



Please direct all responses/queries to: Niegel Grazia

Our reference: 5616467

Senator the Hon Mathias Cormann  
**Chair**  
**Senate Select Committee on Fuel and Energy**  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

27 May 2010

Dear Senator

### **AUSTRALIA'S FUTURE TAX SYSTEM**

Thank you for your letter of 13 May 2010 seeking feedback from Woodside Energy Ltd on the impact of the proposed Resource Super Profits Tax.

As you would be aware Woodside is currently engaging in consultation with the Government on the details of the proposed tax. There are a number of issues that we would like to clarify as part of this consultation process and some concerns about the possible impacts of the proposal.

Woodside is always concerned about taxation changes that detrimentally impact our business and create uncertainty within the investment community.

As you would be aware most of Woodside's projects are on the current Petroleum Resource Rent Tax (PRRT) regime and therefore not affected by these changes, however we would like further certainty around the extent of that commitment.

The North West Shelf project is currently on a royalty regime which is more onerous than any other resource project. It has paid \$14 billion in royalties over the life of the project and Woodside would be concerned if any change in its taxation regime resulted in a loss of value.

Woodside would be concerned if any other LNG project in Australia received a more favourable regime, providing it with a comparative advantage. Applying the PRRT regime to all oil and gas projects is worthy of further consideration.

Thank you for the opportunity to comment on this matter.

Yours sincerely

**Niegel Grazia**  
Vice President Corporate Affairs



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