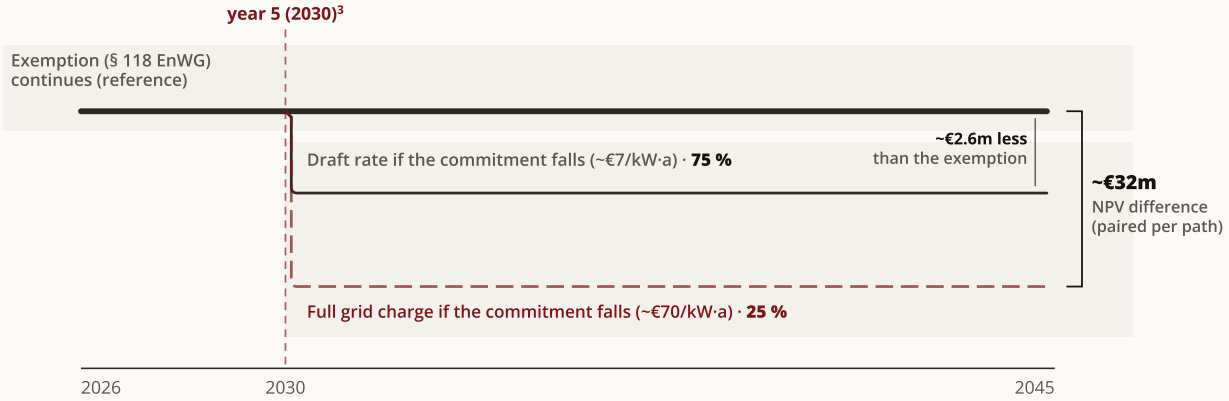
FINDING · REGULATION: REFERENCE AND TWO WEIGHTED CASES

Whether the commitment holds is decided at the ballot box — a breach costs you ~€32m, largely independent of your base case.

IF THE COMMITMENT FALLS, WE WEIGHT THE HARD BREACH AT 25 %.



If the commitment falls from year 5, the draft rate applies in three quarters of the paths; in one quarter, the full grid charge. Whether it falls, we do not weight.

FIG. 1 Two cases from year 5 against the commitment as reference. Below means loss against the commitment; gaps are not to scale. Breach = counterfactual stress test, not a forecast. Year 1 = 2026; cases modelled from 1 Jan 2030 (year 5), and after the 2029 federal election.

Why now: The commitment can be breached — and the breach is permanent.

TODAY'S COST	Your bank prices this risk in today — debt sizing runs off the downside case: now, not only if the breach occurs. Diffuse regulatory risk costs you return either way.
MECHANISM	Capital is committed on the basis of a state commitment — and the commitment changes after the capital is sunk; a breach acts forward, applying only from the cut-off onwards.
CONSEQUENCE	~€32m against the commitment if the full grid charge comes — **weighted at one quarter (25 %)**. A basis for decisions, not a point estimate — board-ready before FID.

Reference asset (illustrative)

50 MW · 200 MWh 4-hour system, front-of-meter / grid-scale	**Arbitrage + FCR** FCR set as a conservative lower bound, not co-optimised	**Day-ahead, SMARD 10/2025–07/2026** 15-min; intraday analysis in print only	**20 years (2026–2045)** year 1 = 2026
Exemption years 1–4 § 118 EnWG, grandfathered (FID before 2027)	**From year 5, if the commitment falls:** 75 % draft rate · 25 % full charge	**1,000 paths, seed-paired** all cases on identical market draws	**NPV pre-tax, WACC stochastic** mean 6.5 %, range 4–10 %

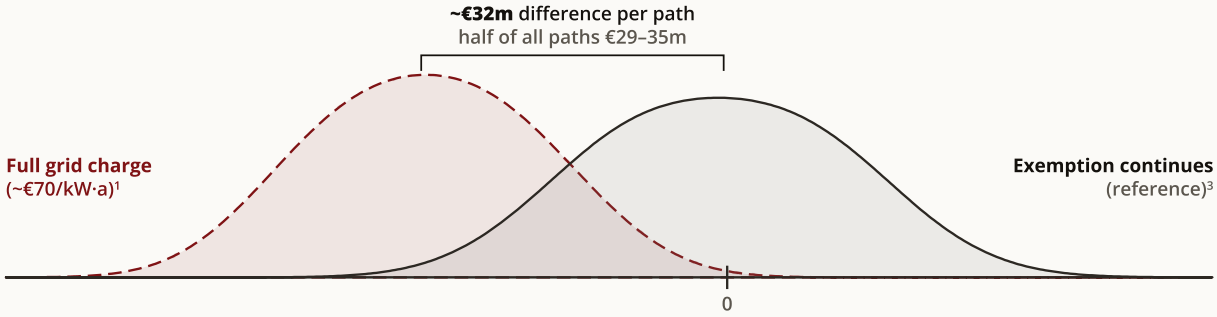
Data: SMARD.de (BNetzA, CC BY 4.0), 15-min day-ahead — details p. 2.

METHODOLOGY · EVIDENCE · CONTACT

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

Monte Carlo, 1,000 paths on empirical 15-min market prices. Each path valued under each regulatory case, identical market draws. NPV pre-tax; the difference per path isolates the regulatory effect. Dispatch is optimised with perfect foresight (TRC) — a theoretical upper bound, not a forecast.

Reference and hard breach, same paths



Schematic density of the 246 paired paths in which the hard breach occurs (kernel-smoothed);
each path valued under the exemption and under the full grid charge.
The draft-rate case (~€2.6m below the exemption, Fig. 1) is not shown.

FIG. 2 Both curves show the same paths, valued under the continued exemption (right) and under the full grid charge (left). NPV pre-tax, TRC upper bound, see methodology. **Illustrative calculation on the 50 MW / 200 MWh reference asset — project-specific analysis on your data.**

[1] Breach parameter: full HV grid charge; current HV grid-charge sheets ~€50–90/kW·a + €15–30/MWh; 70 = upper mid-range.

[2] Draft rate: under the AgNeS draft (BNetzA, GBK-25-01-1#3), storage pays the generators' capacity-based charge (tenor 10.1 s. 2; no energy charge, reasoning paras. 406/410), recalculated yearly (tenor 9.2); the draft's reasoning indicates €4–7/kW·a (para. 50). Applied here as the mild case if the exemption falls despite grandfathering.

[3] Year 1 = 2026, FID before 2027: exempt under § 118 EnWG, grandfathered under the AgNeS draft (tenor 17.5). Reference: the exemption continues. Cases from 1 Jan 2030 (year 5), after the 2029 federal election: the draft rate (75 %) or the full HV grid charge (25 %). Whether the commitment falls is not weighted.

[4] This edition is deliberately conservative, based on day-ahead prices (licensing). The intraday analysis (ID3) is available in print only for licensing reasons — talk to us.

Your number.

Your project, with or without grandfathering: key data is enough — we calculate your figure.

Scope: front-of-meter / grid-scale (arbitrage + FCR), one bidding zone per asset.

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Data: SMARD.de (BNetzA), CC BY 4.0 · v2.13, 10/2026 — distributions and hero figure recomputed against the exemption as reference (grandfathering).