

FILE No:

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MARS/PRISM:

9 December 2004

Dear Sirs,

Origin Energy Retail Ltd & Origin Energy Electricity Limited Exclusive Dealing Notification

Origin Energy Retail Ltd and Origin Energy Electricity Limited enclose the following documents:

- 1. Notification of Exclusive Dealing (Form G) signed by Origin Energy Retail Ltd;
- 2. Notification of Exclusive Dealing (Form G) signed by Origin Energy Electricity Limited;
- 3. Our submission in support of notification;
- 4. Our cheque payment for \$1200 in respect of the filing fee for a third line forcing notification (\$1000 Third line forcing notifications; \$200 additional related notification).

Please contact Jody Doran on (03) 9652 5840 if you have any queries in relation to the attached notification.

Yours faithfully

AUST. COMPETITION & CONSUMER COMMISSION MELBOURNE

Z 0 DEC 2004

Naz La Gamba

National Manager, Mass Market

Origin Energy Retail Ltd Origin Energy Electricity Ltd

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 Retail Ltd

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

Origin Energy Retail 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 Ms Jody Doran

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 Ltd intend to offer a rebate to certain customers who sign a market contract with both Origin Energy Electricity Limited and Origin Energy Retail Ltd 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 Retail Ltd and Origin Energy Electricity Ltd and other energy retailers.

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

300,000 (estimated)

(ii) Estimated within the next year

300,000 (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.

Mr Naz La Gamba

National Manager Mass Markets

Level 21, 360 Elizabeth St, Melbourne 3000

Phone 9652 5856

Dated 9/12/04

Signed by/on behalf of Origin Retail Ltd

(Signature)

Naz La Gamba Notional Manager, Mass Markets

(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 Ms Jody Doran

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

300,000 (estimated)

(ii) Estimated within the next year

300,000 (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.

Mr Naz La Gamba

National Manager Mass Markets

Level 21, 360 Elizabeth St, Melbourne 3000

Phone 9652 5856

Dated 9/12/04

Signed by/on behalf of Origin Energy Electricity Ltd

(Signature)

Naz La Camba National Manager, Mass Markets

(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.
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- 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.
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- 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

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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 South Australia through Origin Energy Electricity Ltd ("ElectricityCo) and gas in South Australia through Origin Energy Retail Ltd ("GasCo").

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

To this end, ElectricityCo propose to pay certain of its customers who enter into market contracts with those entities a rebate on their electricity bill 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, 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 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 ElectricityCo and GasCo will have the opportunity to purchase gas and electricity with the benefit of 'Up to \$150' in rebates. The 'Up to \$150' in rebates will be applied as a credit adjustment on the customers electricity bill following the completion of the 12 month qualifying period. The calculation of the customers total annual electricity bills will be based on the information available at the end of the 12 month qualifying period.

If a customers total annual electricity bill is between: They will be entitled to: \$0 - \$999 \$25

\$2,000 + \$150

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.