

## CERTIFICATE REPORT

February 2024

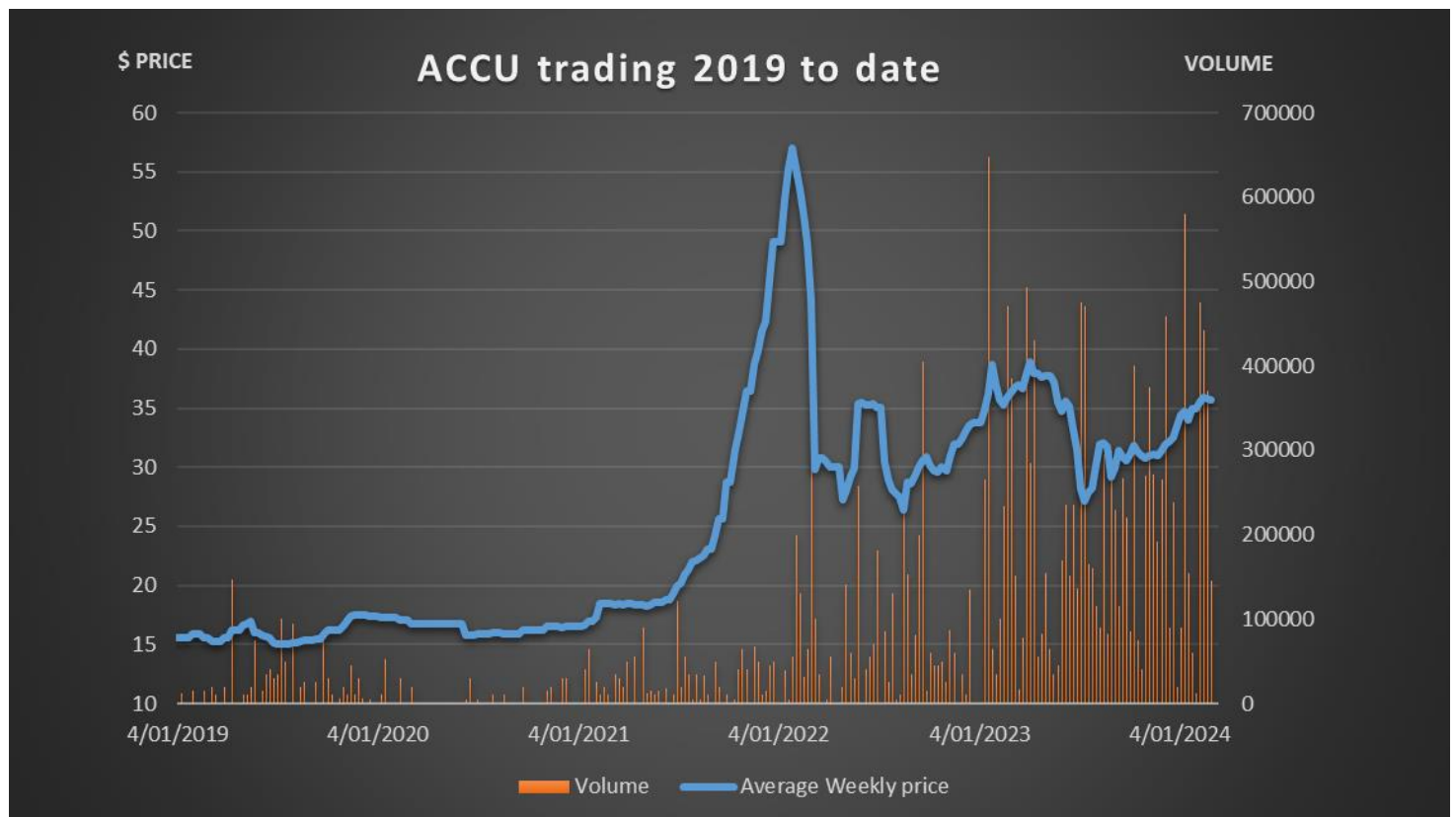
### ACCU

#### The ACCU price closed slightly higher this month

The spot market opened at an unchanged \$35.00 and began to grind higher. We reached a zenith at \$36.25 and then the price eased slightly to close at \$36.00 on turnover of 1.37 million certificates.

Two forward trades were reported for settlement in July this year. Both were struck with a cost of carry of around 6%.

The spread between generic certificates and Human Induced Regeneration ACCUs closed at \$1.25, down markedly from last month's \$2.75.



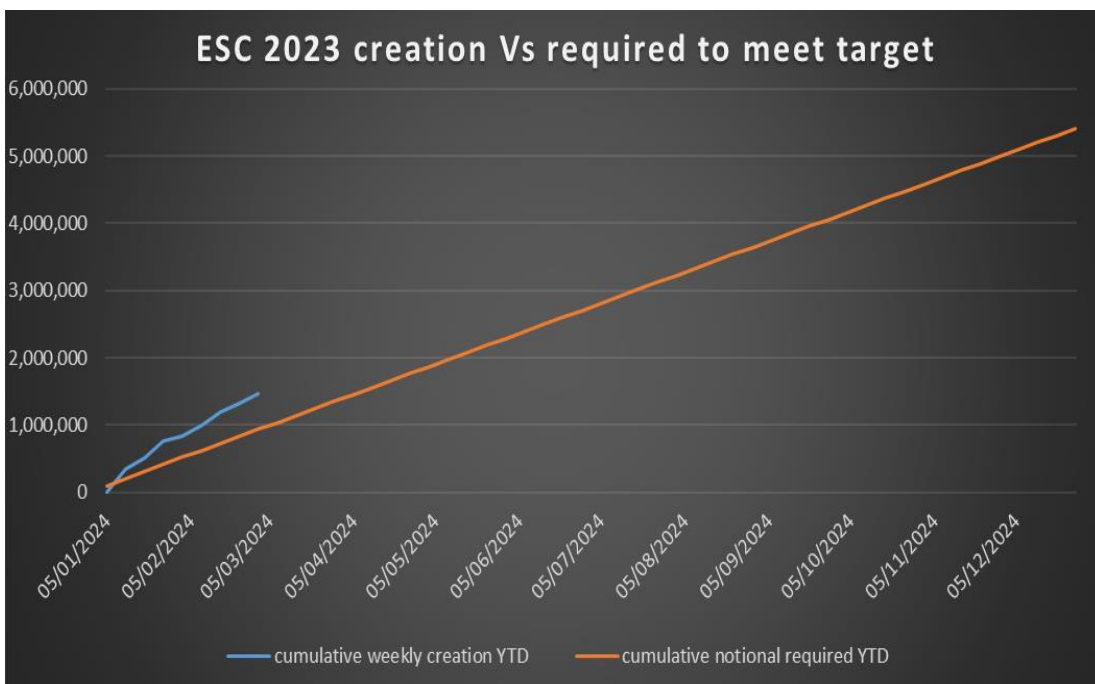
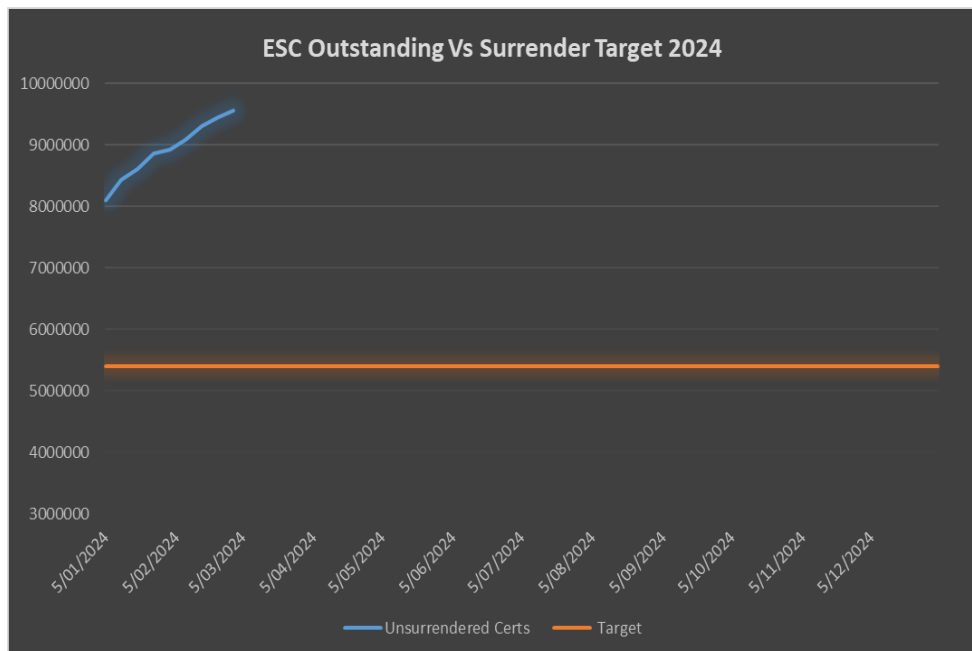
# NSW ESCs

ESC prices continued to fall this month.

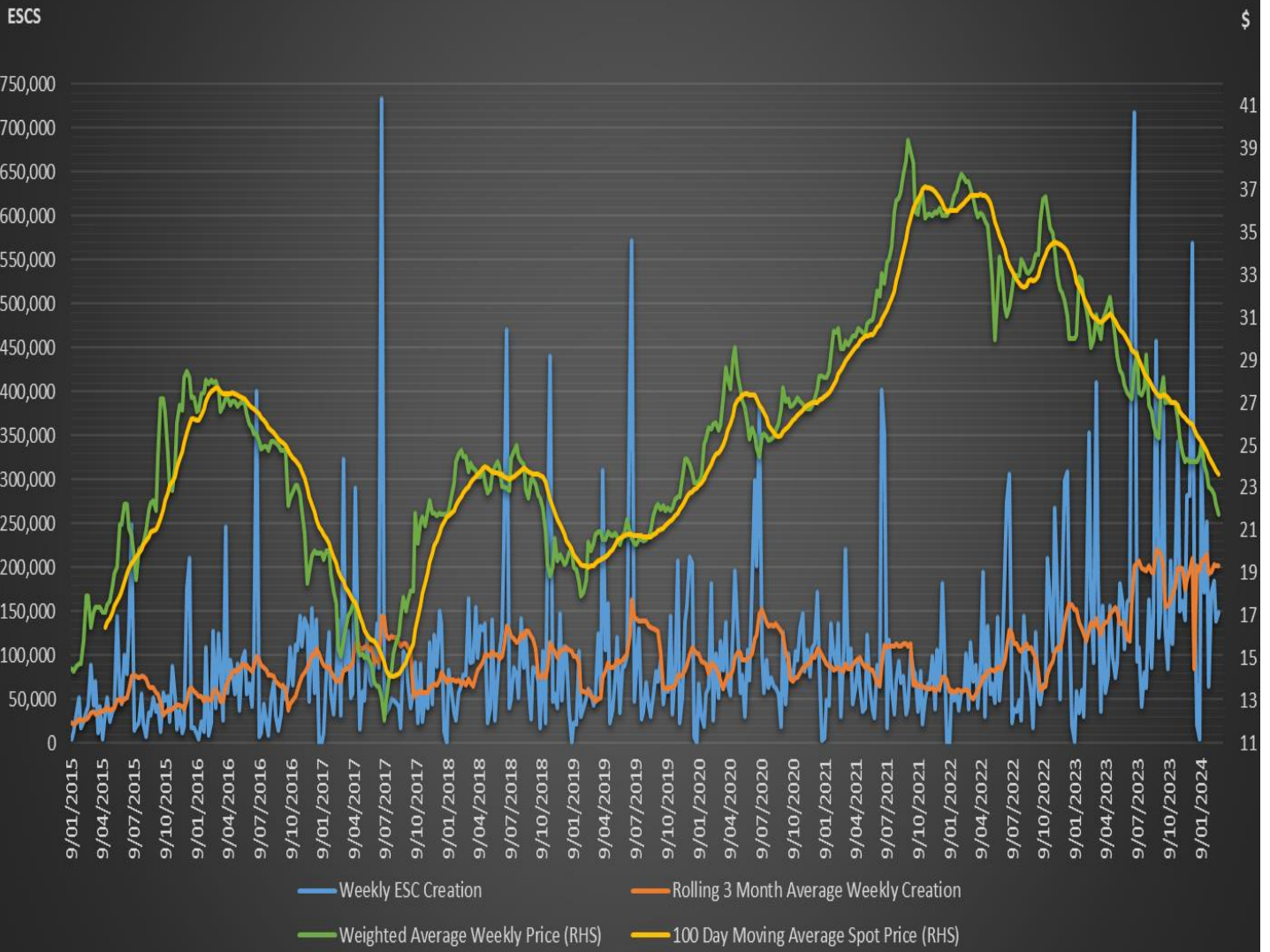
Certificate creation was lower in February coming in at 667,000.

The growing surplus of ESCs continued to weigh on the market with the spot price opening at \$23.00, a 25 cent fall, and moving further south from there. We reached a low of \$21.75 before some late buying interest saw the market close at \$21.90 on turnover of 727,000 certificates.

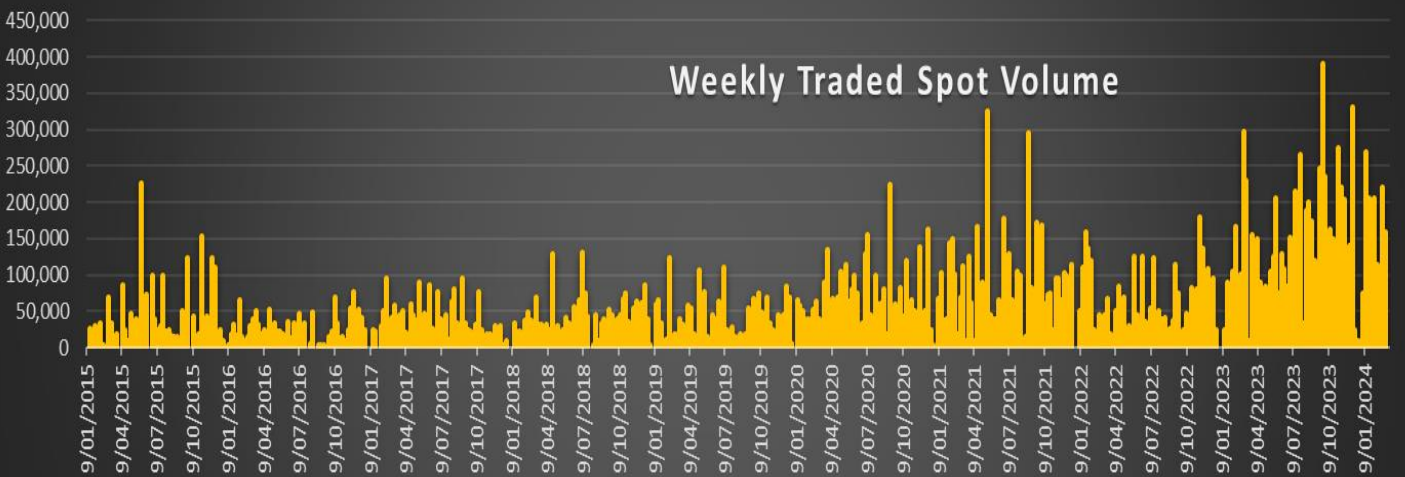
The forward market saw 470,000 ESCs trade for delivery between March and December this year and another 100,000 for settlement in July 2025. These deals were struck based on the prevailing spot price and a cost of carry of around 6%.



# WEEKLY ESC CREATION - ALL SOURCES



# Weekly Traded Spot Volume



# Renewable Energy Certificates

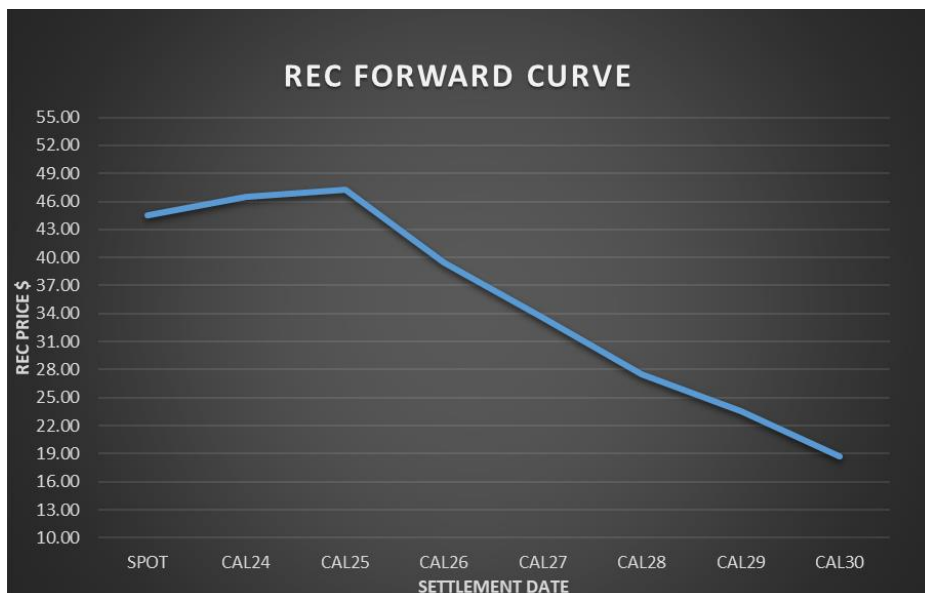
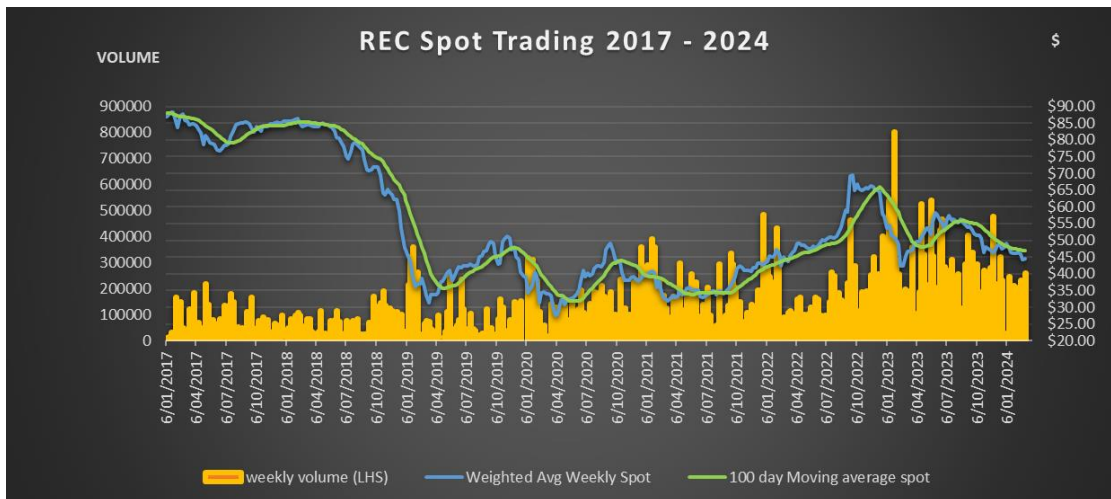
The spot price fell this month while the rest of the LGC curve was little changed.

Following the settlement of the 2023 surrender obligations in the middle of the month, 16 million certificates remained in the registry. This was a larger remainder than the market had expected at the end of last year and it weighed on the front end of the LGC curve.

The spot market opened at \$46.85, a leap of \$1.05 as market participants settled option expiries and tidied up what they needed for the surrender. Following that surrender, however, the price began to fall steadily and reached a low of \$43.75 before recovering somewhat to finish at \$44.50 on volume of 865,000 certificates.

Calendar 2024 followed the same route, opening at \$47.75 and reaching a high at \$49.00 before dropping to close at \$46.50. This represented a fall of \$1.85 on turnover of 1.01 million LGCs.

The rest of the curve moved little with Calendar 2025 gaining 50 cents to close at \$47.25 on volume of 1.125 million certificates. Calendar 2026 was unchanged at \$39.50 and Calendar 2027 also added 50 cents to finish at \$33.50. Turnover was reported as 920,000 and 320,000 LGCs respectively. Calendar 2028 opened at \$27.25 and closed at an unchanged \$27.50 on 20,000 certificates while Calendar 2029 traded 10,000 LGCs at \$23.50 for a 50 cents gain. Calendar 2030 also traded in 10,000 certificates adding 25 cents to close at \$18.75.



## Small Technology Certificates (STC)

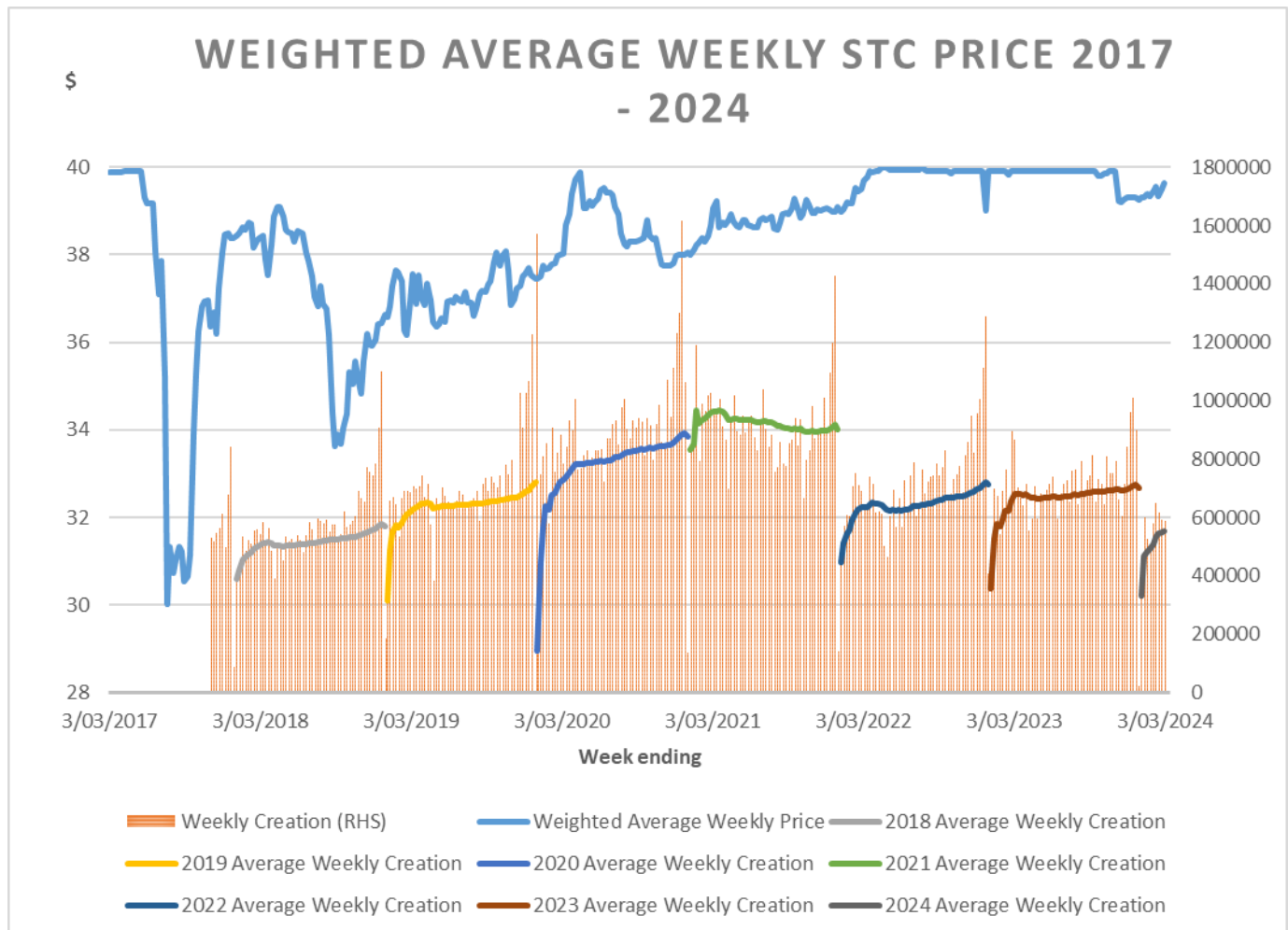
STC prices rose this month on the back of the surrender target for 2024 being announced.

Certificate creation came in at just over 2.5 million for the month, a little higher than January.

The big news for February was the announcement that the 2024 surrender target would be set at 21.26%. The CER expects 33.6 million STCs to be created in 2024 and these are added to 4.328 million that were carried over from 2023 to give a surrender total of 37.928 million for the year. The number assumes a creation rate of 646,000 per week and so far this year the run rate has only been averaging around 450,000.

The spot market started the month trading at an unchanged \$39.30. The price began to rise as the 2023 surrender deadline loomed and following the announcement of the STP it leaped further to \$39.75, but closed slightly lower at \$39.65. Turnover was reported as 1.11 million certificates.

The forward market saw 289,000 STCs trade for settlement from the March this year to December 2025. Deals maturing this year finished the month trading at \$39.65 while 2025 traded at \$39.25.



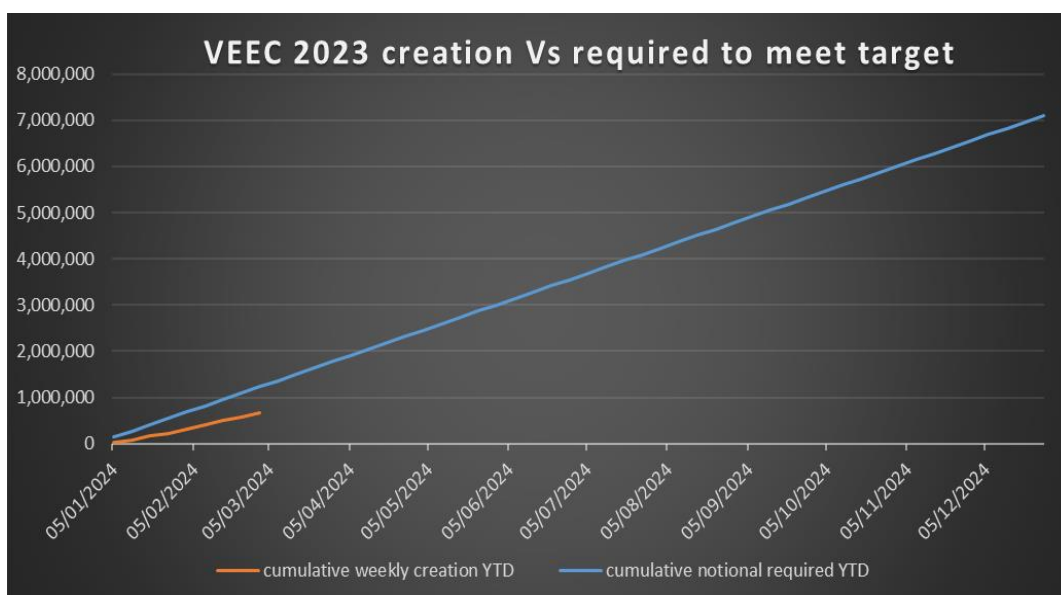
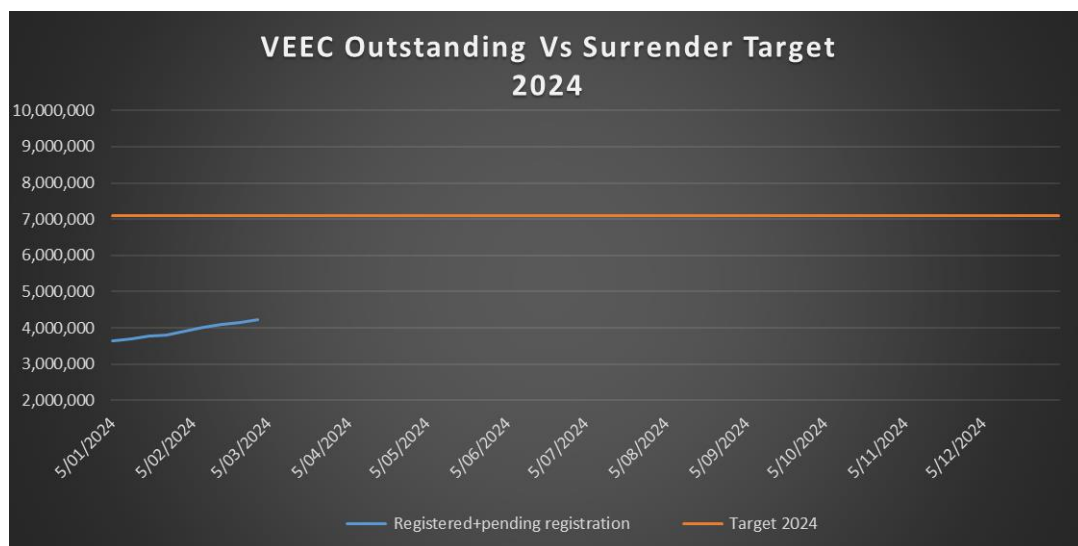
# VIC VEECs

VEEC prices went on a bit of a rollercoaster rise this month.

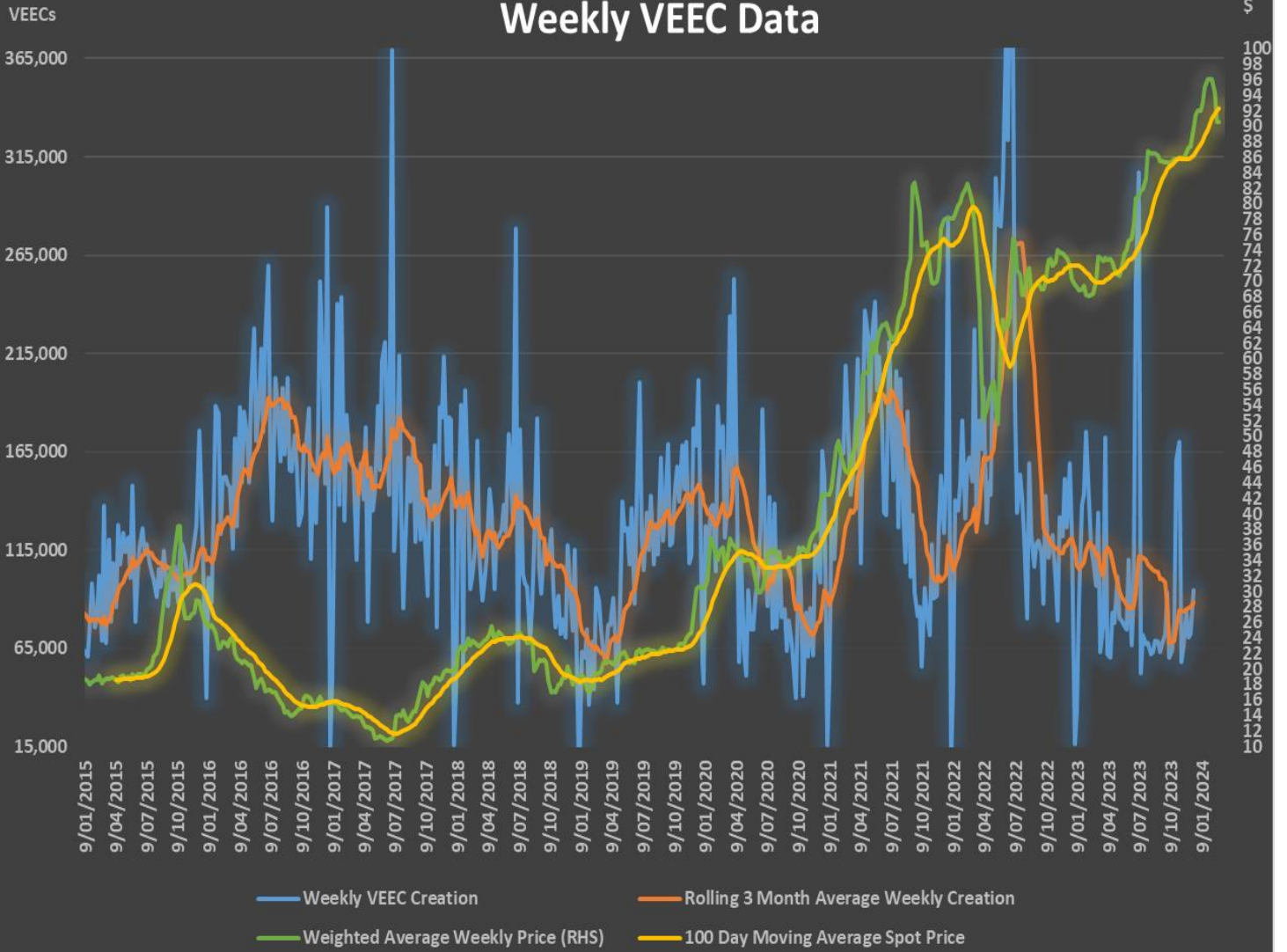
Certificate creation rose in February coming in at 361,000, about 100,000 more than last month.

Continued fears of a VEEC shortage for the year saw the spot price open 25 cents higher at \$92.25. The rally accelerated markedly from there and by mid month we had reached \$96.00. Some selling emerged at that level and then more sellers fearful that they had missed the top saw the price fall as quickly as it had risen. We reached a low of \$90.00 before recovering a little to close at \$91.00. Turnover was 546,000 certificates.

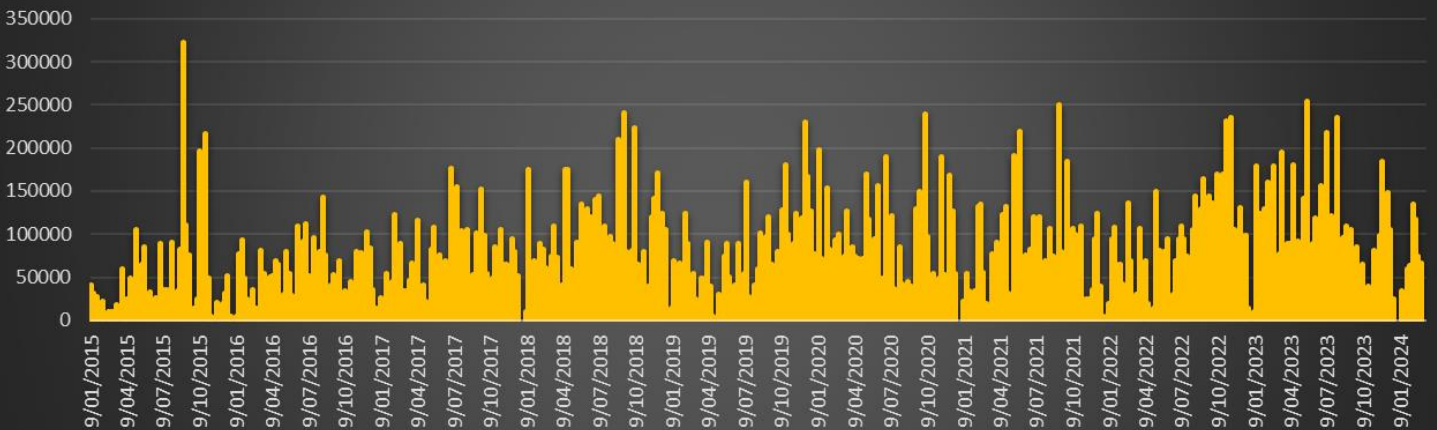
The forward market was quiet with only 75,000 certificates trading for delivery from March this year to February 2025. The curve was flat again with these deals being struck at the same level as the prevailing spot price.



# Weekly VEEC Data



# Weekly Traded Spot Volume



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