

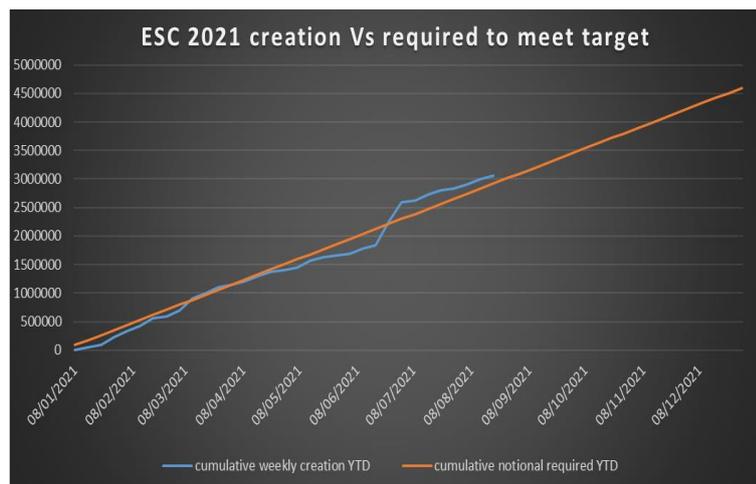
NSW ESCs

ESC creation fell this week while certificate prices continued to grind higher.

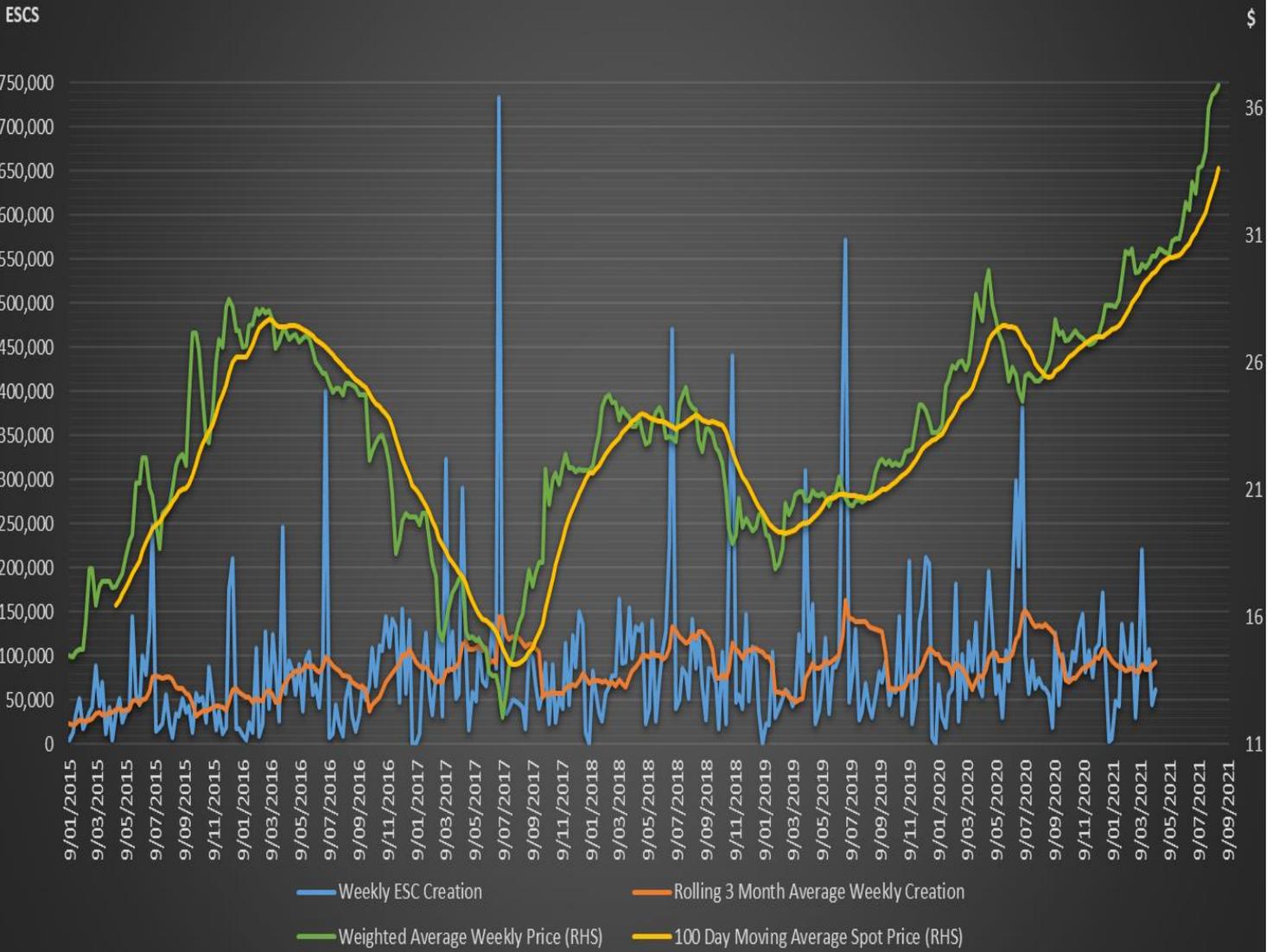
New registrations fell 20,000 to 68,800. This brings the number of certificates in the Registry just a few shy of seven million. This year’s surrender target is 4.6 million so we have a comfortable surplus.

The spot market opened sluggishly with no trades till Wednesday. This first deal was struck at \$36.90, a rise of 35 cents and the price closed at \$37.00 on turnover of just 15,000 ESCs. The size of the current surplus is probably weighing on the market price as is the fact that the scheme penalty rate is only around \$29.00. Even though this number is non tax deductible and equates to a tax deductible price around \$41.00, the two major energy retailers have announced losses in the past few weeks that will not see them pay tax for many years, so it is always possible that they could elect to pay the penalty rather than surrender more expensive certificates.

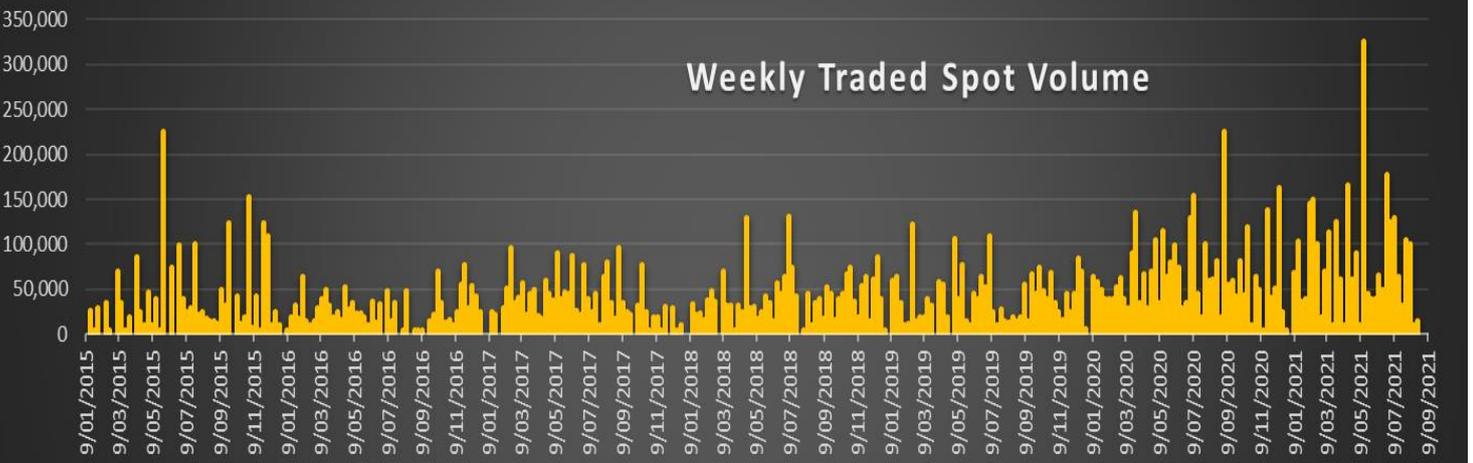
In forward trading 63,000 ESCs dealt for delivery from January 2022 to June 2023. Deals settling in 2022 added a premium of 30 cents over the prevailing spot price while those for 2023 gained 50 cents.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

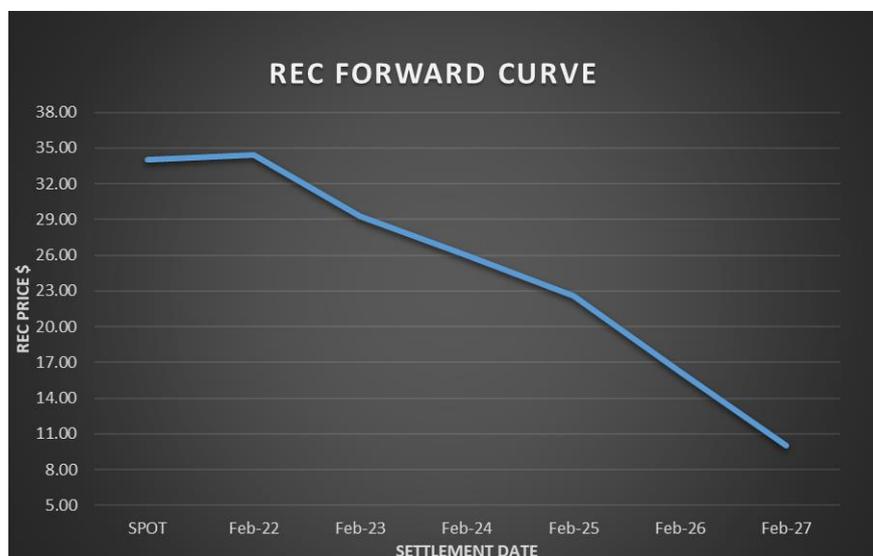


Renewable Energy Certificates

LGC prices fell throughout the curve this week on substantial volume of a million certificates in total.

The spot market opened unchanged at \$35.10 and remained at that level for the first part of the week. On Thursday Origin Energy announced their results and in all the information they provided to shareholders was their LGC surrender policy for last year and this year. In 2020 they paid the \$65 penalty rather than surrender three million certificates, using the three year window to buy Calendar 2023 certificates to surrender in February 2024 and recoup the penalty fee. They announced they would be doing the same thing again this year, resulting in around three million fewer LGCs being required for this year's surrender. The market reacted to the news by selling off with the spot price closing at the low of \$34.00 on turnover of 82,000 certificates.

Calendar 2021 (February 2022 Delivery) traded similarly, opening at \$35.10 and falling to close at \$34.40 on volume of 128,000 LGCs. Calendar 2022 dealt 280,000 certificates, opening at \$29.65 and falling to a low of \$28.25 before a slight recovery to \$29.25, a drop of only 25 cents. Calendar 2023 shed \$1.50 to close at \$26.00 on turnover of 295,000 LGCs while Calendar 2024 fell the most, dropping \$2.15 to close at \$22.60 on volume of 160,000 certificates. Calendar 2025 traded 54,000 LGCs closing 45 cents lower at \$16.25.



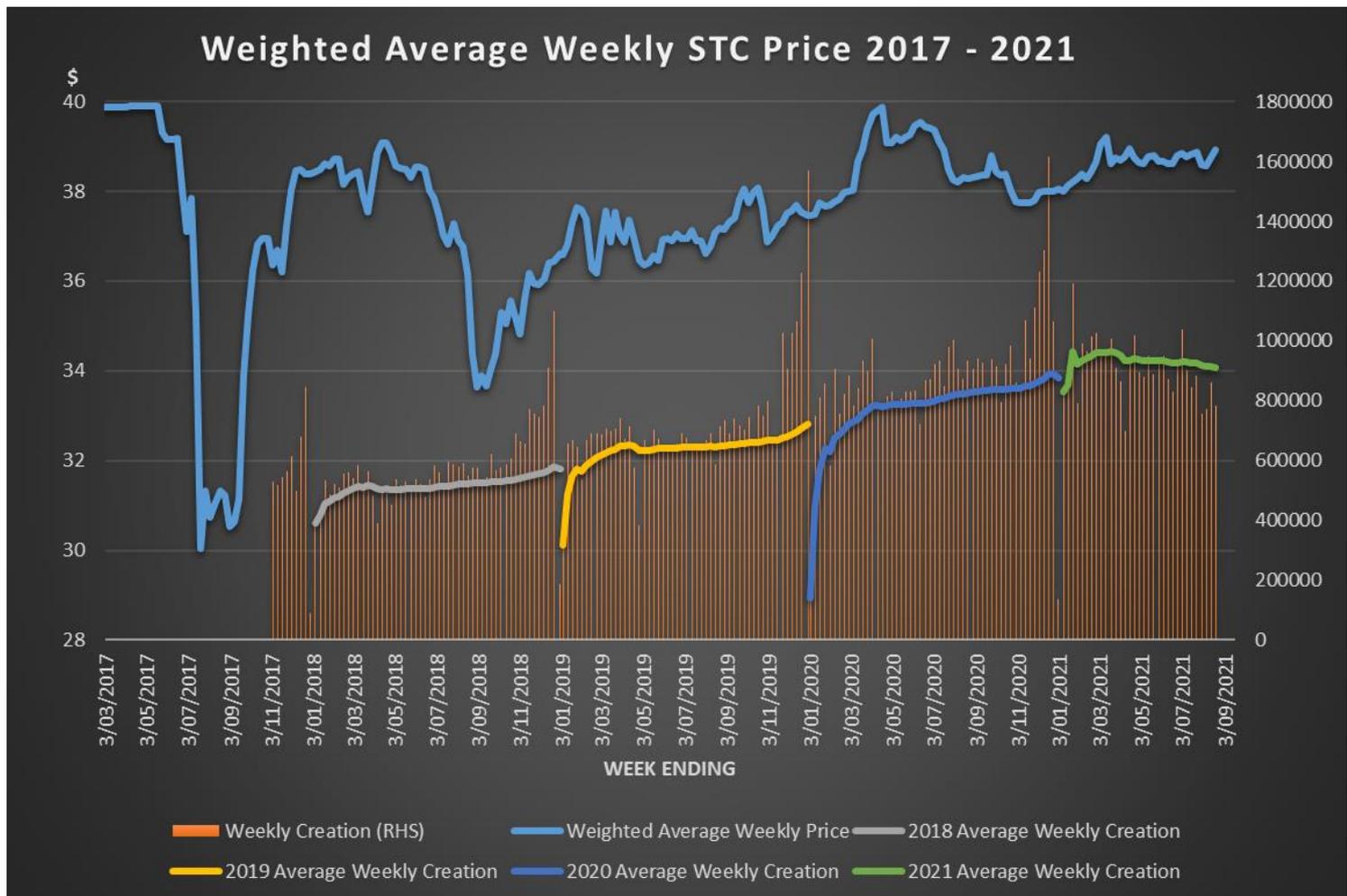
Small Technology Certificates (STC)

STC creation dropped slightly while certificate prices were unchanged.

New certificate registrations eased to 784,000 this week.

The spot market opened unchanged at \$38.90 and briefly rose to \$38.95 before closing at \$38.90 on turnover of 440,000 STCS.

There were no forward trades reported.



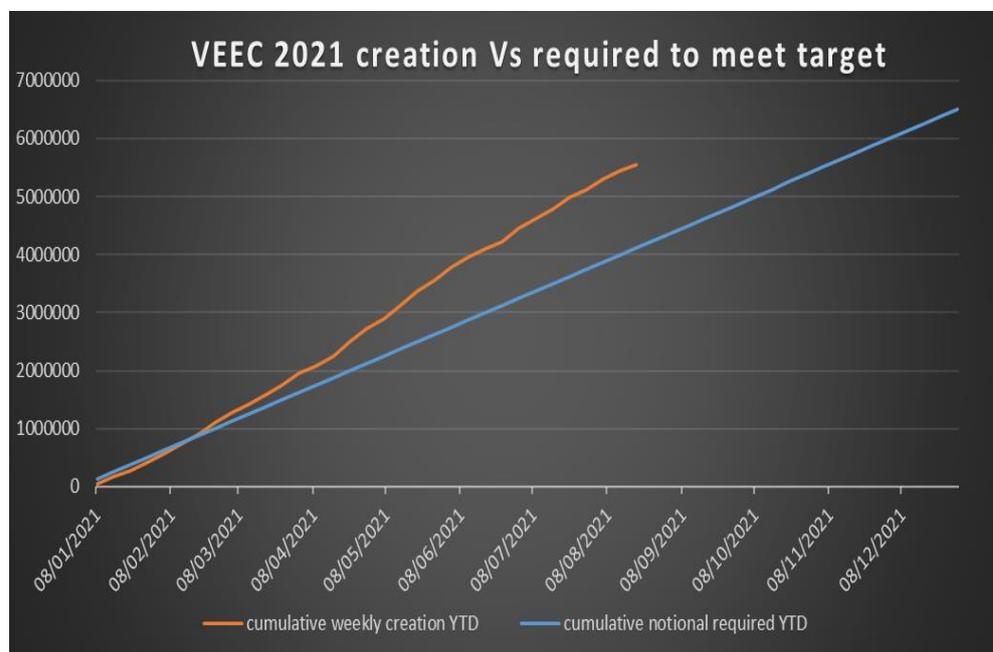
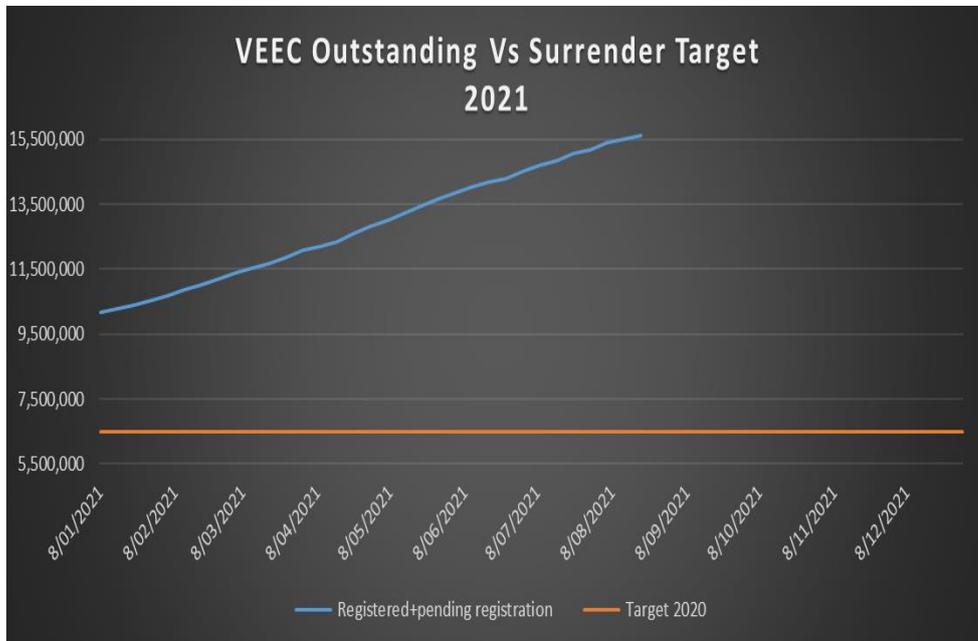
VIC VEECs

VEEC creation fell again this week while certificate prices soared towards the end of the week

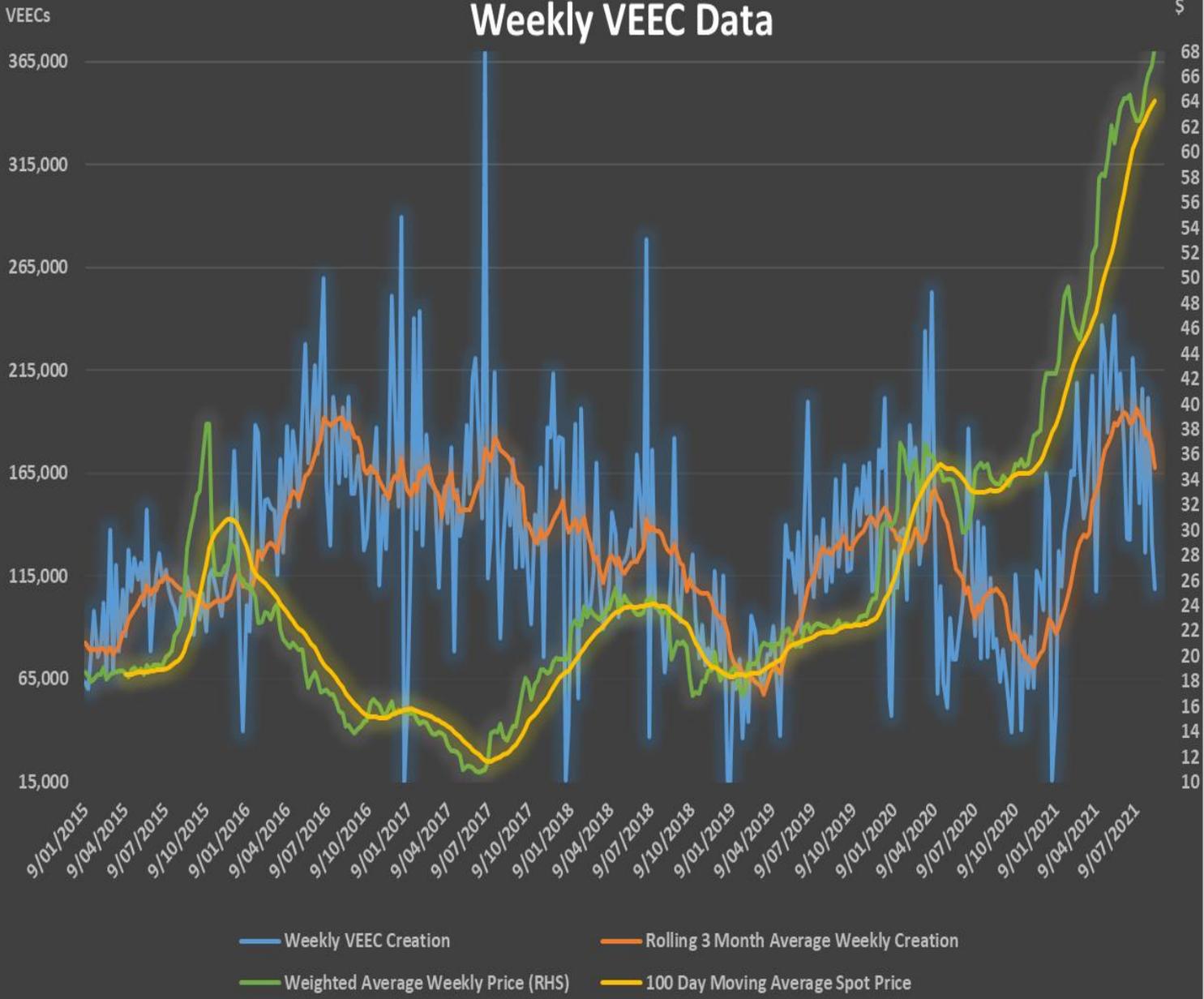
New VEEC registration came in at 109,000, a drop of about 20,000.

The spot market opened 35 cents higher, at \$67.60, and inched higher for the first half of the week. On Thursday the prospect of never ending lockdowns saw certificate prices rally sharply and this continued into Friday and a close at \$70.00 on turnover of 75,000 VEECs.

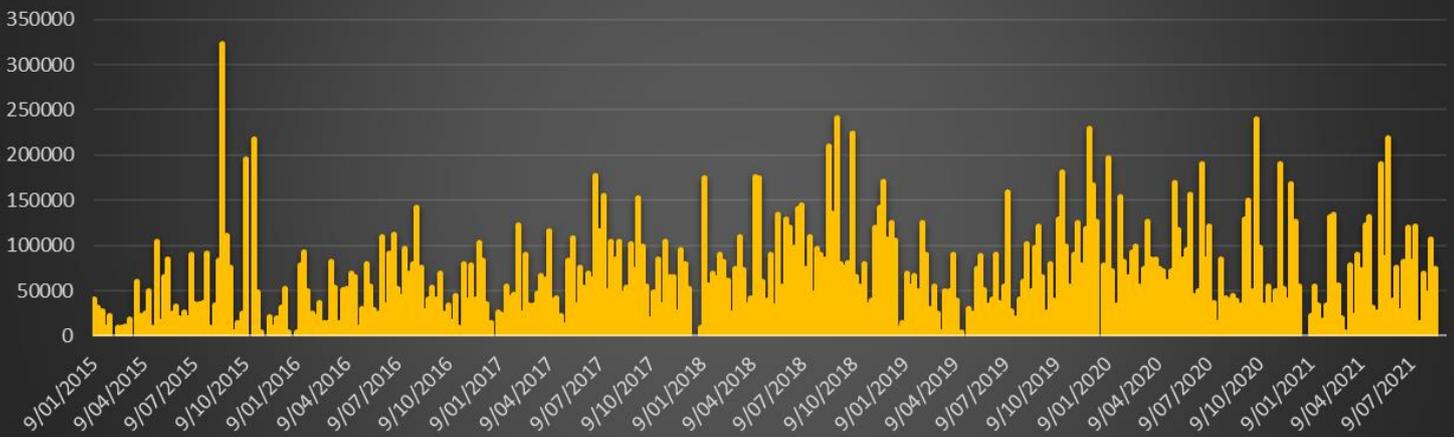
The forward market saw 110,000 certificates trade for delivery from September this year to July 2022. By the end of the week the curve had an upward bias with trades for December this year onwards dealing at \$71.00, \$1.00 higher than the closing spot price.



Weekly VEEC Data



Weekly Traded Spot Volume



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