

Seeking access to property

Origin has engaged specialist property consultants, Maloney Field Services, to negotiate pipeline easements with all landholders on the ultimate pipeline route.

Maloney Field Services will request an introductory meeting on site with the landowner and, subsequently, request consent to conduct a series of surveys.

Survey activities typically include entering the property with vehicles or on foot, the placement of survey pegs or ribbons and preliminary environmental surveys. At a later stage, other surveys may be required including cultural heritage, sampling of ground conditions and detailed environmental reviews.

If the property proves suitable for the pipeline, further discussions would commence on access arrangements, owner's land management issues and any future development plans, special features, construction impacts and area reinstatement. Discussions would naturally include the issue of compensation to the owner for the easement right and for disruption due to the pipeline construction.

How will environmental impacts be minimised?

As part of the project approvals process, Origin will undertake a comprehensive range of studies including environmental, indigenous heritage, and social and economic studies.

This process, which is expected to take place over the next 18 months, is governed by State and Commonwealth legislation, and will be monitored by relevant regulatory authorities.

What are the Project Benefits?

- Multi-million dollar construction project.
- Ongoing contribution to State's economy once operating.
- Opportunities for local businesses in the supply of goods and services (eg accommodation, fuel, food, construction materials, equipment hire and security).

- Increasing the use of natural gas as a fuel for electricity generation will assist Australia to reduce its greenhouse gas emissions.
- Expected to employ a peak workforce of around 300 people during construction of the pipeline and Power Station.

Who is Origin Energy?

With a history dating back 140 years, Origin Energy is a leading Australian energy provider. The company participates in most segments of the energy chain including natural gas exploration and production; power generation; energy retailing and trading; and gas pipeline asset management services.

Origin supplies energy to more than two million homes and businesses nationally. Our company's major retail market is Victoria where our customers consume around 14TWh of electricity and 55PJ of natural gas annually.

The company has a combined generation capacity of 900 MW, located in South Australia, Queensland and Western Australia. Origin is also a major investor in the upstream oil and gas business. Locally, Origin has significant exploration interests in the Otway Basin - both offshore and onshore Victoria.

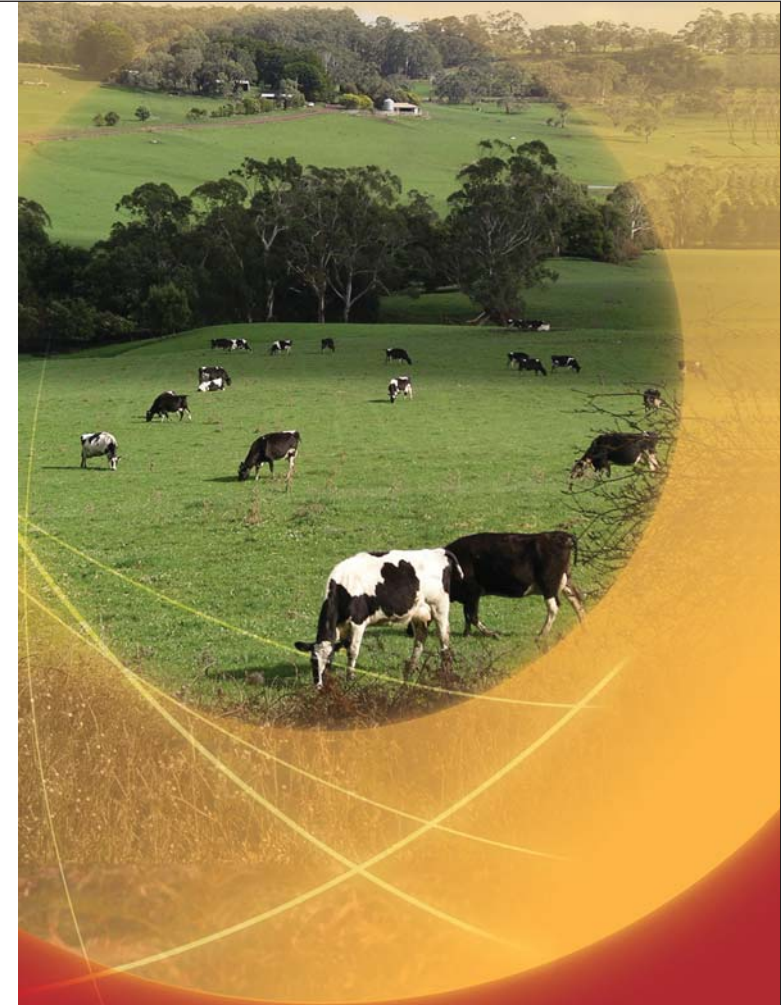
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Maloney Field Services has several property consultants conducting field work in the area and will be available to discuss property issues with landholders.

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October 2004



Proposed
Port Campbell to Mortlake
underground Natural Gas pipeline

origin
energy

Introduction

Origin Energy proposes to build an underground natural gas transmission pipeline which will transport natural gas from the recently announced Otway Gas Project's gas processing plant near Port Campbell to a proposed gas-fired Power Station planned for construction near Mortlake, western Victoria.

The Power Station, which is being planned by Origin to meet the growing and future demand for electricity in Australia, will be built in stages adjacent to the existing Moorabool to Heywood 500kV high voltage transmission line.

Origin's recent gas discoveries in the Otway region presents a real opportunity to develop a least cost gas fired Power Station that provides an alternative to coal-fired generation, minimises environmental impacts, and enhances system reliability and security.

Indicative timeframe

August to December 2004:

- Feasibility studies.
- Field work commences.
- Community consultation process starts.

2005:

- Consultation process continues.
- Environmental, engineering and social studies.

2006:

- Combined public advertising and exhibition of regulatory approval documents for the pipeline and the Power Station.

Origin will make its decision on proceeding to project construction once the relevant approvals and permits have been secured.



Location and route

The proposed pipeline corridor has been chosen as the most direct and appropriate route between the source of natural gas at Port Campbell and the Power Station at Mortlake.

The pipeline corridor has been chosen to take into account many factors including the pipeline's safety and security, minimising the impact of the pipeline construction on the environment and land use, direct route access and potential construction constraints.

Pipeline information

- The pipeline cost is approximately \$35 million
- Length - Approximately 78 km
- Transmission pressure – design pressure of 15 MPa* (estimated, subject to design)

* Mega Pascal (MPa) is a unit of pressure. 1MPa is approximately 10 times atmospheric pressure.

Land

Origin is adopting the Australian Pipeline Industry Association/Victorian Farmers Federation's "Pipeline Easement Guidelines" for the pipeline project. The guidelines, available as a free download from www.apia.net.au, contain recommended land access practices and standards for pipeline development.

The pipeline will be constructed in a defined easement, typically 25m wide, as shown below. This width allows the pipeline to be constructed safely and the topsoil to be conserved for easement restoration.

Impact on the landowner during the development and construction will be short term and, once the easement has been restored, the operating pipeline will have little impact.

