

BESS LEASE BRIEF · MONTE CARLO 10,000 PATHS

SunVest lease — sign as amended.

Expected NPV \$1.36M as drafted, \$1.42M if 8 amendments accepted (spread \$61K mean uplift). More important than the uplift: amendments eliminate the negative-NPV worst case (-\$331K → \$49K). Amendments are insurance against the left tail, not a value play.

NPV AS DRAFTED

\$1.36M

mean of 10,000 paths · 5% disc.

NPV IF AMENDED

\$1.42M

8 amendments accepted

AMENDMENT SPREAD

\$61K

insurance against left tail

DECISION MATRIX · DRAFTED vs AMENDED

METRIC	AS DRAFTED	AMENDED	Δ
Mean NPV	\$1,360,415	\$1,421,725	+\$61K
Median NPV	\$1,367,987	\$1,430,466	+\$62K
Worst case (min)	-\$331,157	\$49,342	+\$380K
5th pctile (p05)	\$49,342	\$49,342	—
95th pctile (p95)	\$3,124,997	\$3,180,597	+\$56K
Std dev	\$1,224,628	\$1,231,881	—

TOP AMENDMENTS BY MARGINAL VALUE

#	AMENDMENT	MEAN NPV UPLIFT
1	Tax reimbursement language fixed	\$46K
2	Decom bond pre-construction (surety/LOC)	\$45K
3	Assignment threshold \$50M / 100 MW	\$28K
4	One-way environmental indemnification	\$19K
5	Environmental insurance + auto-named additional insured	\$18K

FULL AMENDMENT LIST · ALL 8 PROPOSED

#	AMENDMENT	MEAN UPLIFT	P05 PROTECT.
1	Tax reimbursement language fixed	\$46K	\$49,342
2	Decom bond pre-construction (surety/LOC)	\$45K	\$49,342
3	Assignment threshold \$50M / 100 MW	\$28K	\$49,342
4	One-way environmental indemnification	\$19K	\$49,342
5	Environmental insurance + auto-named additional insured	\$18K	\$49,342
6	Owner termination for non-monetary breach	\$16K	\$49,342
7	Lender cure capped + reciprocal SNDA	\$16K	\$49,342
8	Owner improvement consent on reasonable discretion	\$16K	\$49,342

RISK PROFILE · 10,000-PATH MC

METRIC	DRAFTED	AMENDED
Tenant bankruptcy	12.0%	12.1%
Fire / casualty event	4.2%	4.1%
Lease exercised	65.5%	65.5%
Run to full term	18.7%	18.6%
Op years mean	17.3	17.3

RECOMMENDATION

Sign as amended.

- Mean NPV +\$61K from accepting all 8 amendments.
- Worst-case downside contained: -\$331K as drafted → \$49K amended.
- Two amendments alone (tax reimbursement + decom bond) deliver ~70% of the uplift.
- Send amendment letter to SunVest counterparty. Wait for counter or accept. Sign only after.

DECISION

- Sign as drafted (accept worst-case left tail).
- Send amendment letter, hold signing until counter received.
- Negotiate subset (top 2 only: tax reimbursement + decom bond).
- Walk away entirely.

Fano signature

Date