Demand Manager

CERTIFICATE REPORT October 2026

ACCU

ACCU prices meandered this month, closing slightly lower

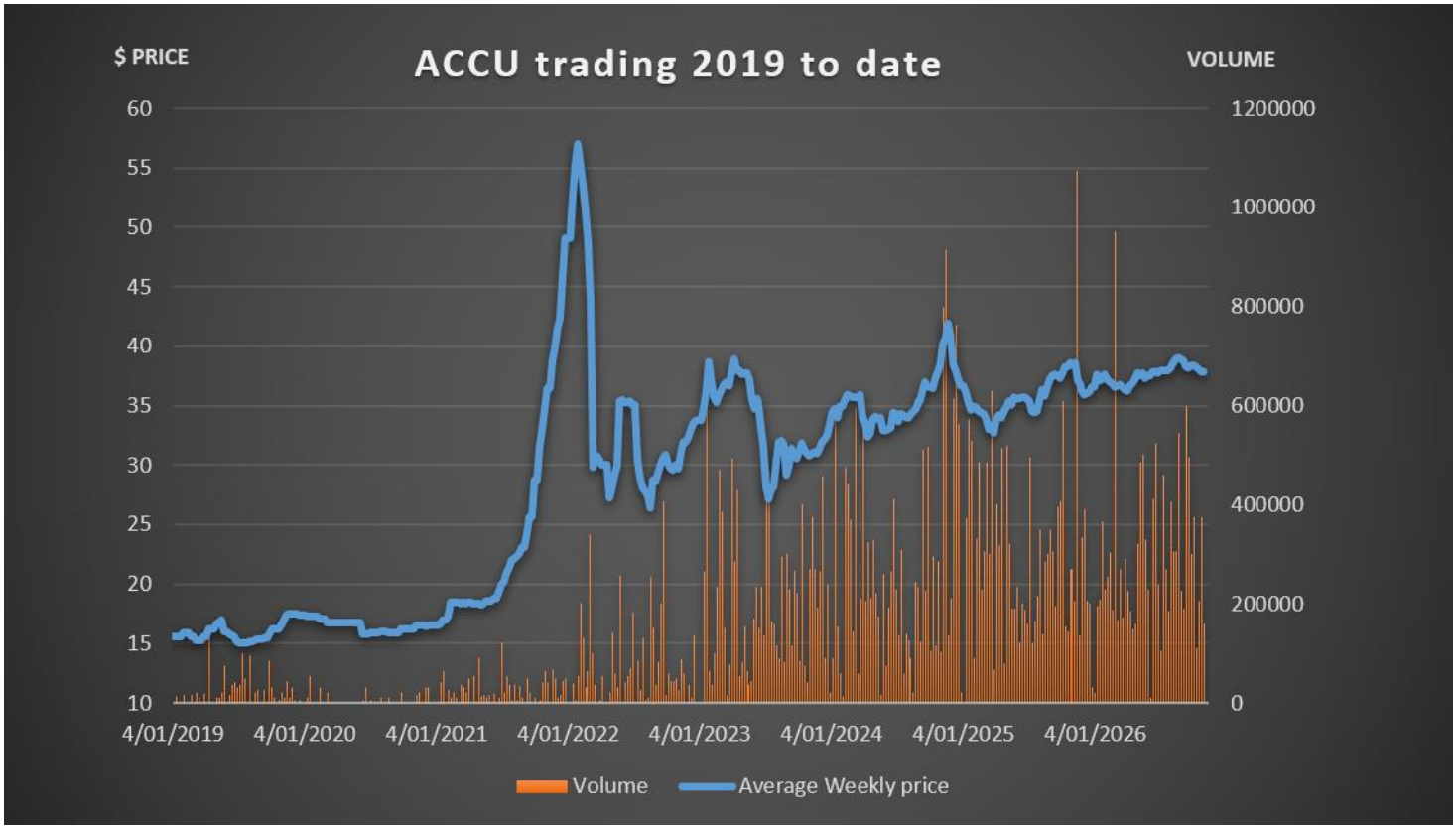
Despite talk of not allowing obligated parties under the safeguard mechanism to surrender 100% of their target via ACCUs but to undertake actual emissions reductions the ACCU market was very lacklustre throughout October.

The spot market opened 15 cents lower at $38.25 and the price drifted lower for most of the month, falling to a low of $37.70 before some buying interest got us back to a close at $38.15 on turnover of one million certificates.

The forward market saw 770,000 ACCUs trade for delivery in December 2026. These deals were struck at a cost of carry of around 3.5%.

Safeguard Mechanism Certificates did not trade during the month.

The spread between Human Induced Regeneration (HIR) ACCUs and generic (no Avoided Deforestation) certificates continued to be flat.



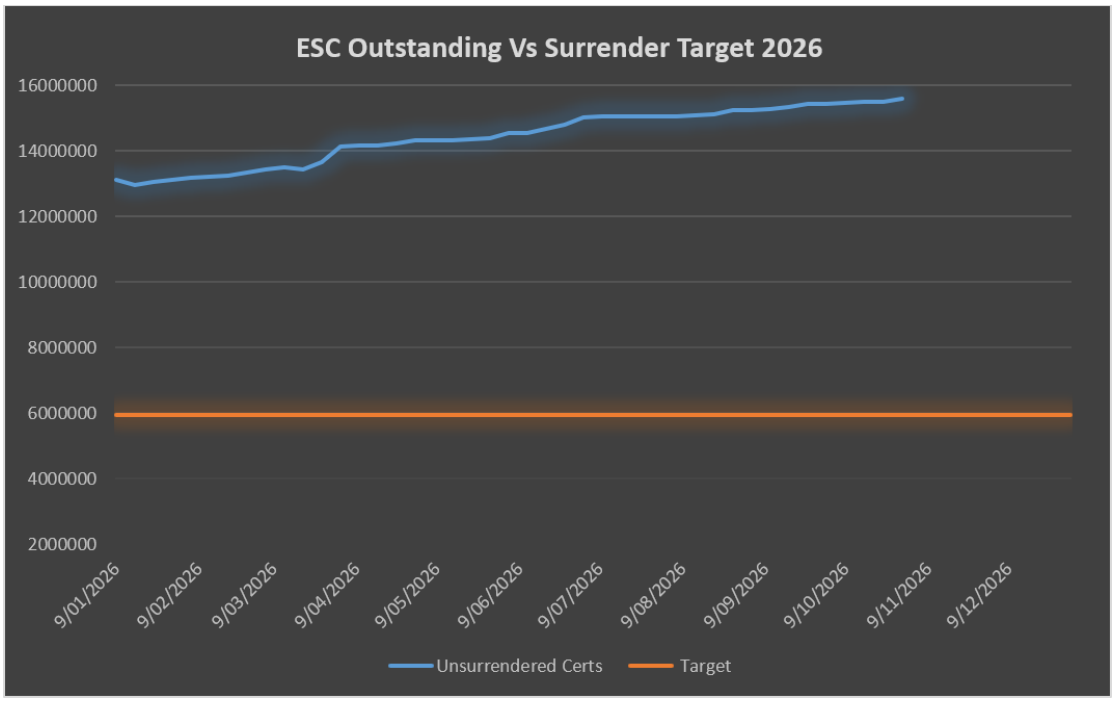
NSW ESCs

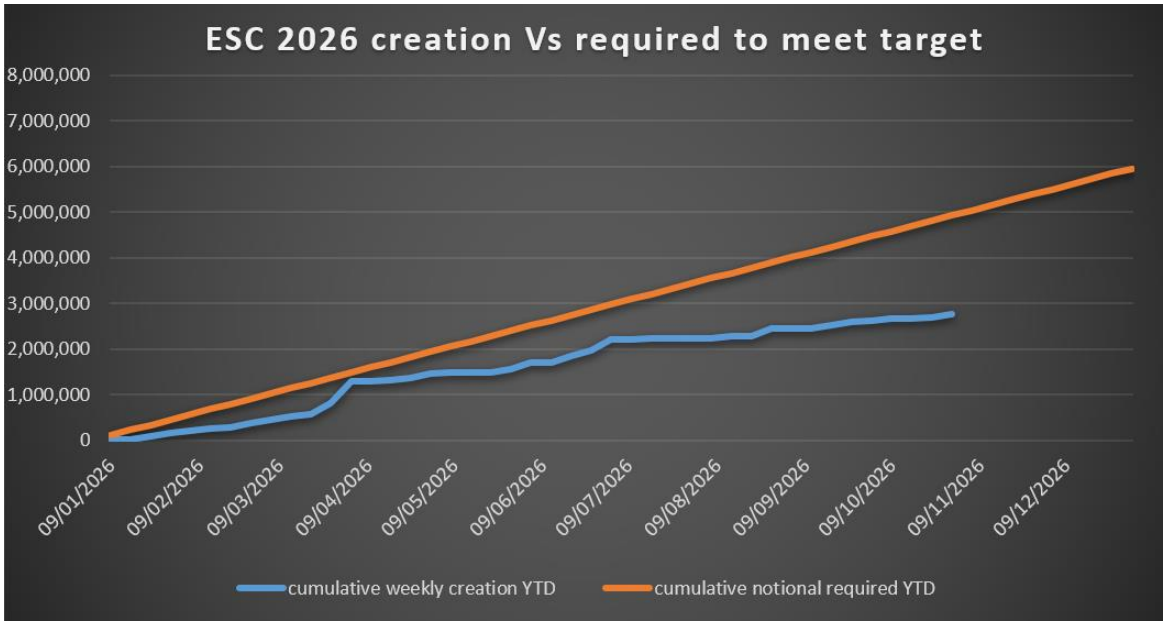
ESC prices moved lower this month

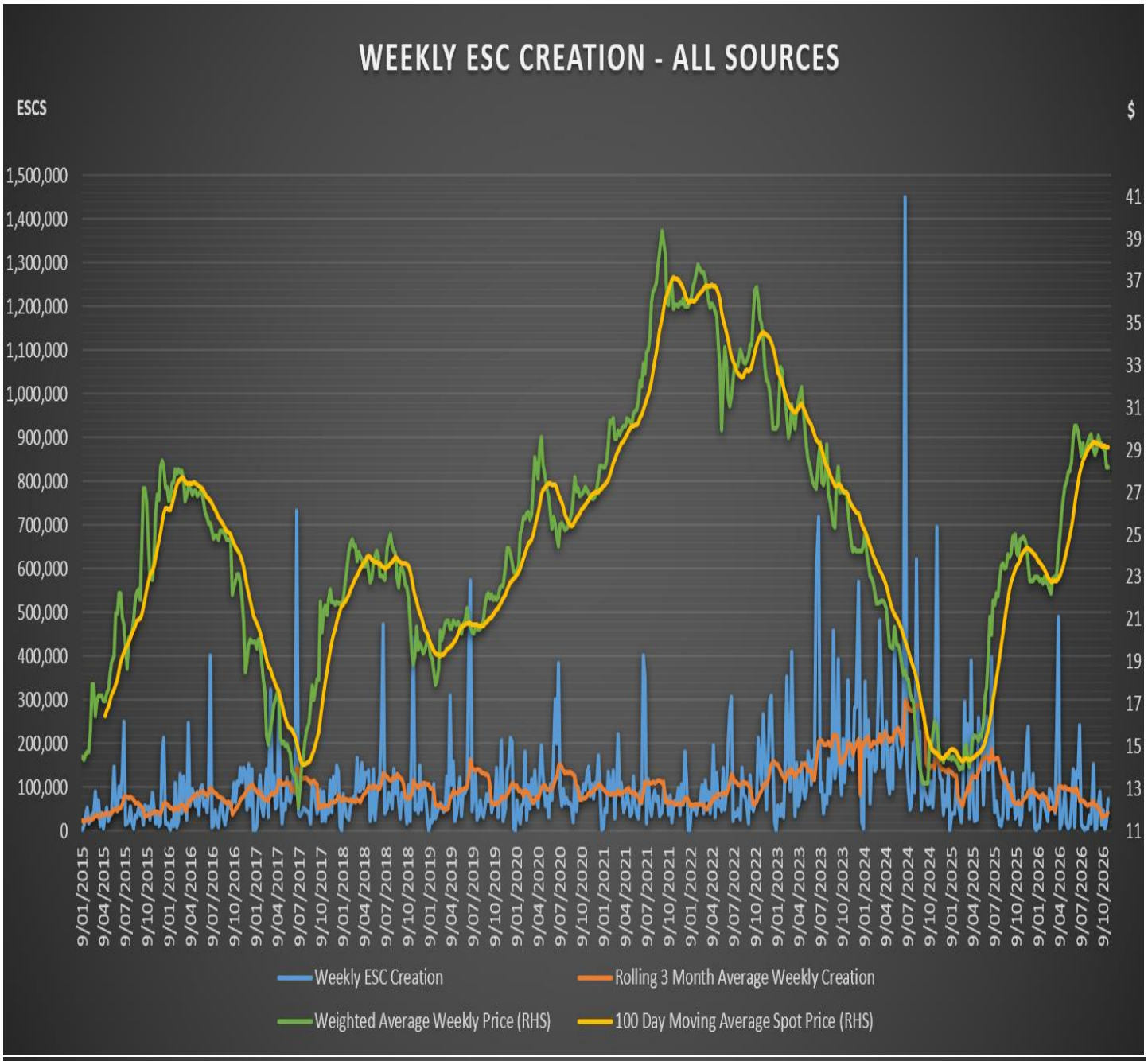
Certificate creation fell again in October with only 147,000 registered.

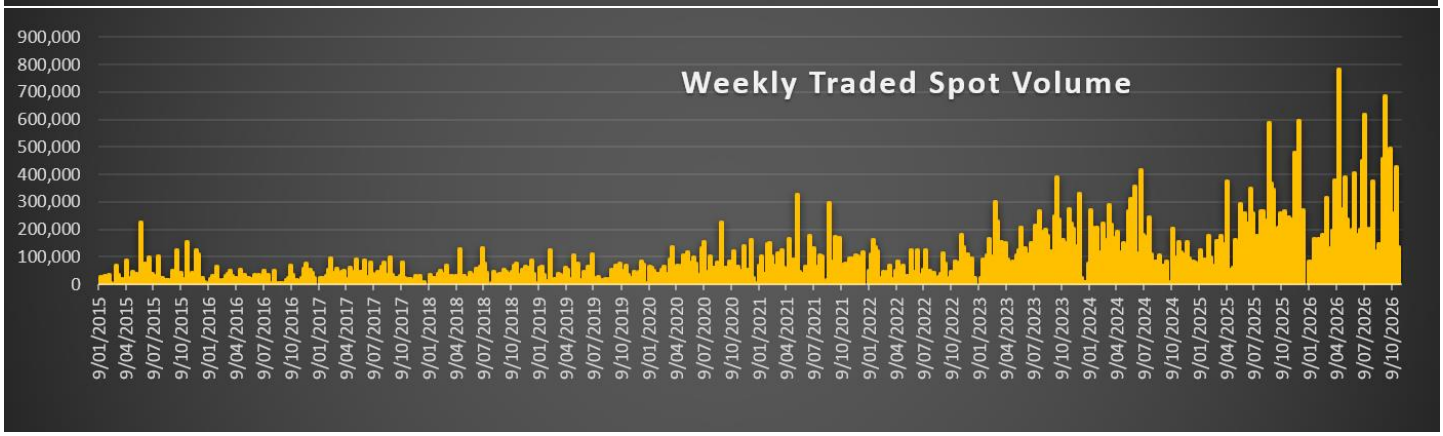
It was another active trading month with 1.2 million ESCs dealing in the spot market. The price opened 10 cents lower, at $29.15, and traded around this level for most of the month. On the 20th IPART held a scheme forum at the state library in Sydney. Participants were obviously looking for some information that would keep the price rising though no new information was forthcoming. The market began to sell off from there, reaching a low of $27.75 before recovering a little to close at $28.50.

The forward market was also quite active with 740,000 ESCs dealing for delivery from late October to June 2027. The curve was upward sloping reflecting a cost of carry of around 5.5%






WEEKLY ESC CREATION - ALL SOURCES
ESCS
$
1,500,000
1,400,000
1,300,000
1,200,000
1,100,000
1,000,000
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
41
39
37
35
33
31
29
27
25
23
21
19
17
15
13
11
9/01/2015
9/04/2015
9/07/2015
9/10/2015
9/01/2016
9/04/2016
9/07/2016
9/10/2016
9/01/2017
9/04/2017
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9/04/2024
9/07/2024
9/10/2024
9/01/2025
9/04/2025
9/07/2025
9/10/2025
9/01/2026
9/04/2026
9/07/2026
9/10/2026
Weekly ESC Creation
Rolling 3 Month Average Weekly Creation
Weighted Average Weekly Price (RHS)
100 Day Moving Average Spot Price (RHS)


Weekly Traded Spot Volume
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
9/01/2015
9/04/2015
9/07/2015
9/10/2015
9/01/2016
9/04/2016
9/07/2016
9/10/2016
9/01/2017
9/04/2017
9/07/2017
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9/10/2024
9/01/2025
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9/07/2026
9/10/2026

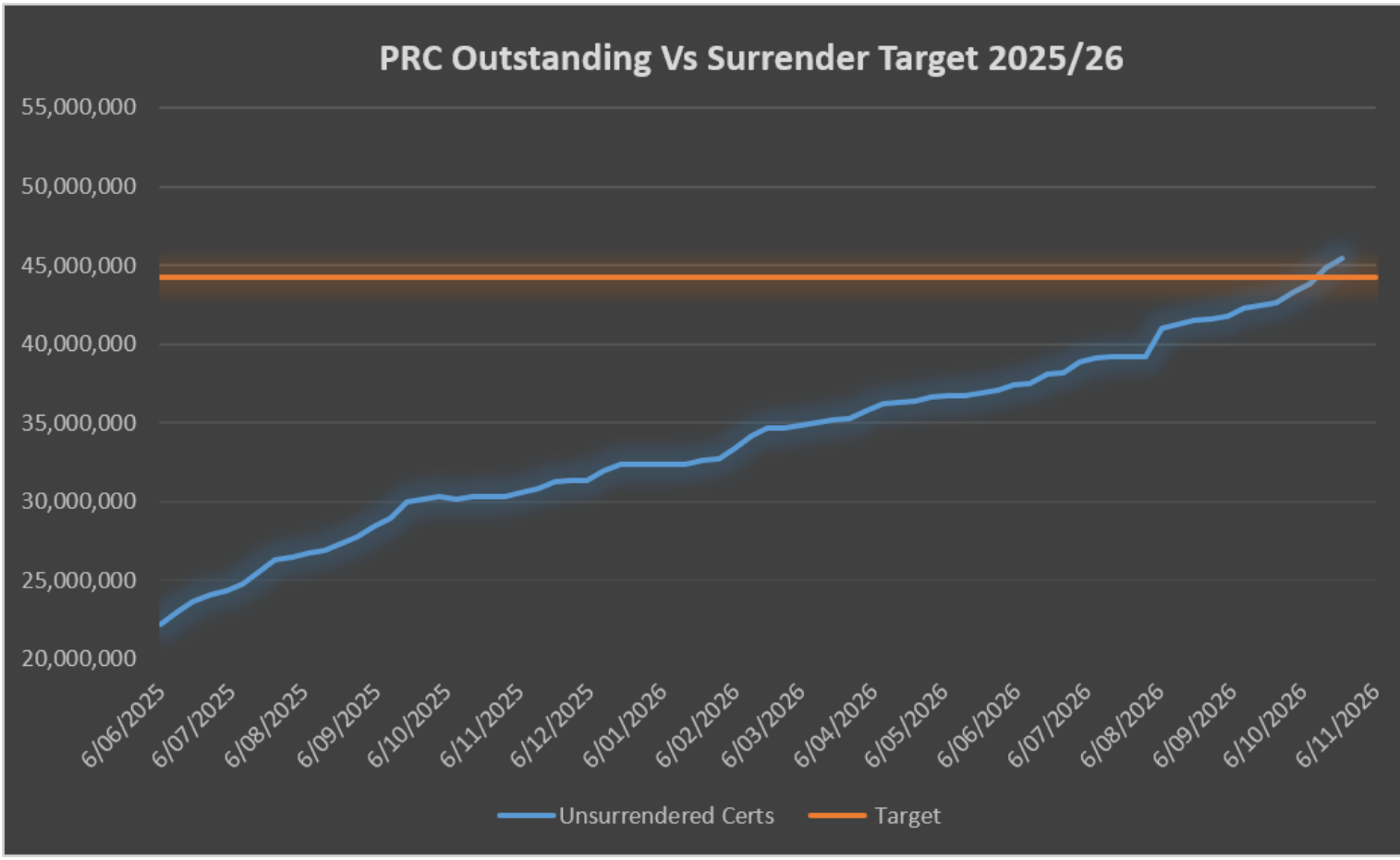
NSW PRC

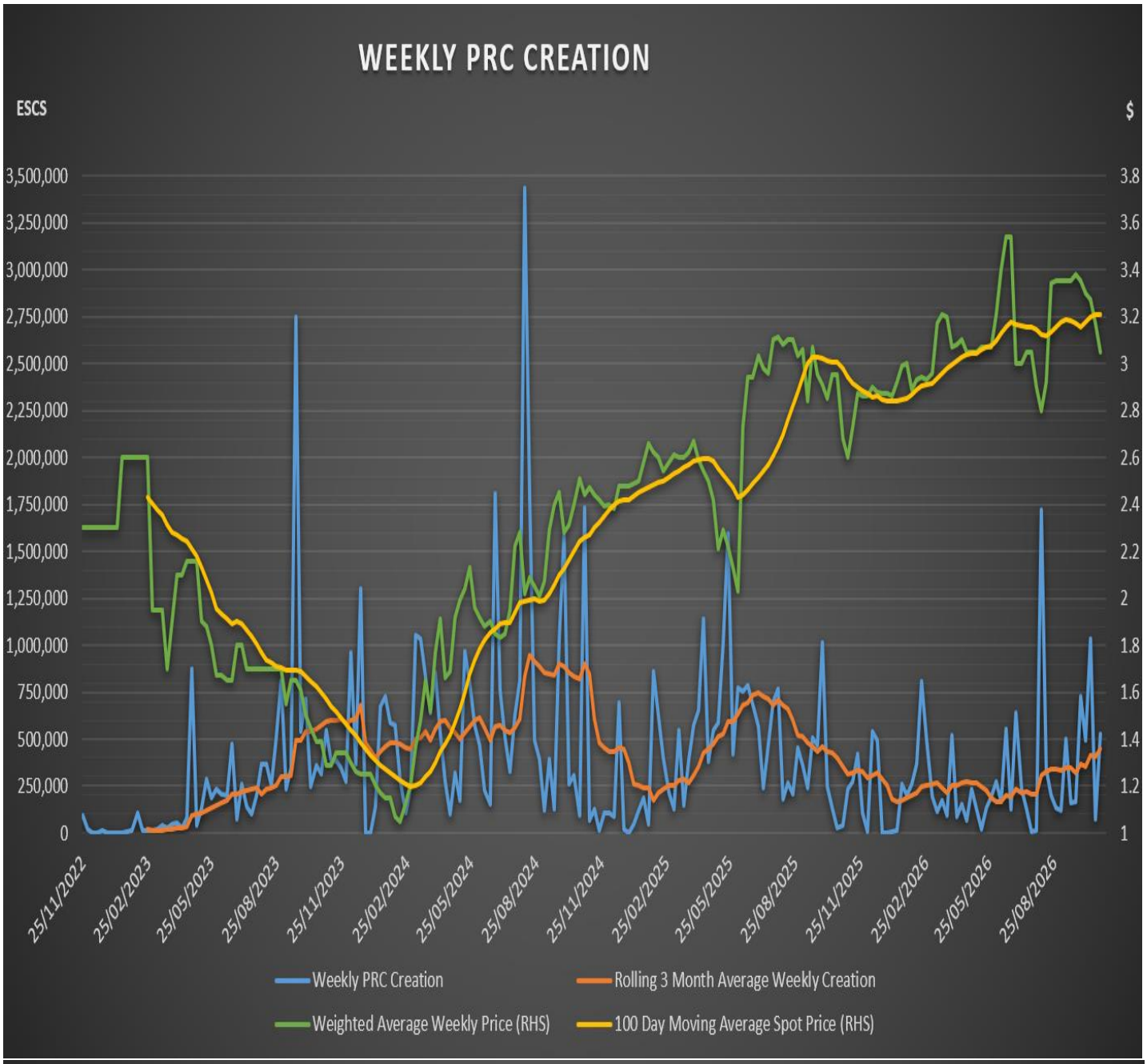
PRC prices fell this month on expectations of increased supply

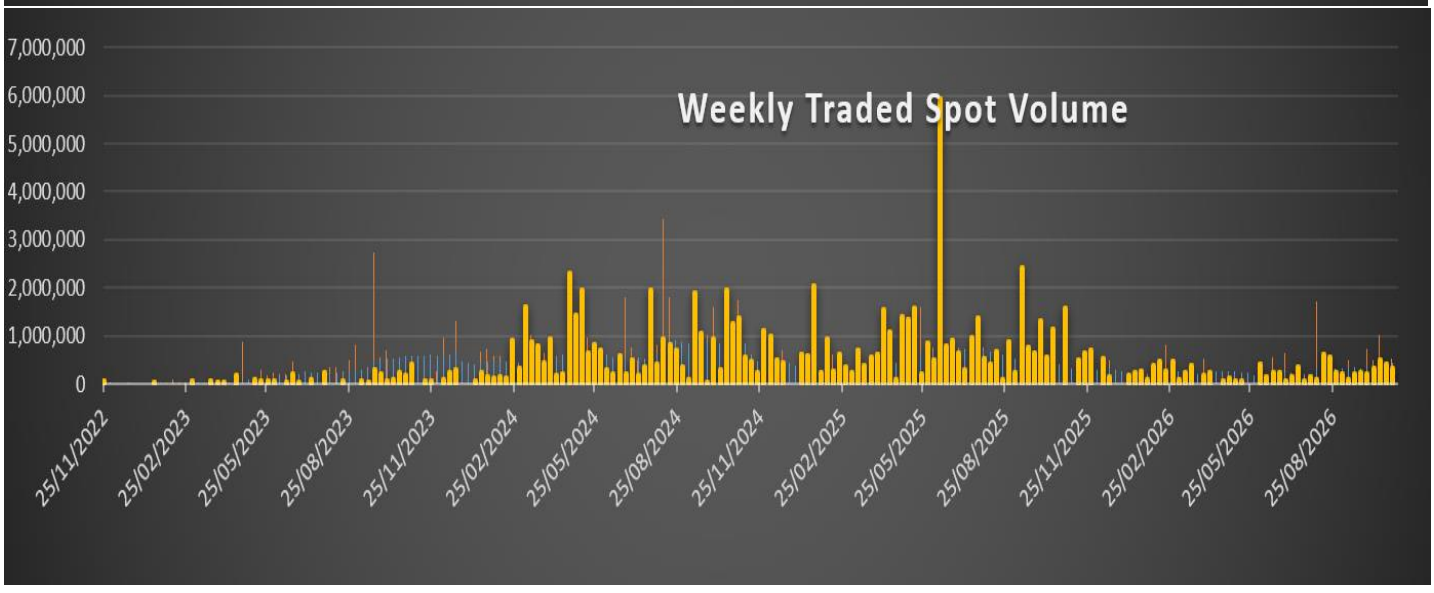
Certificate creation rose slightly to come in at 2.14 million certificates. There is now just enough in the registry to cover the 2025/26 surrender target.

We have yet to see any PRC creation for the new battery activities though anecdotally there has been a significant uptake of the offering. This has led to selling in the spot and forward markets. The spot price opened at $3.30, a drop of 10 cents. From there continued selling saw the price fall to the month's low of $3.00 on trading volume of 1.7 million certificates.

Forward market action saw 1.6 million PRCs trade for delivery from November this year to December 2027. Deals settling before the March 2027 surrender deadline for the 2025-26 period traded in line with the spot price while those for later deliveries saw a discount of up to 30 cents.




WEEKLY PRC CREATION
ESCS
$
3,500,000
3,250,000
3,000,000
2,750,000
2,500,000
2,250,000
2,000,000
1,750,000
1,500,000
1,250,000
1,000,000
750,000
500,000
250,000
0
3.8
3.6
3.4
3.2
3
2.8
2.6
2.4
2.2
2
1.8
1.6
1.4
1.2
1
25/11/2022
25/02/2023
25/05/2023
25/08/2023
25/11/2023
25/02/2024
25/05/2024
25/08/2024
25/11/2024
25/02/2025
25/05/2025
25/08/2025
25/11/2025
25/02/2026
25/05/2026
25/08/2026
Weekly PRC Creation
Rolling 3 Month Average Weekly Creation
Weighted Average Weekly Price (RHS)
100 Day Moving Average Spot Price (RHS)


Weekly Traded Spot Volume
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
25/11/2022
25/02/2023
25/05/2023
25/08/2023
25/11/2023
25/02/2024
25/05/2024
25/08/2024
25/11/2024
25/02/2025
25/05/2025
25/08/2025
25/11/2025
25/02/2026
25/05/2026
25/08/2026

Renewable Energy Certificates

LGC prices closed lower across the curve.

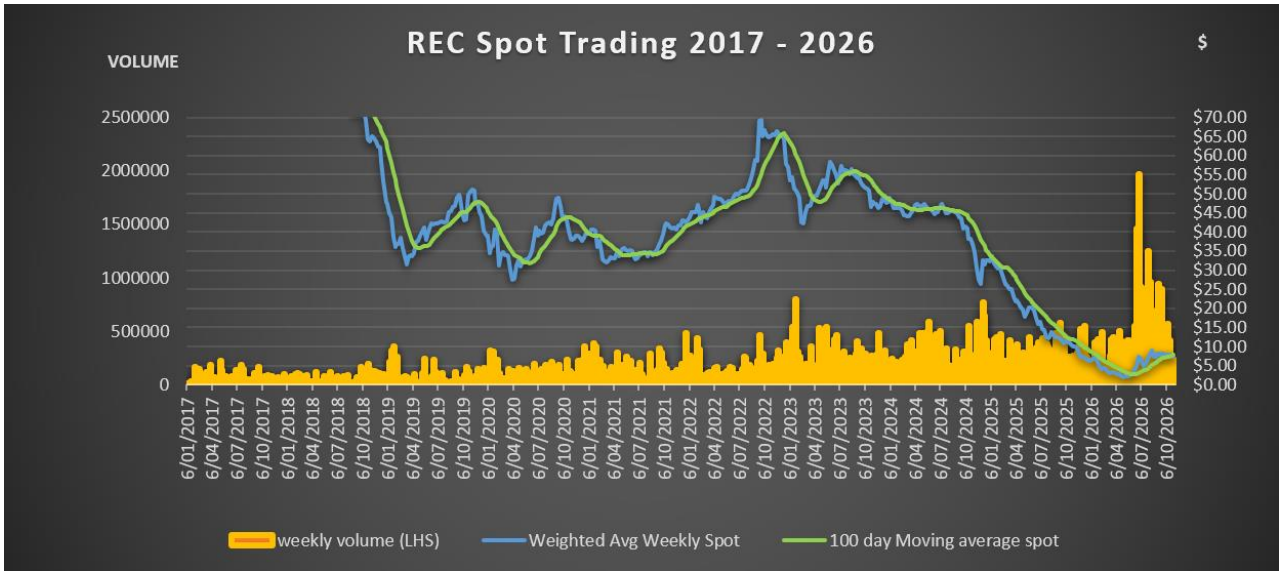
Despite all the talk of how data centres should power themselves there were no new developments this month and the relentless drip of selling from various unhedged renewable projects weighed on the market price.

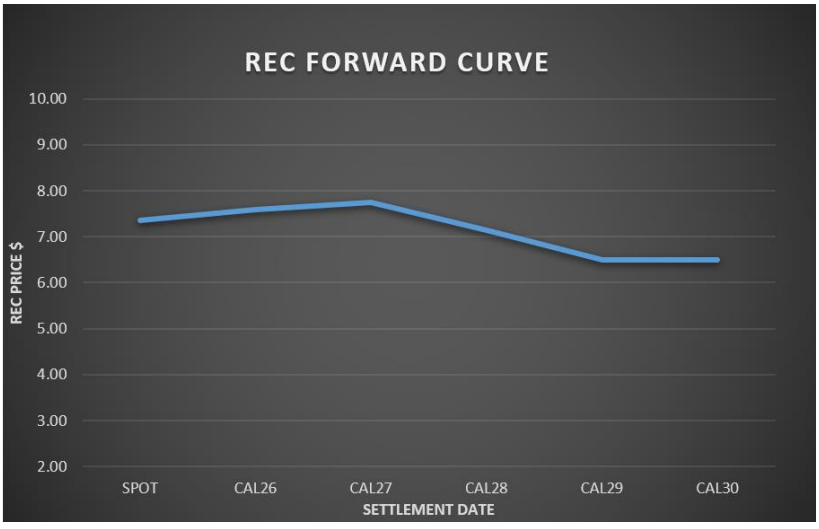
The spot price opened at an unchanged $7.55 and rose a little to $7.95 initially. This buying enthusiasm was shortlived however and the selling recommenced resulting in a close at $7.35 on turnover of 1.48 million LGCs.

Calendar 2026 followed the same pattern opening at $7.70 and rising to $8.10 but then falling to a close at $7.60 for a 50 cent loss for the month. Turnover was reported as an anaemic 220,000 certificates..

Calendar 2027 saw 740,000 certificates trade. This contract opened at $8.05 and rose to $8.15 before falling to a low of $7.50 before a weak recovery to close at $7.75, a loss of 40 cents.

Calendar 2028 dropped the most. It shed $1.30, opening at $8.00 and falling constantly to finish at $7.15 on trading volume of 660,000 LGCs. Calendar 2029 shed $1.00 to close at $6.50 on turnover of 620,000 certificates while Calendar 2030 also closed at $6.50 losing 50 cents on turnover of 360,000 LGCs.



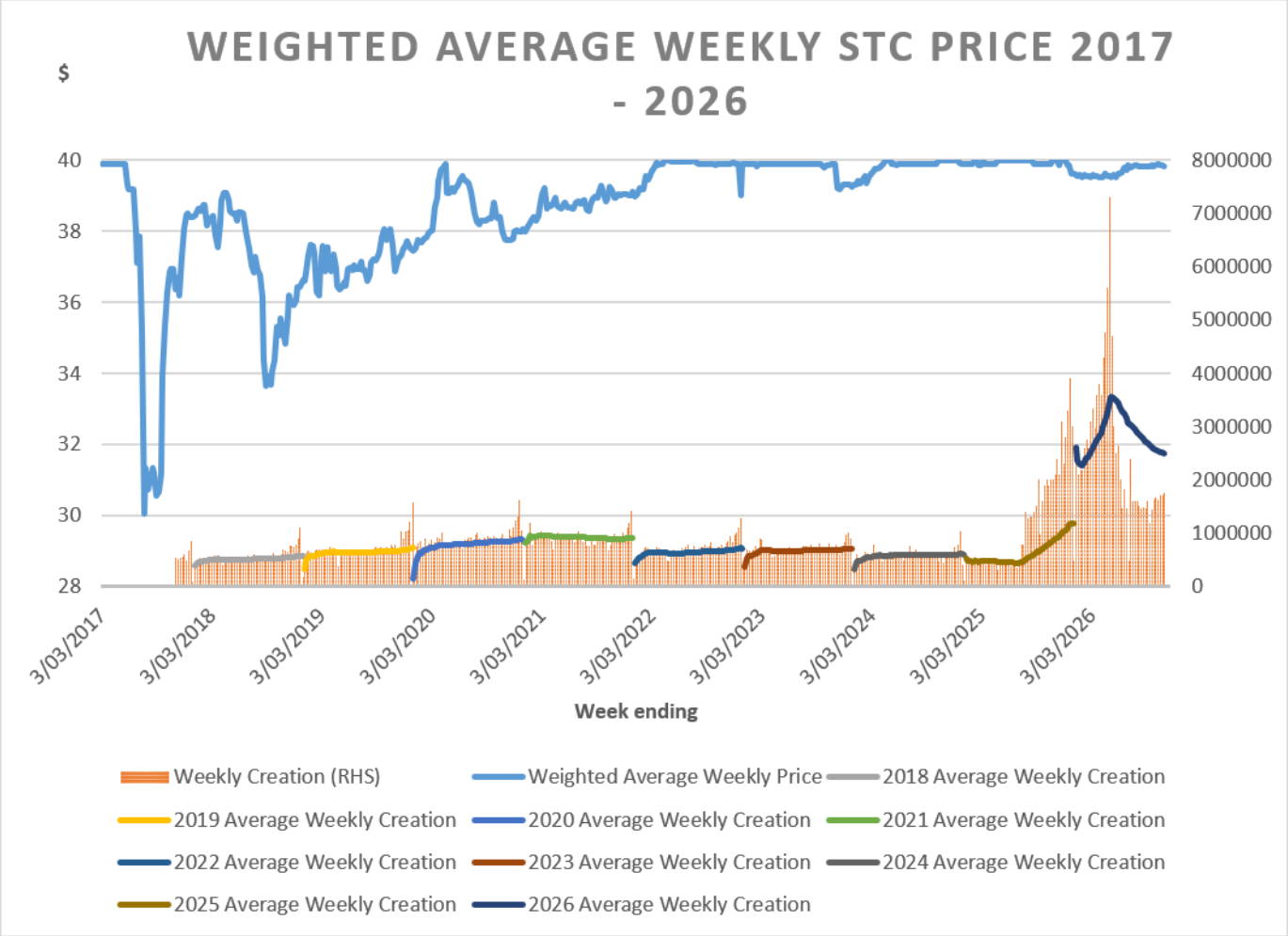


Small Technology Certificates (STC)

Despite the Clearing House continuing to be in surplus all month STC prices remained high

The spot market dealt throughout October in a tight range of $39.85-$39.90. Trading volume was reported as 522,000 certificates.

In the forward market 210,000 STCs dealt for delivery from February to July next year at $39.85.



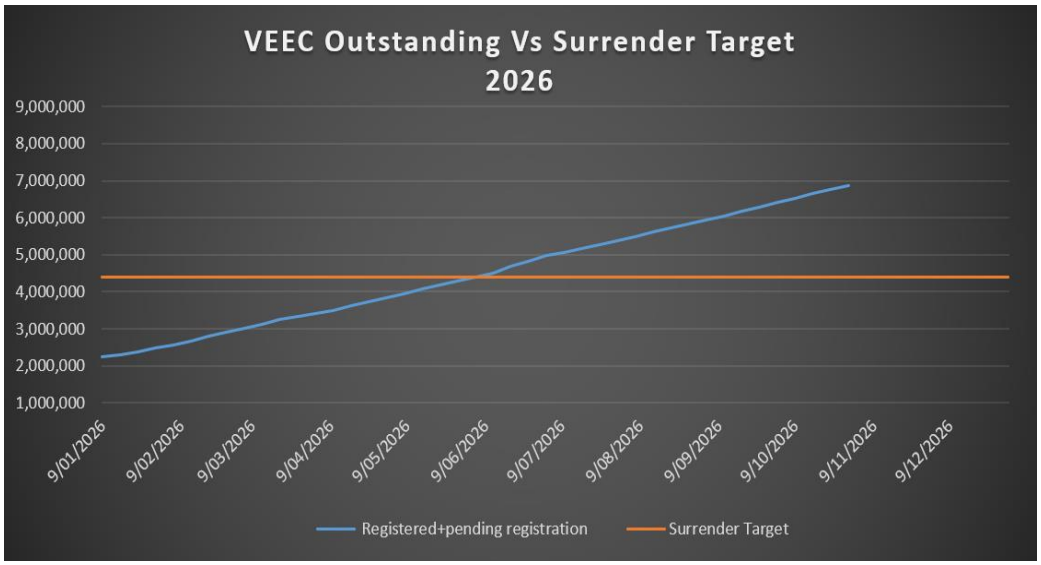
VIC VEECs

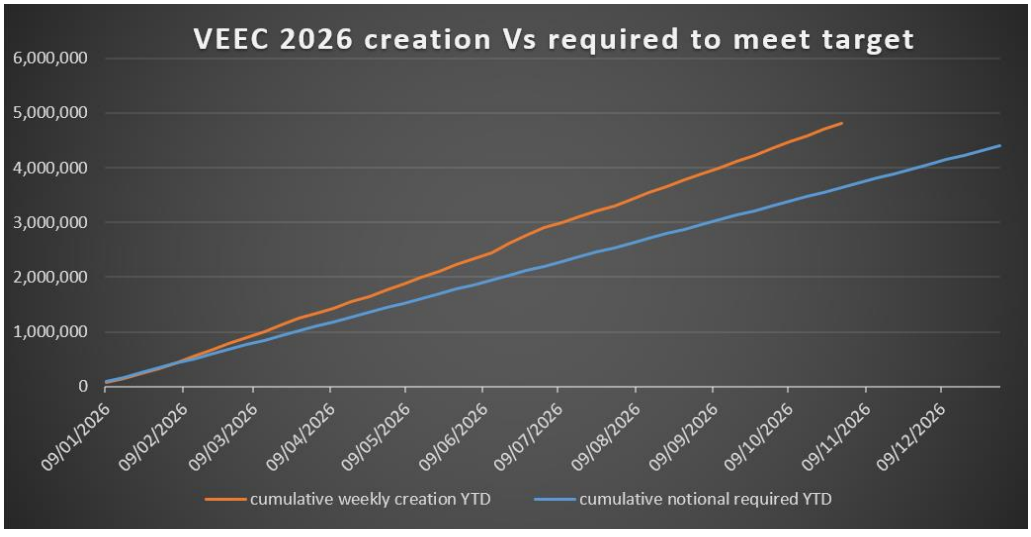
October was the month that VEECs finally discovered gravity.

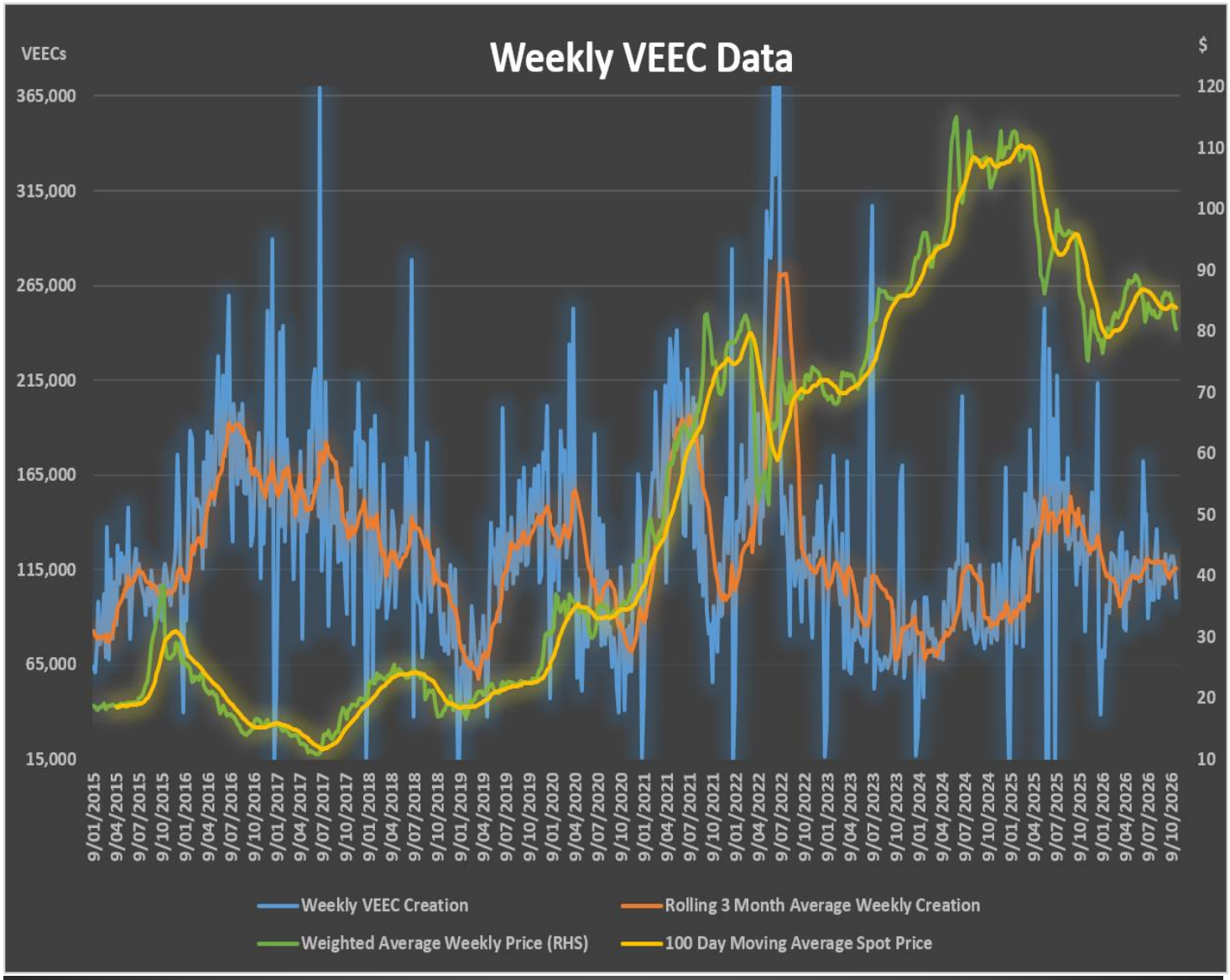
Certificate registrations were stable with just over 500,000 new VEECs created. This brings the surplus over the 2026 surrender requirements to 2.5 millio certificates, more than half of next year's 4.6 million target.

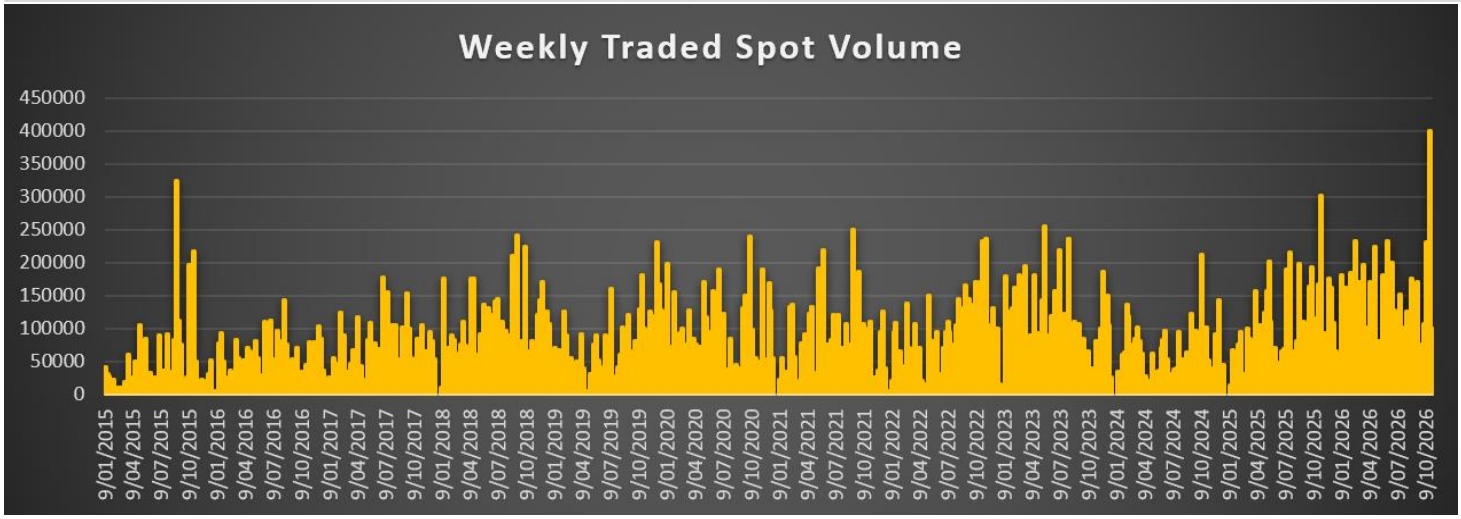
The relentless increase in certificate supply in company with market uncertainty over the upcoming state election saw the spot price open at an unchanged $86.00 and then immediately start to fall. Selling picked up momentum into the middle of the month by which time the price had dropped to $83.00. The Labor government then announced plans to end the Solar Victoria subsidy to home owners putting on solar systems from 1 July next year, allowing them to create VEECs instead. Selling pressure increased in the face of this addition to next year's supply and the price fell to the month's low of $79.75. Some retail buying at that level saw the market close at $80.40 on turnover of 866,000 VEECs.

The forward market saw 950,000 certificates trade for delivery from November this year to June 2028. The curve steepened this month with trades for the next six months attracting a premium of between 50 cents to $1.00 while longer dated deliveries saw a premium of up to $2.00 over the spot price.









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