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MARS/PRISM:

29 May 2003

Dear Sirs.

Origin Energy (Vic) Pty Ltd & Origin Energy Electricity Limited Exclusive Dealing Notification

Origin Energy (Vic) Pty Ltd and Origin Energy Electricity Limited encloses the following documents:

- 1. Notification of Exclusive Dealing (Form G) signed by Origin Energy (Vic) Pty Ltd;
- 2. Notification of Exclusive Dealing (Form G) signed by Origin Energy Electricity Limited;
- 3. Our submission in support of notification;
- 4. Our cheque for \$300 in respect of the filing fee for a third line forcing notification (\$100 Third line forcing notifications by a proprietary company or individual; \$200 additional related notification).

Please contact Richard Witts on (03) 9652 5860 if you have any queries in relation to the attached notification.

Yours faithfully

Samantha Bartlett

Origin Energy (Vic) Pty Ltd Origin Energy Electricity Ltd AUST. COMPETITION & CONSUMER COMMISSION MELBOURNE

- 3 JUN 2003

Form G

Commonwealth of Australia

Trade Practices Act 1974 ---- Sub-section 93(1)

EXCLUSIVE DEALING NOTIFICATION

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93 (1) of the *Trade Practices Act* 1974, of particulars of conduct or of proposed conduct of a kind referred to in subsection 47 (2), (3), (4), (5), (6) or (7), or paragraph 47 (8) (a), (b) or (c) or (9) (a), (b), (c) or (d), of that Act in which the person giving notice engages or proposes to engage.

1. (a) Name of person giving notice

Origin Energy (Vic) Pty Ltd

(b) Short description of business carried on by that person

Origin Energy (Vic) Pty Ltd is in the business of retailing natural gas and related products.

(c) Address in Australia for service of documents on that person

Level 21, 360 Elizabeth St, Melbourne 3000

Attention Mr Richard Witts

2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates

Electricity and natural gas and related products

(b) Description of the conduct or proposed conduct

Origin Energy Electricity Limited and Origin Energy (Vic) Pty Ltd intend to offer a rebate and rewards to certain customers who sign a market contract with both companies who remain on contract for a minimum of 12 months.

For further details see the attached submission in support of this notification.

3. (a) Class or classes of persons to which the conduct relates

Selected domestic and residential customers of Origin Energy (Vic) Pty Ltd and Origin Energy Electricity Ltd who are current dual fuel customers.

- (b) Number of those persons
 - (i) At present time

60,000 (estimated)

(ii) Estimated within the next year

60,000 (estimated)

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses

Not Applicable

Name and address of person authorised by the person giving this notice to provide additional information in relation to this notice.

Ms Samantha Bartlett

National Manager Residential Markets

Level 21, 360 Elizabeth St, Melbourne 3000

Phone 9652 5854

Dated

Signed by/on behalf of Origin Energy (Vic) Pty Ltd

- 3 JUN 2003

BARTLETT - NATIONAL MANAYER - RETIDENTIAL MAKKETS (Full Name and position)

DIRECTIONS

- 1. If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.
- 2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
- 3. In item 1 (b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
- 4. If particulars of a condition or of a reason of the type referred to in subsection 47 (2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act* 1974 have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
- 5. In item 3 (a), describe the nature of the business carried on by the persons referred to in that item.
- 6. In item 3 (b) (ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

NOTICE

If this notification is in respect of conduct of a kind referred to in subsection 47 (6) or (7), or paragraph 47 (8) (c) or (9) (d), of the *Trade Practices Act* 1974 ("the Act"), it comes into force at the end of the period prescribed for the purposes of subsection 93 (7A) of the Act ("the prescribed period") unless the Commission gives a notice under subsection 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under subsection 93A (2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93 (3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47 (2), (3), (4) or (5), or paragraph 47 (8) (a) or (b) or (9) (a), (b) or (c), of the Act, it comes into force when it is given.

Form G

Commonwealth of Australia

Trade Practices Act 1974 ---- Sub-section 93(1)

EXCLUSIVE DEALING NOTIFICATION

To the Australian Competition and Consumer Commission:

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1. (a) Name of person giving notice

Origin Energy Electricity Ltd

(b) Short description of business carried on by that person

Origin Energy Electricity Ltd is in the business of retailing electricity and related products.

(c) Address in Australia for service of documents on that person

Level 21, 360 Elizabeth St, Melbourne 3000

Attention Mr Richard Witts

2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates

Electricity and natural gas and related products

(b) Description of the conduct or proposed conduct

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 - (i) At present time

60,000 (estimated)

(ii) Estimated within the next year

60,000 (estimated)

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses

Not Applicable

4. Name and address of person authorised by the person giving this notice to provide additional information in relation to this notice.

Ms Samantha Bartlett

National Manager Residential Markets

Level 21, 360 Elizabeth St, Melbourne 3000

Phone 9652 5854

Dated

3/6/02.

Signed by/on behalf of Origin Energy Electricity Ltd

Signature)

SAMANTHA BARTLETT - NATIONAL MANAGER RESIDENTIAL MARKET (Full Name and position)

- 3 JUN 2003

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The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under subsection 93A (2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93 (3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47 (2), (3), (4) or (5), or paragraph 47 (8) (a) or (b) or (9) (a), (b) or (c), of the Act, it comes into force when it is given.

SUBMISSION TO AUSTRALIAN COMPETITION AND CONSUMER COMMISSION IN SUPPORT OF NOTIFICATION UNDER SECTION 93(1) OF THE *Trade Practices act* 1974 (CTH)

1. Conduct

This submission is in support of a notification lodged under section 93(1) of the *Trade Practices Act* 1974 (Cth) in relation to conduct potentially falling within sections 47(6) or (7) of the *Trade Practices Act*. Accordingly, the relevant test to be applied by the Commission is set out in section 93(3A) of the *Trade Practices Act*, whereby the Commission assesses whether the public benefits associated with the relevant conduct outweigh any likely public detriment.

Origin Energy Ltd ("Origin Energy") is a vertically integrated energy company, with activities in exploration and production, gas, electricity and LPG retail and trading, as well as in distribution network management.

Origin Energy retails electricity in Victoria through Origin Energy Electricity Ltd ("ElectricityCo) and gas in Victoria through Origin Energy (Vic) Pty Ltd ("GasCo").

Origin Energy has been examining additional methods to deliver increased value to its customers and wishes to do so by providing rewards to its current electricity and gas customers who choose to enter into a market contract for both electricity and gas with Origin Energy.

To this end, ElectricityCo and GasCo propose to pay certain of its customers who enter into market contracts with those entities a rebate on their gas and electricity bills on the first anniversary of the date of the relevant market contracts so long that the customer remains a customer of both companies for 12 months.

In offering a rebate on both bills, Origin Energy seeks to establish customer goodwill at a time of high competition. As one economic entity Origin Energy seeks to strengthen the commercial relationship with its existing customer base.

As one economic entity Origin Energy also seeks to enhance the brand awareness of its brand names.

2. Public benefit

The proposed conduct will result in the following public benefits.

The customers of GasCo will have the opportunity to purchase electricity at a reduced price and vice versa.

Apart from the benefits for the customers, the offer will also lead to (even) more competition and innovation in the competitive energy market.

For example, the offer may lead to competitive responses by other energy retailers which in turn would lead to lower prices and a greater variety of products also for non-Origin Energy customers.

3. No Public detriment

The proposed conduct will not result in public detriment.

The offer of a rebate to GasCo and ElectricityCo customers has no detrimental side-effects for either the GasCo or ElectricityCo customers or the general public. Also, the rebate offer will have no detrimental effects for customers of other energy retailers, or the general public. Rather, it is likely that the rebate offer will prompt a competitive response from Origin Energy's competitors to the benefit of the customers and the general public.

4. Conclusion

The proposed rebate offer will result in substantial public benefits. In particular, it will have a pro-competitive effect in the energy markets. The rebate offer will have no off-setting detrimental effects for the Origin Energy customers or the general public.