FINDING · GRANDFATHERING §118 ENWG — FID REQUIREMENT

NOT BEFORE

early 2027

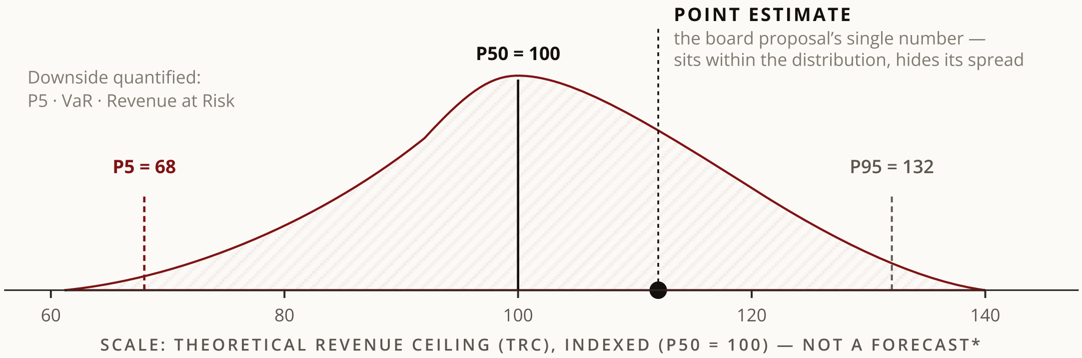
FID CUTOFF · AGNES DETERMINATION TAKES EFFECT

Grandfathering under §118 EnWG applies only with a final investment decision (FID) before it takes effect — and commissioning by 4 Aug 2029. FID is cumulative: a binding component order (~½ of capex), no withdrawal without substantial financial loss, a binding grid-connection commitment. Source: BNetzA presentation, 27 May 2026, pp. 57–59.

Why now: The bottleneck isn’t revenue — it’s FID readiness before the window.

OEM	Your end customer can’t reliably gauge their project’s bankability — the FID stalls, the sales cycle drags on.
END CUSTOMER	Grandfathering exists only with an FID before the cutoff. FID demands hard criteria — the practical bottleneck: the grid-connection commitment. Today that risk can hardly be priced in reliably.
CONSEQUENCE	Miss the cutoff and from 08/2029 you pay a **permanent financing charge instead of €0**.
APPROACH	The board proposal needs de-risking evidence before the FID is taken — this is exactly where the analysis comes in.

The difference: A board proposal today has one number. A bank needs a distribution.



**Compute basis June 2026 — 1,000 stochastic paths (Monte Carlo), quantiles from the DA run.*

FIG. 1 Point estimate and distribution on the same value axis: the board proposal’s single number sits somewhere within the distribution — and hides its spread. P5/P50/P95 from 1,000 paths, downside quantified rather than asserted.

DATA SOURCES:

METHODOLOGY · EVIDENCE · CONTACT

What the model does: empirical market data instead of static assumptions.

A Python-based model evaluates BESS economics under deep uncertainty: 1,000 stochastic paths (Monte Carlo, block bootstrap on empirical market prices (15-min resolution)), path-wise valuation, aggregation across quantiles. Outputs are NPV/IRR distributions and downside metrics (VaR, Revenue at Risk) — inputs for the investment memo, not a methodology debate.

Regulation runs as a time path over the asset lifetime — scenario switches at cutoff dates, computed this way behind the two-worlds figure below as well. Paths can optionally be weighted by probabilities of occurrence.

Theoretical Revenue Ceiling (TRC): LP optimisation under perfect foresight — a mathematical upper bound, not a forecast. If the NPV is already negative at the TRC, the project isn't bankable — regardless of operator skill. Roadmap: Operational Revenue Ceiling (ORC) — rolling optimisation without perfect foresight as a realistic complement to the ceiling.

Two worlds, one number: The difference is small per year — and permanent.

	S0 · FID BEFORE CUTOFF	S1 · CUTOFF MISSED
Grid-fee status from 2029	Grandfathered (§118 exemption)	**Financing charge ~5.5 €/kW/yr**
NPV impact	—	**≈ −€2M** (delta, parallel shift)*
Duration	over operating life	**permanent** — no return

CONTEXT Delta from two complete compute runs (DA + ID3, 1,000 paths each), robust to market assumptions (parallel shift of a regulatory fixed cost). Absolute NPVs deliberately not disclosed (TRC ceiling). Compute basis June 2026.*

**Date consistency: model cut 1 Jan 2030, real cutoff 4 Aug 2029 — shown as "from 08/2029".*

Next step: a project-specific briefing.

Inputs are the storage specification, contractual situation and location — the analysis is a tailored individual assessment, not SaaS. Scope boundary stated openly: site control and the grid-connection commitment sit with the project, not the model.

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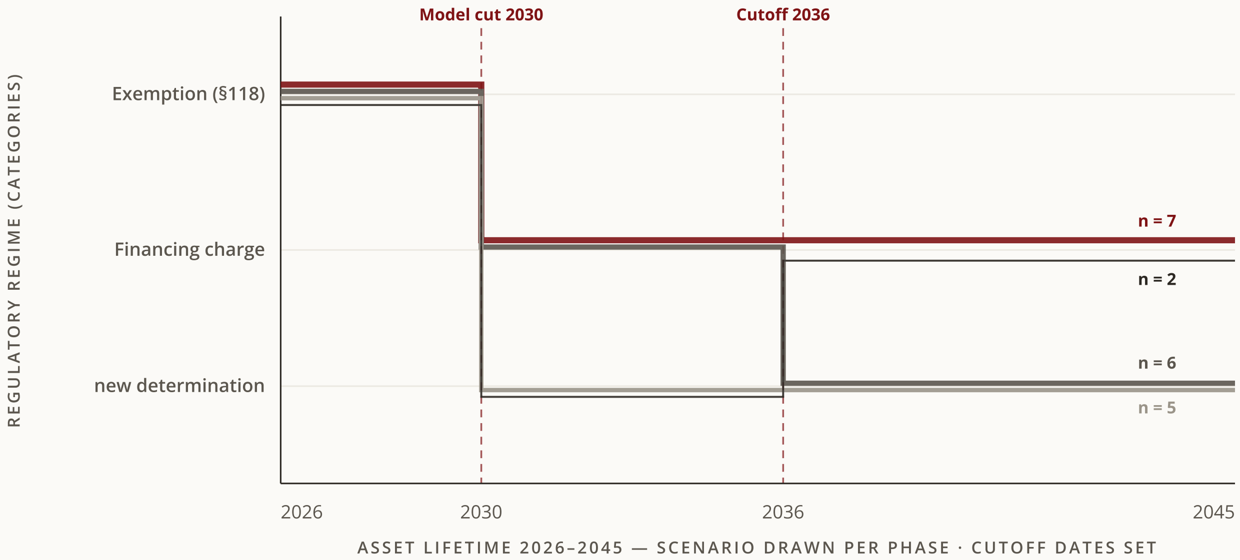
ANNEX · DEEP DIVE — REGULATION AS A TIME PATH

Deep dive: Regulatory risk is simulated, not assumed.

For the two-worlds figure a single fixed cutoff date sufficed (one path, one switch). Where the future regime is uncertain, the model draws the regulatory scenario per phase for each simulation path — at defined cutoff dates; regulatory risk is simulated rather than set as a fixed assumption.



Compute convention: Y1 = 2026 · real cutoff 4 Aug 2029, simplified in the model to the year boundary — the chart shows the model cut 1 Jan 2030.

FIG. A1 Regulatory regime as a time path over the asset lifetime — for each simulation path the scenario is drawn per phase; the phase boundaries (cutoff dates 2030 and 2036) are set. Vertical position = regime category, not a value axis — height encodes no fee or revenue level. Real simulation paths from the compute run (n = 20 iterations, seed documented); line width proportional to the number of paths per route. Contains no market data.

DATA SOURCES:
This page contains no market data — simulation paths from the compute run (licence-neutral).