

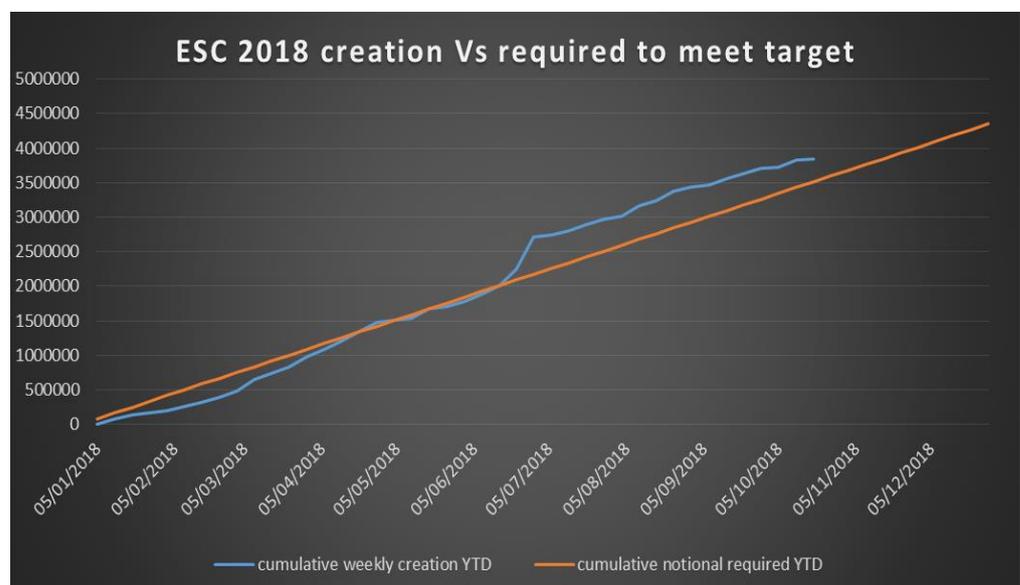
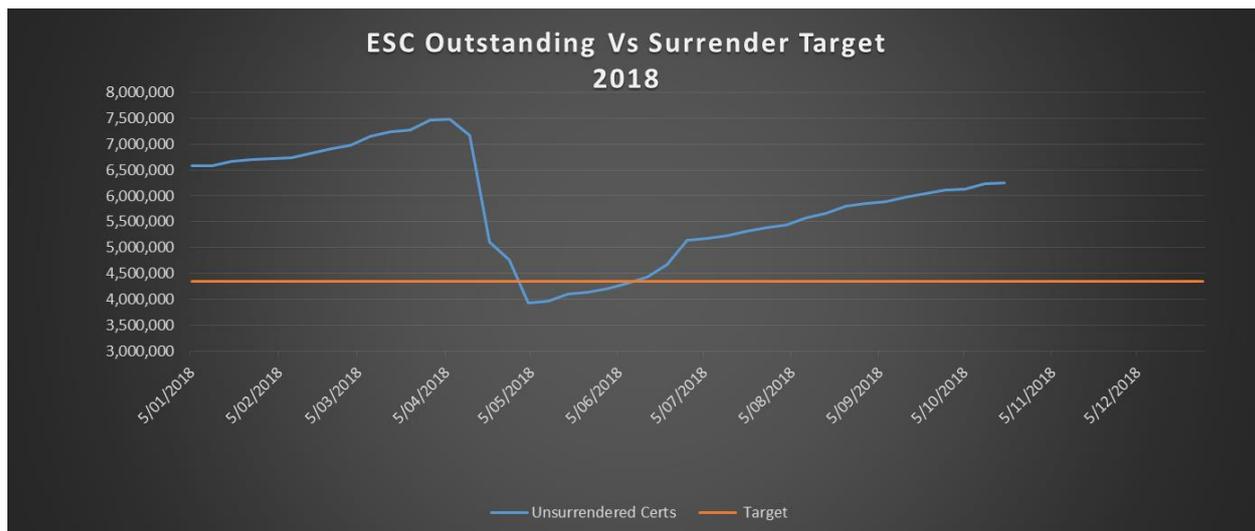
NSW ESCs

Market prices dropped despite modest creation numbers.

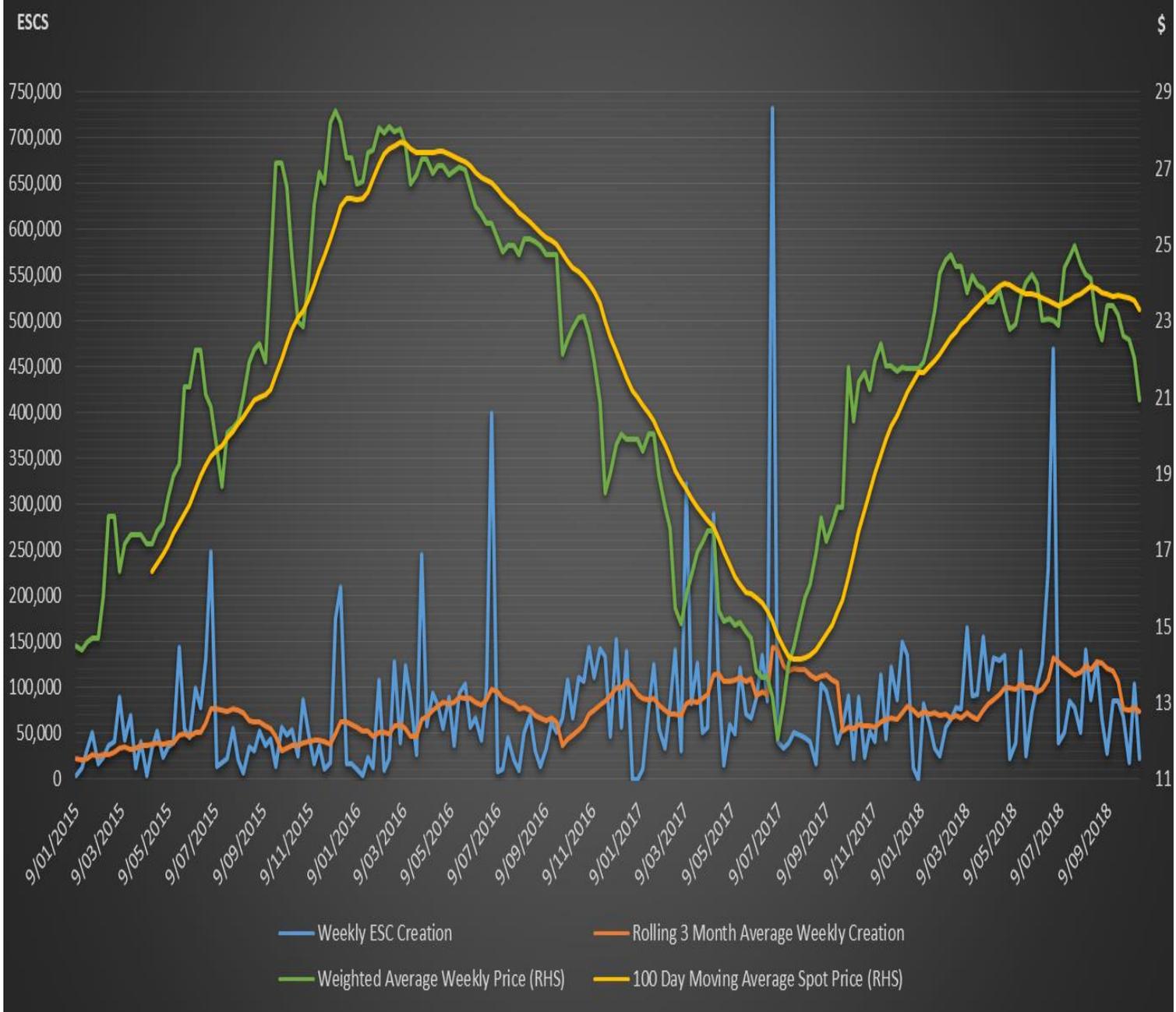
New ESC registrations only came to 22,549 this week but a large number of certificates are expected to be created by the end of the month for lighting technologies that will be impacted detrimentally by a change in deeming factors that will kick in for November.

The expectation of a supply deluge led the spot market to weaken, although the first trade for the week was actually 15 cents higher than last, at \$22.00. Selling kicked into gear immediately after, however, and each trade saw a steady drop to a close at \$20.10 on turnover of 67,000 ESCs.

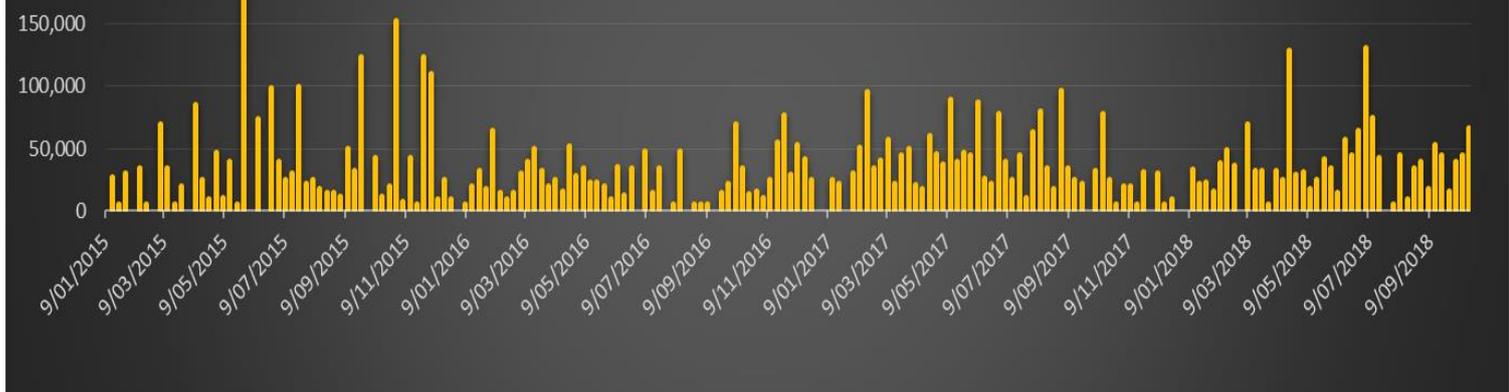
The forward market saw 100,000 certificates trade for settlement between November this year and May 2019. All these deals were struck at prices in line with the prevailing spot level.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume



Renewable Energy Certificates

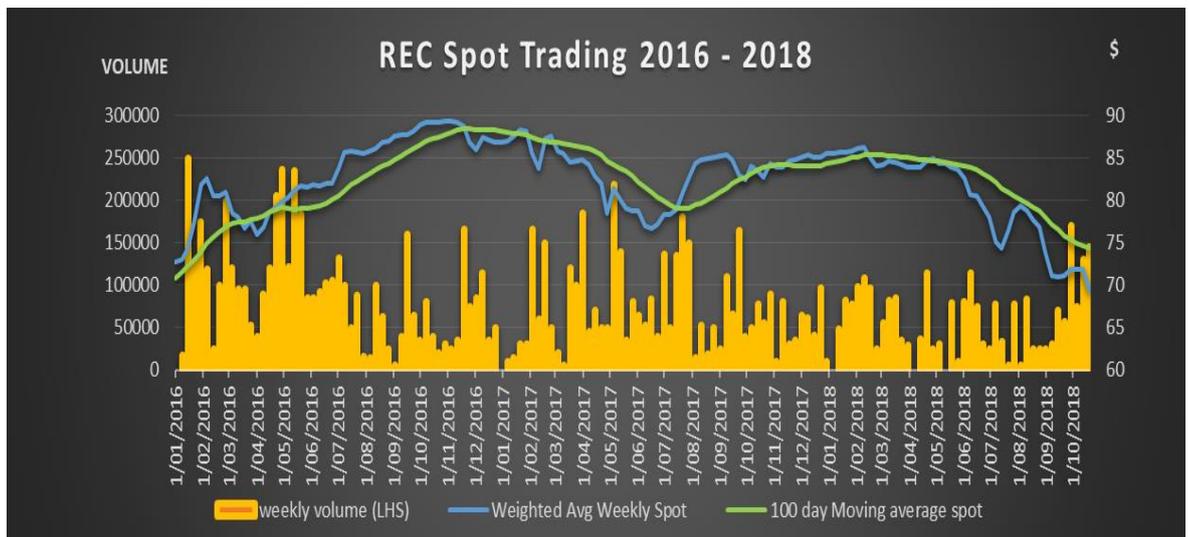
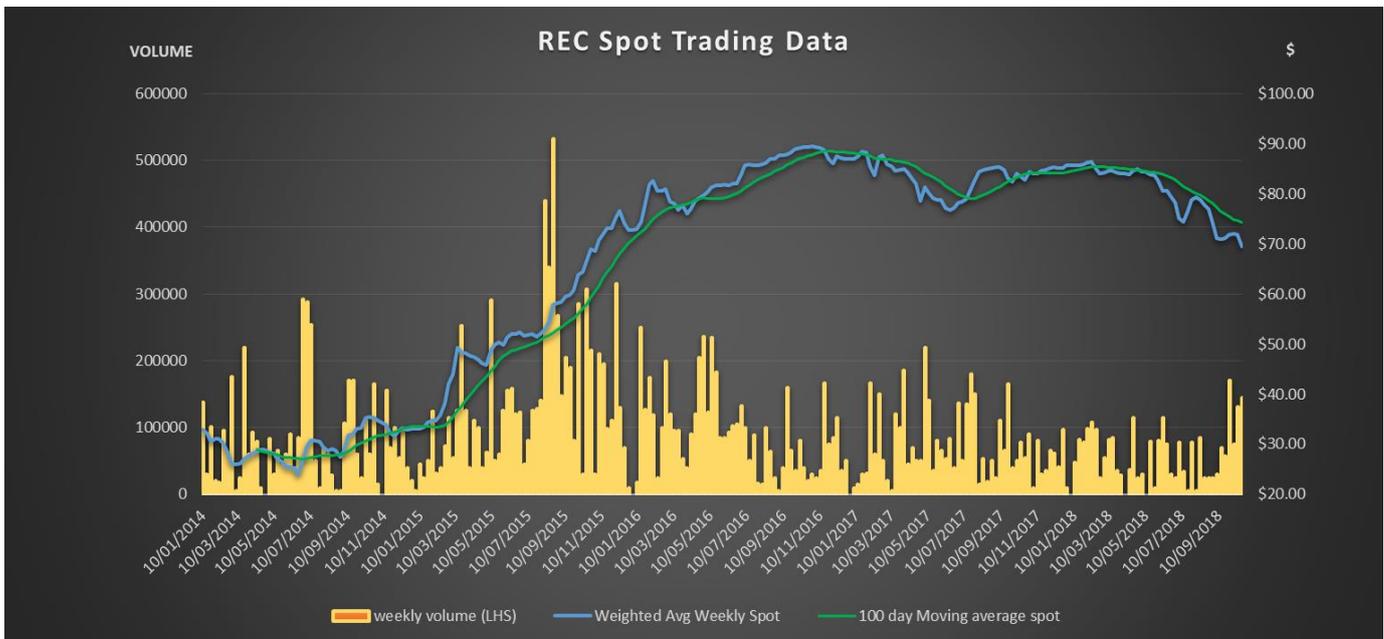
Market prices fell across the board this week as project registrations increased substantially.

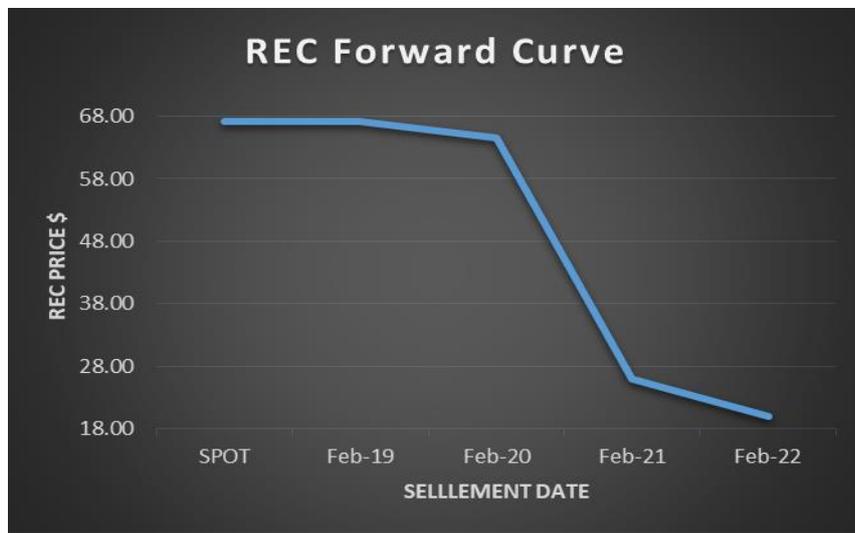
Mid-week the Clean Energy Regulator released a report on the LGC market for the month of September. In it they announced that project registration for that month had come to 667 MW, of which 658 MW were from utility scale plant. They expect that a total of 2799 MW will be registered for the year. They also announced that a 300MW solar plant in NSW had just reached financial close.

Although the market has long expected to see projects eventually constructed and producing electrons, the publication of the actuality, coupled no doubt with the CER's previous statement on how obligated retailers can meet their surrender targets by rolling their obligations forward to years where LGCs are cheaper, saw a big drop in certificate prices, particularly in the more expensive front part of the curve.

The spot price first traded 25 cents lower than last week, at \$71.00, and every subsequent trade saw a lower mark until we closed at \$67.25 on reported turnover of 145,000 LGCs.

Calendar 2018 (February 2019 delivery) fell by \$4.60 to close at \$67.20 on volume of 70,000 certificates. Calendar 2019 fell \$2.85 on turnover of 20,000 LGCs to \$64.50 and Calendar 2020 lost \$1.25 to finish at \$26.00 on reported volume of 45,000 LGCs.





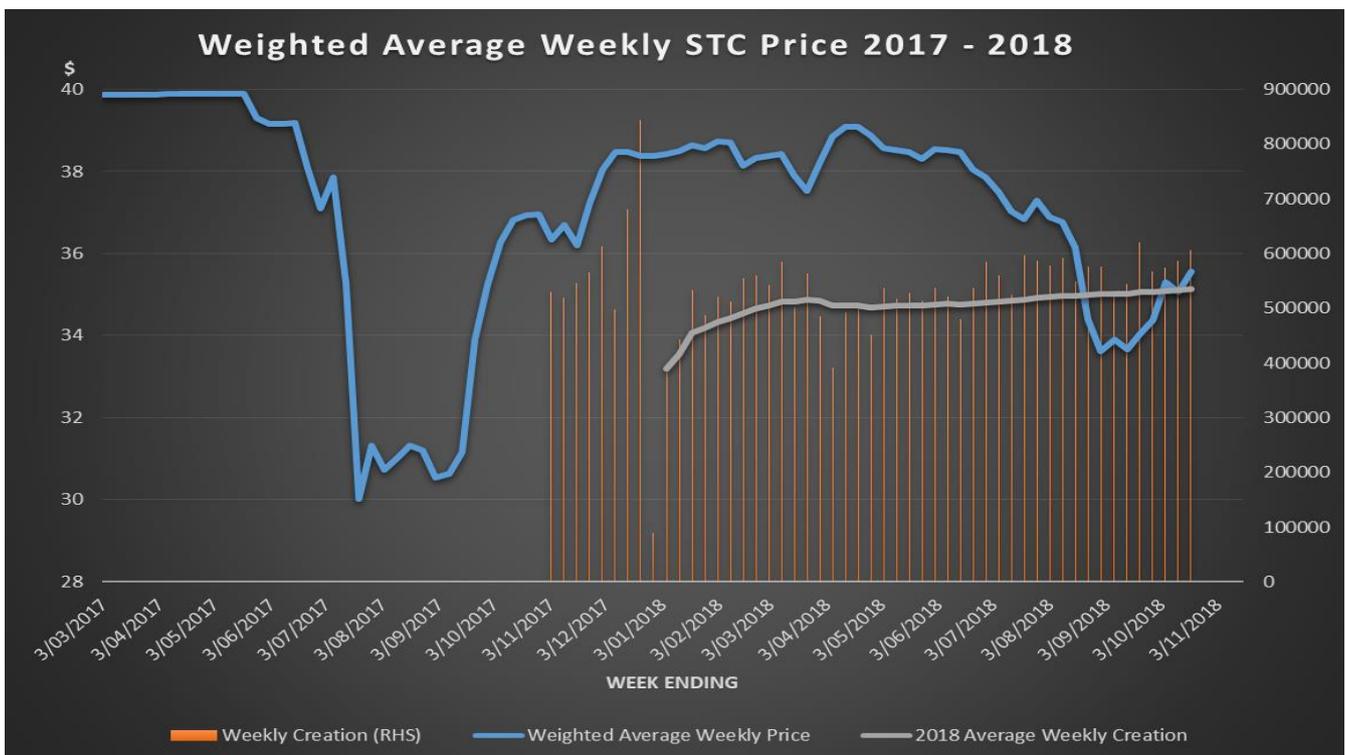
Small Technology Certificates (STC)

Creation surged again and prices dropped by the end of the week as retail buying subsided.

New submissions to the CER this week came to 606,253, the second highest week of the year so far, with the previous high of 620,000 only occurring less than a month ago. The first few days of the week saw continued retail buying to meet surrender obligations due on the 28th of the month but most of this was completed by the middle of the week.

The first spot trade was set at \$35.35, a drop of 5 cents from last week, but strong buying interest saw us reach the week's high of \$36.10 by the close of Tuesday. This seemed to have exhausted most of the retail interest and from there we had a sharp drop to \$35.50 as sellers scrambled to offload the increasing supply. We rapidly fell to the weeks' low of \$34.50 before some more buying was found to get us back to \$35.00. However prices fell again into the close and we finished the week at \$34.80 on reported turnover of 386,000 STCs.

The forward market saw 390,000 STCs contracted for delivery between November 2018 and August 2019. Deals settling this year traded in line with the prevailing spot price while those for 2019 mostly traded at \$35.50.



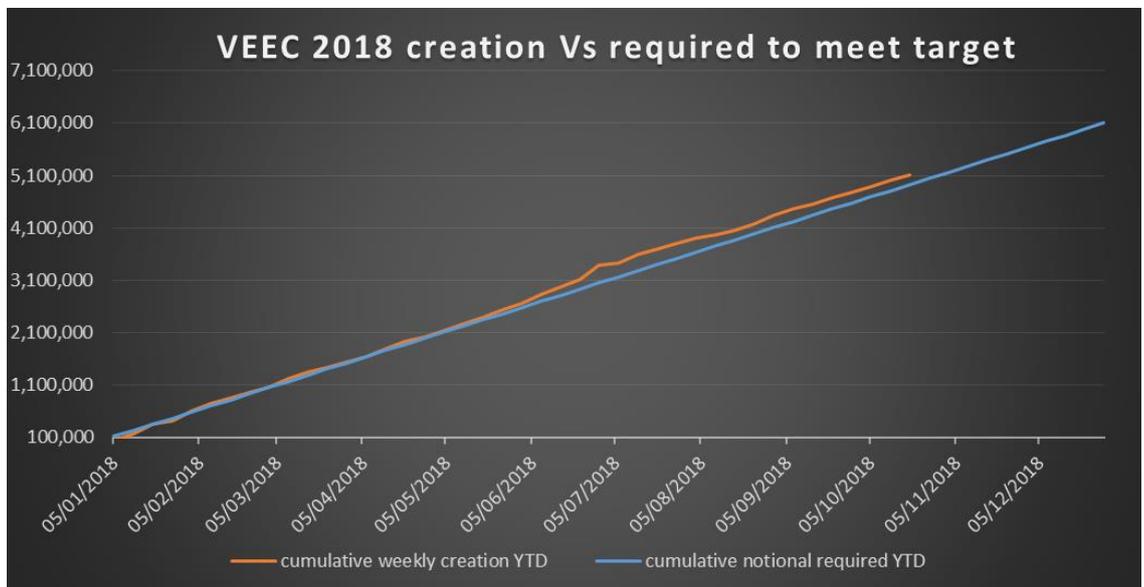
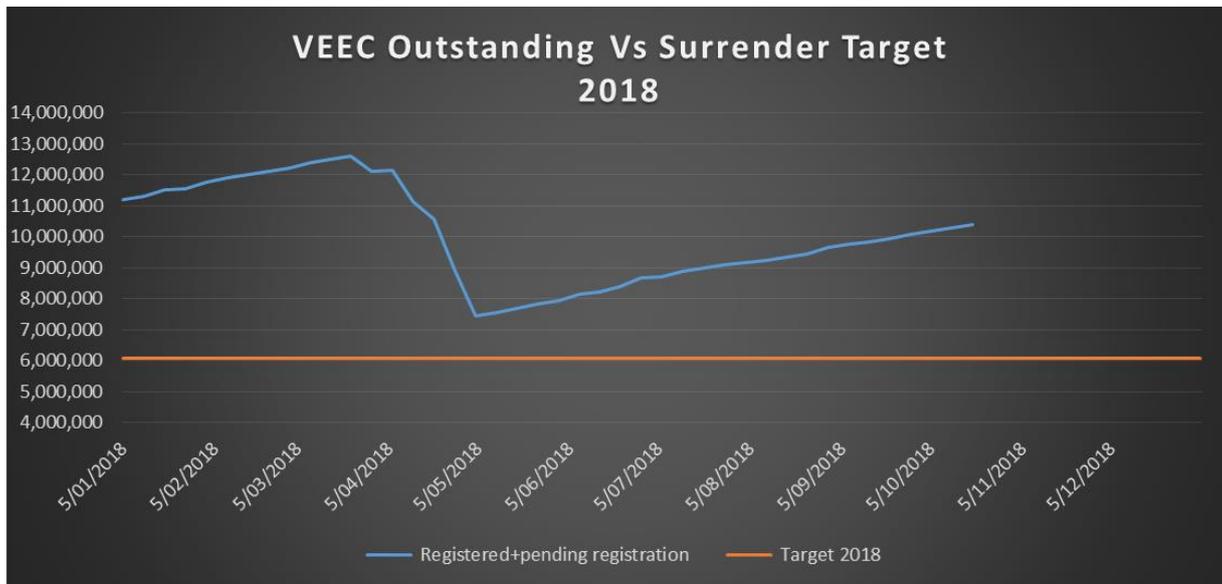
VEEC Weekly Report

Creation continued to be strong while markets took a breather this week.

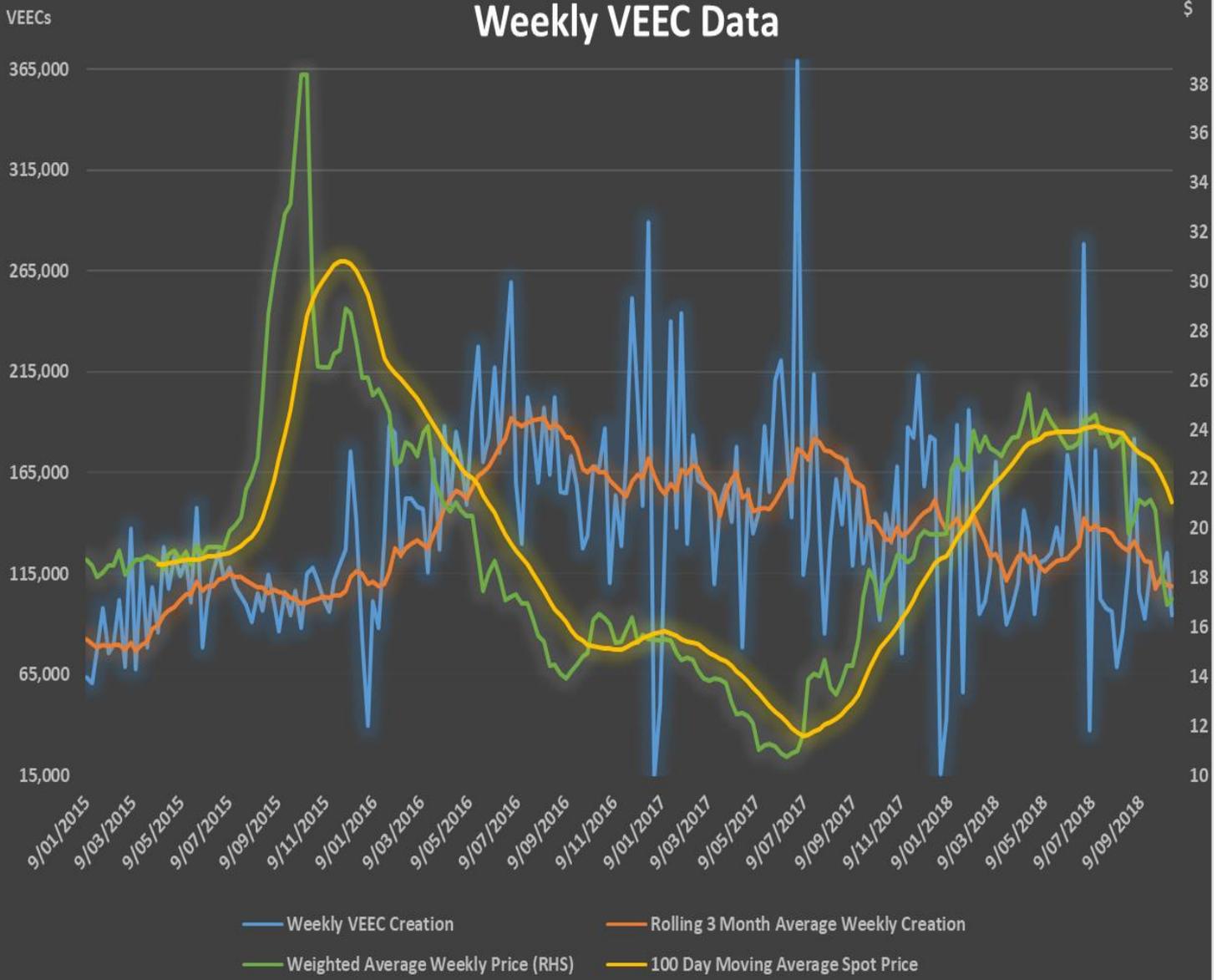
New VEEC registration came to 94,537 this week, bringing the total in the Registry to just under 10.4 million. The surrender target for 2018 obligations is 6.1 million so we continue to contribute to a considerable surplus.

The spot market opened unchanged at \$16.70 but clawed back some of the losses of the past few weeks as buyers got us up to a high of \$17.50 before closing at \$17.30 on turnover of 55,000 VEECs.

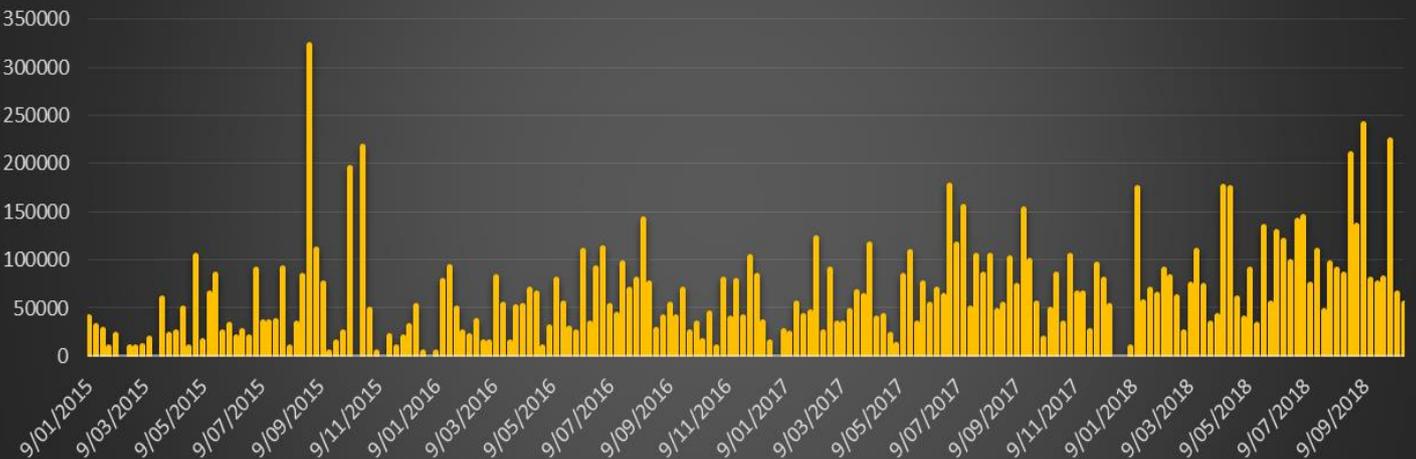
The forward market traded 165,000 certificates for settlement between February and December 2019 at a premium of 20 cents to the prevailing spot level.



Weekly VEEC Data



Weekly Traded Spot Volume



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