



To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	15 May 2009
From	Bill Hundy	Pages	3
Subject	ORIGIN ACQUIRES 180 MW LONG TERM POWER PURCHASE AGREEMENT IN SOUTH AUSTRALIA		

Please find attached ASX Release on above subject.

Regards

A handwritten signature in black ink, appearing to read "Bill Hundy", with a stylized flourish at the end.

Bill Hundy
Company Secretary

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ASX/Media Release

15 May 2009

Origin acquires 180 MW long term power purchase agreement in South Australia

Origin Energy Limited ("Origin") has reached a conditional agreement with Babcock & Brown Power Limited ("BBP") to assume the long term power purchase and gas purchase and sales agreements associated with the 180 MW Osborne cogeneration power station in South Australia.

Origin's Executive General Manager Energy Markets, Mr Frank Calabria said, "Assumption of the Osborne agreements will provide Origin with flexible baseload and peaking cover for our current retail electricity portfolio until 2018 and complement Origin's existing South Australian power stations at Quarantine and Ladbroke Grove."

Upon completion, the transaction provides competitive electricity for Origin in South Australia. It is expected to be earnings accretive from Financial Year 2009/10.

The structure of the Osborne agreements and the plant configuration mean that Origin will have around 150 MW of baseload capacity and access to around 30 MW of peaking capacity as required. This flexibility provides the opportunity for Origin to optimise its power purchases to meet its retail portfolio requirements. Origin is also able to supply gas to Osborne from its extensive portfolio when the existing gas purchase agreement expires.

Flinders Osborne Trading Pty Ltd ("FOT"), a wholly owned subsidiary of BBP, is the holder of the long term agreements for the purchase of up to 180 MW of electricity from Osborne power station and the sale of 13.5 PJ of gas per annum to Osborne power station until 2018. FOT also holds a gas purchase agreement with AGL for gas that it sells to Osborne power station until the end of 2010.

Origin will assume all of these contracts for a nominal consideration of \$1.

"The transaction is a great example of the value of Origin's fuel integrated generator and retailer strategy and the opportunities that it provides," Mr Calabria said.

Completion of the transaction, which is expected in June 2009, is subject to a number of conditions precedent, including consents from FOT's commercial partners.

The Osborne power station, which is located near Adelaide, is jointly owned by Origin and ATCO Limited. The cogeneration facility, which is one of Australia's largest, has one gas turbine and one steam turbine that together can generate 180 MW of electricity. Osborne power station also provides steam to adjacent Penrice Soda Holdings Limited.



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About Origin Energy

Origin Energy is Australasia's leading integrated energy company focused on gas and oil exploration and production, power generation and energy retailing.

Listed in the ASX top 20 the company has approximately 4,000 employees, is a leading producer of gas in eastern Australia, is the largest owner and developer of gas-fired electricity generation in Australia and is a leading wholesaler and retailer of energy. The company services more than 3.5 million electricity, natural gas and LPG customers across Australia, New Zealand and the Pacific. Origin's strategic positioning and portfolio of assets provide flexibility, stability and significant opportunities for growth in the ever changing energy industry. Through Australia Pacific LNG, its 50:50 incorporated joint venture with ConocoPhillips, Origin is developing Australia's largest CSG to LNG project based on Australia's largest CSG reserves base.

In New Zealand, Origin is the major shareholder in Contact Energy, the country's leading integrated energy company, operating geothermal, thermal and hydro generation facilities and servicing electricity, gas and LPG customers across both the North and South islands. Origin also operates several oil and gas projects in New Zealand and is one of the largest holders of petroleum exploration acreage in the country.

Origin has a strong focus on ensuring the sustainability of its operations, is the largest green energy retailer in Australia and has significant investments in renewable energy technologies.

For more information go to www.originenergy.com.au