

CERTIFICATE REPORT

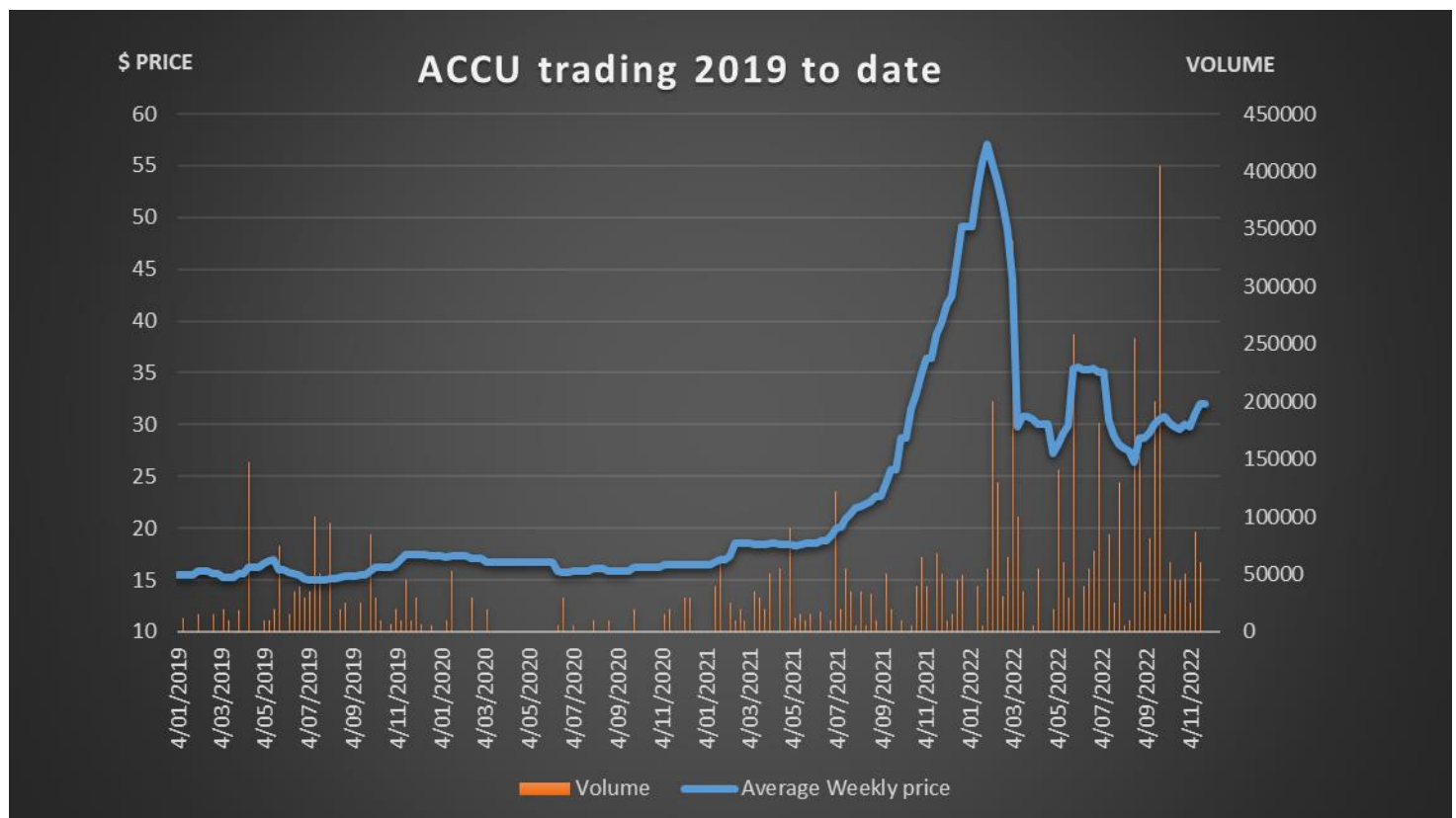
November 2022

ACCU

ACCU prices recovered ground this month, though on small volumes.

The spot market opened unchanged at \$29.75 but climbed with each subsequent trade to close at the high of \$32.00 on turnover of 147,000 certificates. Certificates created under the HIR (Human Induced Regeneration) method traded throughout the month at a premium of around \$2.50 to the spot price.

Only one forward trade was reported – 25,000 ACCUs traded for settlement in March 2023 at \$32.75. The spot at the time was at 32.00, so the March rice reflected a cost of carry of around 7%.



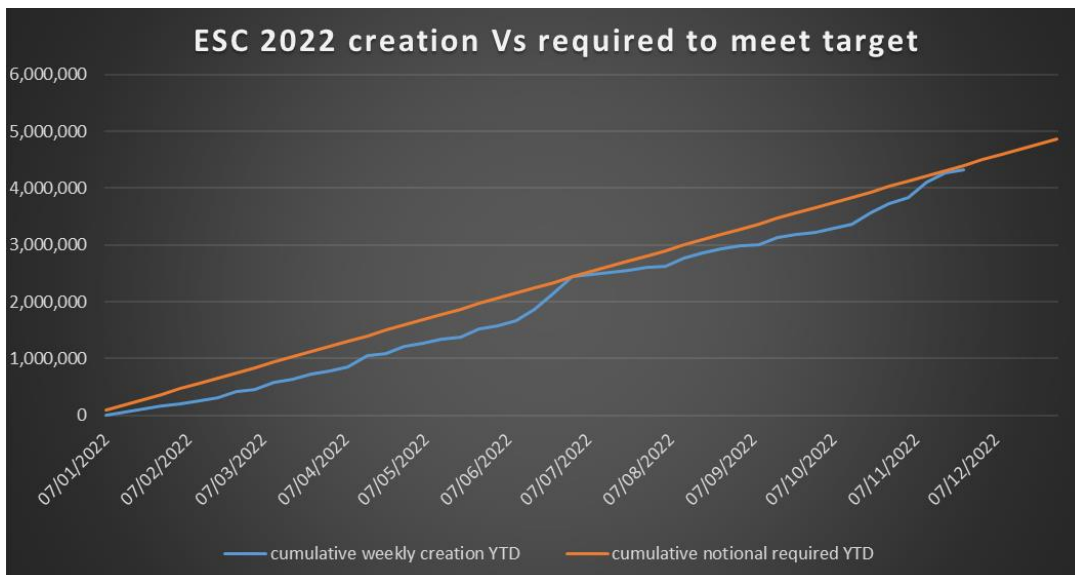
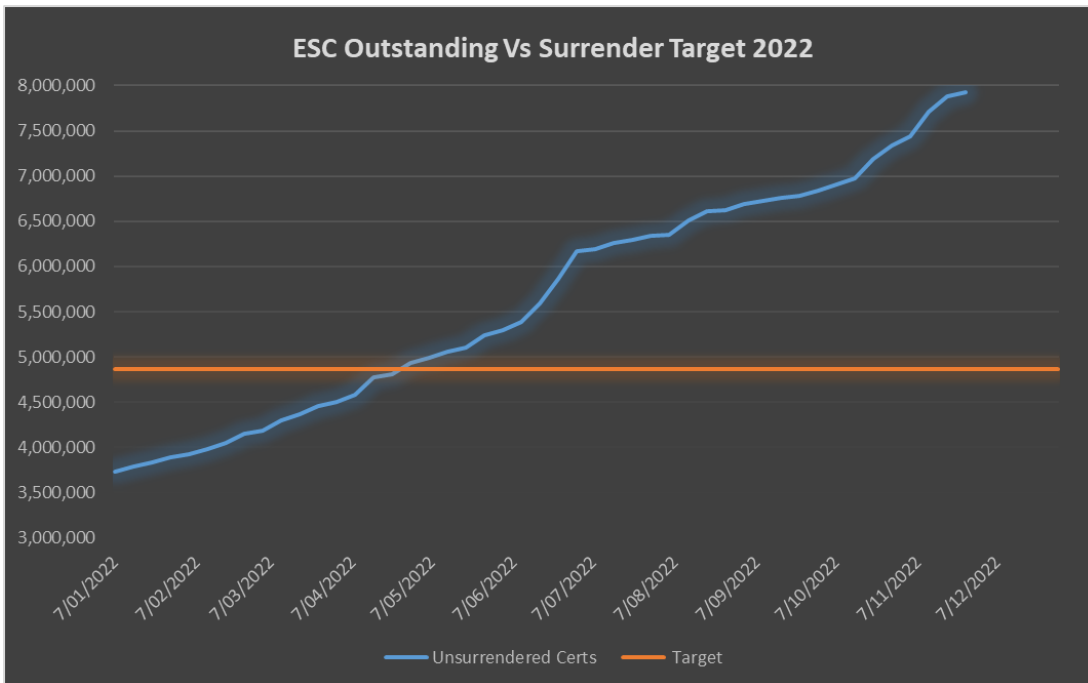
NSW ESCs

Market prices continued to fall as ESC creation remained robust.

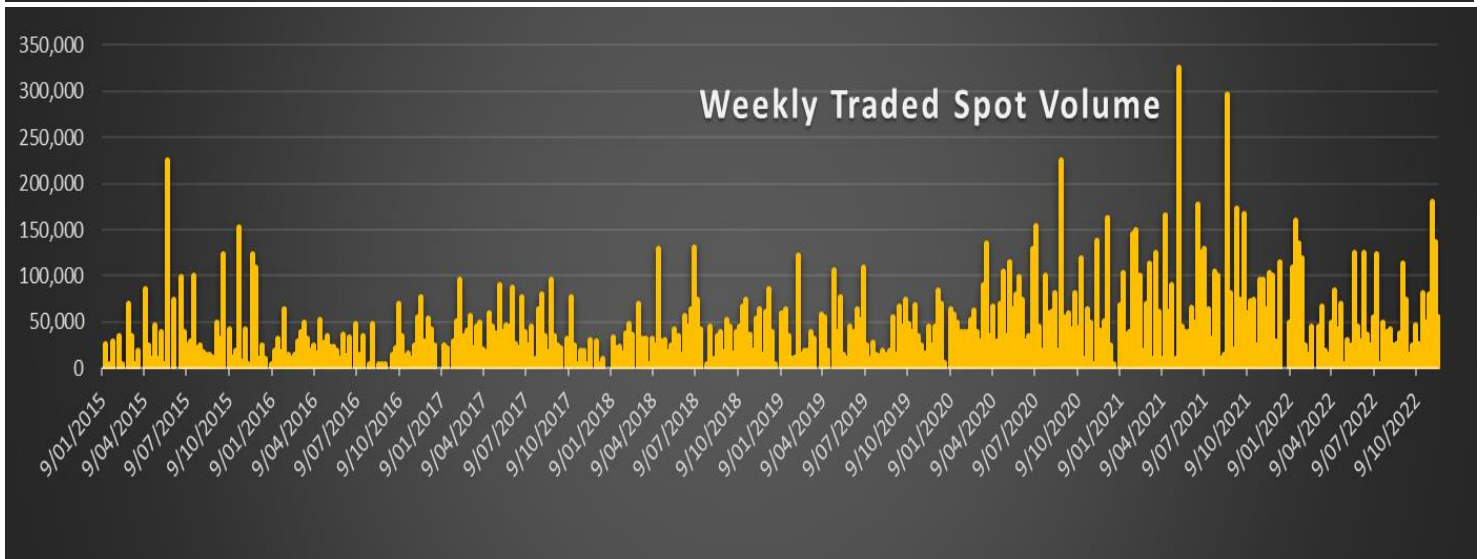
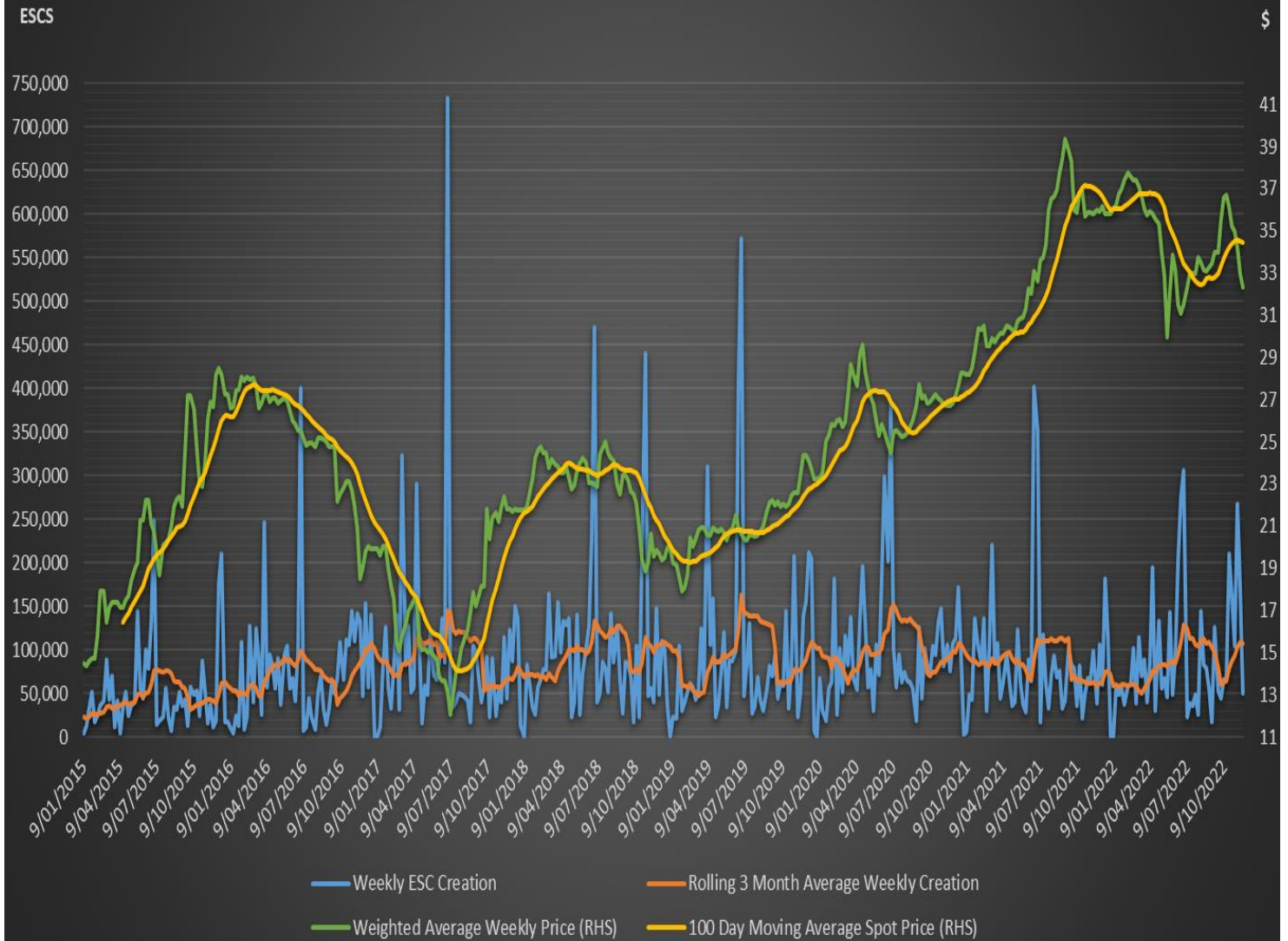
New certificate registrations came in at 620,000 this month, even higher than October's bumper outturn.

This creation had an immediate effect on the spot price with the market opening at an unchanged \$35.00 but rapidly tumbling to a low mid-month of \$31.75. The price bumped around that level for the rest of the month, popping slightly higher at the end to finish at \$32.25. Trading volume was reported as 426,000 certificates.

The forward market saw 660,000 ESCs deal for delivery from December 2022 to December 2023. The curve had a slight upward bias with the premium over spot gradually rising to 50 cents for trades settling in late 2023.



WEEKLY ESC CREATION - ALL SOURCES



Renewable Energy Certificates

LGC prices gave up some recent gains this month, mostly in the 2023-25 period, as the market focusses on the expected slew of new projects to be completed between now and the end of 2025.

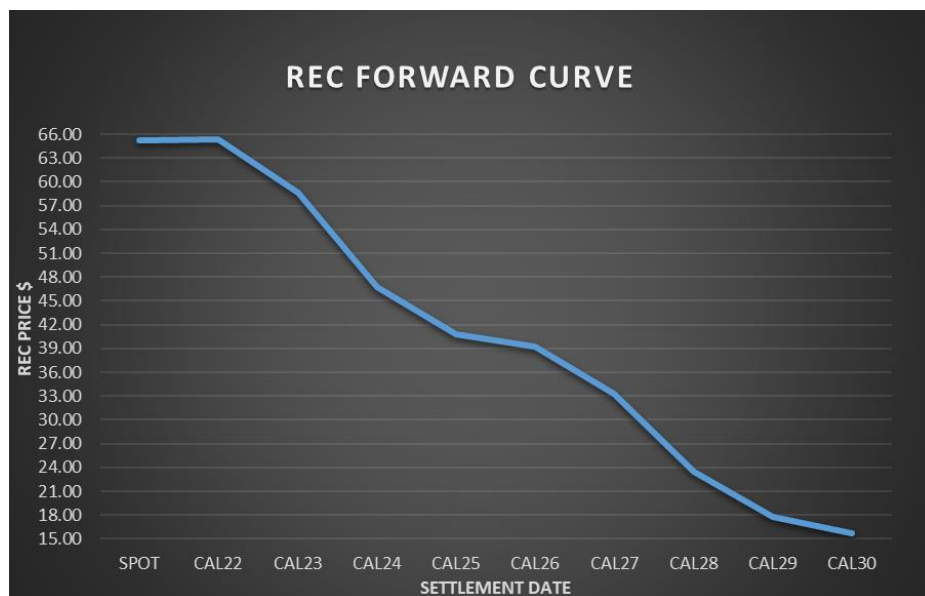
The spot price opened 50 cents higher, at \$65.75, and kept climbing from there to reach a high of \$66.75. At that point, however, sentiment reversed and the price fell to close at the month's low of \$65.25 on turnover of 964,000 LGCs.

As Australia responds to the Net Zero paradigm a total of 44 GW of new projects have been slated for delivery from now to 2030, with many of those supposed to come online in the middle of this decade. This represents an enormous increase in the supply of LGCs and even with increased voluntary surrenders it might be absorbed with some difficulty.

Calendar 2022 followed the spot pattern – opening at \$66.50 and rallying to \$67.10 before slumping to a close at \$65.40, a drop of \$1.10 on volume of 345,000 certificates.

Calendar 2023 fell \$1.90 to close at \$58.60 on 1.10 million LGCs while Calendar 2024 dropped the most, \$4.00, to finish at \$46.75 on turnover of 460,000 certificates. Calendar 2025 fell \$3.25 to \$40.75 while Calendar 2026 dropped \$1.00 to \$39.25. Trading volume there was 230,000 and 55,000 LGCs respectively.

Calendar 2027 traded 20,000 certs at \$33.25, a fall of \$1.25. Calendar 2028 bucked the trend, trading 20,000 LGCs at \$23.50, a rise of \$1.75 Over it's last trade.



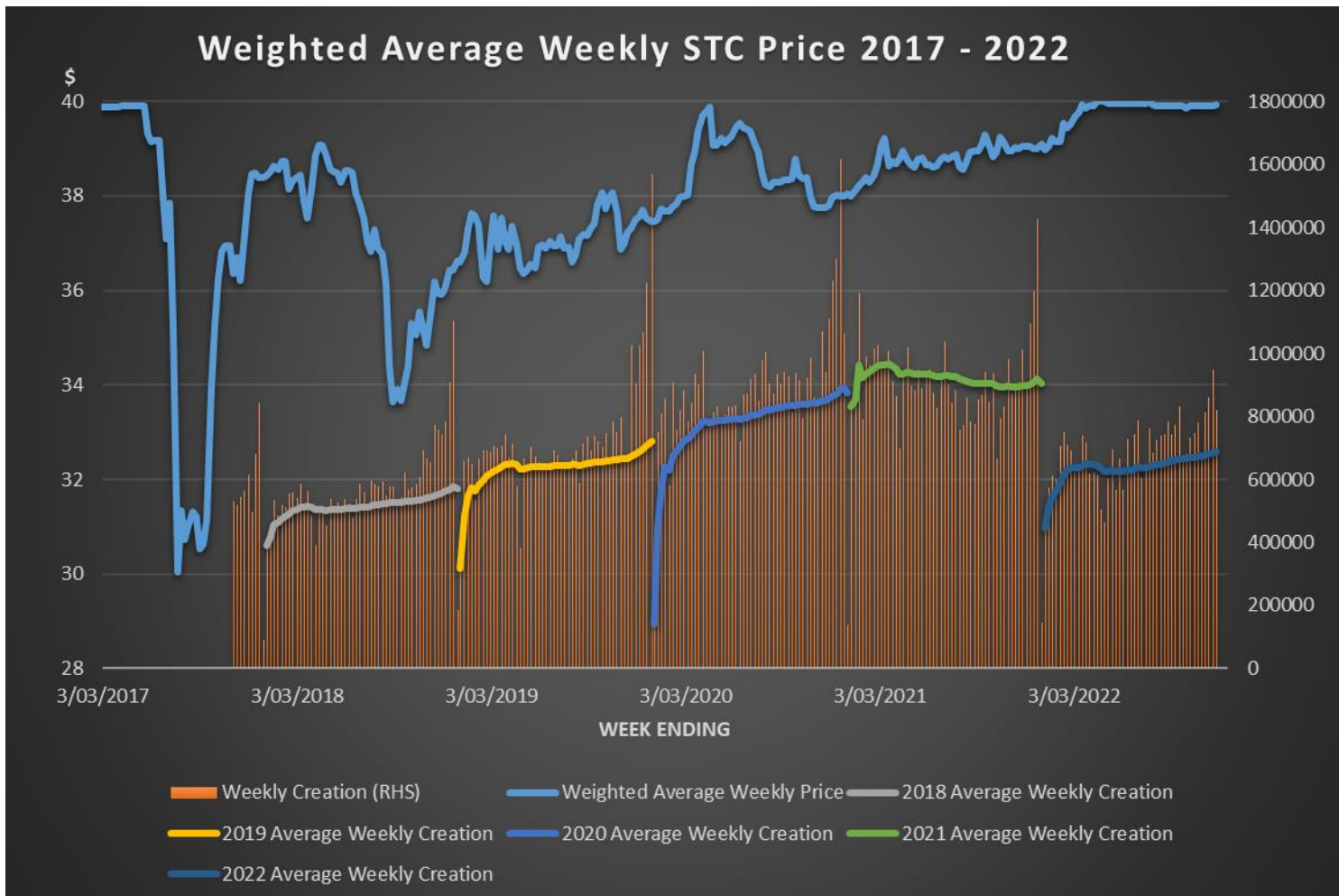
Small Technology Certificates (STC)

STC creation rose slightly but the deficit in the Clearing House continues to contain trading and price moves.

New certificate registration came in at 3.9 million, a rise of around 900,000 from last month but still not putting much of a dent in the clearing house deficit which still stands at 5.5 million STCs.

The spot market traded 140,000 certificates in very tight range of \$39.90-\$39.95.

The forward market was active with 1.03 million certificates trading for delivery from January to December 2023. Again the trading range was very limited with deals being struck at \$39.80 at the beginning of the month but this fell to \$39.75 by month's end.



VIC VEECs

VEEC prices rose lightly this month, again in the face of strong creation numbers.

New registrations for November were in line with last month, at 512,000, bringing the Registry total to over twelve million VEECs.

The spot market opened at an unchanged \$72.00 and again contrary to the slew of supply began to rally from there. We reached a mid-month high of \$74.00 before settling back slightly to close at \$73.25 on turnover of 580,000 certificates.

In forward trading only 105,000 VEECs traded for delivery from February to October 2023. These trades attracted a premium of around \$1.50 to the prevailing spot price, reflecting the increased cost of carry as interest rates rise.

