

CERTIFICATE REPORT

02/07/2021

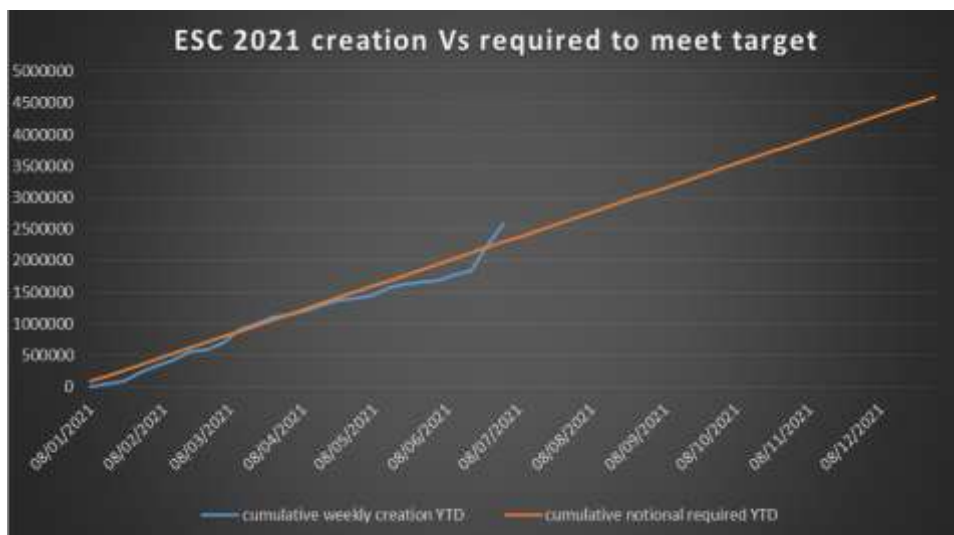
NSW ESCs

ESC creation was strong again into the end of the financial year while certificate prices yielded ground.

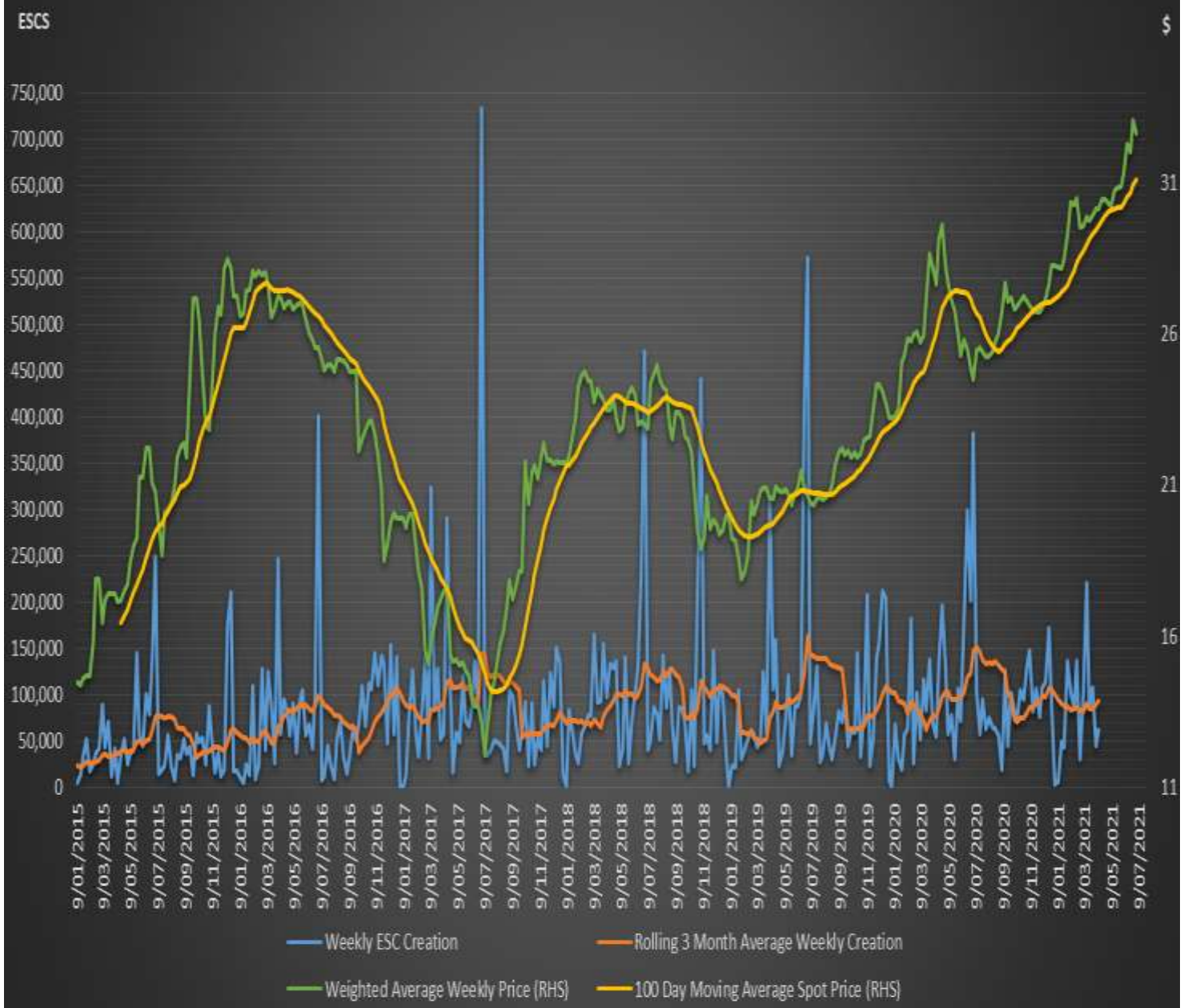
The usual end of financial year rush to create certificates took off late this year but it did appear eventually with over 750,000 ESCs minted in the last ten days of the month. Despite June 2021 creating nearly 200,000 fewer certificates than June 2020, the total creation for the financial year was much higher than the previous one – 5.2 million versus 4.7 million certificates. Total creation for the week was 351,000 ESCs.

This surge in creation saw the ESC price fall from the heights seen early last week as the market fretted that it would not appear. The first spot trade wasn't until Wednesday and it was struck at \$32.90, an 85 cent fall from the prior close. The market fell further to a low of \$32.25 before recovering somewhat to close at \$32.50 on turnover of 126,000 ESCs.

In forward trading 80,000 certificates dealt for delivery between late July this year and June 2022. The curve was flat with all forward trades being struck in line with the prevailing spot price.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume



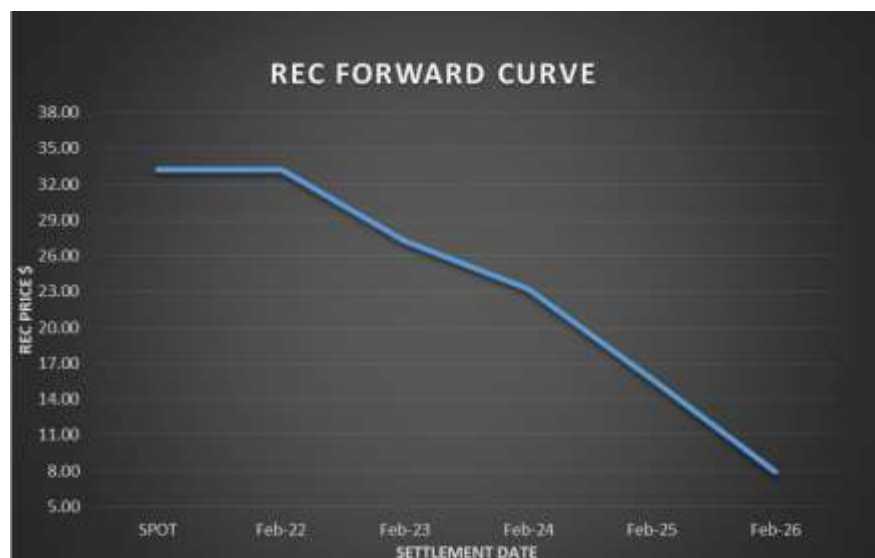
Renewable Energy Certificates

LGC prices were little moved this week as the recent curve flattening continued.

The spot market opened 10 cents lower, at \$33.25 and briefly dipped to \$33.00 before closing back at \$33.25 on turnover of 77,000 LGCs.

Calendar 2021 (February 2022 delivery) saw only 10,000 certificates trade, firstly at \$33.00 and then at \$33.25 for a 25 cents fall on the week. Calendar 2022 opened at an unchanged \$27.00 and climbed to a high of \$27.50 before closing at \$27.25, and a 25 cents gain, on volume of 245,000 LGCs.

Calendar 2023 added 50 cents, opening at \$22.75 and rising to \$23.25 on turnover of 60,000 certificates while Calendar 2024 added 65 cents, opening at \$15.40 and finishing the week at \$15.65.



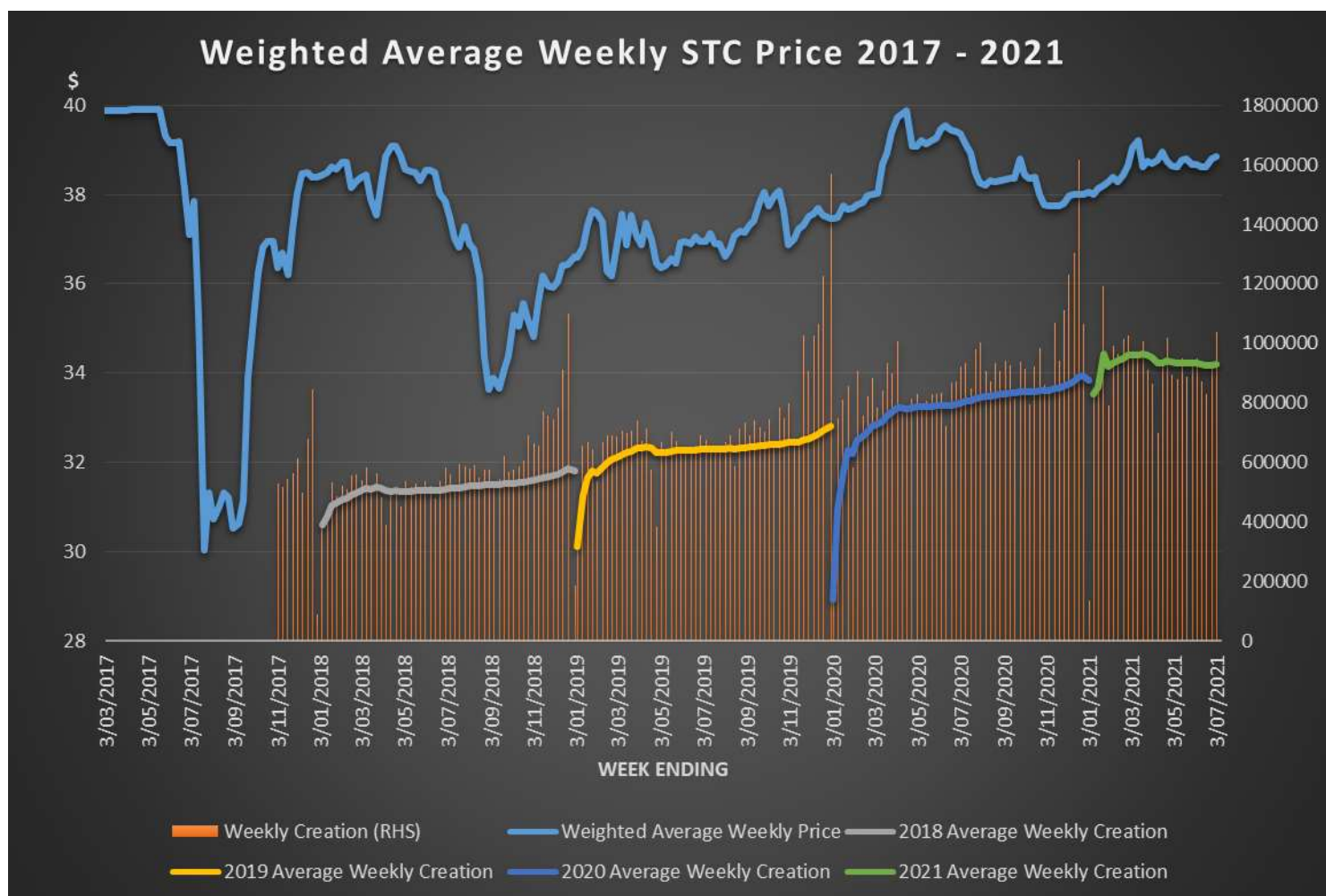
Small Technology Certificates (STC)

STC creation leapt this week while market prices were unchanged.

New STC submissions surpassed the one million mark again this week, coming in at 1.038 million.

The spot market opened 5 cents lower at \$38.80 but all the rest of the week's trades were struck at \$38.85. Turnover was reported as 265,000 certificates.

The forward market was quiet with only 58,000 STCs reported trading for delivery in September and October this year. These deals were struck at 10 cents discount to the spot price.



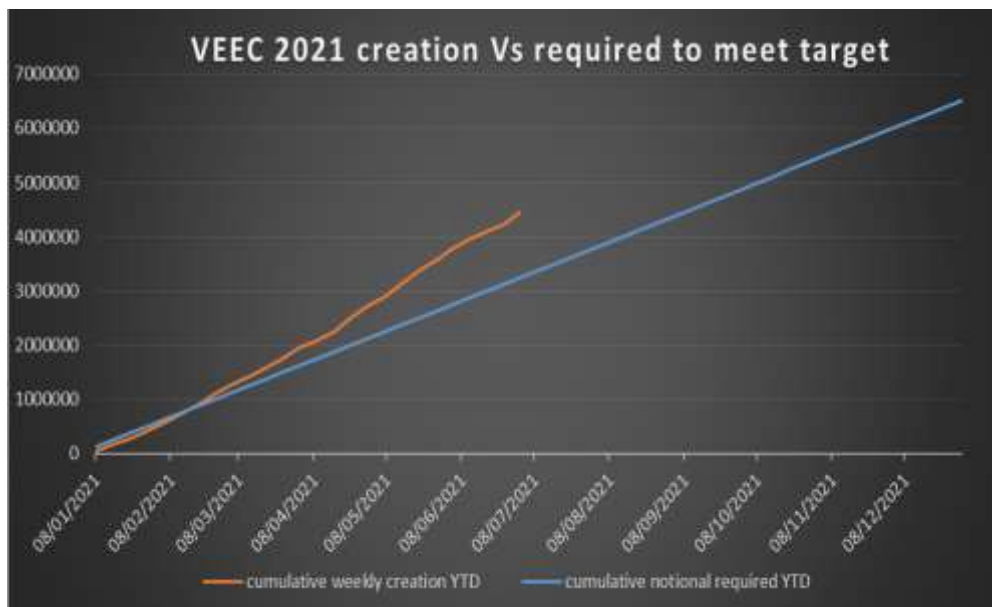
VIC VEECs

VEEC creation rose strongly this week while certificate prices were again roiled by an announcement from the Essential Services Commission.

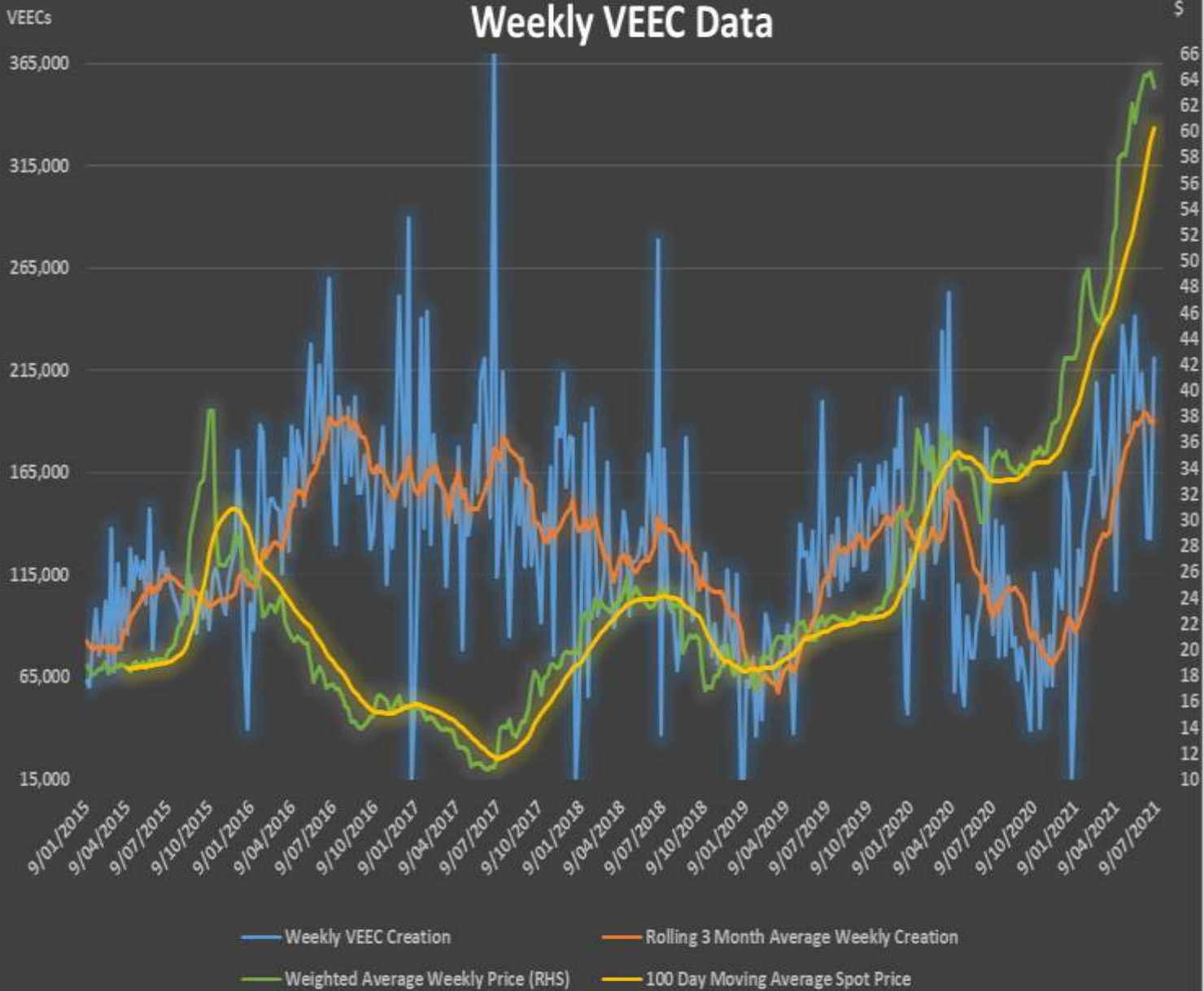
New VEEC registrations were over 90,000 higher than last week, at 221,000.

The spot market opened 25 cents higher at \$65.00 and looked to continue its recent strength until on Wednesday the ESC announced that, due to the recent COVID lockdown, it would extend the deadline for the cessation of VEEC creation from residential lighting upgrades from the end of June by a month to the end of July. This had an immediate effect on certificate prices and the spot market fell steadily to close at \$61.25 on turnover of 120,000 VEECs.

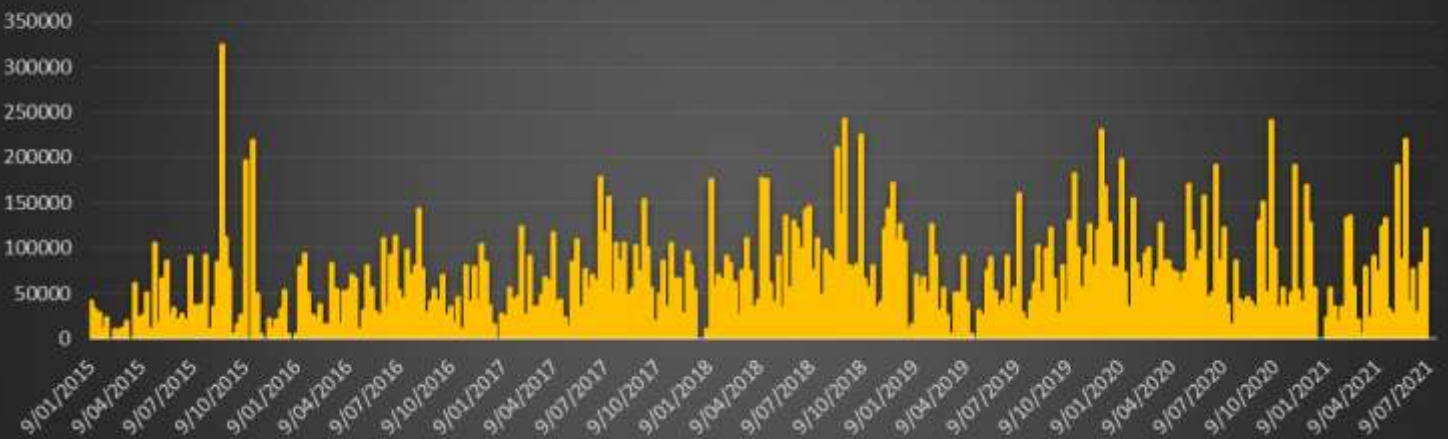
In forward trading 215,000 certificates dealt for delivery between late July this year and October 2022. The curve has an upward bias with trades settling in August and September this year attracting a premium of around 20 cents, the rest of 2020 gaining 30 cents and those for 2022 delivery adding around 50 cents.



Weekly VEEC Data



Weekly Traded Spot Volume



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