

Question No: 42

Question: Feasibility Studies of Oil and Gas Related Industries

Date: 13/08/91

Member: Mr BAILEY

To: MINISTER for INDUSTRIES and DEVELOPMENT

1. Was a study completed last year concerning the feasibility of establishing an off-shore supply base in Darwin.
2. Has the ADDCAP consortium commenced construction of an off-shore supply base in Darwin.
3. Was a feasibility study completed last year of a gas-stripping plant in Darwin.
4. If the answer to question 3 is yes, what was the outcome of the gas-stripping feasibility study.
5. Was a feasibility study of reticulating gas in Darwin undertaken last year.
6. If the answer to question 5 is yes, what was the outcome of the gas reticulation study.
7. Was a feasibility study for a LPG import and storage plant undertaken last year.
8. If the answer to question 7 is yes, what was the outcome of the LPG import and storage plant study.
9. Was a feasibility study for an industrial wax plant undertaken last year.
10. If the answer to question 9 is yes, what was the outcome of the industrial wax plant study.
11. Was a feasibility study undertaken of an LNG export plant undertaken last year.
12. If the answer to question 11 is yes, what was the outcome of the LNG export plant study.
13. Was a feasibility study for an ammonia/urea plant in the Northern Territory undertaken last year.
14. If the answer to question 13 is yes, what was the outcome of the ammonia/urea plant study.
15. Was a feasibility study for an oil refinery in the Northern Territory undertaken last year.
16. If the answer to question 15 is yes, what was the outcome of the oil refinery study.

ANSWER

1. An exclusivity arrangement was entered into with the ADDCAP Consortium to carry out a feasibility study over a 6 month period commencing 1 June 1990. The

consortium requested an extension of time to complete some further feasibility work and government agreed to extend the time to the end of January 1991. The feasibility study was completed prior to the expiration of the extended time period.

2. No. The consortium advised government that it would not proceed with construction as returns on investment for the development did not meet with consortium's criteria.

Questions 3-12 inclusive should be redirected to the Minister for Mines and Energy.

13. A draft preliminary feasibility study only was undertaken last year.

14. The preliminary feasibility study figures showed that the cost of gas supplied from the Amadeus Basin was too expensive to enable the project to proceed.

Questions 15 and 16 should be redirected to the Minister for Mines and Energy.