

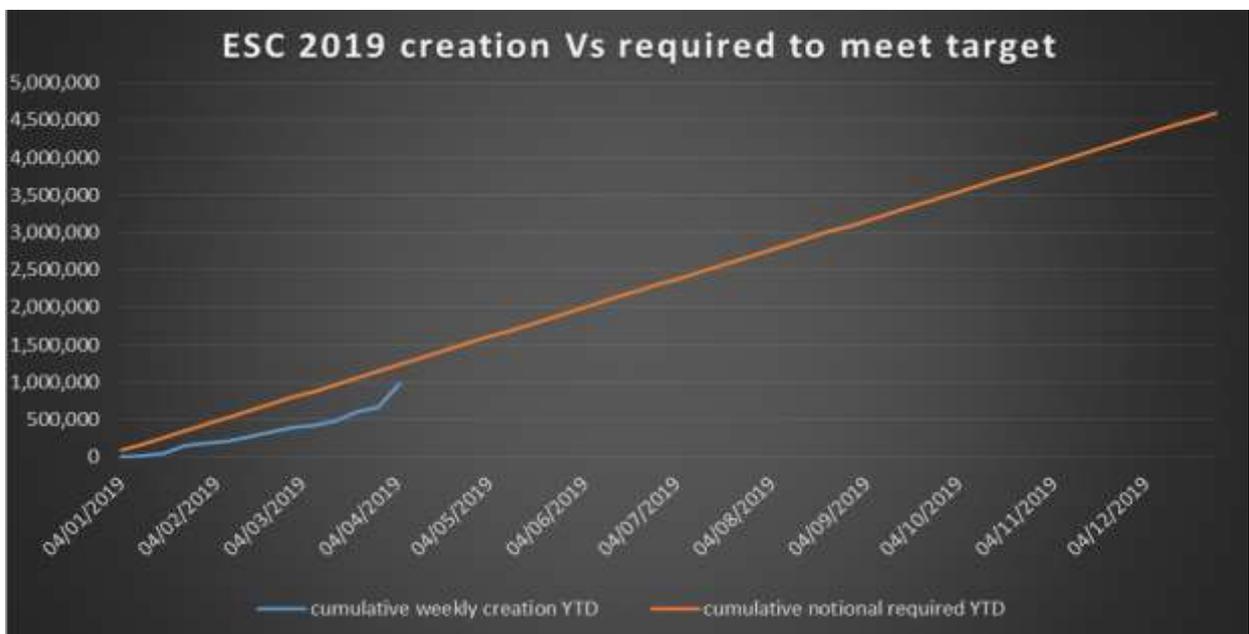
NSW ESCs

Esc creation leapt causing a drop in market prices.

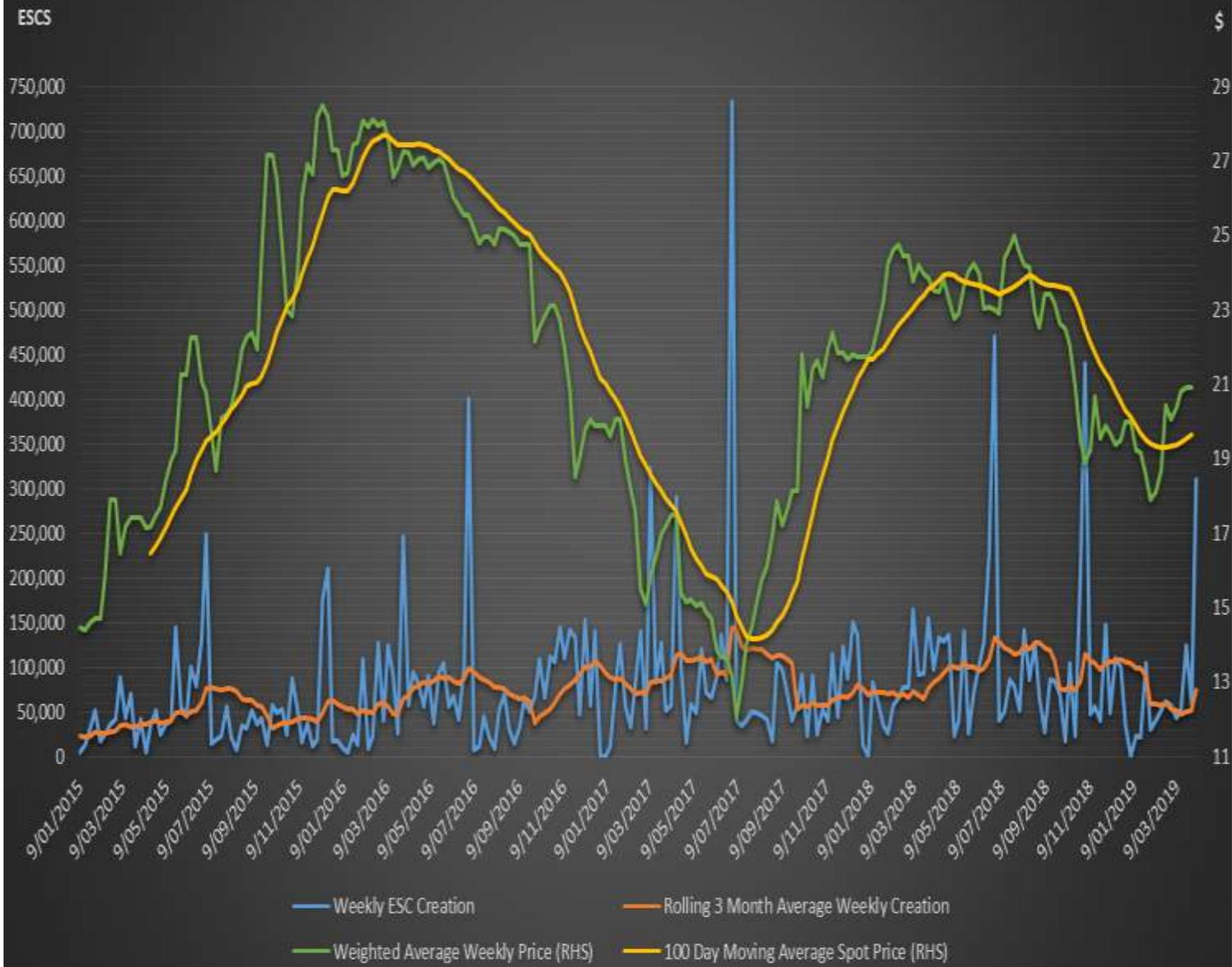
New ESC registrations jumped to 310,000 this week, the largest weekly figure since the end of October last year when changes to the scheme caused a flurry of activity. Two thirds of the number came from the Commercial Lighting method where some scheme participants obviously had successful audits and were again able to create certificates.

The spot market initially opened 15 cents higher, at \$21.00, but the weight of supply caused the price to steadily drop to the week’s close at \$20.10 on volume of 59,000 ESCs.

The forward market saw 105,000 certificates contracted for delivery between later this month and June 2020. Trades settling from May to the end of the year attracted a premium of around 20 cents over the prevailing spot price while those for 2020 gained around 60 cents.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

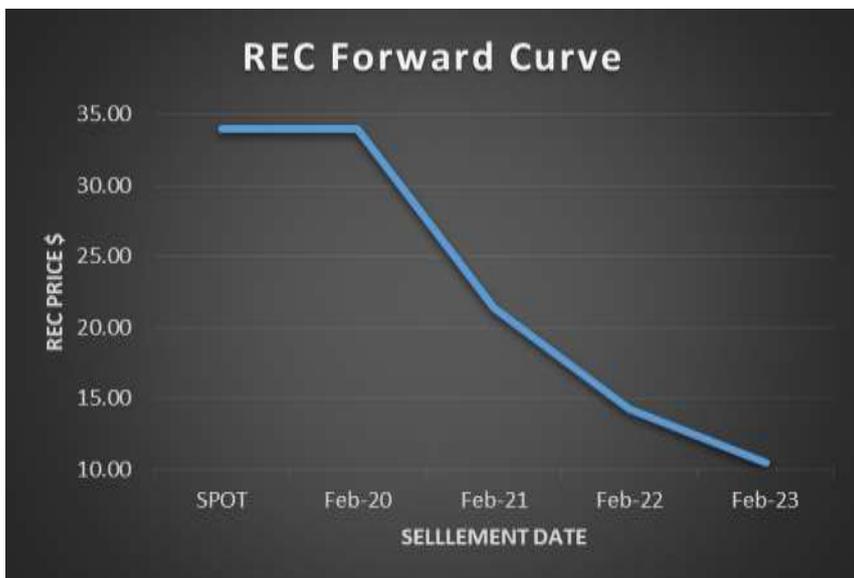
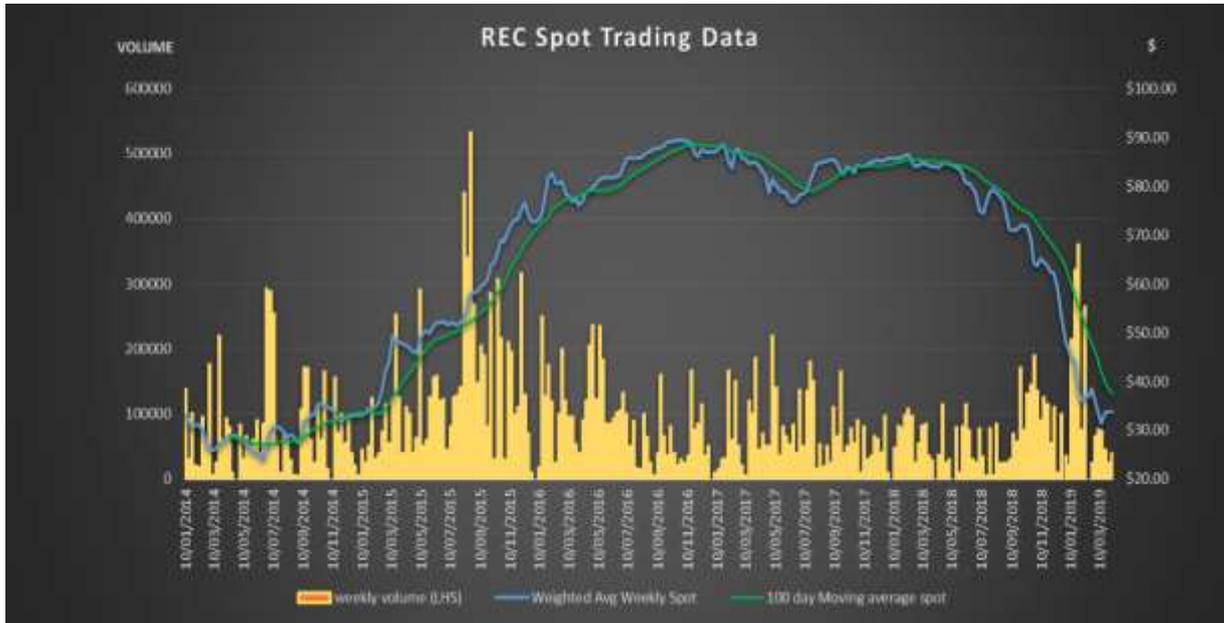


Renewable Energy Certificates

Spot LGC prices rose slightly while the rest of the curve dropped modestly.

Spot trading opened 80 cents higher than last week's close, at \$33.95, and initially dropped to the week's low of \$33.50 before regaining lost ground and closing at that \$33.95 level on volume of 40,000 LGCs.

In the forward market, Calendar 2019 (February 2020 delivery) dropped 50 cents on the week to close at \$34.00 on turnover of 60,000 certificates. Calendar 2020 shed \$1.10 to trade 5000 LGCs at \$21.40 while Calendar 2021 dropped 50 cents to finish at \$14.25 on turnover of 39,000 LGCs.



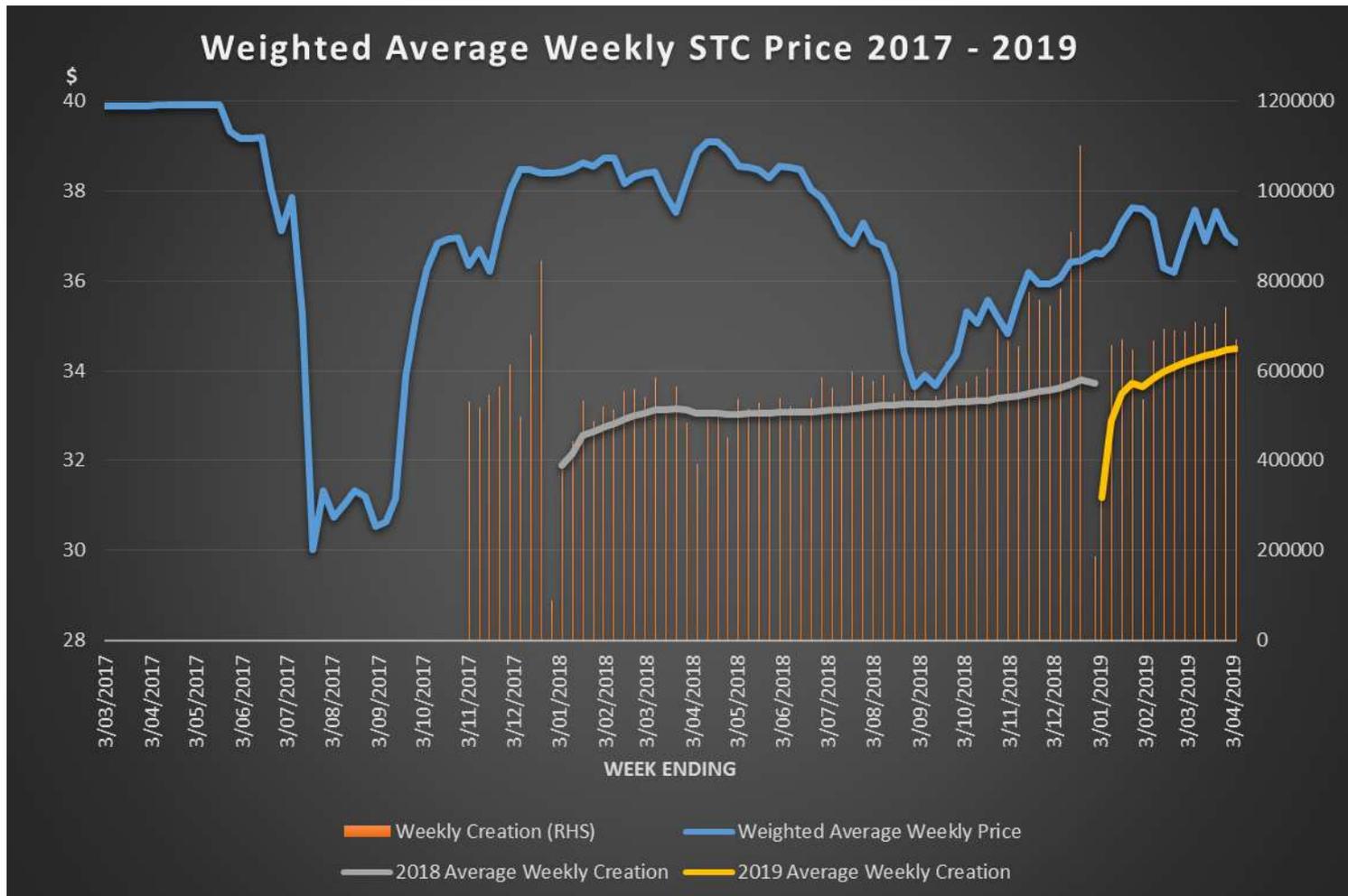
Small Technology Certificates (STC)

Creation fell this week and market prices rose.

Submissions to the CER this week dropped back from last week's high for the year, to 670,000. This number is still 100,000 certificates over the weekly creation number required to meet this year's surrender target.

In a week where the Clean Energy Regulator stated that they were revising their forecast for rooftop solar takeup to two GigaWatts for the year, from 1.8, the spot market went for a run upwards. We opened 5 cents higher, at \$36.45, and traded around there for most of Monday before buying pressure took hold and we saw the week's high struck on Friday at \$37.25 before the close at \$37.10. Turnover totalled 514,000 STCs.

The forward market was more subdued with 275,000 STCs reported dealing for delivery from later this month to January 2020. Most of these deals were struck in line with the prevailing spot level but when the spot went over \$37.00 the forward price remained stuck there with participants anticipating a drop in prices following the surrender deadline of April 28th.



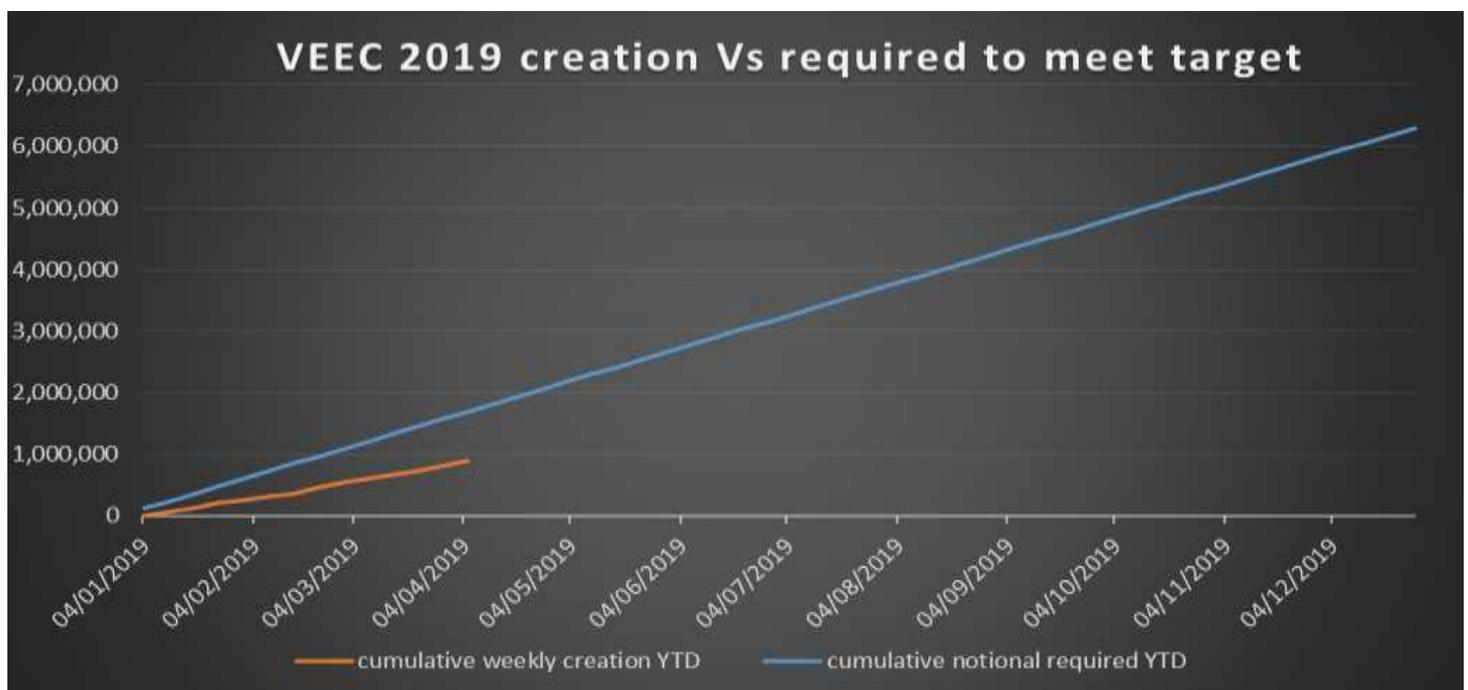
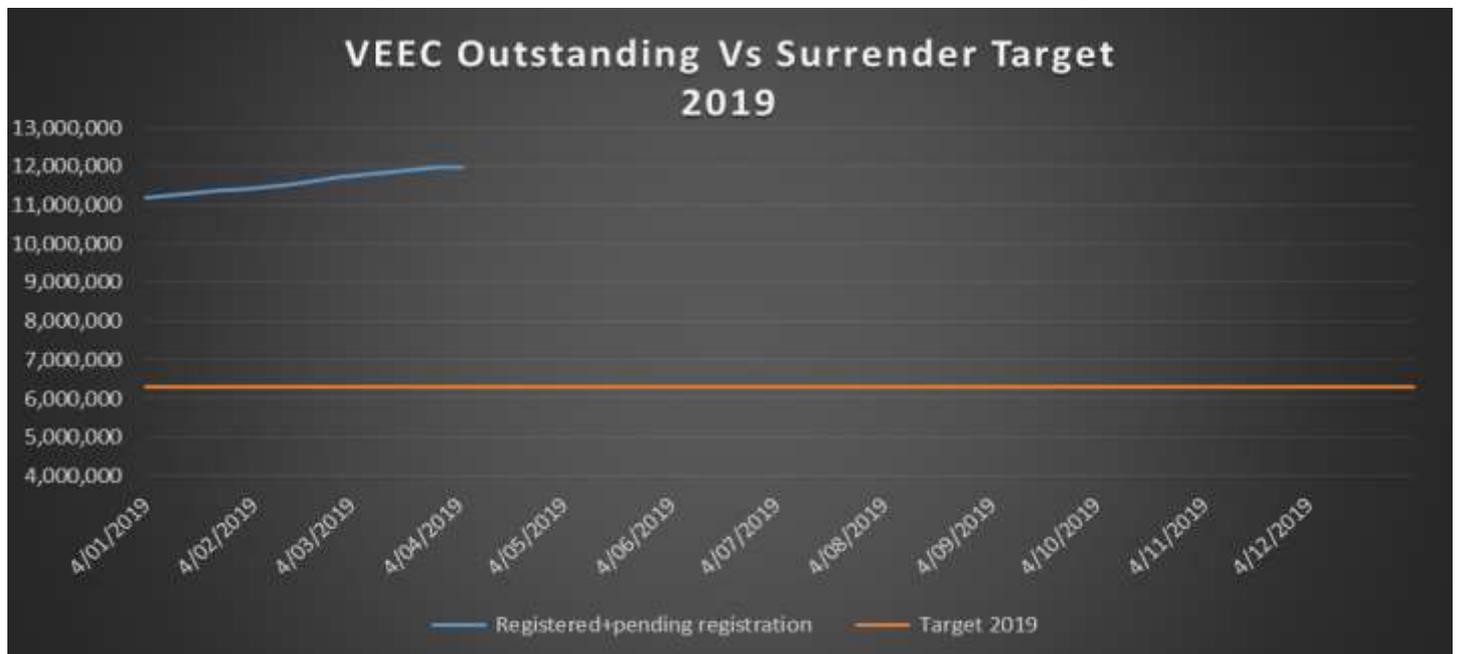
VIC VEECs

VEEC creation was unchanged while market prices declined.

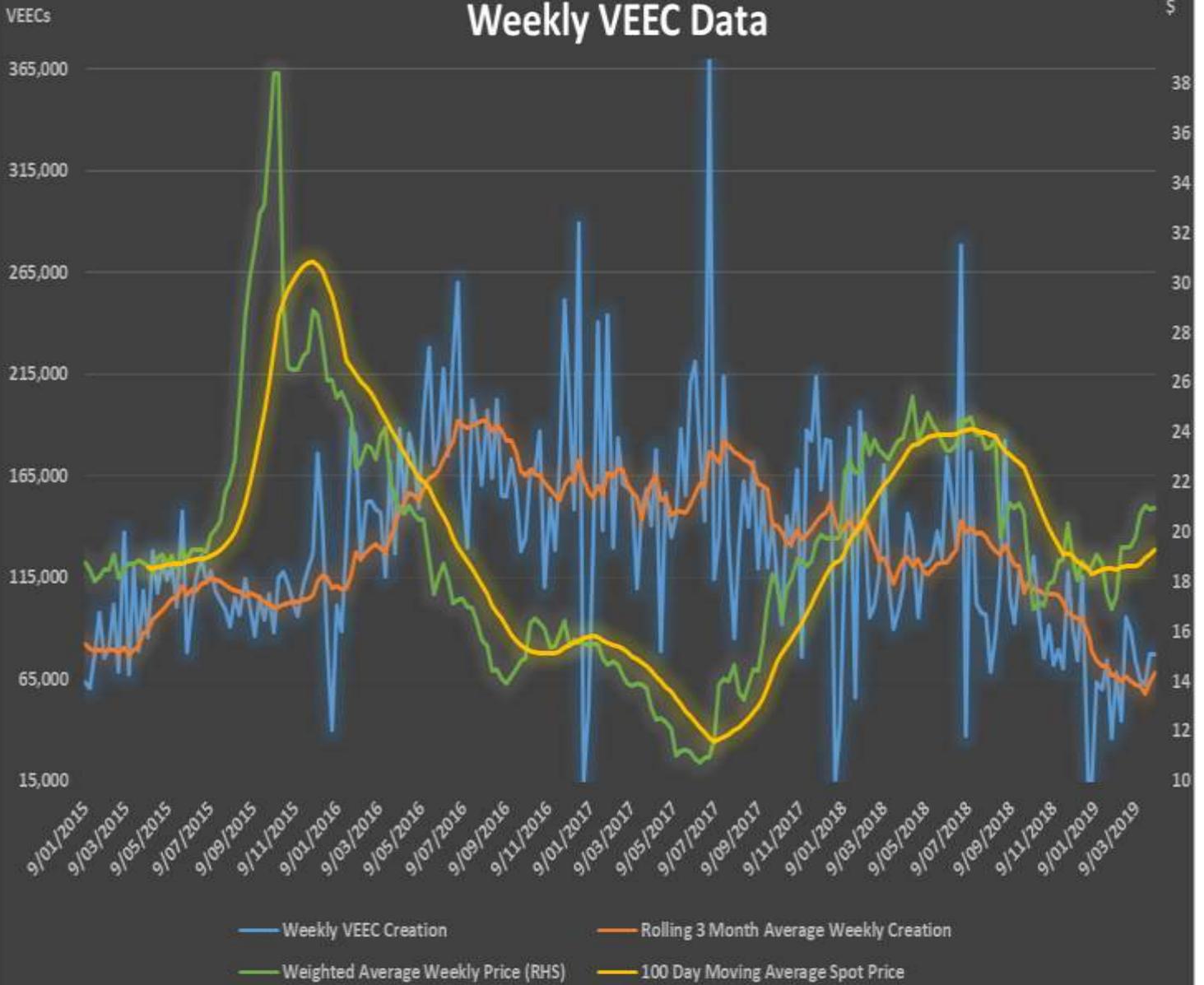
New VEEC registrations came in exactly in line with last week, at 77,000.

The spot market opened unchanged at \$21.00 when word of an Accredited Party having to forfeit nearly 40,000 certificates due to discrepancies found in an audit sent the price higher, to the week's high of \$21.70. At that point sellers asserted control and we saw a drop to \$20.25 before closing out the week at \$20.50 on turnover of 91,000 certificates.

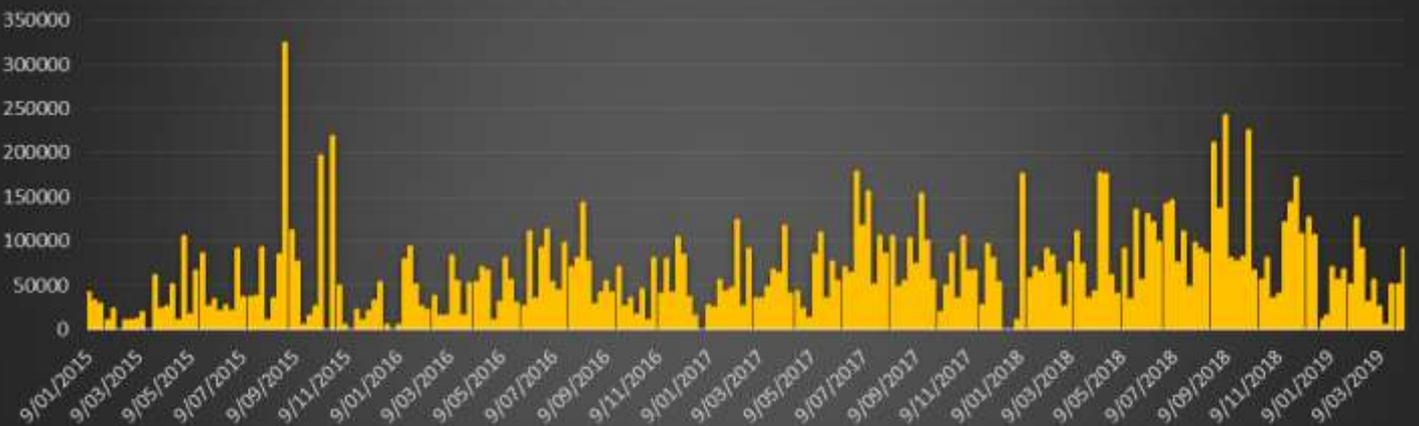
The forward market saw 100,000 VEECs reported trading for delivery between later this month and May 2020. Trades settling from the second half of this year onwards attracted a premium of around 40 cents to the prevailing spot level.



Weekly VEEC Data



Weekly Traded Spot Volume



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