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29 August 2023

Fiona Crosbie
Chair
Allens

By email: Fiona.crosbie@allens.com.au

Dear Ms. Crosbie

Re: Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy – second transparency letter

Purpose

The Australian Competition and Consumer Commission (ACCC) received an application for authorisation under section 88(1) of the *Competition and Consumer Act 2010 (Act)* from Eos Aggregator (Bermuda) LP (**Brookfield LP**) and MidOcean Reef Bidco Pty Ltd (**MidOcean**), (**Application**) for the proposed acquisition of Origin Energy Limited (**Origin**) (the **Proposed Acquisition**).

We refer to the transparency letter sent to the Applicants on 19 July 2023, in respect of the Proposed Acquisition (**First Transparency Letter**).

The ACCC has considered the information provided by the Applicants and third parties and has identified specific concerns or further lines of inquiry arising from the information and its assessment since the First Transparency Letter. The purpose of this letter is to provide the Applicants with the ACCC's understanding of the topics to which its concerns and further lines of inquiry relate.

The **Attachment A** to this letter

- identifies the ACCC's specific concerns and the related lines of inquiry the ACCC is undertaking to determine whether it is satisfied of the requirements of s 90(7) of the Act, and
- pursuant to s 90(6)(b) of the Act, requests the Applicants give the ACCC such additional information as the Applicants consider would be relevant to the ACCC making its determination, with particular regard to the identified concerns / lines of inquiry.

On 27 August 2023 the Applicants provided a revised proposed section 87B undertaking. We note that the feedback in this letter was compiled before the ACCC received the revised undertaking.

By raising specific questions, the ACCC does not purport to limit the Applicants' ability to provide additional information. Rather, as the ACCC must not grant an authorisation if not satisfied of the statutory preconditions in s 90(7), the ACCC by this letter seeks to make the Applicants aware of the matters on which the ACCC's satisfaction may turn.

The **Attachment B** to this letter contains the transcript of the examination of [REDACTED] conducted pursuant to s 155(1)(c) of the Act.

As agreed between the Applicants' lawyers and the ACCC, the Applicants will provide any additional information in response to this letter (including both public and confidential versions of that response, as applicable) as soon as possible but no later than **Friday 1 September 2023**. Section 90(6A) of the Act provides that the ACCC may, but need not, take into account any information received after this time.

We request that the Applicants confine their response to this request to no more than 30 pages in total.

The public register and requesting confidentiality

Authorisation is a public process. The ACCC must keep a public register of documents relating to the application for merger authorisation, including submissions made by interested parties. The ACCC's public register can be found at the following link: [Merger authorisations register](#).

Pursuant to section 89(5) of the Act, the Applicants may request that the additional information provided in response to this letter, in whole or in part, be excluded from the ACCC's public register for confidentiality reasons. If the Applicants wish to do so, they must do so at the time of providing the additional information to the ACCC. To enable the ACCC to decide whether to accept the request to exclude the information, all claims of confidentiality should be supported by reasons.

Subject to any request for exclusion of a document or part of a document from the public register, the Applicants' response to this letter will be placed on the ACCC's public register as required by section 89(4) of the Act.

The ACCC notes that, even if information is excluded from the public register, it may disclose that information to such persons and on such terms as it considers reasonable and appropriate for the purposes of making its determination on the application as per section 89(7) of the Act.

We propose placing this letter and Attachment A on the public register. We do not propose to place Attachment B on the public register. The letter and Attachment A do not contain confidential information of third parties and the ACCC has sought to exclude confidential information of the Applicants. Please advise by **12 noon, Wednesday 30 August 2023** if the Applicants consider that it does contain information that should not be published.

If you wish to discuss any aspect of this letter, please contact Michael Drake on (03) 9658 6517 or Tess Macrae on (03) 9290 1835.

Yours sincerely



Daniel McCracken-Hewson
General Manager
Merger Investigations Branch

Attachment A

Competition and Consumer Act 2010, section 90(6)(b)

Section 90(7)(a): Substantial Lessening of Competition

1. In determining whether it is satisfied in all the circumstances that the Proposed Acquisition would not have the effect, or likely effect, of substantially lessening competition, the ACCC continues to consider competition issues associated with vertical integration of electricity generation, transmission, distribution and retail.
2. The ACCC has been testing the extent to which the corporate structures of relevant entities mitigate the risk of competition issues arising, in particular, the extent of Brookfield's control of AusNet.
3. The information the ACCC has received has raised concerns relating to the extent of Brookfield's control of AusNet. These concerns are set out below.

Brookfield's active management of AusNet and the extent of information flows within Brookfield

Applicants' submissions

4. The ACCC notes that the Application¹ makes a number of submissions about how Brookfield oversees and manages AusNet, including:

"500. Brookfield and its co-investors hold their interests in a series of holding companies at the top of which is Australian Energy Holdings No 1 Pty Ltd (AusNet Holdings). AusNet Holdings holds the interests in AusNet and its subsidiaries. It approves the annual budget and business plan for AusNet and makes decisions relating to large capital investments. It has otherwise delegated its authority to the CEO of AusNet.

501. AusNet is managed day-to-day by the board of AusNet Pty Ltd (AusNet) and its subsidiaries, and the AusNet management team. The board of AusNet is comprised of its management team: the CEO, the CFO and the company secretary.

502. The CEO, under delegated authority from AusNet Holdings, has significant operational authority including to take decisions on AusNet's key business activities up to certain thresholds as set out below:

- (a) mergers, acquisitions, equity investments and divestments up to \$█ million;*
- (b) regulated capital expenditure up to \$█ million;*
- (c) unregulated and excluded Negotiated Transmission Connections up to \$█ million;*
- (d) prescribed and innovation projects funded by regulated schemes up to \$█ million;*

¹ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [500] – [503], [1121].

(e) other growth and future networks projects up to \$ [REDACTED] million.

503. This delegation of authority means that, in practice, it is rare that approval of AusNet Holdings is sought for day-to-day business decisions. In the event that AusNet Holdings' approval is required for a capital expenditure relating to a customer contract or project, AusNet will usually seek approval for an amendment to its budget (rather than approval for the contract or project)."

"1121. The Chief Executive Officers of AusNet and Origin Energy Markets will make their own business decisions day-to-day pursuant to a delegated authority. As described in relation to AusNet at paragraph 501 above, the AusNet CEO has significant operational authority to take decisions on key business activities up to certain thresholds. Expenditure above these thresholds requires the approval of the AusNet Holdings board. This delegated authority is such that the AusNet CEO rarely seeks approval from AusNet Holdings for day to day activities and has the authority to make, or approve, decisions about most connections. In relation to connections, for example, the AusNet CEO and the management team would negotiate any connection related agreement with a new generator. If the capital cost of a contestable connection was above the CEO's delegated authority, the higher expenditure will require the approval of the AusNet Holdings board. The negotiation of the connection agreements themselves, however, would remain a matter for the AusNet CEO and the management team."

5. However, in a 4 August 2023 meeting with the ACCC, Brookfield submitted orally that Brookfield Infrastructure has influence over AusNet and is an active fund manager. In a 27 August 2023 letter to the ACCC, Brookfield stated that Brookfield Infrastructure actively manages its interest in AusNet.

ACCC's investigation – Brookfield's active management of AusNet

6. Information before the ACCC appears to contradict the Applicants' earlier submissions in their Application regarding the nature and extent of Brookfield Infrastructure's involvement in AusNet's business activities and illustrates the materiality and extent of Brookfield Infrastructure's "influence over" and "active management of" AusNet (as acknowledged by Brookfield on 4 and 27 August 2023 respectively).
7. It is apparent from documents obtained and from examinations conducted pursuant to section 155 of the Act that staff in Brookfield's Infrastructure business unit (the business unit in which AusNet sits) receive the details of many (and possibly all) proposed connections to AusNet's transmission network, including for contracts or projects with expenditure within the thresholds² set out in the Application.³ The evidence also indicates that, before a connection decision is signed off by the AusNet CEO, endorsement on the contract or project is sought from Brookfield Infrastructure staff.⁴ The Brookfield staff being sent the relevant details of the contract or project, which includes detailed financial information, are not just the Brookfield appointed Directors to AusNet Holdings: they include a staff member in the Infrastructure business unit.⁵ The ACCC understands from the evidence that the information is only sent to Brookfield, and other shareholders in AusNet are not involved in the approval process.

² Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [502].

³ [REDACTED]; [REDACTED]; Transcript of Examination under section 155(1)(c), [REDACTED], 8 August 2023, at [T33 L.5].

⁴ Transcript of Examination under section 155(1)(c), [REDACTED], 7 August 2023, at [T22 L.2].

⁵ [REDACTED].

8. The ACCC has found numerous examples of Brookfield Infrastructure staff receiving potentially sensitive information about third parties seeking to connect to the AusNet transmission network. These examples include the financial details of both the regulated and unregulated components of each connection.⁶
9. The ACCC understands from its review of internal emails that Brookfield seconded a Vice President in its Infrastructure business unit to AusNet's Commercial Investment team.⁷ The secondment was intended to enable AusNet to work more closely with Brookfield. The staff member has since returned to the Brookfield Infrastructure business unit and continues to be involved in Brookfield Infrastructure's management of AusNet. The evidence indicates that during the secondment, potentially sensitive information of third parties was shared with the staff member in their capacity as secondee to AusNet, but also to their Brookfield email address.⁸

ACCC investigation – the extent of information flows within Brookfield

10. The ACCC understands that the Head of Brookfield's Renewable Power and Transition business unit (the business unit in which Origin will sit) was previously a Senior Vice President and Vice President in Brookfield's Infrastructure business unit (the business unit in which AusNet and Intellihub sit). In their role in the Infrastructure business unit, this Brookfield staff member was involved in managing the AusNet and Intellihub businesses, and received sensitive information about projects seeking to connect to the AusNet transmission network.⁹ The ACCC also understands that this staff member is currently responsible for deploying fund allocations for the BSIP fund (AusNet shareholder) and BIF IV fund (Intellihub shareholder) for operating renewables in Australia and New Zealand.
11. The ACCC's investigation has found evidence of collaboration between AusNet (including Mondo) and Brookfield outside the Brookfield Infrastructure business unit. For example, AusNet has shared high-level recommendations of renewable development projects in Victoria that Brookfield Renewables could target.¹⁰ Brookfield Renewables and AusNet have also discussed what capabilities AusNet has to support Brookfield Renewables to progress renewable development projects in the NEM.¹¹
12. The ACCC's investigation has also found evidence that [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]¹².

ACCC's concerns

13. Based on the information and evidence reviewed, the ACCC considers that:
 - a. Brookfield actively manages AusNet by providing input and approving decisions in relation to a number of day-to-day business activities.

⁶ See for example: [REDACTED]; [REDACTED]
[REDACTED].

⁷ [REDACTED].

⁸ [REDACTED].

⁹ [REDACTED]
[REDACTED].

¹⁰ [REDACTED].

¹¹ [REDACTED]; [REDACTED].

¹² [REDACTED].

Contrary to the Applicants' earlier submissions,¹³ AusNet does seek approval and endorsement for day-to-day business activities from Brookfield Infrastructure, and Brookfield Infrastructure is involved in decision making beyond approving the annual budget and business plan and making decisions relating to large capital investments. Brookfield infrastructure exercises its control in decisions even where the connection is within the AusNet CEO's delegated authority.¹⁴

- b. Brookfield is privy to key information, including cost and financial details, of many or all generators connecting to AusNet's transmission network. Contrary to the Applicants' earlier submissions, Brookfield Infrastructure staff seek and receive this information outside their capacity as a Brookfield appointed director to AusNet Holdings.

14. The ACCC's findings give rise to concerns held by the ACCC in relation to the competitive effects of the Proposed Acquisition. Of particular concern to the ACCC is:

- a. Brookfield's ability and incentive to control AusNet.

The evidence indicates that Brookfield Infrastructure is involved in the day-to-day business activities of AusNet and actively manages AusNet through endorsement of all contestable work.¹⁵ The ACCC is concerned that this creates the risk that AusNet could operate its transmission network in a way that is favourable to Origin, or frustrating to Origin's rivals.

- b. The depth and breadth of potentially competitively sensitive AusNet information being shared with Brookfield staff.

The evidence indicates that detailed information about third party connections to AusNet's transmission network is being shared with Brookfield staff. The ACCC is concerned that the level of information being shared with Brookfield, together with Brookfield's involvement in AusNet's day-to-day business activities and decisions, creates the risk that competitively sensitive information can be used to delay or frustrate connection processes for Origin's generator / retail rivals, or favour Origin's generators / retail business.

- c. The lack of effectiveness of any ring-fencing within Brookfield.

The evidence indicates that while ring-fencing strategies may be set up to reduce the flow of information between Brookfield funds and business units, the effectiveness of these strategies may be limited. There is some movement of personnel between the business units, including the current Head of Brookfield Renewables (previously in Brookfield Infrastructure) and the secondment of a Brookfield staff member to AusNet. The evidence also indicates there are regular meetings, both formal and informal, between Brookfield Renewables, Brookfield Infrastructure and AusNet staff. The ACCC is concerned that ring-fencing strategies including separate floors for business units are not sufficient to mitigate the risks that arise from interchanging and regular meetings of staff.

The ACCC requests the Applicants give the ACCC such additional information including evidence that the Applicants consider is relevant to the ACCC's findings as set out above.

¹³ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [500], [1121].

¹⁴ Transcript of Examination under section 155(1)(c), [REDACTED] 7 August 2023, at [T22 L.5]; Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [502].

¹⁵ Transcript of Examination under section 155(1)(c), [REDACTED] 7 August 2023, at [T22 L.28].

Horizontal overlap in the East Coast domestic gas market

15. As noted in the First Transparency Letter, the Proposed Acquisition would result in MidOcean being a minority owner of both Australia Pacific LNG (APLNG) and Queensland Curtis LNG (QCLNG) with 25% equity interest in APLNG and 1.25% equity interest in QCLNG.
16. The east coast LNG producers (APLNG, Gladstone LNG and QCLNG) sell their gas to international LNG buyers, but are also a major source of supply in the east coast market.¹⁶ The ACCC continues to have concerns regarding the ability of MidOcean to share competitively sensitive information between APLNG and QCLNG given the two projects' roles in the supply of gas to the domestic east coast gas market.
17. The Applicants advised that MidOcean will not be able to facilitate information sharing between the two projects as:
 - clauses in the Joint Operating Agreements (JOAs) for QCLNG mean MidOcean would not receive meaningful commercially sensitive information in relation to QCLNG's domestic gas sales, such that it would have nothing it could share with APLNG;¹⁷
 - there are strict confidentiality obligations under the JOAs and shareholders agreements for both APLNG and QCLNG;¹⁸ and
 - MidOcean would not have visibility over the pricing of gas sold to end customers or individual volumes they receive.¹⁹
18. The ACCC has received a submission which queries the extent to which these contractual arrangements are sufficient to remove the incentive or ability of MidOcean to share commercially sensitive information between APLNG and QCLNG.²⁰

The ACCC requests the Applicants give the ACCC such additional information and documents that they consider relevant to the ACCC's determination including:

- the JOAs;
- the shareholder agreements for APLNG and QCLNG;
- the gas sales agreement between the QCLNG joint venture participants and Walloons; and
- identifying any and all provisions in the above agreements that prevent MidOcean from receiving and/or sharing commercially sensitive information between APLNG and QCLNG.

¹⁶ ACCC, [Gas inquiry June 2023 interim report](#), 30 June 2023, at p. 15.

¹⁷ Applicants' response to ACCC Transparency Letter: Annexure A, 27 July 2023, at [7.7].

¹⁸ Applicants' response to ACCC Transparency Letter: Annexure A, 27 July 2023, at [7.8].

¹⁹ Applicants' response to ACCC Transparency Letter: Annexure A, 27 July 2023, at [7.22].

²⁰ Shell QGC submission in response to ACCC Transparency Letter, 10 August 2023, at [8], [9].

Section 90(7)(b): Net Public Benefit

19. In the context of applying the test in s 90(7)(b), the ACCC is considering the commercial likelihood that Brookfield will invest \$20-\$30 billion and build out 14GW of renewable generation and storage capacity by 2033.
20. The ACCC has been testing whether Brookfield's build-out plans would result in a significant amount of additional renewable generation being completed by 2033 and whether this would occur faster than would occur absent the Proposed Acquisition. The ACCC considers that an increased level of renewable generation development, or a quicker transition to renewable sources, in the National Electricity Market would be a material public benefit.
21. The information the ACCC has received has raised questions as to the extent to which Origin under Brookfield ownership would be better-placed to develop its proposed build-out. These concerns are set out below.

Applicants' submissions

22. The ACCC notes that the Applicants make a number of submissions about Brookfield's advantages that would allow it to complete its proposed development by 2033, and expedite the National Electricity Market's transition to renewable energy sources.²¹ The Applicants submit that this would be additional to the level of investment in renewable generation and storage capacity absent the Proposed Acquisition and that the current rate of investment in generation capacity will not achieve certain emission reduction targets, including the goal for 82% of generation to be renewable by 2030.²²
23. The Applicants submit these benefits would be realised for the following reasons:
 - Brookfield has access to capital, including ready access to capital to deploy, and a longer-term time horizon for its investment with the benefit that it does not need to disperse dividends to shareholders.²³
 - Brookfield has centralised procurement capabilities and global relationships with renewable generation suppliers, which allows it to develop projects on a more cost-efficient basis.²⁴
 - The Proposed Acquisition would remove the need for Brookfield to secure a committed third party offtaker, with Origin Energy Markets' existing customer base being an in-built offtaker. This would simplify the commercial requirements for each Brookfield project and result in a material acceleration of the timeline for projects to reach financial close.²⁵
24. The Applicants submit that the combination of factors means the Proposed Acquisition would provide certainty and timeliness to the development of renewable

²¹ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [948], [949].

²² Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [740] – [744].

²³ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [818], [829] – [830], [841].

²⁴ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [852] – [854].

²⁵ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [831] – [833].

generation capacity and storage assets necessary to facilitate the timely closure of Eraring power station.²⁶

ACCC's investigation

25. The ACCC has before it information that appears contrary to the Applicants' submissions immediately above. That information suggests that Brookfield would or may not be better positioned than the market to develop renewable generation and storage capacity.²⁷ Some information indicates that while Australia will require an acceleration of recent trends in renewable energy growth to achieve 82% of generation being renewable by 2030, this acceleration is likely to occur.²⁸ For example, Matt Harris (Frontier Economics) takes this view because:
- the pipeline of new proposed projects exceeds the capacity needed to achieve emission reduction goals
 - renewable investment will be supported by government contracting and direct public investment, which will increase after network and connection bottlenecks are addressed
 - AEMO has reported an increase in connection applications and projects in construction compared to a year ago.
26. Information provided to the ACCC also provides alternative perspectives on some of the Applicants' submissions relating to why Brookfield would be particularly well placed to undertake renewable generation developments if the Proposed Acquisition goes ahead. The information indicates that: a lack of access to capital is not a factor impeding investment in renewable generation;²⁹ large corporates are increasingly seeking to purchase Power Purchase Agreements to meet their decarbonisation goals;³⁰ and there is existing government policy that aims to provide price certainty to developers to reduce risk and assist them in obtaining finance.³¹ Consequently, market feedback has suggested there are suitable alternatives to an in-built offtaker in a retail load for developers looking to build renewables generation.³² Lastly, the ACCC understands that global procurement capabilities may provide some assistance in securing the materials and components for renewable developments but that this advantage may not be large.³³
27. In addition to questions as to whether Brookfield would have particular advantages to complete its proposed development, the ACCC considers that the Applicants have not adequately demonstrated how Brookfield would practically achieve a 14GW build-out by 2033, which may be considered ambitious.³⁴

²⁶ Brookfield and MidOcean application for merger authorisation for proposed acquisition of Origin Energy Limited (MA1000024), 5 June 2023, at [951].

²⁷ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [88]; Alinta Energy record of oral submission, 30 June 2023, at [16]; Grattan Institute record of oral submission, 3 July 2023, at [8], [11]; Anonymous record of oral submission, 5 July 2023, at [2].

²⁸ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [16(d)].

²⁹ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [88] – [90], [107]; Grattan Institute record of oral submission, 3 July 2023, at [13]; Anonymous record of oral submission, 5 July 2023, at [2].

³⁰ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [90] – [91], [111]; Clean Energy Council record of oral submission, 25 July 2023, at [21].

³¹ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [82].

³² Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [108] – [112]; ACEN Australia record of oral submission, 4 July 2023, at [9]; EnergyAustralia record of oral submission, 4 July 2023, at [19]; Alinta Energy record of oral submission, 30 June 2023, at [14].

³³ Iberdrola record of oral submission, 1 August 2023, at [6] – [7].

³⁴ Iberdrola record of oral submission, 1 August 2023, at [3].

28. The ACCC also understands that network capacity and grid connections are regarded (at least by some) to be the largest barriers to developing renewable generation projects³⁵ but are currently being, or likely to be, addressed by government action. Notwithstanding that these barriers might be independent of the Proposed Acquisition, the ACCC understands network and grid bottlenecks would impact all developers equally. This raises the prospect that, for so long as network capacity is limited, any increased investment in renewable generation by one party has the potential to delay or crowd-out projects that would otherwise be developed by others.³⁶
29. The ACCC notes that Brookfield's ambition for the retirement of the Eraring Power Station is similar to that of Origin's, noting that Origin's Climate Transition Action Plan proposes to accelerate Eraring Power Station's retirement to as early as August 2025.³⁷ The ACCC also understands that despite these plans, the NSW government may delay Eraring Power Station's retirement,³⁸ and therefore Brookfield might not be in a position to retire Eraring Power Station earlier than Origin.

ACCC's concerns

30. The information and evidence reviewed raises the following questions:
- a. Notwithstanding the possible advantages Brookfield has in respect to access to capital, its capital structure and global procurement capabilities, Brookfield may not be in a position to develop renewable generation and storage assets at a pace quicker than the rest of the industry, or accelerate the National Electricity Market's transition to renewable energy sources. Further, the Applicants have not clearly demonstrated how Brookfield would achieve its proposed development by 2033.
 - b. Brookfield's proposed development (if completed) may crowd-out private investment in the market (i.e. would not result in a greater total amount of new renewable generation in the National Electricity Market by 2033 compared to the future without the Proposed Acquisition). The ACCC considers that it would be relevant to the ACCC's assessment of public benefits resulting from the Proposed Acquisition whether those alternative projects at risk of being crowded out may otherwise have been developed by an investor that does not raise the same concerns about vertical integration.
 - c. As a consequence of (a) and (b), amongst other factors, Brookfield would not be in a better position to bring forward the closure of Eraring power station relative to Origin in the future without the Proposed Acquisition.

The ACCC requests the Applicants provide such additional information including evidence that they consider is relevant to the ACCC's determination, including:

- Additional evidence that Brookfield, under the Proposed Acquisition, would have an advantage in developing renewable generation and storage projects compared with the broader Australian industry or similar global investment companies.

³⁵ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [100]; Alinta Energy record of oral submission, 30 June 2023, at [10]; Anonymous record of oral submission, 5 July 2023, at [2] – [3]; ACEN Australia record of oral submission, 4 July 2023, at [16]; Grattan Institute record of oral submission, 3 July 2023, at [15], [17]; Iberdrola record of oral submission, 1 August 2023, at [17].

³⁶ Independent report of Matt Harris (Frontier Economics) for the ACCC, 9 August 2023, at [97] – [98].

³⁷ Origin Energy, [Climate Transition Action Plan](#), August 2022.

³⁸ Australian Financial Review, Samantha Hutchinson, [Giant coal-fired power station should stay open, NSW review finds](#), 22 August 2023, accessed 22 August 2023.

Without limiting the Applicants' response, please provide verifiable evidence that the combination of the following factors are particular to Brookfield and will mean Brookfield (through its ownership of Origin) will bring renewable generation online more quickly than other potential developers:

- Brookfield's access to capital, capital structure, longer term horizon for investment, renewables expertise and globalised procurement capabilities,
- Origin's retail load as a built-in offtaker, and
- Brookfield's hurdle rate (including the degree to which, and how, the above factors would influence its hurdle rate).
- How Brookfield plans to staff the team that will oversee the 14GW build-out. In particular:
 - how responsibility for the build out will be split between Origin and Brookfield
 - the size of the team Brookfield currently has for developing renewable generation and storage projects in Australia, including how many of these staff are based in Australia
 - the size of the team Brookfield expects to staff in-house if the transaction goes ahead, and how many of these staff Brookfield expects will be based in Australia
 - key skills and role descriptions for Brookfield staff that will work on the build-out.
- Why Brookfield considers it would be able to complete its 14 GW build-out in the current market.³⁹ Without limiting the Applicants' response, please provide:
 - further details as to how Brookfield plans to complete its proposed 14GW development by 2033. This should include:
 - an overview of how the build-out will occur; for example, for each year up until 2033, the amount of new generation capacity Brookfield expects to bring online (totalling 14GW), the state or territory where it will occur, and if possible the name and location of the relevant generation projects,
 - information regarding Brookfield's anticipated projects and their expected completion date (and why these projects would not be progressed in the absence of the Proposed Acquisition, whether by Brookfield or another developer),
 - any documented plans for Brookfield's proposed development (that have not yet been supplied),
 - information to support that the build-out is realistic, despite bottlenecks relating to network capacity and connections
 - information about how Brookfield intends to continue with the build-out as planned in circumstances where government decision making may be at odds with Brookfield's plans (such as government's role in deciding when coal power plants can close).
- Additional evidence that Brookfield would be able to close Eraring by August 2025 and earlier than Origin.

³⁹ Applicants' response to ACCC Transparency Letter: Annexure A, 27 July 2023, at [8.19].