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Address to Energy Club WA
Tuesday, 18 June, 2024



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I would like to begin by acknowledging the Traditional Owners of the land on which we meet today, the Whadjuk Noongar people, and pay my respects to their Elders, past and present.

I also extend that respect to all other First Nations people, in the communities in Australia and around the world, where Woodside works.

Thank you to the Energy Club for the invitation to speak.

I know the Club plays an important role in bringing together our industry and supporting the next generation of leaders.

Finding a Common Purpose

Our industry needs to think about the future.

And tonight, we'll talk a bit about that. We'll consider what our various stakeholders expect of us, and how we need to strive to understand their perspectives and work together to solve challenges and progress opportunities.

But first, to set the scene, let's step back and reflect on current community sentiment towards our industry.

Sometimes, it's easy to feel like we're an industry under siege.

But the reality may be quite different.

It has been pleasing to see the Australian Government thinking about the future of gas and, in its *Future Gas Strategy*, clearly articulate the role of gas in the energy transition and the need for new supply to avoid looming shortfalls.

To quote from the Strategy:

“Gas remains crucial to our economy and region to support the transition to net zero.

New sources of gas supply are needed to meet demand during the economy-wide transition.”

It’s a view based on fact, as Federal Resources Minister Madeleine King observed, not wishful thinking.

It’s also pleasing to see recent polling showing strong support for this view.

The Resolve Political Monitor, reported in *the Age* and *the Sydney Morning Herald* in late May, found 60% of 1600 Australians who were surveyed support the Future Gas Strategy.

I don’t want to overstate it, but it seems a shift may be underway in public sentiment.

Cost-of-living pressures and the focus on energy security are contributing to growing public awareness of the importance of new gas supply.

So, what could this mean for our industry?

It may mean a shift in expectations of our industry: to develop Australian natural gas resources in a timely fashion to avoid looming shortfalls. And in doing so, to support the economy and our community.

In other words, to use it or lose it.

At a time when our society is increasingly polarised in a way that can stymie progress, we may have an opening here to work with various stakeholders to find common purpose and a commonsense approach.

How do we go about this? The first step is understanding what motivates our stakeholders. So, for the next few minutes, please indulge me while I attempt to summarise the perspectives of our stakeholders, from local to global.

Stakeholder Perspectives: Understanding our Partners

Let's start with the community that is host to Woodside's main operations in the north-west of Western Australia.

The traditional custodians of Murujuga, where the Karratha Gas Plant and Pluto LNG Plant are based, expect us to respect cultural heritage and their role in preserving it and to allow opportunities for participation in our business, including through employment. We have not always got it right, but we are listening and learning.

We have been part of the Karratha community for more than four decades and we are in ongoing dialogue with local stakeholders about our role. We also engage regularly with our communities in Exmouth and Onslow and invest in local initiatives. We know our communities understand the contribution we make to the local economy and expect us to play a role in managing local challenges like housing availability.

They can see the difference that our extensive social investment makes to the region, including in community infrastructure and opportunities for local schools. Our community expects us to be transparent about our plans, as any changes in our activities can have significant local impacts.

At a State level, the focus is on Western Australia's energy security, as well as our contribution to the economy through provision of opportunities for local businesses and employment. Another priority for the State Government is enabling other industries, like critical minerals.

We know that West Australians – and not just the government – also want to see progress on decarbonisation and the energy transition and the preservation of important ecosystems and environmental sites.

The same objectives apply at a national level, although the understanding of the significance of our industry to the economy is arguably less mature than here in Western Australia.

And there is sometimes a tendency to wrongly assume that development of new gas resources is necessarily incompatible with environmental objectives and decarbonisation.

In the national discourse, we hear calls for no new gas development *and* calls for new gas supplies to help meet society's energy needs.

If we zoom out to a regional level, Australia's key trading partners have made clear their interest in the development of new gas supplies. For instance, we have seen ongoing demand from Japanese buyers, reinforcing the role of gas in supporting Japan's energy security. Their investment in new supply can in turn help secure local supply.

And let's not forget our investors. They expect us to continue to return value to shareholders while progressing our decarbonisation commitments.

So, that's just a brief snapshot of some of the expectations on our industry which cover the full spectrum from more gas, to cheaper gas, to cleaner gas, to no gas.

Clearly, we are not going to satisfy everyone. And we can't let this disparity of views paralyse us. If it does, then Australia will miss out on value from its resources.

Despite the diverse perspectives of our stakeholders, it is possible to agree on the role our industry can play.

It is our role to unlock value from Australian resources to support energy security, economic prosperity and regional stability. And to do this in a way that aligns with progressing the energy transition.

And doing all this while ensuring we remain globally competitive.

So how do we go about this? What is the next step?

A holistic approach to resource development

We need to be open to new ways of doing things that can transcend the polarisation of views and find common ground.

It will take courage and vision for political leaders to make the reforms that are needed to enable the next wave of Australian energy projects.

And how can we expect politicians to show that courage if we haven't laid the groundwork by ensuring our proposals help solve their challenges and explaining how they do this?

Their constituents care about jobs? We're delivering them. Thousands of direct jobs in construction and operations of our facilities and tens of thousands more jobs in the industries that we enable through energy supply.

They want affordable and reliable energy to power homes and businesses? New gas supply supports this.

Is decarbonisation a priority? Absolutely. And we're working on it. We'll talk more about that shortly.

Governments need us to explain to their constituents why what we do matters, and sometimes even to persuade critics in their own ranks.

It's easy to get frustrated with governments and regulators – and, no doubt, they get frustrated with us too – but the reality is we have a shared objective: to maximise value by developing resources in a responsible way.

This may mean not only explaining the importance of what we do but also being open to changing how we do it ... understanding the challenges that our stakeholders face and considering whether there are new ways we can work together to solve them.

As an example, let me explain how Woodside has been working with the State to help solve forecast gas supply shortfalls.

The alarm bells were raised in the Australian Energy Market Operator's 2023 Western Australia Gas Statement of Opportunities report in December, which forecast gas shortages in coming years.

In response, Woodside began marketing extra gas to the local market this year. In total we will market roughly 32 petajoules of additional gas available to the WA market by the end of next year.

We also agreed to fully fill all requests for domestic gas that were lodged in a recent expression of interest process, providing certainty to more than 25 customers, including large industrial users in the South West, hard rock mining, electricity and gas retailers.

We could see the State was concerned with the energy supply outlook and were willing to play our part in solving this challenge.

At a federal level, the Future Gas Strategy has issued a challenge to our industry to develop discovered gas fields in a timely manner. To "use it, or lose it".

Developing discovered fields in the Carnarvon Basin can maximise usage of our world class LNG and domestic gas facilities and makes sense for the State and the country.

We look forward to working with government and resource owners to make sure we are able to "use it", which will require a robust and predictable approvals process and clear expectations on developing the many commercial gas fields currently under retention lease.

A History of Partnership

There may be no better example of industry working with government on a nation-building endeavour to solve energy supply challenges than the remarkable history of the Woodside-operated North West Shelf Project.

Long-term contracts with the State enabled the startup of domestic gas processing from the North West Shelf 40 years ago.

When the Karratha Gas Plant delivered its first gas to the State Energy Commission in September 1984, the then Premier declared: “Western Australia has embarked on a new age of energy”.

A project of this scale was only possible because of a massive collaborative effort from customers, local and global investors, Joint Venture partners and governments at all levels, who could see what this industry would contribute to our nation.

The North West Shelf Project’s track record of reliable production has made it a mainstay of industry and energy in this state, and a pillar of economic diplomacy with Australia’s key trading partners.

Its significance to Japan was evident at a recent celebration in Tokyo, with our Joint Venture Partners and customers, of 35 years of LNG exports.

The focus was not just on the past: there was also a lot of interest in future energy supply.

On that same visit to Tokyo our CEO Meg O’Neill signed an agreement with the Japan Bank of International Cooperation on funding for the Scarborough Energy Project.

The Project involves processing gas from the offshore Scarborough field through a new LNG processing train and a domestic gas facility which are being built at the existing Pluto LNG plant, near Karratha.

Now almost two-thirds complete, the Scarborough to Pluto Train 2 Project is positioned well to deliver natural gas when WA needs it from 2026.

Still, more supply will be needed.

Our Japanese partners and investors are very interested in progress on the proposal to develop the Browse resource through the Karratha Gas Plant.

That development could play a significant role in alleviating a forecast domestic gas shortfall here in Western Australia.

We continue to work on progressing the commercial arrangements, environmental approvals and decarbonisation solutions to facilitate the Browse development.

And we are working on the next phase for the North West Shelf Project, as we seek approval for ongoing operations of the Karratha Gas Plant so it can continue to deliver energy and make a contribution to the community for years to come.

At the same time, we are managing natural field decline from the North West Shelf.

Soon there will be insufficient gas supply to keep all five LNG processing trains at Karratha Gas Plant full, so the Joint Venture is preparing to retire one train – potentially as early as this year.

We are talking with our community and all layers of government about what this entails.

Decarbonising our Operations

We also are listening to the expectations of society and investors for a greater focus on decarbonisation, both in new projects and at our existing facilities.

As the Future Gas Strategy acknowledges, there is no single solution to decarbonise the economy.

It will take a range of initiatives and we all have our role to play.

We do not have all the solutions yet, but I'll talk about some of the ways we are working to decarbonise our operations and meet our net equity Scope 1 and 2 greenhouse gas emission reduction targets.

At each operational site, we are implementing an asset decarbonisation plan tailored to that facility.

The big stepchange solutions will require further build-out of Carbon Capture and Storage.

Australia has a natural advantage, with significant reservoirs that can be used for storage. Woodside is working on several opportunities, deploying our knowledge of geoscience, subsurface engineering and bulk-gas handling.

CCS solutions have the potential to reduce our own emissions and those of our customers.

Power import to our facilities is another avenue for achieving a significant improvement in emissions.

Our proposed Woodside Solar project, located in the Maitland Strategic Industrial Area, around 15 kilometres south-west of Karratha, would initially provide 50 megawatts of power to the Pluto LNG Facility.

The project can play an important role in helping to decarbonise the operations of Pluto LNG, which has already made modifications to connect to the grid and receive electricity from the renewable source.

And significantly, it can also enable other industry in the region.

In a more immediate sense, our Operations teams at our assets are making decisions daily that support responsible emissions management.

This has come about through a shift in organisational culture so that emissions reduction is systematically considered in decision-making.

For instance, when scheduling and undertaking maintenance work, sequencing and timing are informed by decisions on how to minimise emissions resulting from flaring.

It's the responsible thing to do – and it's also smart business. When resources are constrained, minimising the gas lost through flaring contributes to the best outcome from both an environmental and a commercial perspective.

The same commitment to minimising waste underpins a program that our Pluto team is supporting for the recycling of the Glycol that is used to remove water vapor from natural gas.

In partnership with Global Resource Recovery and Contract Resources, we are creating a closed-loop system that refines, regenerates and reuses the Glycol that would have previously been a waste byproduct from gas processing.

I'm pleased to see these sorts of ideas emerge from our team and through our partnerships with others.

Conclusion

We've talked about the past – and about how we need to work with a range of stakeholders on the next phase.

It's a fascinating time for our industry.

The world needs energy. And it also needs the technical expertise and ingenuity that helped us build a new industry for Australia to find ways to continue supplying energy with lower emissions.

As the federal government's Future Gas Strategy says: "Gas will support our economy during the transition to net zero and will remain a critical part of the energy landscape in 2050 and beyond."

It goes on to say that: "Transforming how we make products and power our economy will be challenging, but the energy transformation is already underway."

It is underway – and we are part of it.

We have the resources and expertise.

Now we need to harness the same spirit, determination and collaboration that built the North West Shelf as we work with our stakeholders to capture the next opportunities.

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