

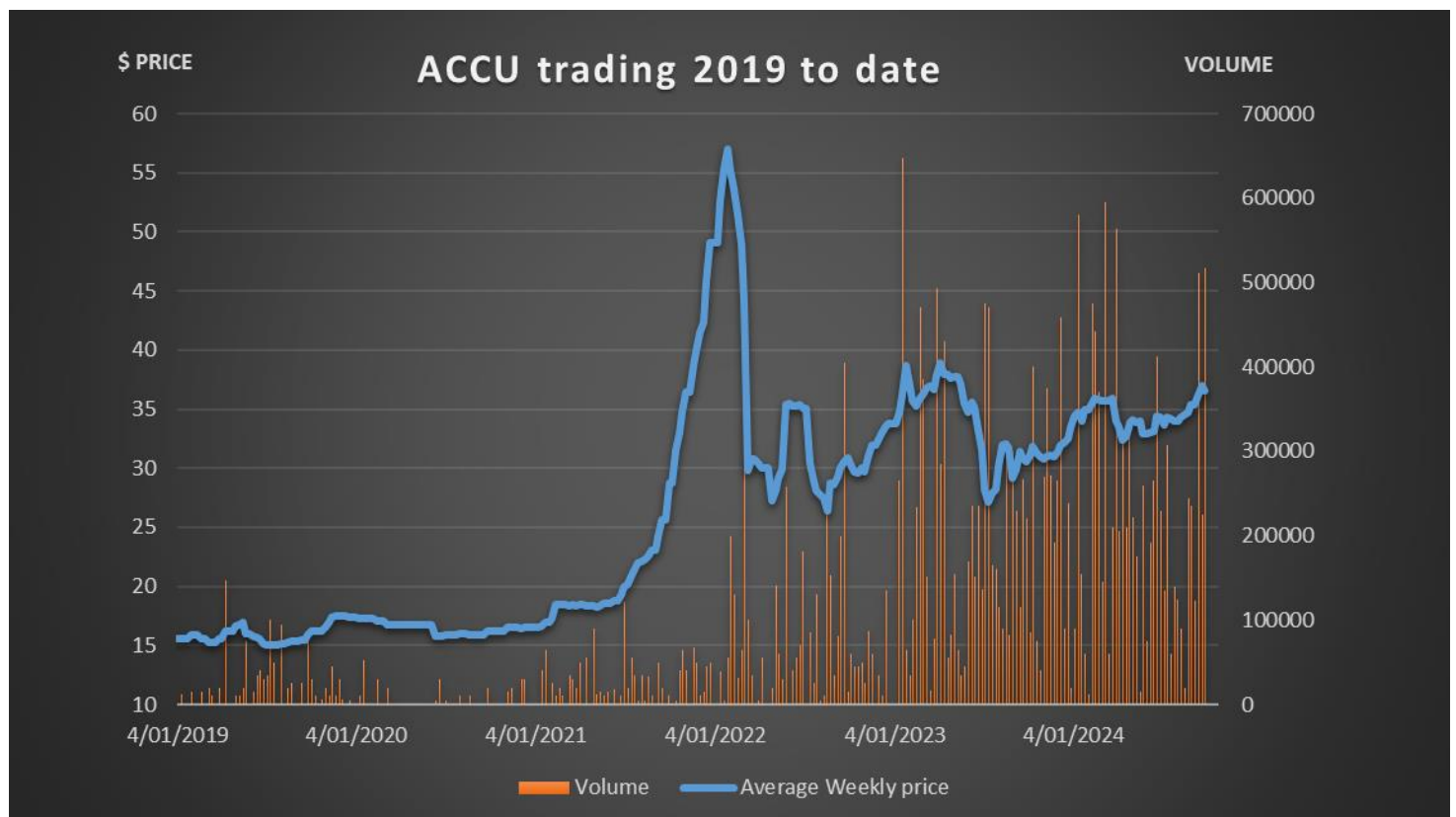
ACCU

ACCU prices rose again this month after an initial dip

Spot trading opened 60 cents lower at \$34.90. The price rebounded smartly from there, however, and hit a mid-month high of \$37.50 before giving some of that back to close at \$36.25. Turnover was reported as 1.39 million certificates, by far the most traded certificate in September.

The forward market was also busy with 647,000 ACCUs trading for delivery from the end of September this year to October 2025. The premium these deals were struck at represented a cost of carry of around 6%.

Human Induced Regeneration (HIR) ACCUs traded throughout the month at an unchanged premium of 25 cents to the generic (no Avoided Deforestation) certificates.



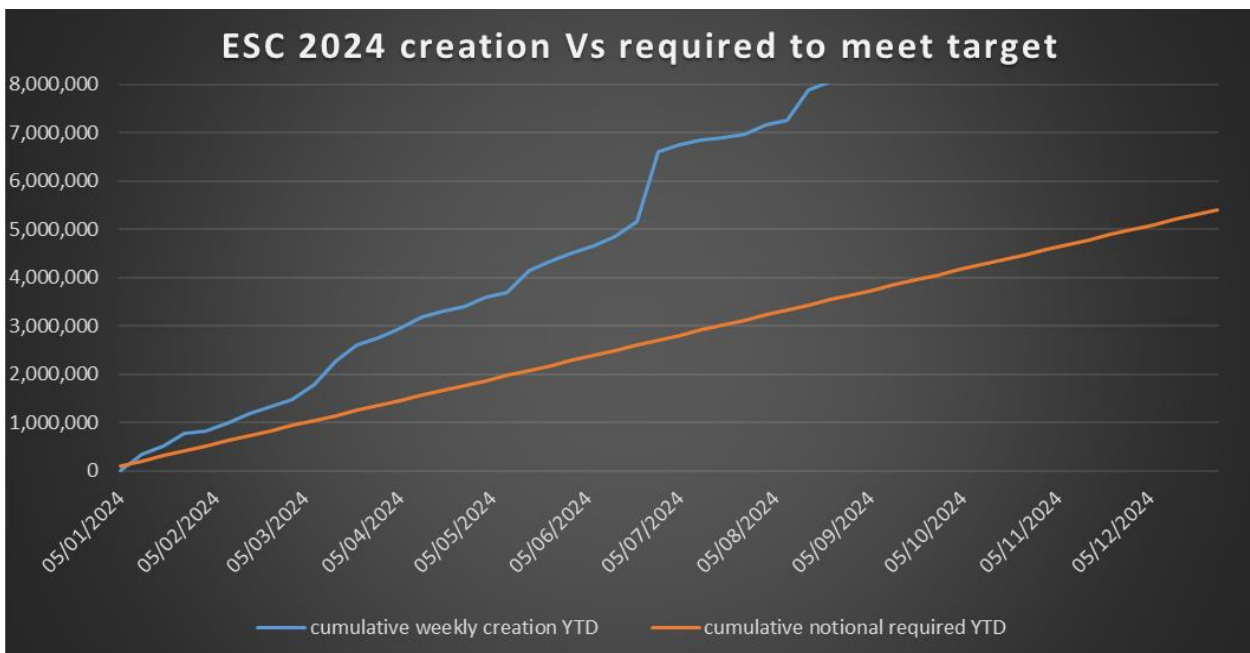
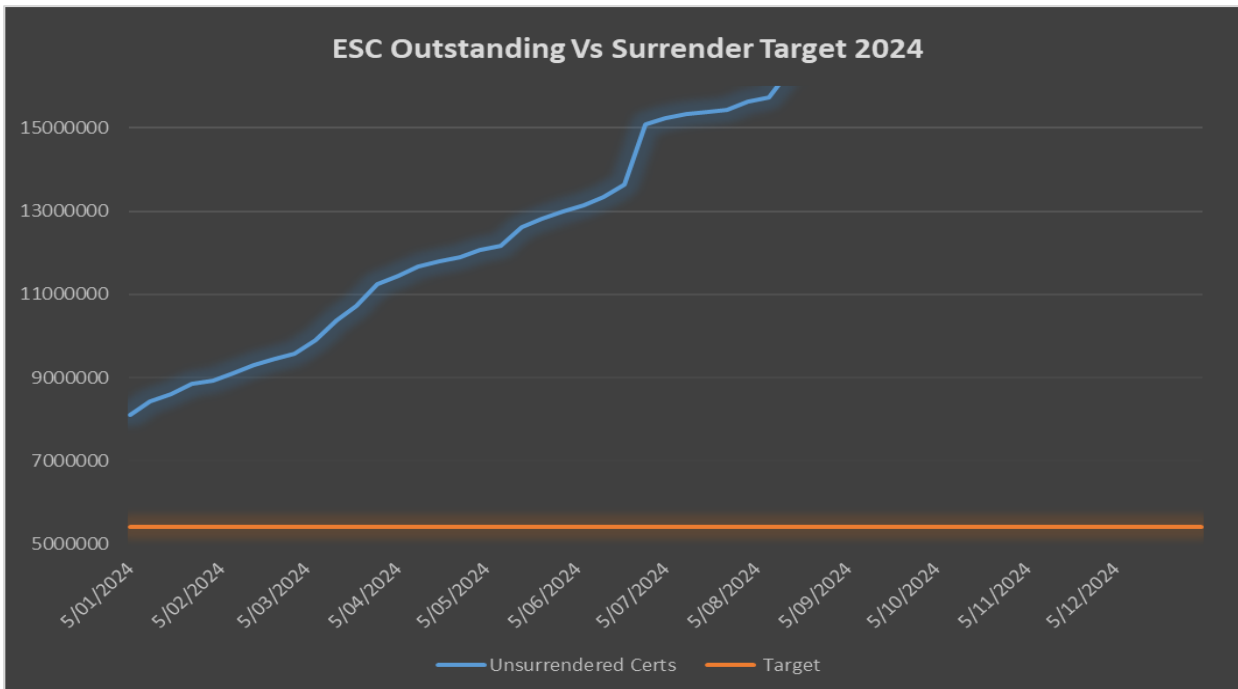
NSW ESCs

ESC prices fell slightly as the weight of creation began to slow.

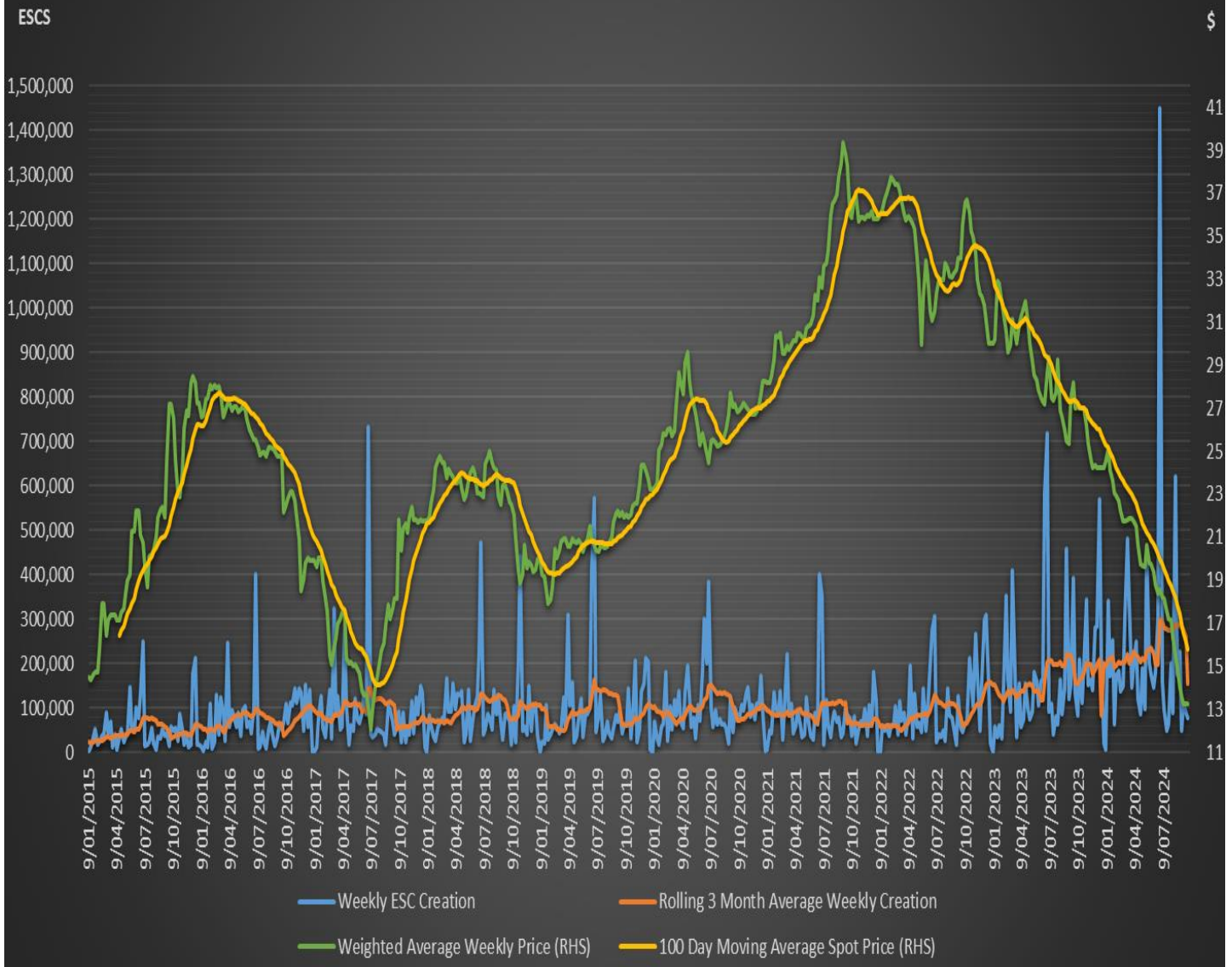
The number of new certificates minted in September fell to 344,000. This was only about a third of last month's figure on the back of fewer heat pump installations since scheme changes were introduced in August and the fact that the lower ESC price has seen other activities slow down.

The spot market opened unchanged at \$13.75 and drifted lower to close at \$13.25 but the selling frenzy of the past few months seems to have abated. Turnover was reported as 191,000 ESCs.

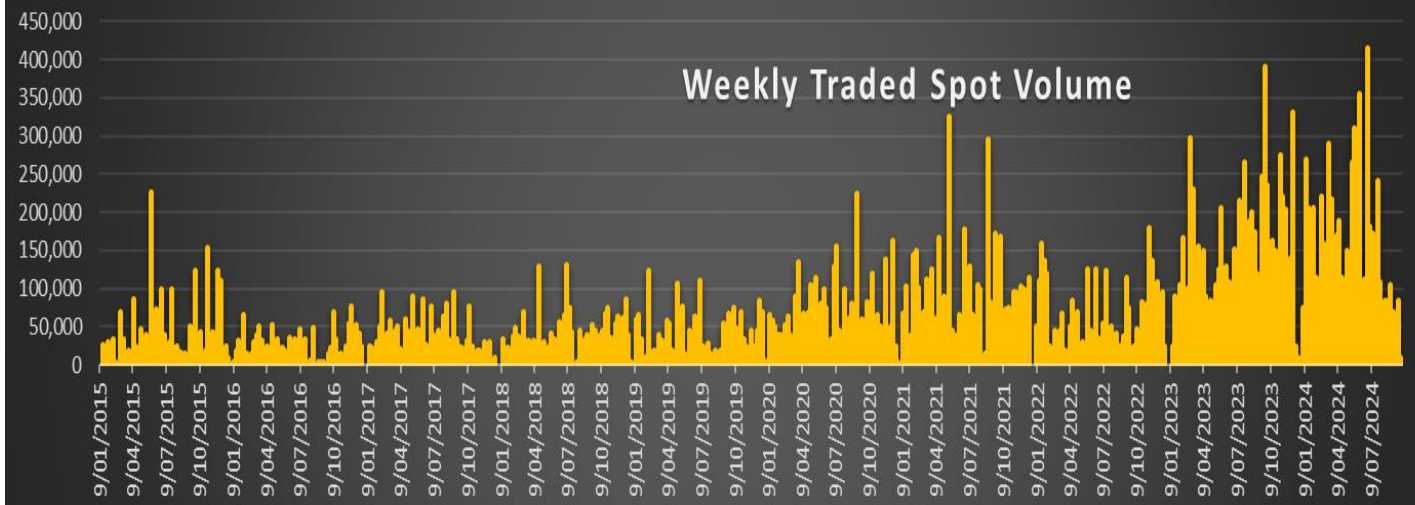
In the forward market only 110,000 certificates traded for delivery from the end of the month to May 2025. The implied cost of carry on these deals was around 6%.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume



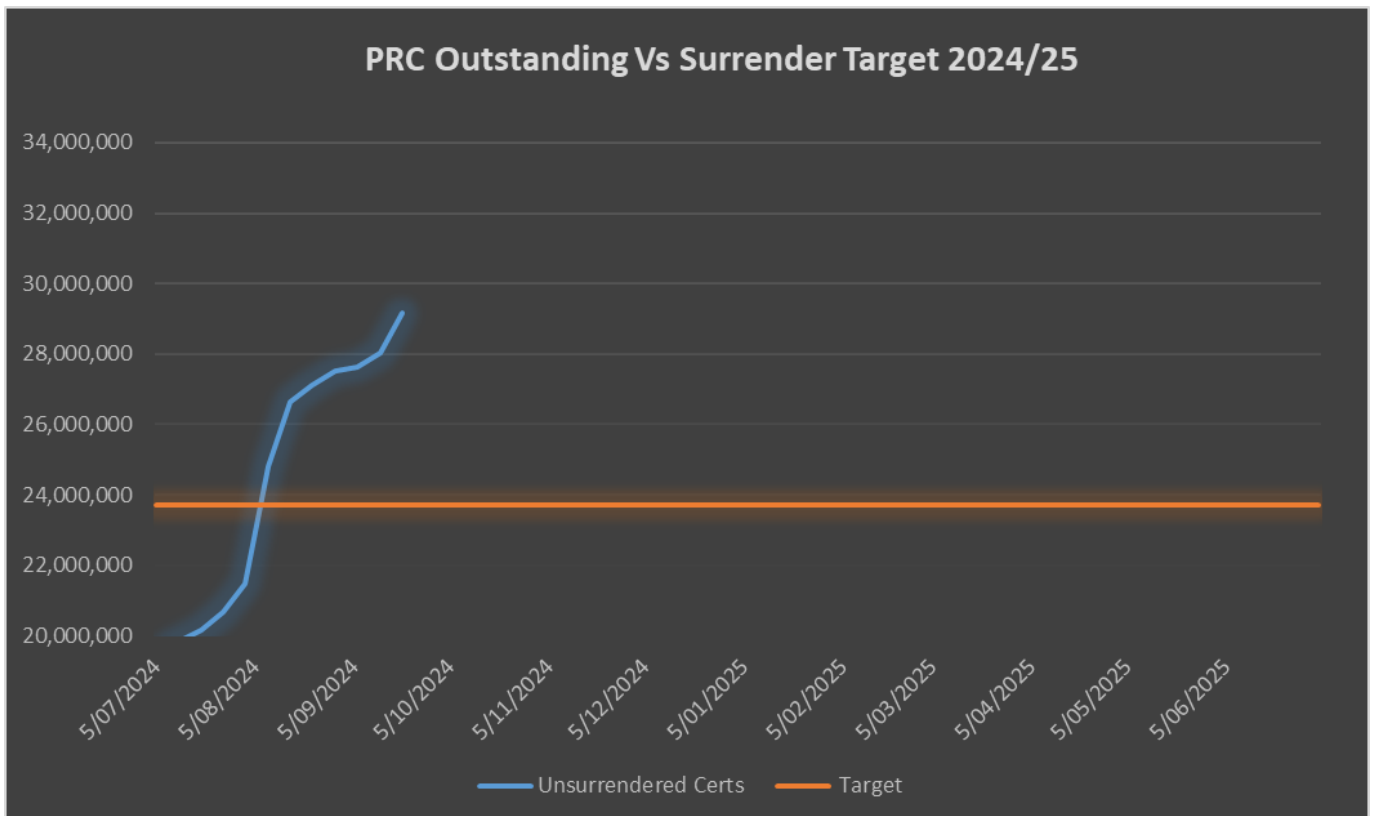
NSW PRC

We commence coverage of the NSW Peak Reduction Certificate market this month.

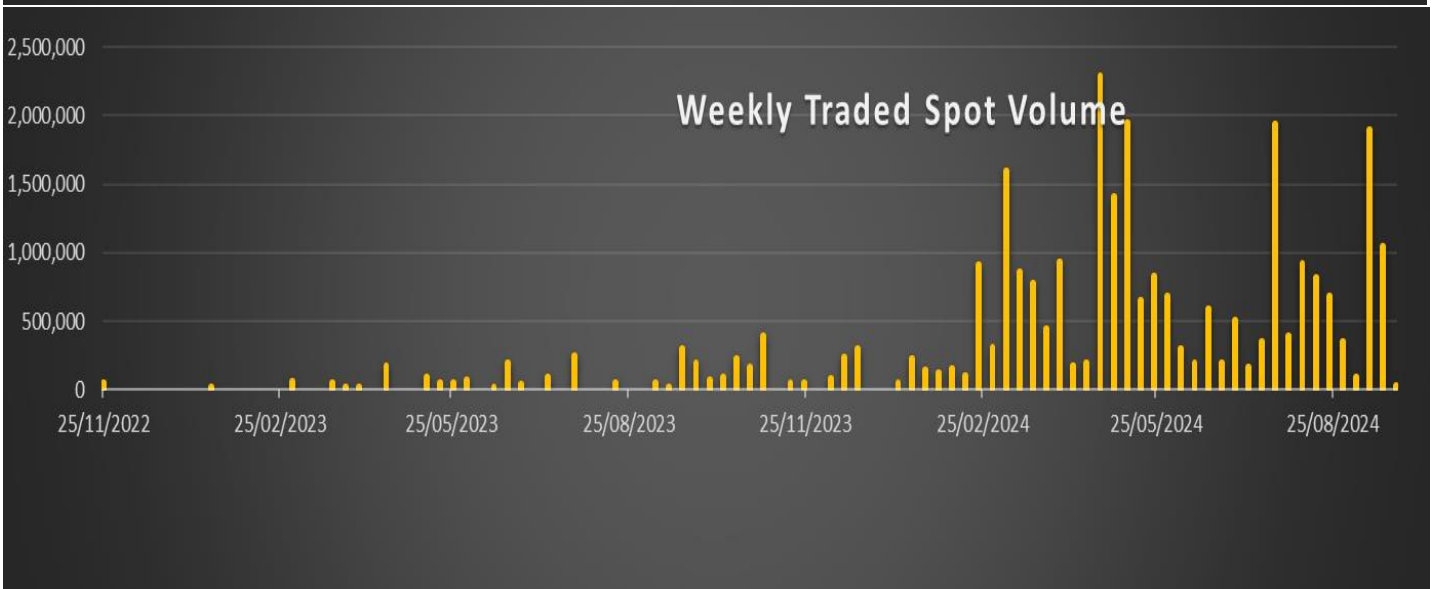
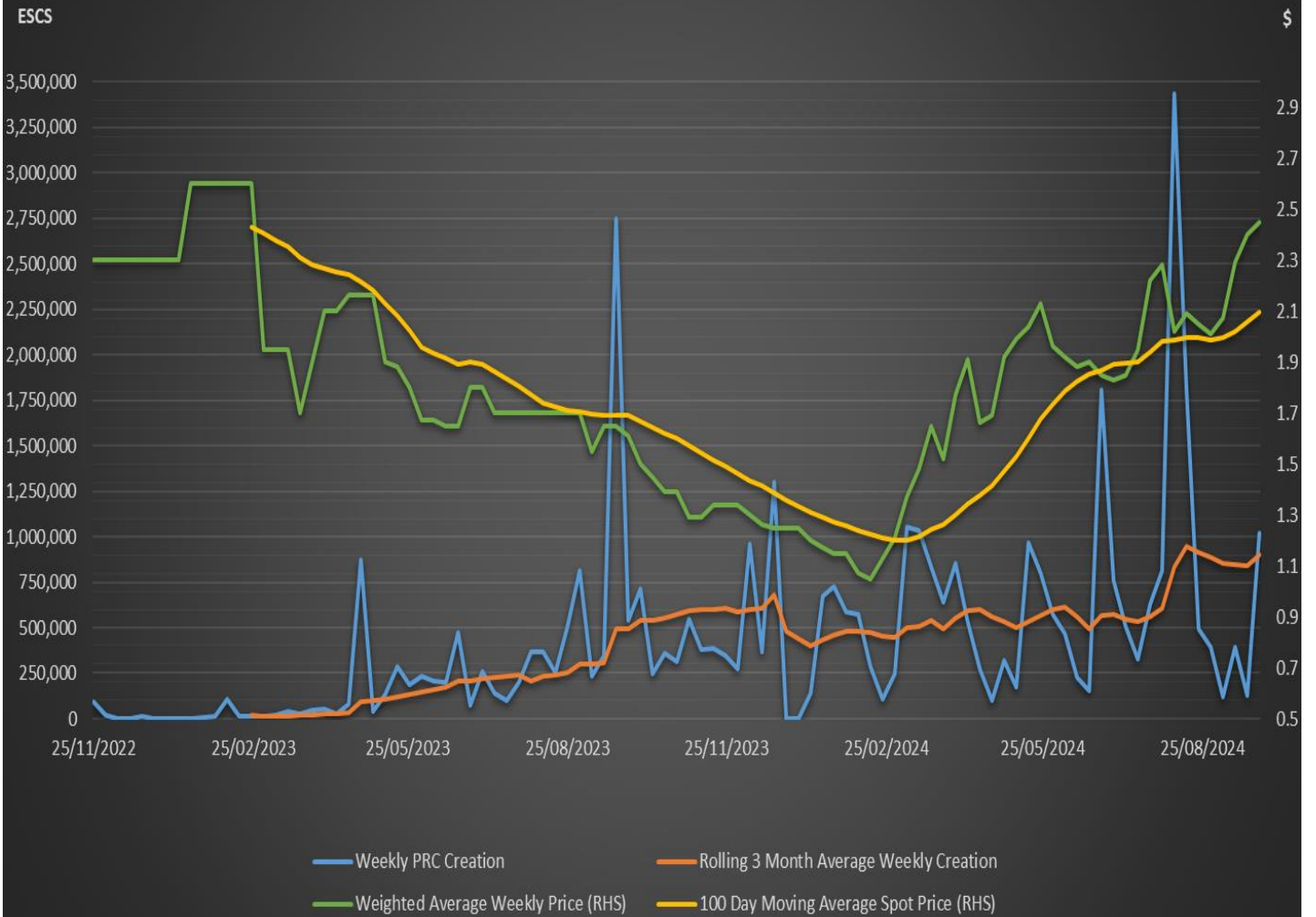
The NSW government has set a surrender target of 7.9 million certificates for the summer 2023/24 period and 23.7 million for the 2024/25 summer. The number of certificates in the Registry at the end of September was 38.5 million so there is adequate supply to meet those obligations.

However, the vast majority of these certificates were created using the Commercial Heat Pump Installation method and that has been adjusted so that there are no more PRCs available for most installs from the middle of last August. PRCs can be created for solar batteries from November and for air conditioning installs but it remains to be seen if the number of certificates created will meet further surrender obligations as the number for summer 2025/26 leaps to 43.5 million.

Hence the PRC price has been on a bit of a roller coaster since the market inception with a fall to below \$1.00 on the massive heat pump creation and then a jump back up when the scheme changes stopped that flood.



WEEKLY PRC CREATION



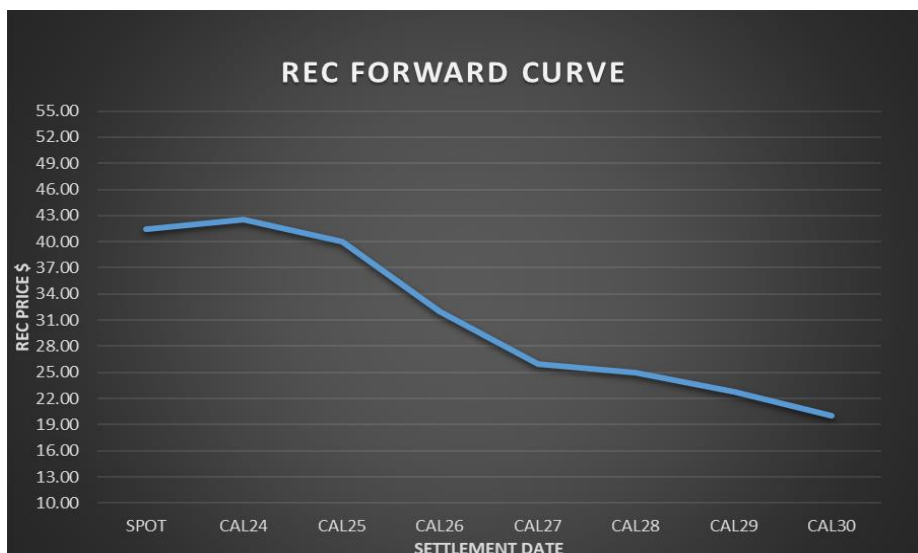
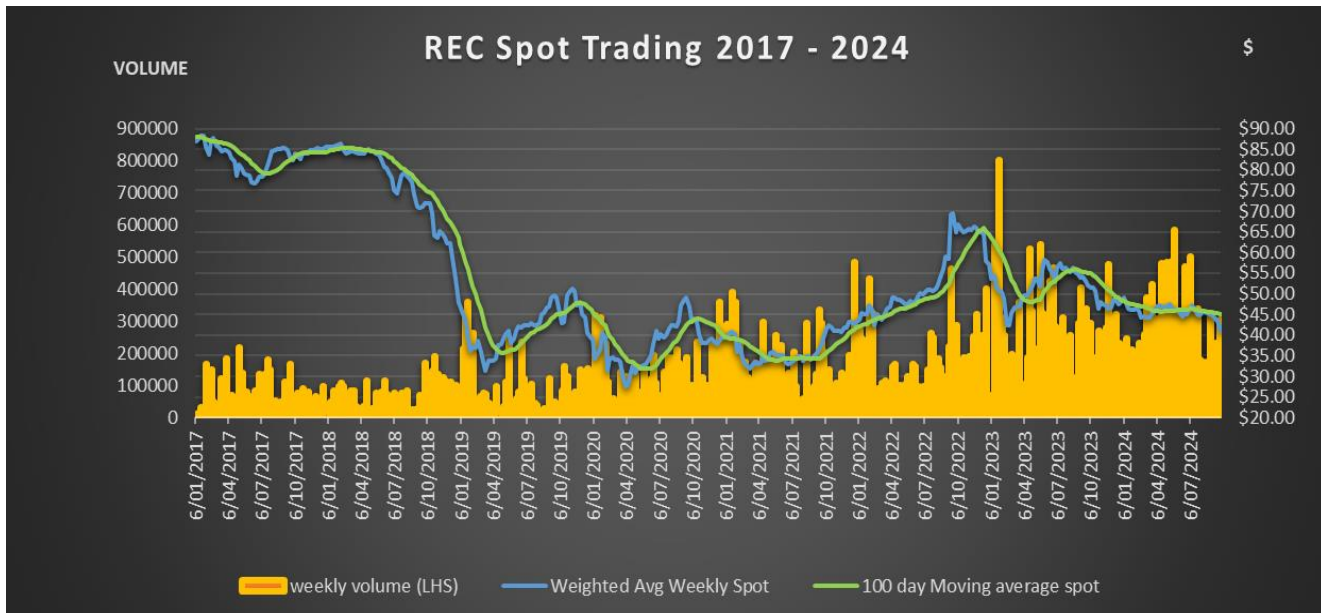
Renewable Energy Certificates

LGC prices dropped this month on the back of a rise in creation from windy weather and a CER market report showing adequate supply to meet the 2024 surrender target.

The spot market opened at \$44.80, a rise of 30 cents from August's finish. That was the high point, however, and the price drifted lower from there as the recent windy conditions across the country continued to add to certificate creation. Late in the month the CER released their Q2 Quarterly Market Report and that led to further selling, seeing the price fall to a low of \$40.00. That level attracted some buyers and the market closed at \$41.50 on turnover of 875,000 LGCs.

Calendar 2024 followed suit, opening at \$44.80 and falling to the last trade at \$40.75. However subsequent deals in the spot would imply an actual closing level of \$42.50, a loss of \$3.00 for the month on volume of 585,000 certificates.

Calendar 2025 fell \$4.35, closing at \$40.00 on turnover of 410,000 certificates. Calendar 2026 shed \$3.50 and Calendar 2026 \$4.75 to close at \$32.00 and \$26.00 on turnover of 540,000 and 425,000 respectively. Calendar 2028 only dropped 25 cents to close at \$25.00 on turnover of 340,000 respectively. Calendar 2029 traded at \$22.75 and Calendar 2030 at \$20.00 but both levels were reached before the sell off.



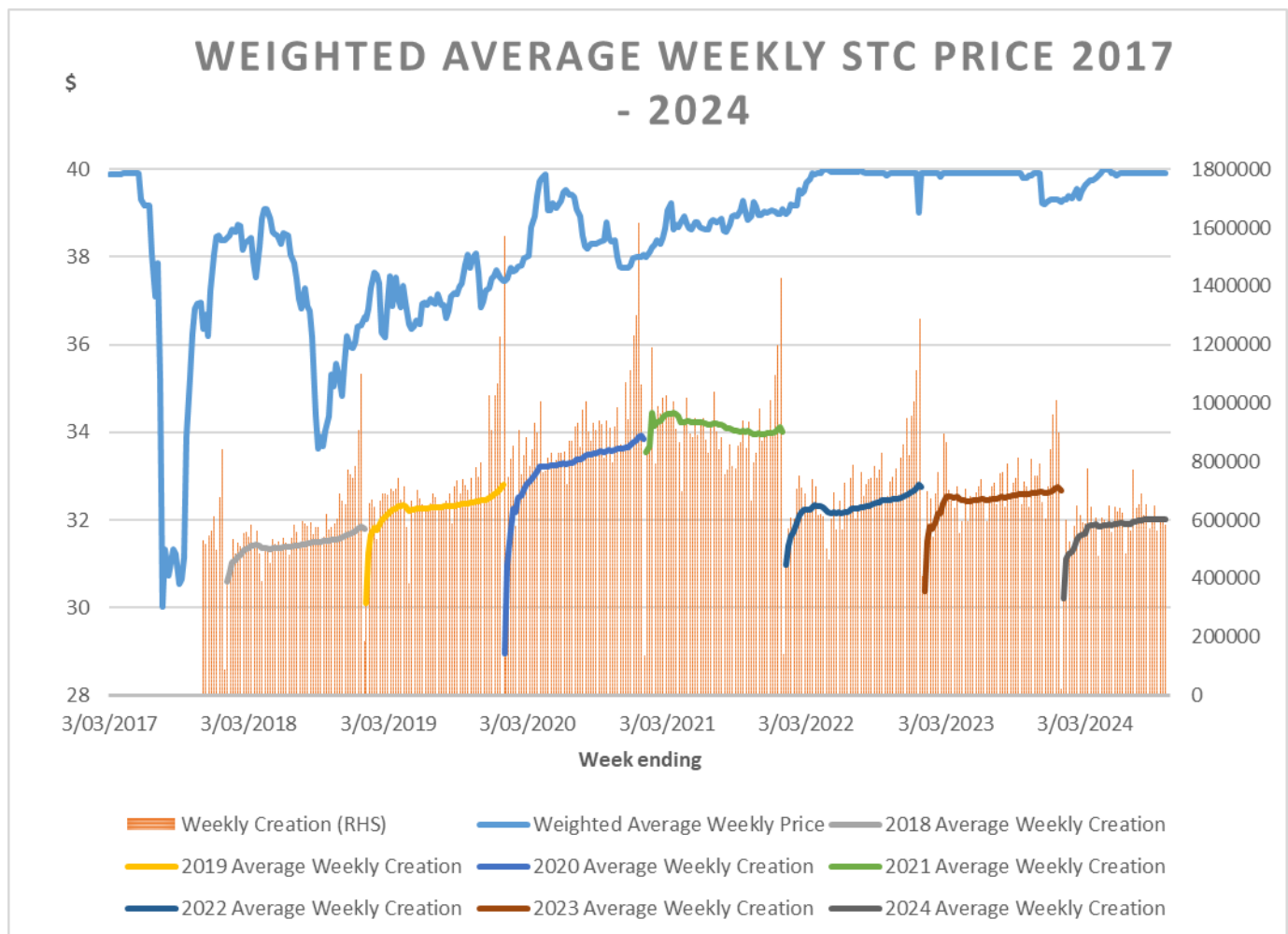
Small Technology Certificates (STC)

STC prices remained unchanged as the Clearing House returned to surplus, at least until the surrender due later this month.

Certificate creation was stable at 2.5 million.

The Clearing moved into surplus so most trades returned to the open market where 202,000 certificates traded at \$39.90.

No forward trades were reported again this month.



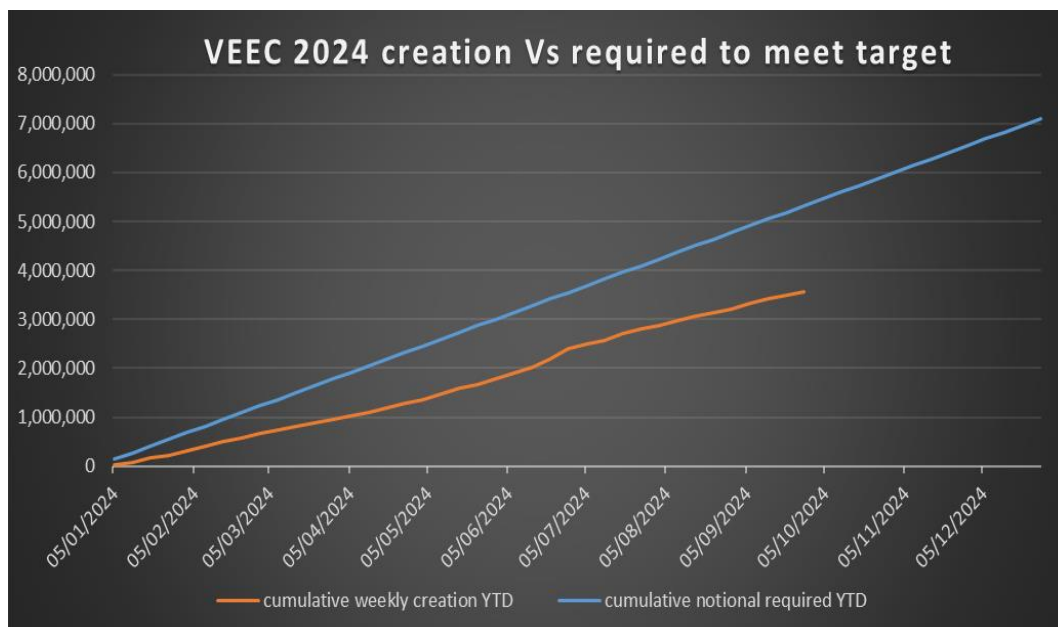
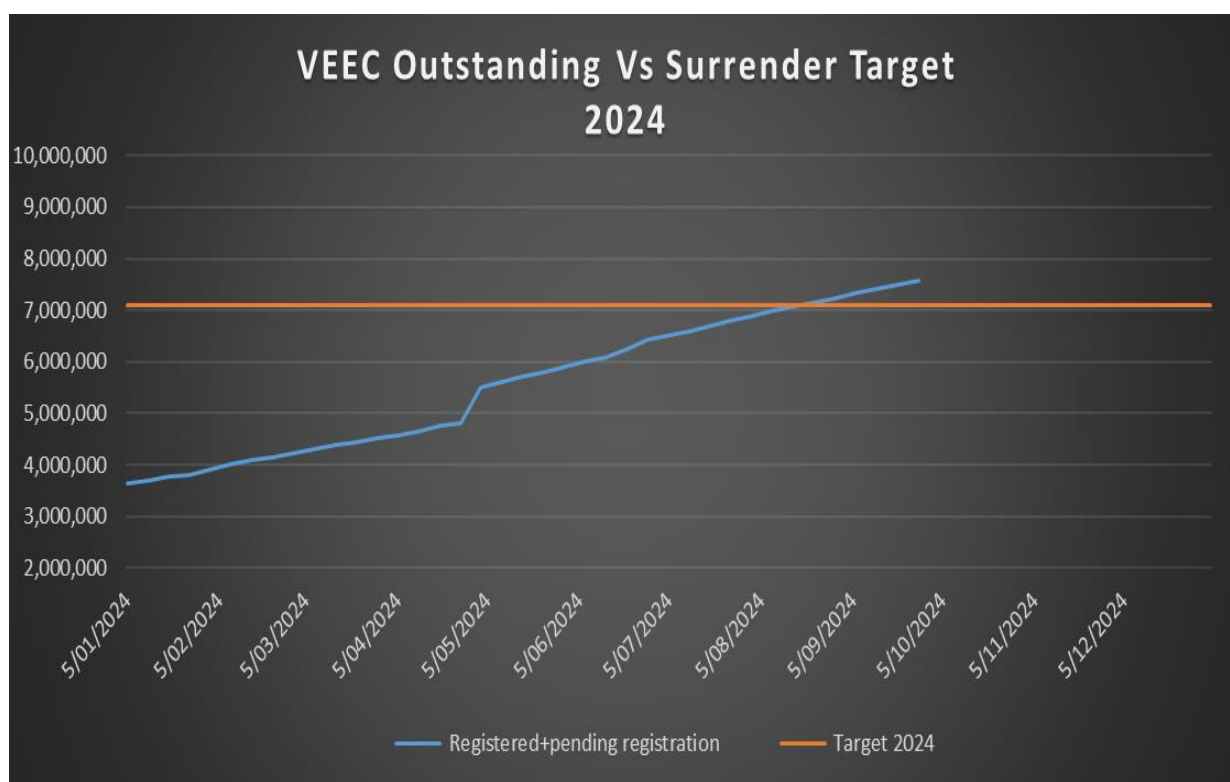
VIC VEECs

VEEC prices were stable this month.

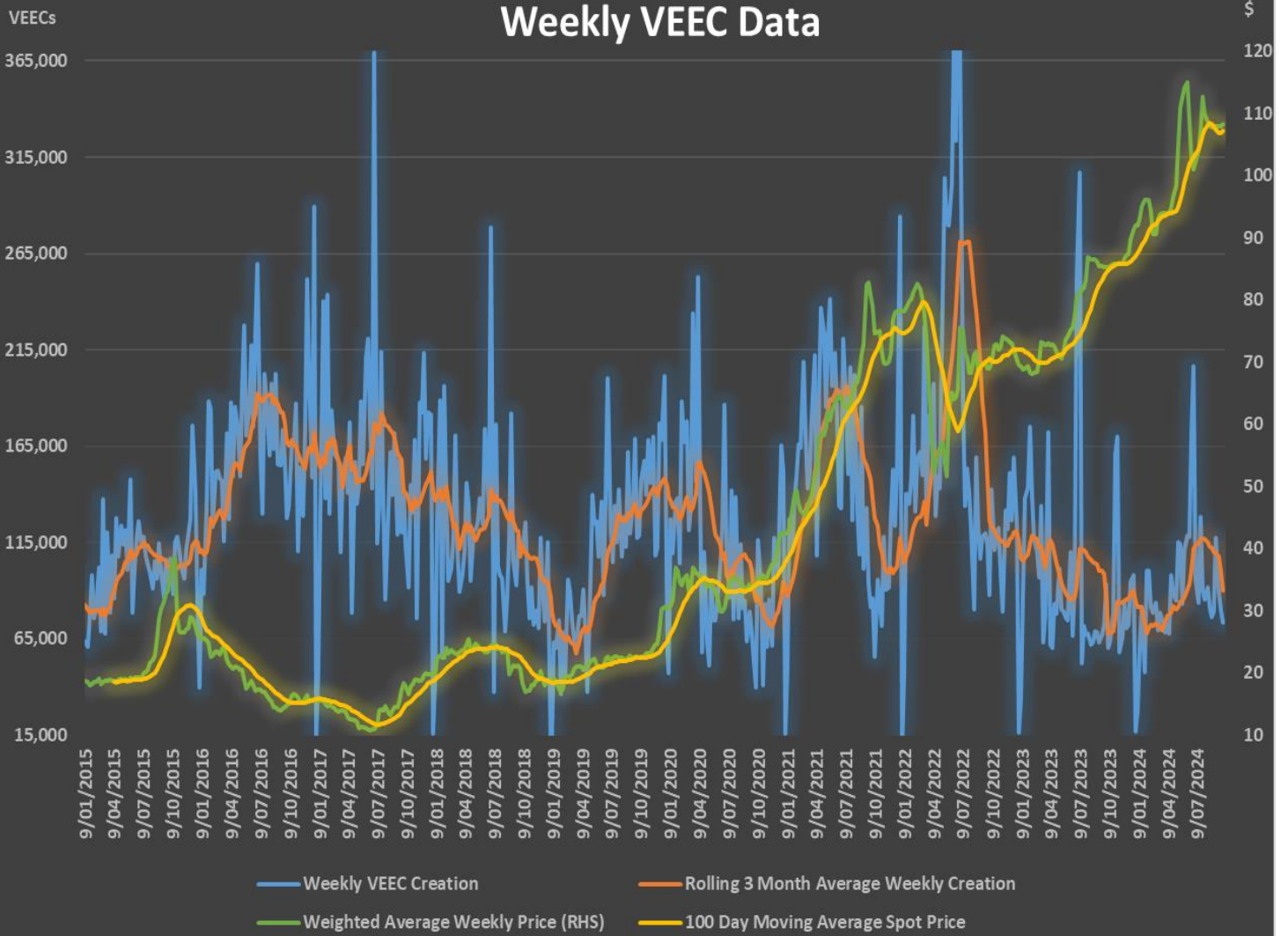
Certificate creation was similar to August at 403,000.

The ongoing low level of certificate generation saw the spot market open unchanged at \$108.00 and continue trading around that level, closing at \$108.25 on turnover of 315,000 VEECs.

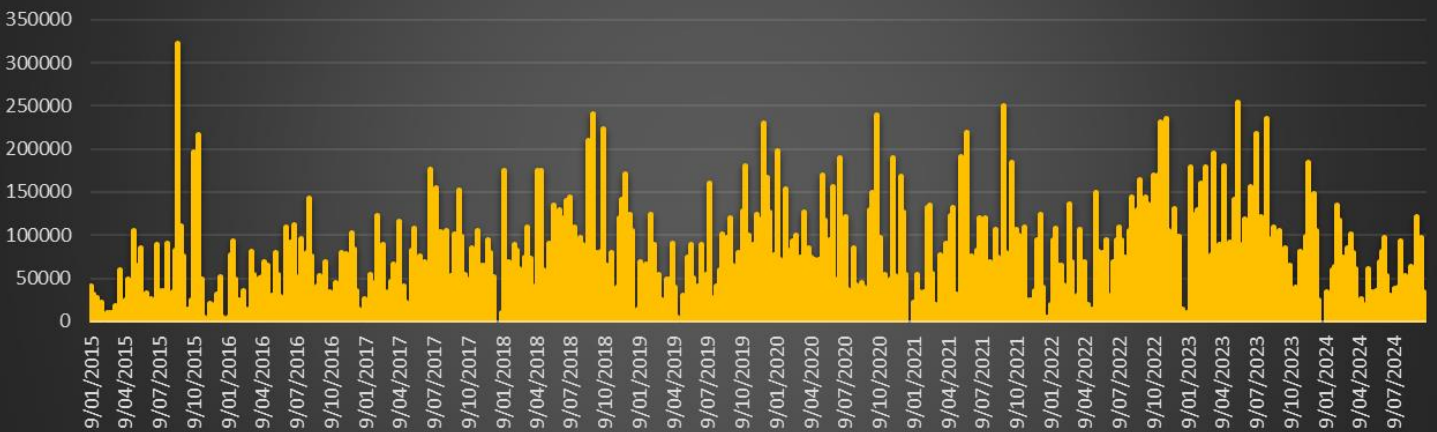
The forward market saw 275,000 certificates deal for delivery from the end of the month to July 2025. All these trades were struck at levels around the same as the prevailing spot price as credit conditions remain tight.



Weekly VEEC Data



Weekly Traded Spot Volume



Demand Manager Pty Ltd

PO Box Q1251

QVB Post Office NSW 1230

Phone: 02 9279 4704

ABN: 64 115 850 729

www.demandmanager.com.au