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Dr David Worth
Principal Research Officer
Economics and Industry Standing Committee
Legislative Assembly Committee Office
Level 1, 11 Harvest Terrace
West Perth WA 6005

Sent via email: laeisc@parliament.wa.gov.au

Dear Dr Worth

INQUIRY INTO MICROGRIDS AND ASSOCIATED TECHNOLOGY IN WESTERN AUSTRALIA

Woodside is pleased to participate in the Inquiry into Microgrids and Associated Technology in Western Australia and thanks the Economics and Industry Standing Committee for the opportunity to make a submission.

The geographical isolation of many of Western Australia's industries and population centres, along with its abundance of natural resources, make this state highly suitable for the wider deployment of microgrids. Microgrids, of course, already exist around the state however Woodside believes there is significant potential for them to play a far greater role in the state's energy supply through the diversification of energy sources away from most microgrids' traditional reliance on diesel.


Providing an alternative fuel source for microgrids is a primary objective of Woodside's LNG truck loading facility at the Pluto LNG Plant. The facility, which is due to commence operations in the second half of 2018, will enable LNG to be trucked to remote microgrids and to other customers for use as a transport fuel. Woodside has identified a substantial opportunity for trucked LNG to fuel microgrids for, in particular, remote WA mining operations and anticipates increasing our capacity to supply trucked LNG over coming years.

LNG has a number of advantages as a fuel source for microgrid infrastructure in WA. Foremost is the abundance of existing LNG supply infrastructure in close proximity to the state's energy intensive mining industry. Displacing diesel with LNG will considerably enhance that critical industrial sector's energy security and reliability. The economic arguments for LNG are strong and the establishment of Woodside's capability to supply to remote areas may allow investments in new projects that would otherwise not go ahead. There are also considerable environmental benefits as LNG is a far cleaner burning fuel than diesel with close to zero particulate emissions and significant greenhouse gas reductions.

Woodside supports the inquiry into microgrids and associated technology and believes government has an important role to play in enabling the evolution of Western Australia's energy supply. Much of that evolution will come from the shift to more sustainable sources of energy, including renewables, and Woodside believes LNG will considerably facilitate that shift. LNG is a natural complement to renewables as an energy source for microgrids; it can provide a reliable, secure source of energy and a baseload power generation capability to support renewable sources. Looking to the future, Woodside believes that integrating LNG solutions with renewable energy will be an important part of Western Australia's energy transition.

I look forward to reading the inquiry's findings and would welcome any opportunity to provide further briefings or materials which may assist your work.

Yours sincerely


Shaun Gregory
Executive Vice President
Exploration and Technology