

Origin Opens Cash Tap



High seasonal demand for gas resulted in extended periods of operation at peak design throughput at the Otway project while the BassGas project produced above annual contracted rates for Origin in the September quarter.

O rigin Energy, Australia's second-largest energy retailer, reported a 42% rise in September quarter production from a year ago, boosted by good output from its Otway Gas and BassGas projects. Total production for the three months to 30 September was 33.9Pje, up 13% on the previous quarter and up 42% on the same period in 2007/08 while revenue for the three months ended 30 September was up 53% from a year 3ago at \$198.1 MM.

Origin struck a \$8 B joint venture with US major ConocoPhillips in August to develop a liquefied natural gas plant in Queensland state using its

coal seam gas and expects a 30% to 40% lift in its underlying profit in its fiscal 2009, boosted by cash proceeds from the joint venture.

"The result reflected good production levels in the offshore (Victoria) Otway Gas and BassGas projects, a full quarter's production from the onshore Taranaki Basin (New Zealand) assets and continued growth in coal seam gas (CSG) production", Origin said.

Sales volumes rose 17% on the June quarter to 35.2 Pje while sales revenues increased 38% to \$198.1 MM, reflecting continued strength in liquid product prices, the company said. Sales

volumes and revenues were up on the same quarter last year by 41% and 53%, respectively.

Origin said high seasonal demand for gas resulted in extended periods of operation at peak design throughput at the Otway project while the BassGas project produced above annual contracted rates.

The company said there had been some delays at its Kupe gas project in New Zealand, due partly to poor weather but commercial gas sales from the project are expected to commence in the September quarter next year. ■