



Market Summary Report

November 2019

Introduction and Further Information

This report provides information on wholesale price trends for all regions within the National Electricity Market (NEM), the Western Australia energy market and environmental scheme certificates.

Please note that all electricity prices are presented as a \$ per MWh price and all certificate prices as a \$ per certificate price.

You can obtain the latest pricing information for the spot and contract markets on a daily basis from the “Market” section of the ERM customer portal.

Tasmanian contract prices are the non-regulated prices published by Hydro Tasmania on a weekly basis. All NEM spot prices are published by the Australian Energy Market Operator (AEMO). NEM contract prices are sourced from ASX.

Further information can be found at the locations noted below.

- Tasmanian Energy market - a comprehensive weekly report is published by the Office of the Tasmanian Energy Regulator which can be found here: <https://www.economicregulator.tas.gov.au/about-us/market-watch/tasmanian-market-watch>
- Western Australia energy market - AEMO publishes a detailed market report which can be found here: <http://wa.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Data/Weekly-market-report>
- NEM Spot market – AEMO publishes a range of detailed information which can be found here: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Data-dashboard>

Contract Market

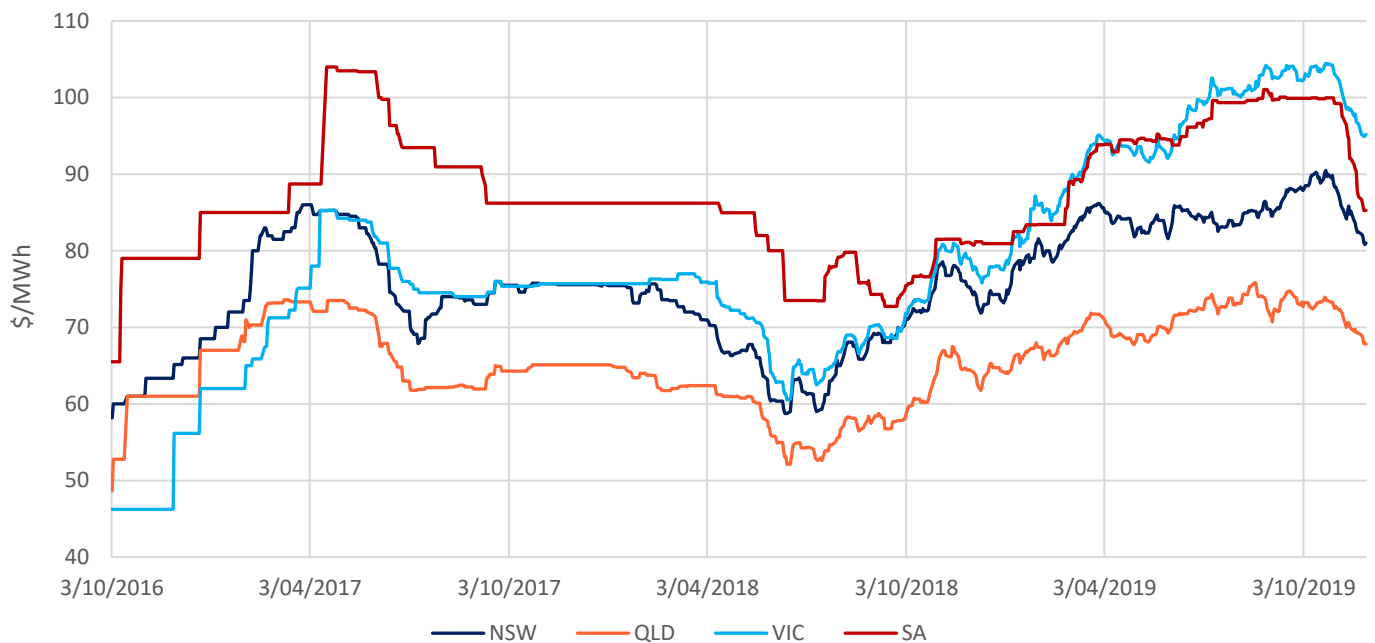
Calendar Year 2020 (CY20)

The CY20 contracts continued their late October selloff into November, with good unit availability after outages and strong wind conditions resulting in low spot prices. CY20 contracts in each region ended the month lower, SA ended the month almost \$14.00 lower as the spread between SA and VIC contracts continues to widen. Participants with units out of service re-affirmed that maintenance work was on track.

November 2019

State	Previous Close	Period Low	Period High	Closing Price
QLD	72.47	67.83	72.75	67.83
NSW	88.35	80.79	88.35	81.01
VIC	103.06	94.90	102.92	95.21
SA	99.24	85.25	99.24	85.25
TAS	97.64	90.13	96.10	90.13

CY20 Flat



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Contract Market

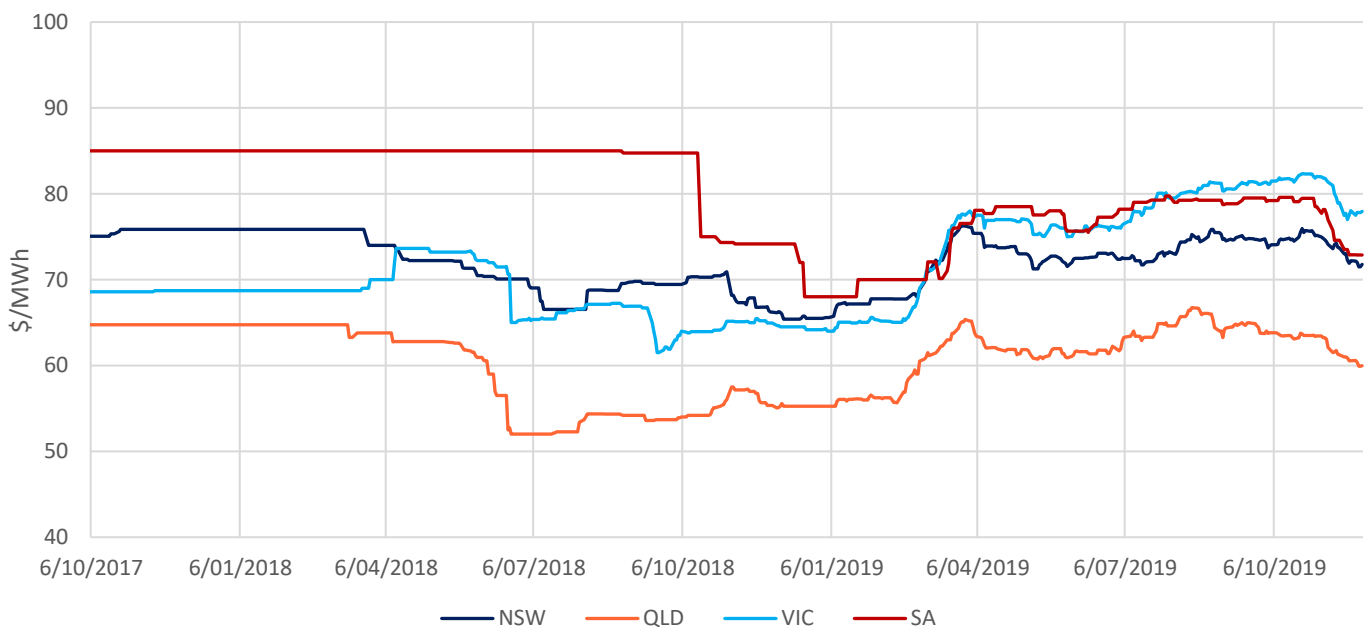
Calendar Year 2021 (CY21)

The CY21 contracts followed the CY20 contracts down this month, with the moves down not as extreme as those in the CY20 contracts. Similarly to the CY20 contracts, CY21 contracts closed lower in every region. The spread between contracts in NSW and VIC continued to tighten this month.

November 2019

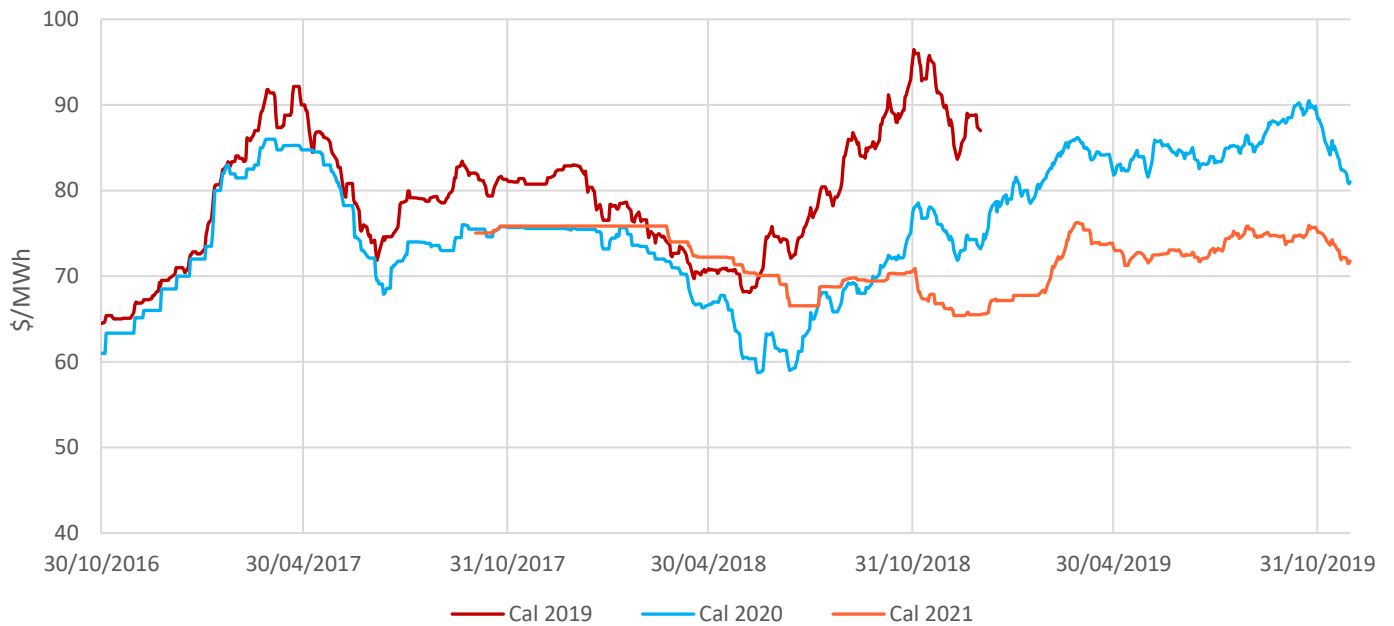
State	Previous Close	Period Low	Period High	Closing Price
QLD	63.39	59.92	63.44	59.97
NSW	75.11	71.50	75.16	71.78
VIC	81.82	76.99	82.03	77.95
SA	78.50	72.88	78.50	72.88
TAS	78.40	73.31	77.72	73.72

CY21 Flat



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Contract Market – NSW Flat

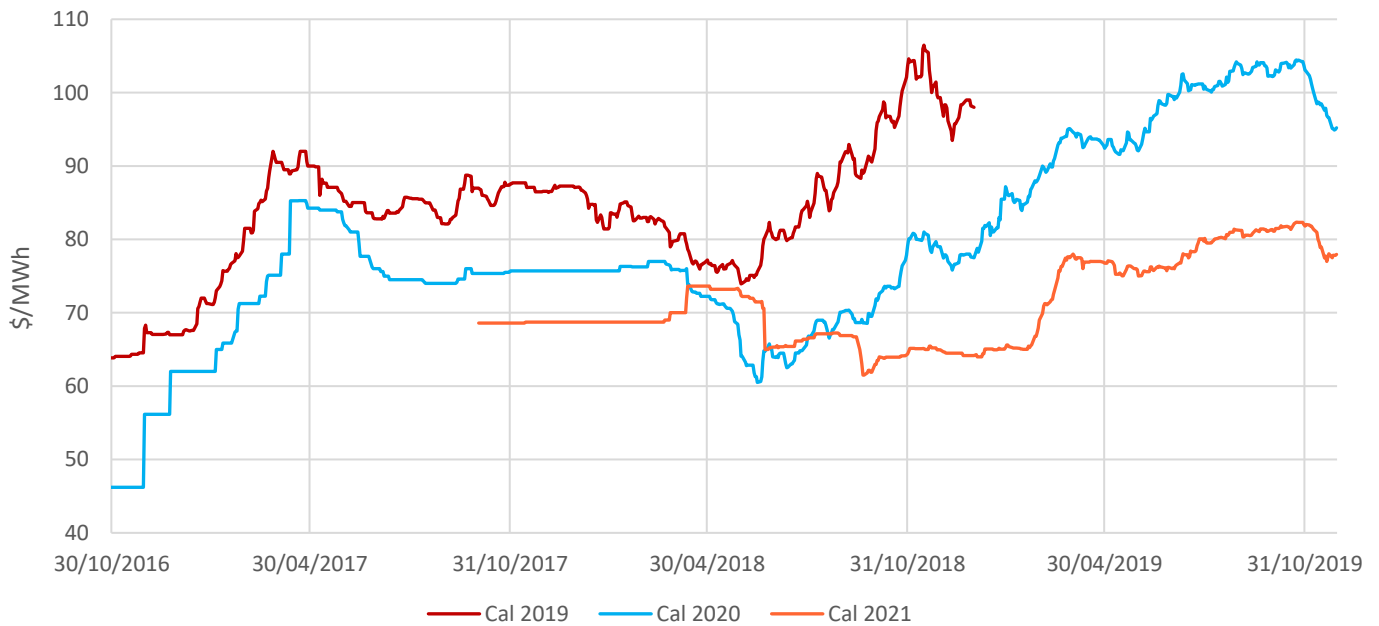


Contract Market – QLD Flat

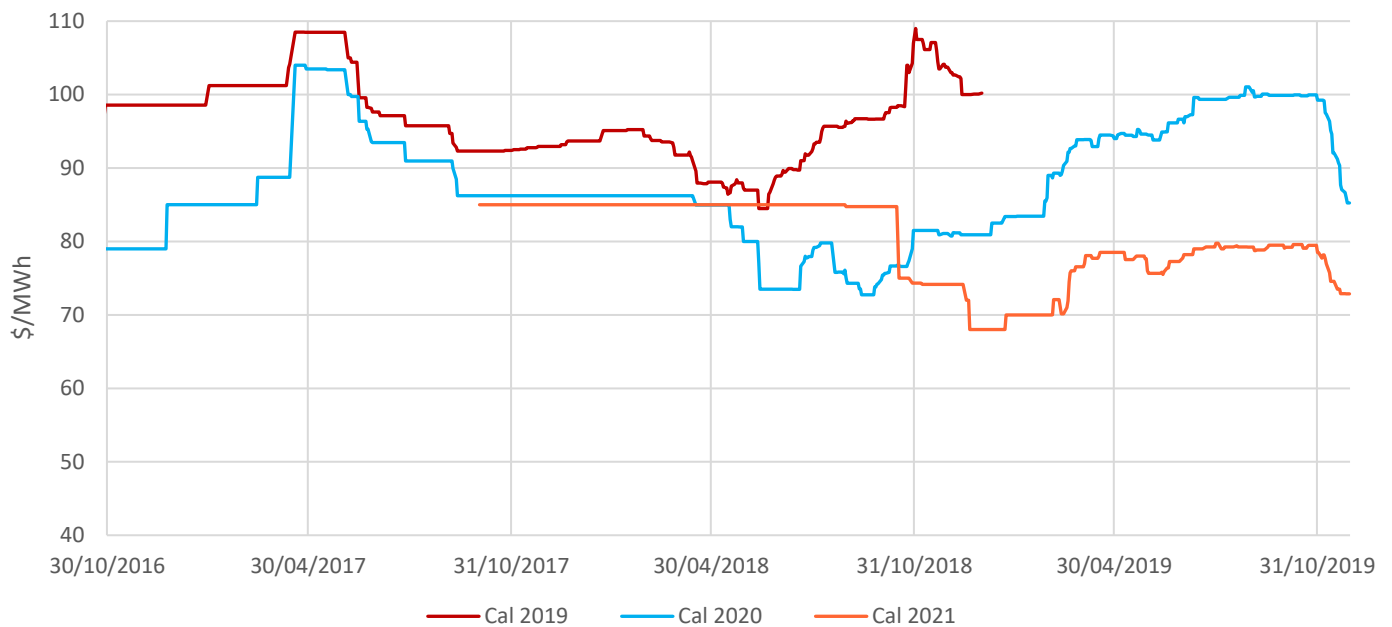


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Contract Market – VIC Flat



Contract Market – SA Flat



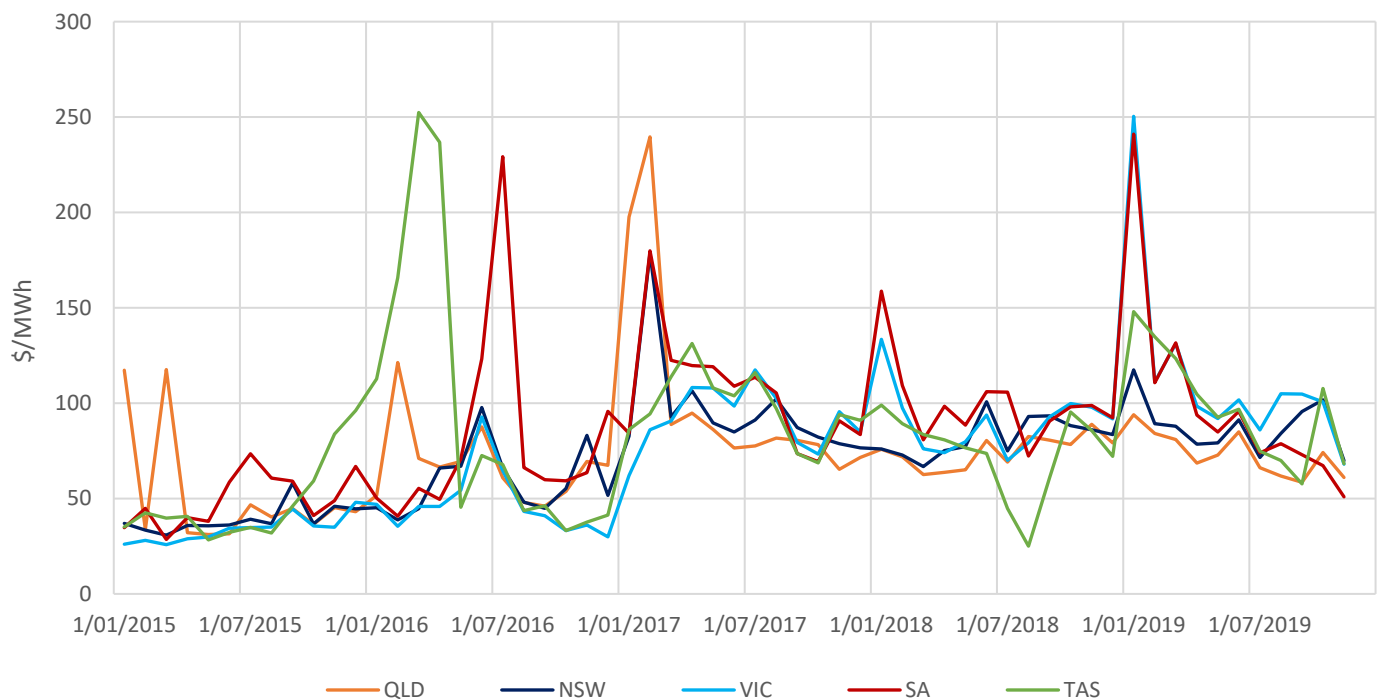
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Spot Prices: National Electricity Market

November saw the end of significant outages and a reversal of recent trends, with each region seeing significantly lower average prices than the previous month. The highest price region was once again NSW, averaging \$69.89, with TAS and VIC not far behind this. QLD saw the lowest month on month reduction, averaging \$61.07, down approximately \$13.00. In what has been a recent trend SA witnessed the lowest spot prices in the NEM, averaging \$50.87 for the month.

November 2019

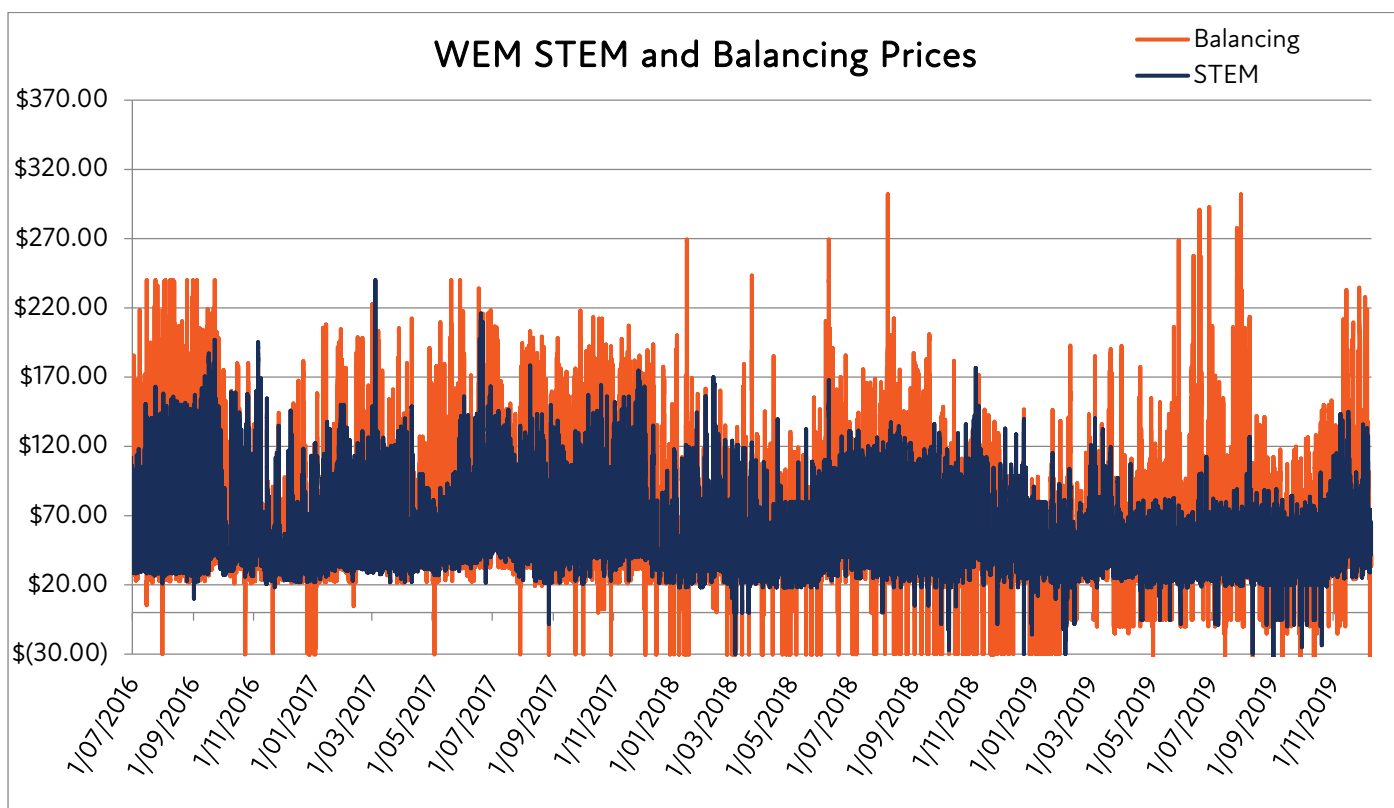
State	Monthly Average	Max Half Hour Spot Price
QLD	61.07	280.03
NSW	69.89	277.62
VIC	67.99	294.53
SA	50.87	1,078.17
TAS	68.27	4,551.39



Western Australian Energy Market

STEM prices in Western Australia during November were once again up from the previous month. The average flat prices increased \$9.03 to \$50.60 while the peak increased \$9.48 to \$53.08. Balancing prices followed similar gains, with flat up \$4.37 to \$51.47 and peak up \$2.57 to \$50.60.

We saw lower price volatility in both the STEM and Balancing markets, with 46 intervals above \$100 (and 0 intervals below \$0) in the STEM and 82 intervals above \$100 (with 8 intervals below \$0) in the Balancing market.



Emission Schemes

LGCs were once again volatile in November, reaching a high of \$51.50 before a low of \$44.90 and then closing at \$46.75, down \$3.50 over the month. The CY20 certificates reached a high of \$44.55 before closing the month at \$41.25, up \$4.50. The CY21 and C2Y2 certificates also saw significant volatility in November, a contrast to October, with the CY21 certificates up \$7.85 to close at \$23.60 and CY22 certificates closing at \$11.75, up \$1.75.

VEECs continued to trade up in November, closing at \$24.70, up \$1.30 for the month. VEECs have traded northward for some time as participants await news about targets and scheme dynamics post CY20. No updates were released during the month.

ESCs traded flat for the first half of the month before jumping up, closing at \$24.15, up \$1.55. The NSW government released initial details about the expansion and extension of the scheme, with a key announcement being the gradual increase of the target to 13% by 2030.

STCs ended November at \$37.50, up \$0.75 over the month. Participants experienced unanticipated delays with the REC registry, which translated into lower liquidity in the market. As we continue to see strong certificate creation the setting of the CY20 STP is still front of mind for many.



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