

COMPETITION AND CONSUMER ACT 2010

CONSENT TO WITHDRAWAL OF SECTION 87B UNDERTAKING

BACKGROUND

1. On 19 July 2012, the Australian Competition and Consumer Commission (**ACCC**) accepted an undertaking given by APT Pipelines Ltd and Australian Pipeline Ltd (together, **APA Group**) pursuant to section 87B of the *Competition and Consumer Act 2010* (the **Act**) (the **Undertaking**) in relation to its proposed acquisition of Hastings Diversified Utilities Fund (**HDUF**) (the **proposed acquisition**).
2. The assets of HDUF that APA proposed to acquire included the Moomba to Adelaide Pipeline System (**MAPS**).
3. The Undertaking required APA Group to divest MAPS and Epic Energy South Australia Pty Ltd (**Epic**) (which held the MAPS asset) to address competition concerns of the ACCC.
4. On 1 May 2013, APA Group divested Epic and MAPS to QIC Global Infrastructure (**QIC**).
5. Following the divestiture, the only ongoing obligations under the Undertaking related to the ring-fencing of confidential information about MAPS.
6. The ring fencing provisions were included in the Undertaking because of the sensitivity of information that APA Group would obtain through its acquisition of HDUF, including material or knowledge about the Gas Transportation Agreements relating to MAPS that were in place when the undertaking was accepted.
7. On 1 February 2016, APA Group sought the ACCC's consent to the withdrawal of the Undertaking pursuant to s 87B(2) of the Act.
8. The ACCC consulted with Epic in relation to the withdrawal request. Epic does not object to the withdrawal of the Undertaking.

WITHDRAWAL

9. In accordance with s 87B(2) of the Act, the ACCC gave consent to the withdrawal of the Undertaking in its entirety with effect from 1 April 2016.
10. The basis on which consent was provided includes the following:
 - a. Epic does not object to the withdrawal of the Undertaking;
 - b. as a result of the passage of time, knowledge of the MAPS Gas Transportation Agreements that were in place when the undertaking was accepted no longer provides APA Group with detailed visibility of the commercial terms upon which MAPS currently operates; and
 - c. the possible disclosure of the confidential information that was covered by the ring fencing provisions would no longer jeopardise the ability of Epic to operate MAPS in competition with APA Group.