

## CERTIFICATE REPORT

16/10/2020

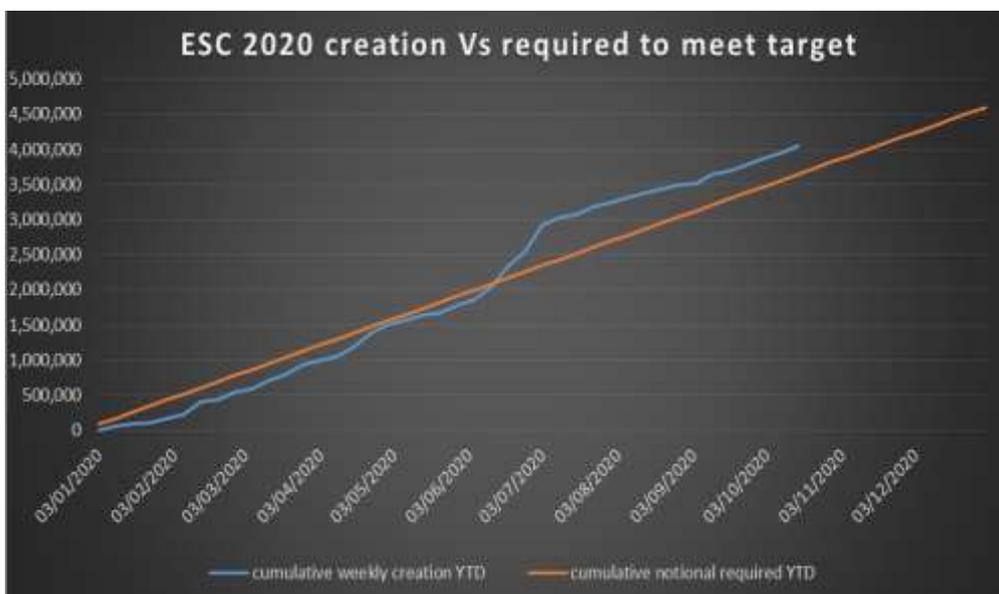
### NSW ESCs

ESC creation rose this week, as did market prices.

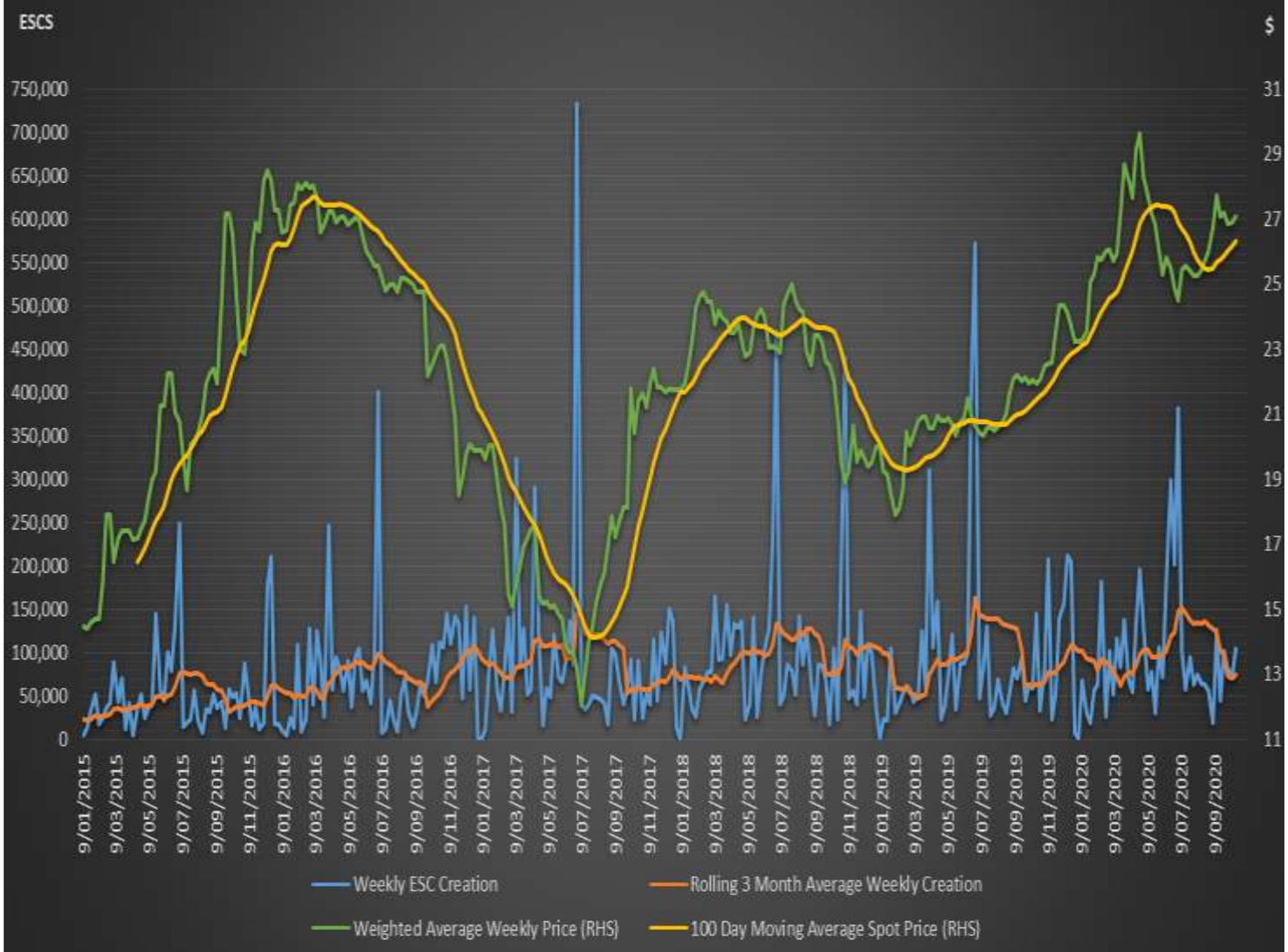
ESC registrations jumped to 104,600 this week on the back of an increased contribution from the relatively new HEER method. This involves the creation of certificates from retrofits to homes and small businesses and involves less paperwork and a lower dollar contribution from the owner than the existing Commercial Lighting method and so has become increasingly popular.

Spot trading opened at an unchanged \$27.00 and rose modestly to close the week at \$27.25 on turnover of 120,000 certificates.

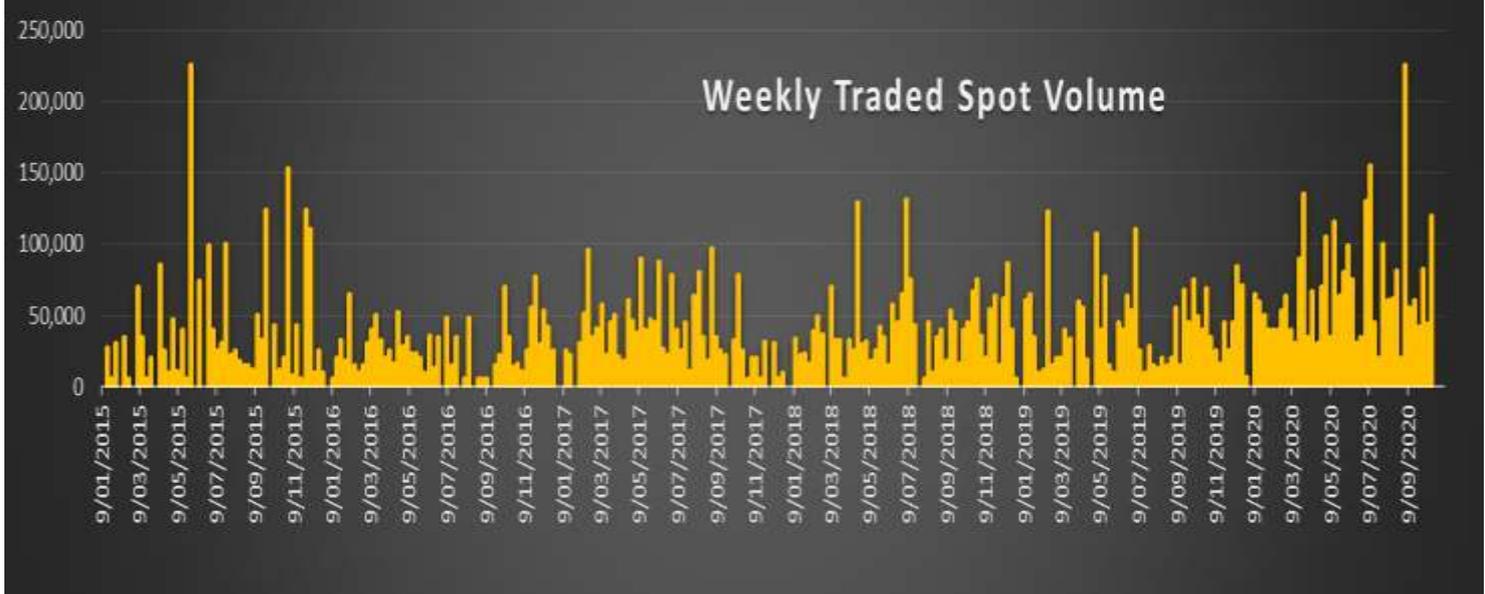
The forward market for ESCs continues to be quiet with only two trades reported this week. November this year traded flat to the prevailing spot price in 5000 certificates while March 2021 saw 5000 ESCs deal at a 30 cent premium.



## WEEKLY ESC CREATION - ALL SOURCES



## Weekly Traded Spot Volume

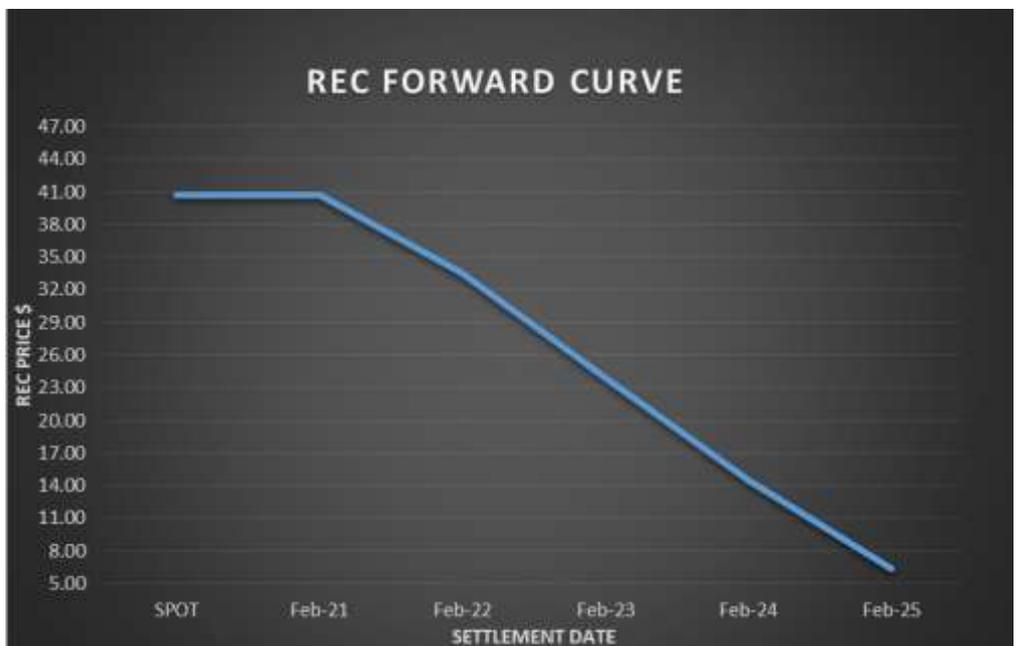


# Renewable Energy Certificates

The LGC curve flattened considerably this week with prices in the front end falling while later maturities gained in value.

Spot trading commenced unchanged at \$44.00 and drifted slightly lower for most of the week. The drop accelerated on Friday leading to a close at \$40.75 on turnover of 234,000 LGCs. This was the heaviest volume since late January when the market was very active coming into the surrender period for 2019 obligations.

With the time between spot and the settlement for Calendar 2020 (February 2021 delivery) narrowing daily, this contract followed the same pattern as the spot market. Trading commenced at \$44.00 and fell to a close at \$40.75 on turnover of 65,000 certificates. Calendar 2021 dealt 120,000 certificates, all at \$33.50, a drop of 75 cents. Calendar 2022 saw 60,000 LGCs deal at \$23.90 for a 60 cents fall. Calendar 2023 bucked the trend trading to a high of \$14.75 before closing \$1.00 stronger than the last close, at \$14.50, on turnover of 120,000 certificates. Calendar 2024 saw the highest turnover with 125,000 LGCs reported dealing from an initial \$6.00 to a finish at \$6.40 for a gain of 20 cents on the week.



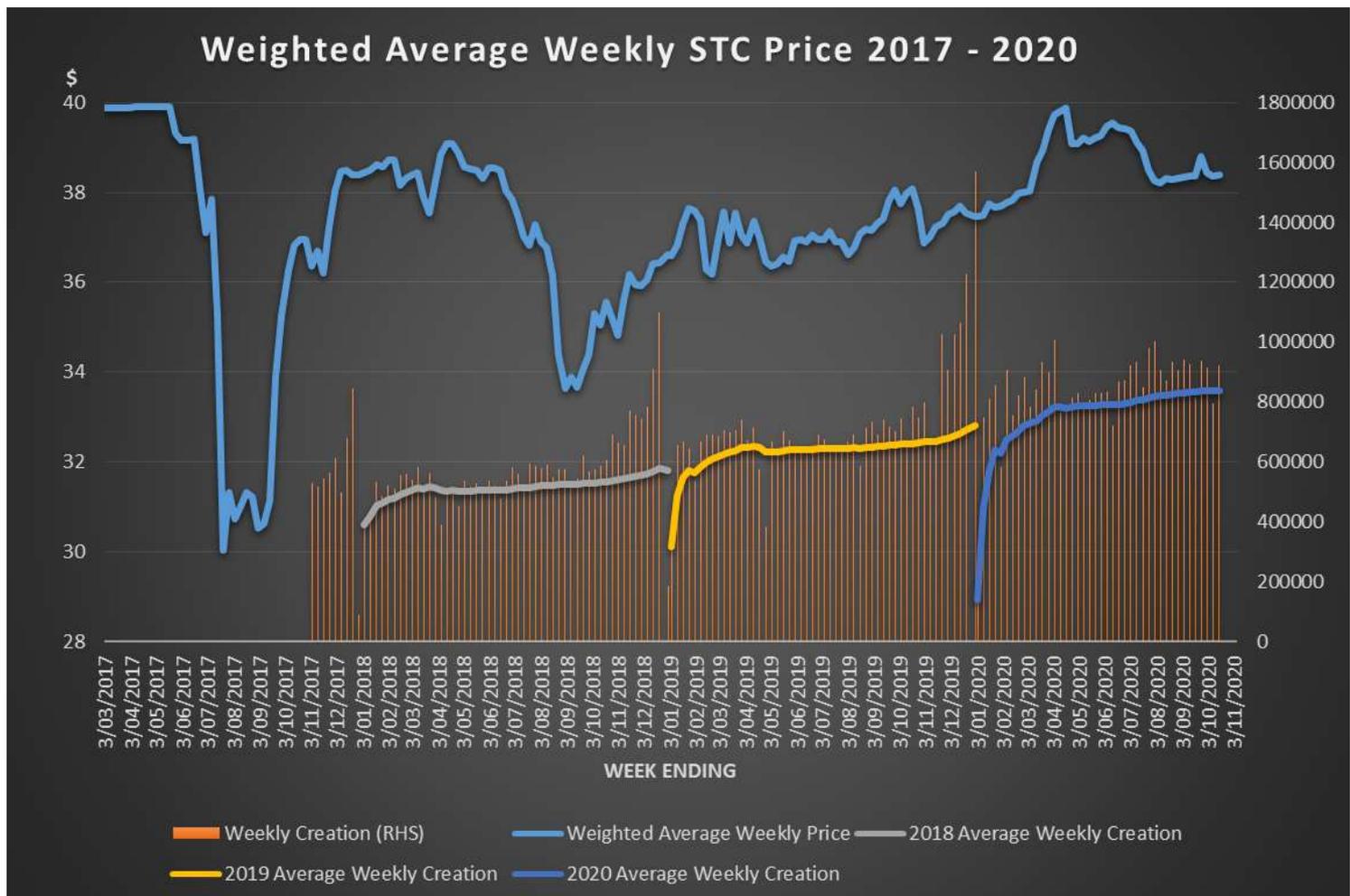
## Small Technology Certificates (STC)

STC creation remains steady while prices ended the week lower, having earlier risen.

Submissions to the Clean Energy Regulator returned to the levels prevailing prior to last week's holiday affected total, coming in at 921,300.

This month sees the surrender of certificates to meet Quarter Three obligations and buying to meet the delivery saw prices rise initially. Spot trading opened 5 cents higher, at \$38.45, and rapidly rose to the week's high of \$38.55. The buying interest dried up quickly however and sellers chased the price down to \$38.10 before a closing at \$38.20 on turnover of 572,000 STCs.

The forward market saw 600,000 certificates dealing for delivery from November this year to March 2021. Trades settling in November and December this year dealt in line with the prevailing spot level while those for 2021 ranged between \$38.35 and \$38.50 before settling at \$38.35 as the spot price fell.



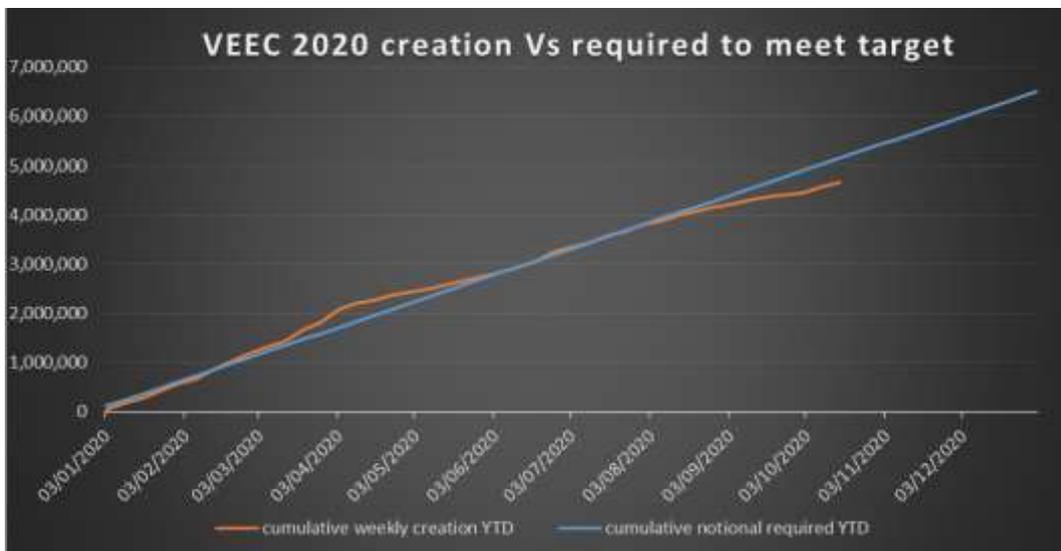
# VIC VEECs

VEEC creation fell modestly while market price rose slightly.

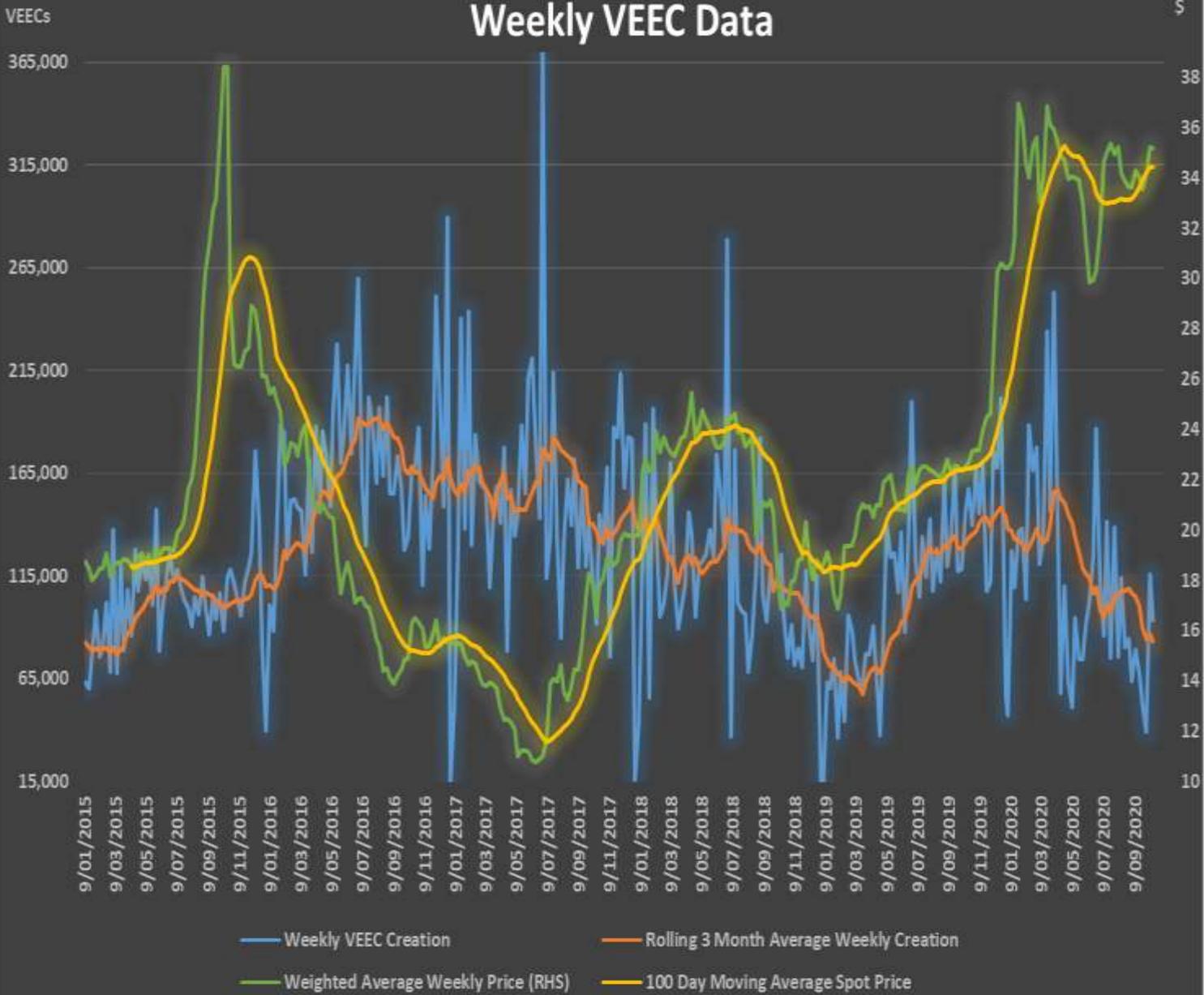
New VEEC registrations totalled 93,400 this week.

Spot trading opened unchanged at \$35.00 and the price gradually increased to a close at the week's high of \$35.25 on a modest turnover of 35,000 certificates.

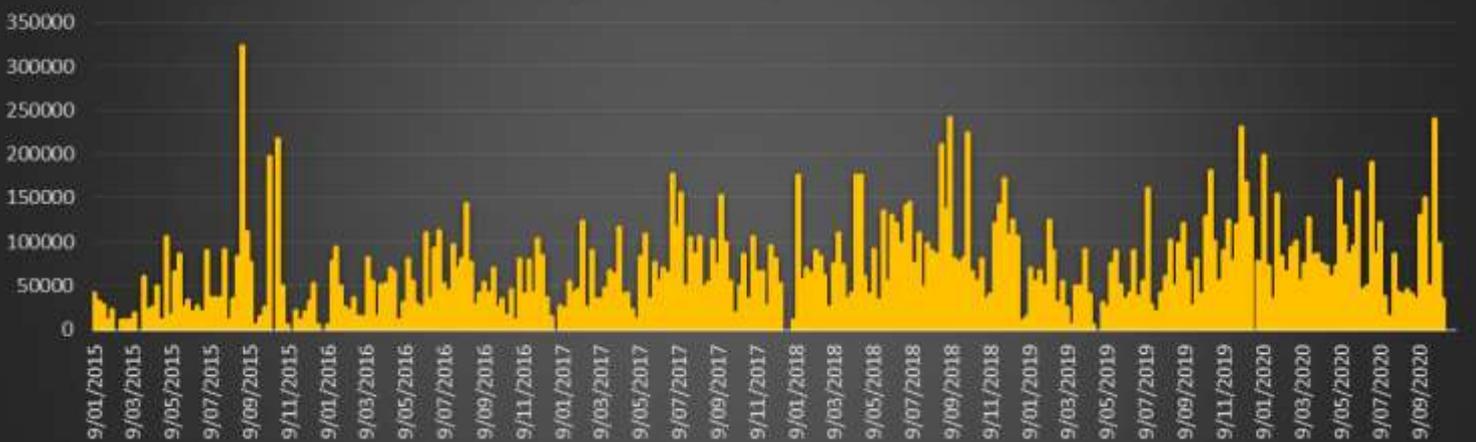
The forward market was also relatively quiescent with only 70,000 VEECs trading for delivery between November this year and January 2022. The forward curve steepened somewhat with trades for the rest of this year dealing in line with the prevailing spot price while those for mid 2021 gained a premium of around 40 cents, rising to around \$1.00 for January 2022.



## Weekly VEEC Data



## Weekly Traded Spot Volume



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