refineries on the coast at James Price Point (JPP), 40km north of Broome. Premier Barnett wants the Kimberley to be the next Pilbara.

Woodside's joint venture partners Shell, Chevron, BHP and BP are reluctant to go onshore to the Kimberley, but have been forced into it by the Australian and West Australian Governments.

**The proposed gas hub would emit an extraordinary 39 million tonnes a year of greenhouse gases i.e 5% of Australia's total current greenhouse gas emissions, or more than New Zealand's total annual national greenhouse gas emissions.**

## WHERE ARE THINGS UP TO NOW?

Last week the Goolarabooloo-Jabir/Jabir Traditional Owners of the Walmadan area (James Price Point) voted 164 to 108 to accept a compensation package of \$1.5 billion in exchange for the relinquishment of native title rights some of their land and sea county.

**The federal Environment Minister is now responsible for making the final environmental assessment of this proposal, and so much of our campaign efforts will now be focused on him.**

In the wake of the vote last week, Traditional Owners have talked about the pressure that the State Government's

threat of compulsory acquisition put them under:

*"Compulsory acquisition has been a parallel process through all of this...The State Government indicated to us that if we had not agreed, compulsory acquisition would have stepped up..He [Premier Barnett] calls it self-determination; we call it standing on our own feet with a gun to our head."*

Wayne Barker 9 May 2011

This push for development is not new. A 2005 WA Government report sets out a blueprint for broadscale development of the mining and oil and gas industries of the Kimberley. It nominates the James Price Point area as a site to process Browse Basin gas which could then be used to power alumina and zinc refineries and smelters, and gas-to-liquids processing facilities. It would also make large scale mining of bauxite on the Mitchell Plateau and Cape Bouganville areas in the North Kimberley viable for the first time due to access to cheap power.

Please help us make the case for an alternative vision for the Kimberley, so that economic development of this region protects our globally important natural and cultural areas and values. Indeed, it is these natural and cultural values that are our greatest asset for building a truly sustainable model of economic development.



Environs Kimberley maintains its commitment to protect the Kimberley from large-scale industrialisation, with the unacceptable environmental impacts this would bring to one of the world's few remaining large tracts of unspoilt natural areas.

The gas refineries at James Price Point would create irreversible damage (e.g. marine 'dead zones' from dredging and seabed blasting) and would also be the foot in the door for a range heavy industry proposals across the Kimberley more broadly.

## WHAT HAPPENS NEXT?

### State Government

The State Government has yet to respond to the 11,000+ submissions from all over the world sent to the Environmental Protection Authority (EPA) opposing the project.

The Department of State Development (DSD) is required to respond to all the concerns raised by the community about the proposal and then send their 'Responses to Submissions' to the EPA. The EPA will then decide whether the DSD has given an adequate response or not. Interestingly, Woodside are helping out the DSD with their responses. Sounds like the tail (Woodside) is wagging the dog (WA government).

The EPA will put out a 'Bulletin' when they make a decision on whether the project can go ahead. This decision may be either that:

1. The project can't go ahead as it would be environmentally unacceptable; or
2. The project can go ahead with conditions.

This *Bulletin* is made public with a two week appeals period. Information brought up in appeals must be **new information** which hasn't been addressed previously, or else outline how issues raised previously have been inadequately addressed. You can lodge an appeal! Call the EK office to find out how: 08 9192 1922.

Any appeals received will be assessed by the EPA Appeals Convenor who will then make a recommendation to the Minister for the Environment Bill Marmion. Minister Marmion will make the final decision for the State.

### Federal Government

The Federal government will make its own assessment of the proposal under relevant federal environmental legislation. They will receive the DSD's 'Responses to submissions' compiled for the State government, as well as any issues brought up in any Appeals made to the EPA.

The Government's Department of Sustainability, Environment, Water, Population and Communities (SEWPaC) will assess the proposal and it's likely that the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) will also be looking at the proposal to consider the social impact. The State Government's Aboriginal Social Impact Assessment of the proposed hub predicted social impacts of this project would be massive.

**Federal Environment Minister Tony Burke will make a final decision once he's satisfied that he has all the information he needs to make a decision.**

As a comparison, in the case of the proposed Gunns' Tasmanian Pulp Mill, then Minister for the Environment, Peter Garrett requested further information from Gunns which required a further two years of study to provide the

Minister with a satisfactory environmental impacts management plan.

Environs Kimberley does not believe Minister Burke has sufficient information to make a sound decision on whether this project would have a significant impact on matters of national environmental significance, or how any such identified impacts would be managed by Woodside and its partners.

**The companies Woodside and its Joint Venture (JV) partners BHP, BP, Shell and Chevron have yet to make their Final Investment Decision (FID).**

The FID will be based on each companies' appraisal of the proposal in terms of economic, technical and environmental issues. They will not be making their FID until at least mid-2012.

Our discussions with JVs have made it very clear that they will not be pursuing this project with Woodside if the economics don't stack up. In other words if it's cheaper to pipe to the Pilbara, then they may not all agree to James Price Point. BHP have been very noisy about not wanting James Price Point; they also prefer the option of piping it to already industrialized areas.

**With every day of delay on the James Price Point option, alternative sites start to look ever more economically attractive.**

**These companies have their social licence to consider too – they'll be watching with keen interest to see how strong and visible community opposition to this project will be. We all have a part to play!**

### IS IT A DONE DEAL?

**Far from it.** Industry analysts such as JP Morgan and Citigroup have questioned whether the project will go ahead, and outlined the difficulties for the project.

Woodside CEO Don Voelte said at a recent conference that such projects are fragile:

**"We're talking tens of billions of dollars. It's amazing how large the project costs are and how marginal the economics can get."**

Graeme Atherton former Woodside PR staffer and former Canberra-based political reporter recently said:

**"Groups opposing the project have vowed to fight it every step of the way. Add this to the political, logistical, technical and financial issues that confront any project of this magnitude, and it is evident that Woodside faces a challenging time."**

Geoff Cousins, the corporate activist who played a key role in re-gearing the Tasmanian Pulp Mill proposal has recently vowed to stop the gas hub at James Price Point.

**In other words, even industry figures recognise that the no gas community-based campaign is powerful!**

**MAKE YOURSELF HEARD FOR THE KIMBERLEY!**



[www.environskimberley.org.au](http://www.environskimberley.org.au)