

BESS LEASE BRIEF · QCELLS PARCEL 9 · MONTE CARLO 10,000 PATHS

QCELLS — sign as amended.

Expected NPV \$405K as drafted, \$454K fully amended (spread \$49K mean uplift). The real value: amendments eliminate the catastrophic worst-case (-\$4.87M → \$28K). The QCELLS draft has no decommissioning bond; SunVest had a flawed one. Amendments are insurance against the deep left tail, not a value play.

NPV AS DRAFTED

\$405K

mean of 10,000 paths · 5% disc.

NPV IF AMENDED

\$454K

8 amendments accepted

TAIL LOSS ELIMINATED

\$4.90M

as-drafted worst → amended worst

DECISION MATRIX · DRAFTED vs AMENDED

METRIC	AS DRAFTED	AMENDED	Δ
Mean NPV	\$404,735	\$454,108	+\$49K
Median NPV	\$509,817	\$684,409	+\$175K
Worst case (min)	-\$4,867,449	\$28,362	+\$4.90M
5th pctile (p05)	-\$33,203	\$28,362	+\$62K
95th pctile (p95)	\$949,142	\$1,000,188	+\$51K
Std dev	\$397,994	\$389,384	—

TOP AMENDMENTS BY MARGINAL VALUE

#	AMENDMENT	MEAN NPV UPLIFT
1	Decommissioning bond inserted (surety/LOC)	\$30K
2	Tax reimbursement language fixed	\$19K
3	Assignment threshold \$50M / 100 MW	\$16K
4	One-way environmental indemnification	\$2K
5	Insurance raised + env policy + auto-named	\$2K

FULL AMENDMENT LIST · ALL 8 PROPOSED

#	AMENDMENT	MEAN UPLIFT	P05 PROTECT.
1	Decommissioning bond inserted (surety/LOC)	\$30K	\$28,362
2	Tax reimbursement language fixed	\$19K	\$-17,486
3	Assignment threshold \$50M / 100 MW	\$16K	\$28,362
4	One-way environmental indemnification	\$2K	\$-33,203
5	Insurance raised + env policy + auto-named	\$2K	\$-33,203
6	Lender cure period capped at 60 days	\$0	\$-33,203
7	Casualty / condemnation symmetry	\$0	\$-33,203
8	Owner termination for non-monetary breach	-\$2K	\$-33,203

RISK PROFILE · 10,000-PATH MC

METRIC	DRAFTED	AMENDED
Tenant bankruptcy	9.8%	9.8%
Fire / casualty event	3.2%	3.2%
Lease exercised	60.0%	59.8%
Run to full 35-yr term	5.2%	5.2%
Op years mean	13.7	13.6

RECOMMENDATION

Sign as amended.

- Mean NPV \$49K uplift from accepting all 8 amendments.
- Worst-case downside eliminated: -\$4.87M as drafted → \$28K amended.
- Bond amendment alone is the single largest value driver — draft has no bond at all.
- Hold the line on bond, tax-reimbursement, and assignment-threshold amendments.
- Send letter to hqca-legal@qcells.com after counsel review. Sign only after counter.

DECISION

- Sign as drafted (accept worst-case left tail, no bond, \$2M insurance).
- Send amendment letter, hold signing until counter received.
- Negotiate subset (top 3: bond + tax + assignment threshold).
- Walk away entirely (SunVest + CP Development are parallel deals).

Fano signature

Date