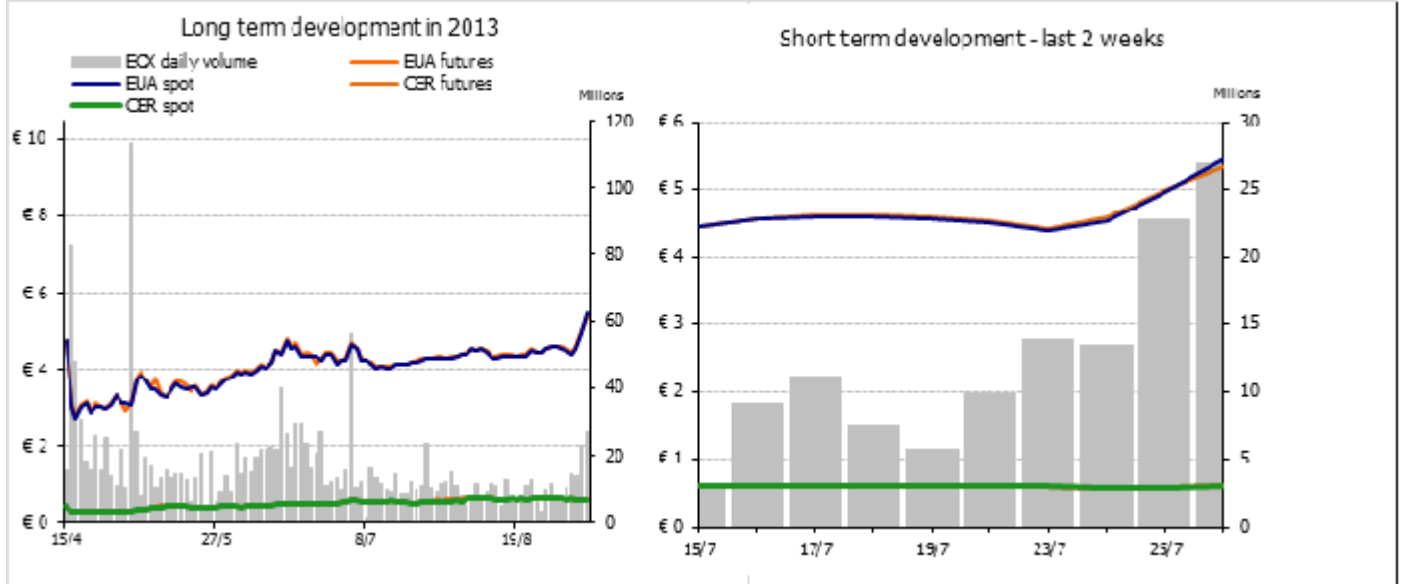


**CO2 market recorded a positive week. EUAs closed the week at € 5,45. CERs credits closed at € 0,59. CER/EUA spread finished the week at €4,86.**



	SPOT			FUTURE			
	max	min	wkly chg	max	min	wkly chg	
<b>EUA</b>	5.45	4.39	24%	<b>EUA</b>	5.33	4.42	21%
<b>CER</b>	0.60	0.56	7%	<b>CER</b>	0.60	0.56	7%

**Biggest Weekly Gain on carbon allowances since June.**

EUAs climbed more than 10 percent last week, the biggest increase for the period since June. The cause of this so long unseen price move is the regulatory decision to scale back the handout of free allowances and reducing thus the risk of a sell-off by polluters. The European Commission lowered its allocation of free allowances to industry by 12 percent through 2020 and delayed the auction of allowances covering 66 million metric tons of emissions until next year.

**Change in German policy of clean-power subsidy?**

German government adviser – Monopolkommission – last week issued a study which raised the possibility of fundamental change in current clean-power subsidy policy. The new policy should resemble the Sweden’s clean-energy subsidy system based on quota model, which requires utilities to supply fixed levels of renewable power or buy tradable credits to make up the difference.

Germany must stop subsidizing clean-power generators when prices on electricity exchanges turn negative, the Monopolkommission,

an agency advising the government on competition, said in the study. "Sweden is able to realize the energy switch at much lower costs than Germany," told Daniel Zimmer, the head of the commission. Chancellor Angela Merkel has vowed to change clean-power subsidy laws after elections due on Sept. 22. The proliferation of renewable-energy ventures has exceeded government forecasts, driving up costs for consumers. The Monopolkommission advised Germany also against introducing a capacity-market program, which pays utilities to provide back-up power when demand peaks and clean energy falls short. Such payments would only increase the costs further. Changes in German clean-power subsidy policy might lead to more stable and predictable share of fossil based power generation in whole EU with significant influence on carbon emission prices.

#### Results of last week's auctions

Day	Organizer	Volume	Price (€)
2/9	European Union	3,461,500	4,49
3/9	European Union	3,461,500	4,38
5/9	European Union	3,461,500	4,75
6/9	Germany	4,020,000	5,05

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