



# MEDIA RELEASE

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**16 December 2021**

## **Woodside's proposed acquisition of BHP Petroleum not opposed**

The ACCC will not oppose Woodside Petroleum Limited's (ASX: WPL) proposed acquisition of BHP Petroleum International Pty Ltd, a wholly owned subsidiary of BHP (ASX: BHP).

Woodside and BHP Petroleum supply domestic natural gas in Western Australia, and export Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), condensate and oil from Australia.

"We examined the proposed acquisition closely as it would combine two of the four largest domestic natural gas suppliers in Western Australia," ACCC Chair Rod Sims said.

The ACCC's review focused on the supply of domestic natural gas in Western Australia given this is where Woodside and BHP Petroleum overlap in Australia. Woodside's and BHP Petroleum's customers for LNG, LPG, condensate and oil are either offshore or in areas where Woodside and BHP Petroleum do not overlap.

"We found that post acquisition, Woodside would continue to face competition from a range of suppliers of domestic gas, including major producers Chevron and Santos, and from several other smaller suppliers including Shell and ExxonMobil. Woodside's share of domestic gas after the acquisition will be approximately 20 per cent," Mr Sims said.

"In Western Australia, gas exporters are required to reserve the equivalent of 15 per cent of their export production for the domestic market, ensuring that domestic gas will continue to be available from Woodside and BHP Petroleum's export assets, and from a range of other competitors," Mr Sims said.

The ACCC also considered that Woodside would be unlikely to have an incentive to reduce supply of natural gas from BHP Petroleum's majority-owned, domestic-only site at Macedon, given gas from Macedon can only be supplied to the Western Australian domestic market. In addition, the number of competing suppliers in that market are also likely to constrain Woodside from decreasing gas supply.

The ACCC consulted the relevant Western Australia Government department, the WA Department of Jobs, Tourism, Science and Innovation, which did not express concerns about the proposed acquisition.

Further information is available at [Woodside Petroleum Ltd - BHP Petroleum International Pty Ltd](#).

### **Background**

Woodside is an ASX listed oil and gas exploration and production company which holds interests in gas projects in Western Australia including the North West Shelf, Wheatstone, Pluto and Scarborough, and other global interests.

BHP Petroleum holds interests in gas projects in Western Australia including the North West Shelf, Macedon and Scarborough, as well as in the Bass Strait and globally. Its parent company, BHP, extracts and processes minerals, oil and gas, primarily in Australia and the Americas.

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