



NOTICE OF EXTRAORDINARY GENERAL MEETING

of

Retail Energy Market Company Limited
ABN 15 103 318 556 ("REMCo")

Notice is hereby given of the seventh Extraordinary General Meeting of REMCo to be held electronically by e-mail no later than 1 July 2013, for the following purposes:

BUSINESS:

1. Amendment of Clause 7A.2(e) of the REMCo Constitution

To amend the Company's Constitution to insert a new clause 7A.2(e) to address a drafting issue identified by the Economic Regulation Authority (the "Authority").

To consider, and if thought fit, to pass the following resolution:

THAT the Constitution of the Company be amended with effect on and from the date approved by the Economic Regulation Authority, as contained in the Explanatory Memorandum to the Notice for the REMCo Extraordinary General Meeting to be held electronically by e-mail, no later than 1 July 2013.

2. Election of Director nominated by the Network Operator

The Network Operator, ATCO Gas Australia, has nominated Mr Justin Scotchbrook for election as a Director of REMCo pursuant to clause 11.3(b)(i)(B) of the REMCo Constitution.

To consider, and if thought fit, to pass the following resolution:

THAT Mr Justin Scotchbrook be elected to the REMCo Board as a Director of REMCo, pursuant to clause 11.3(b)(i)(B) of the REMCo Constitution, effective from 1 July 2013.

By order of the Board

Baden M Bowen
Company Secretary

10 June 2013

VOTING BY PROXY:

- A Member has the right to appoint a proxy to attend and vote for the Member at the Meeting.
- The proxy need not be a Member of the Company.
- A Member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is entitled to exercise.
- The instrument appointing a proxy shall be in writing and signed by the appointor or his or her duly authorised attorney or, if the appointor is a corporation, either under seal or signed by two directors, or one director and company secretary, of the company. If signed under a power of attorney or other authorisation a certified copy of the power or attorney or other authorising document must accompany the proxy form.
- A Proxy Form accompanies this Notice. To be effective, Proxy Forms (duly completed and signed) must be received by the Company at its registered office:
 - (a) 228 Adelaide Terrace
PERTH WA 6000; or
 - (b) by facsimile to facsimile number (08) 6212 1038;
(marked to the attention of the CEO) no less than 48 business hours before the time of the general meeting – that is close of business on Thursday 27 June 2013.

**RETAIL ENERGY MARKET COMPANY LIMITED –
ACN 103 318 556
PROXY FORM**

We
(MEMBER NAME AND ACN/ABN)

of
(ADDRESS)

being a Member of Retail Energy Market Company Limited ABN 15 103 318 556 (the "Company"),
appoint:

.....
(PROXY NAME)

of
(ADDRESS)

or failing such appointment, or in the absence of that person.....
(ALTERNATE PROXY NAME)

of
(ADDRESS)

or failing both such appointments, or in the absence of both of the above named persons, the Chair of the meeting, as our proxy to vote for us on our behalf (with discretion as to any business not referred to below) at the General Meeting of the Company to be held no later than 1 July 2013 and at any adjournment of that meeting.

Our Proxy is authorised to vote as follows:

Resolution 1: Amendment of Clause 7A.2(e) of the REMCo Constitution	in favour/against <i>(delete as appropriate)</i>
Resolution 2: Election of Director nominated by the Network Operator	in favour/against <i>(delete as appropriate)</i>

Unless otherwise instructed, the Proxy may vote as he or she thinks fit.

EXECUTED BY
(MEMBER NAME AND ACN/ABN)

.....
Signature of Director

.....
Signature of Director/Secretary

.....
Signature of Director

.....
Signature of Director/Secretary

Note: Please read under "VOTING BY PROXY" at the end of the Notice of General Meeting, as to completion and lodgement of this Proxy Form.



RETAIL ENERGY MARKET COMPANY LIMITED
ACN 103 318 556 ("REMCo")

EXPLANATORY MEMORANDUM – MEETING NO LATER THAN 1 JULY 2013

The purpose of this Explanatory Memorandum is to provide all information that is reasonably necessary to enable the Members of the Company to determine how to vote on resolutions to be put to the General Meeting of the Company, to be held electronically by e-mail no later than 1 July 2013 (the "meeting").

1. **Amendment of Clause 7A.2(e) of the REMCo Constitution**

REMCo applied to the Authority on 4 July 2012 for some changes to the REMCo Constitution. These changes were to address some issues with approval of Self Contracting Users ("SCUs") as Associate Members of REMCo, as approved by the Members at the Extraordinary General Meeting on 21 June 2012.

The Authority approved the requested changes, but determined that they want an additional change to the Constitution, which they believe is required for clarity purposes. The Authority want to add an additional clause 7A.2(e), as follows:

7A.2 Application for Associate Membership

- (a) The Board must (subject to clause 8.3) accept an application for Associate Membership if the applicant is, or is likely to be, in the reasonable opinion of the Board, a Self-Contracting User.
- (b) The Board may accept, reject or defer consideration of an application for Associate Membership if, in the reasonable opinion of the Board, the applicant is likely to become a Self-Contracting User.
- (c) If the Board is not satisfied, acting reasonably, that an applicant is, or is likely to become a Self-Contracting User, it must reject or defer consideration of an application by that applicant.
- (d) If accepted, the applicant is taken to be an Associate Member from the date of acceptance, or such other date determined by the Board.
- (e) The applicant must become and maintain being a Self-Contracting User before the date of acceptance to be an Associate Member, or such other date determined by the Board.

REMCo and the REMCo Rule Change Committee ("RCC") considered the additional change requested by the Authority, and were not convinced the further change is absolutely necessary because the wording that had been endorsed by the REMCo Members had been:

- drafted by, and subject to legal review by Jackson McDonald; and
- reviewed by the RCC (noting that the Authority is an observer on the RCC, and did not previously raise any questions with the drafting).

Having said this, REMCo and the RCC acknowledged that the Authority's proposed further change may add some clarity to the approval process for SCUs to become Associate Members, and do not believe that the further change would cause any problems.

The Authority has the power to direct changes to the REMCo Scheme under the *Energy Coordination Act 1994*, but decided that they would prefer the additional change to go through the normal Rule change process.

As a result, REMCo and the RCC agreed to move forward with the Authority's proposed changes when it next makes changes to the REMCo Scheme. As REMCo is now processing some other changes to the REMCo Scheme, REMCo now requests that the Members approve the Authority's proposed addition of Clause 7A.2(e) of the Constitution.

2. Election of Director nominated by the Network Operator

ATCO Gas Australia ("ATCO") sent a letter to REMCo dated 4 June 2013 to:

- notify REMCo that Ms Debora Evans is giving her resignation as Director of REMCo, to take effect from the next available general meeting of REMCo; and
- nominate Mr Justin Scotchbrook as a Director of REMCo, pursuant to clause 11.3(b)(i)(B) of the Constitution, to take effect from the next general meeting of REMCo.

ATCO is the Network Operator, as defined in the REMCo Constitution, and therefore has the power to nominate a representative on the REMCo Board under clause 11.3(b)(i)(B) of the Constitution.

Mr Scotchbrook is currently Ms Evans' alternate on the REMCo Board, and has served in that role since 16 August 2011. Mr Scotchbrook was previously an alternate for Director appointed by the Network Operator for the period from 11 March 2004 to 3 May 2007.

The Constitution requires that an election for this position must be held, and the election must be supported by more than 50% of votes cast in order for Mr Scotchbrook to be elected.

The following is some biographic information on Mr Scotchbrook to assist Members with determining how to vote on this resolution:

Justin Scotchbrook is the General Manager, Marketing and Business Development, for ATCO, where he is responsible for the growth of ATCO through the development and implementation of new business, market development, and the negotiation of haulage services with retailers to the ATCO gas distribution system. Justin has over 18 years of experience with the energy market in WA, with involvement primarily in gas distribution and transmission; and across varied disciplines such as business strategy, commercial management, economic regulation, and information technology. Justin holds a Bachelor of Science and a Masters of Business Administration, is a Member of the Australian Institute of Company Directors, and is an Alternate Director of the Board of the Energy Industry Ombudsman.

END OF EXPLANATORY MEMORANDUM