

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION**

Ms J Carney

to Chief Minister

Blacktip Gas

1. Chief Minister you told members of the Chamber of Commerce and Industry election lunch that and I quote “Gas will come on shore from a second Blacktip field.” Is there actually a second field at Blacktip? If so where and what is its size?
2. Chief Minister when you told ABC radio that you had spoken to both Alcan and Woodside and they had told you of the difficulties in finalising the Trans pipeline deal were you aware that the difficulties related to the cost of the gas?

ANSWER

1. Prior to the collapse of the deal between Alcan and the Blacktip JV, the project would have been the second on-shore gas project.
2. The commercial negotiations between Alcan and Woodside were on foot since the project was announced in 2002. During that time, there had been various phases in those discussions.

Immediately prior to the collapse of the deal, all parties believed the project would overcome any outstanding matters. Examples of activities underway include:

- The Blacktip EIS was in the final stages of assessment.
- The TTP EIS was under assessment.
- Negotiations between TTP and the NLC were close to settlement.
- The Commonwealth Government was considering the report on the feasibility of Indigenous Equity on the project.
- The TTP was in final negotiations with the Territory Government on a project agreement.

Commercial deals of the scale of the Blacktip sale, at more than \$2.5bn, are never complete until the final documents are signed. Government had been clear that a Final Investment Decision was pending for both Blacktip and TTP projects.

The decision not to proceed was unexpected but a reflection of the commercial reality of such projects.