



**Australian Government**  
**Department of Industry, Science,  
Energy and Resources**

DEPUTY SECRETARY

Mr Stuart Smith  
Chief Executive Officer  
National Offshore Petroleum Safety and Environment Management Authority  
GPO Box 2568  
Perth WA 6001

Dear Mr Smith

**RE: SHARING OF OFFSHORE INFORMATION**

Thank you for your letter of 5 March 2020.

I note the information that the National Offshore Petroleum Safety and Environment Management Authority (NOPSEMA) has provided in relation to the Woodside Energy Limited (WEL) Scarborough Offshore Project Proposal (Revision 5, February 2020).

In your letter, you asked specifically about the Department of Industry, Science, Energy and Resources' (the Department's) view of:

- the forecast global energy demand as referenced by WEL in the extract of the Scarborough proposal; and
- the role of natural gas in meeting global energy demand, including any views on uncertainties inherent in associated predictions and how this has been taken into account by WEL.

The extract of the Scarborough proposal refers to global energy forecasts by the International Energy Agency (IEA) as published in the World Energy Outlook (WEO) 2019. The Department provides energy data to the IEA to assist in the preparation of the WEO. The WEO is also used to inform the preparation of the Department's projections of greenhouse gas emissions.

The Department shares the IEA view that global energy demand will increase into the future as populations and economies grow, particularly in developing countries. The Department also shares the view that natural gas is a transition fuel that can replace more emissions intensive fuels.

The IEA also comments that there is significant uncertainty as to the scale and durability of demand for imported Liquefied Natural Gas (LNG) in developing markets around the world. The IEA does not quantify the range of this uncertainty. They have noted that emerging markets in Asia face higher costs for imports than domestically produced gas and imports of coal. I note this uncertainty is not mentioned in the extract of the Scarborough proposal. It is

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the Department's view that if anything, this uncertainty could suggest a downward influence on LNG demand from emerging Asian markets.

I trust this information is useful to NOPSEMA's assessment. If you wish to discuss, [REDACTED], is also available at [REDACTED].

Yours sincerely

[REDACTED]  
Jo Evans  
Deputy Secretary  
Climate Change and Energy Innovation Group  
Department of Industry, Science, Energy and Resources

13 March 2020