

KOMMUNAL KREDIT

FROM REVENUE TO DEBT CAPACITY

BESS FINANCEABILITY IN ROMANIA, BULGARIA AND POLAND

Kommunalkredit Austria AG

October 2026

INFRA BANKING EXPERTS

System need does not establish debt capacity

A lender follows the controlled path from grid access to cash available for debt service.

1 Access

- Executable import and export rights.
- MW, location, connection date and curtailment limits.

2 Control

- Dispatch authority, market qualification and usable operating data.
- Can the optimiser be replaced without losing access?

3 Cash

- Settlement into the project company after charging costs, fees, losses and penalties.
- What remains for debt service?

Debt follows the controlled path from grid access to cash—not installed MW or projected revenue.

Revenue streams carry different credit weight

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A lender credits the contract and risk allocation behind the revenue, not the label on the forecast.

MORE CONTRACTED		MORE FORECAST-DEPENDENT
Tolling / availability	**Potential core debt base**	Tenor, termination rights, counterparty and performance obligations
Capacity-market payment	**Contracted availability income**	Award duration, de-rating, certification, penalties and indexation
Floor / hedge	**Partial credit, subject to terms**	Floor level, tenor, collateral, exclusions and guarantor strength
Ancillary services	**Haircut for stress and saturation**	Market depth, qualification, dispatch history and price compression
Day-ahead / intraday arbitrage	**Discounted modelled contribution**	Capture spreads, charging cost, cycling, degradation and cannibalisation
Uncontracted upside	**Equity case until evidenced**	Forecast methodology, back-testing and downside resilience

Revenue stacking can become volatility stacking when every line depends on forecasts.

Debt capacity starts with cash at the project company

Move from gross market value to cash available for debt service, then size debt against downside performance.

01

Gross receipts

Toll / floor
Capacity income
Market dispatch

02

Gross-to-net

Charging costs
Optimiser and trading fees
Losses, imbalance and tariffs

03

Asset costs

Fixed O&M
Degradation / augmentation
Insurance and taxes

04

Debt case

CFADS and DSCR
Reserves and cash sweep
Tenor and leverage

The base case should explain how the asset earns, what leaves the SPV, and who absorbs each shortfall.

Use realised data where available; identify sponsor assumptions separately; stress spreads, cycling, availability and counterparty failure.

Romania | Tariff treatment and grid access affect the case

Recent rule changes help storage economics; connection rights and project-specific access still need separate diligence.

TARIFF TREATMENT

8 July 2025

ANRE approved an exemption from regulated transport extraction, distribution and system-service charges for electricity stored and later re-injected.

Boundary

Self-consumption and storage losses remain chargeable.

GRID CAPACITY ALLOCATION

2026

Transelectrica's July intake published capacity requests by network zone, requested MW and declared in-service year under ANRE Order 53/2024.

Lender / TSO test

Confirm the project's import and export rights, allocation status, connection works, curtailment and commissioning path.

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Romania | Scornicești pairs an optimiser with a revenue floor

Public disclosure shows a commercial bridge between merchant dispatch and a more predictable minimum cash flow.

127 MW **254 MWh** **≈ 2 hours** **Scornicești BESS**

R.Power Romanian subsidiary	Optimizer	Wholesale + balancing markets
Asset owner / project company	Exclusive optimizer and trading partner	Dispatch / market revenues

COMMERCIAL ARRANGEMENT

- Optimizer enhances wholesale and ancillary-service operation.
- Remuneration combines profit sharing and a minimum revenue guarantee.
- Term runs to the fifth anniversary of the BESS starting to provide balancing services.

FINANCEABILITY READ-THROUGH

- Credit only the enforceable floor, after testing guarantor, collateral and exclusions.
- Treat upside as merchant; test floor tenor against debt tenor.
- Public filings do not disclose the floor amount or project debt terms.

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Bulgaria | RESTORE created a grant-backed project wave

The award cohort is large, but awarded capacity is not the same as commissioned capacity or contracted revenue.

82	9.71 GWh	BGN 1.149bn
projects selected	usable energy capacity	RESTORE award funding

9.71 GWh	vs	3.00 GWh
selected usable capacity		minimum program target

Underwriting implication

A grant can lower net capital at risk. It does not create recurring cash flow for debt service.

Diligence the grant agreement, eligible-cost rules, milestones, disbursement timing and clawback exposure.

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Bulgaria | St. George: PV debt, BESS grant

Public disclosures identify a PV debt package and a separate BESS grant; no BESS debt terms are disclosed.

225 MW

solar PV; commissioned May 2026

90 MW / 240 MWh

battery; 50% of BESS cost supported by grant

€90m

IFC / RBI debt for the PV project

PV CASH-FLOW AND DEBT

- IFC / RBI announced up to €90m of debt for the 225 MW PV project.
- A 12-year VPPA covers 110 GWh a year; residual output sells wholesale.
- Public sources do not identify a BESS-specific debt allocation.

BESS CAPEX AND DEBT CASE

- The 90 MW / 240 MWh BESS receives grant support for 50% of cost.
- Grant support reduces capex; it does not guarantee recurring cash flow.
- Underwrite battery revenues and costs separately; test shared-site value.

Credit the PV VPPA to the PV case; model the BESS grant as capex support, not revenue.

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Poland | Capacity payments can anchor availability income

The capacity market pays for dependable capacity, not for every MWh sold; accreditation and delivery duties remain central.

2029 AUCTION REFERENCE

PLN 264.90

per kW per year

Clearing price for Polish physical units in the December 2024 main auction for 2029 delivery.

Not a project-specific price

Contract economics depend on the asset's awarded obligation and contract terms.

WHAT THE REVENUE CAN AND CANNOT DO

CAN ANCHOR

A contracted availability payment can reduce reliance on energy-market spreads.

MUST DELIVER

Capacity obligations require certification, availability and compliance with performance rules.

STILL STRESS

Penalties, derating, outage exposure, battery degradation and contracted tenor affect debt credit.

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Poland | Żarnowiec: a long-term capacity contract

A public project reference gives measurable scale and duration; it does not disclose a private BESS debt case.

263 MW

900 MWh

≈ 3.4 hours

PGE Żarnowiec

17 years

capacity-market contract from 2029

- Construction launched in September 2025; completion target was Q2 2027.
- PGE reports a connection agreement and Poland's first storage connection promise.
- The project is located near offshore wind and an existing pumped-storage plant.

Lender test: match the debt tenor to capacity-market rights and stress availability, penalties, degradation and augmentation.

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Three markets, three different revenue anchors

Each example supports a different layer of the financing case; the mechanisms are not directly comparable.

Underwriting lens	Romania	Bulgaria	Poland
Observable anchor	Optimizer floor + profit share	Grant support + PPA / wholesale sales	Capacity-market availability contract
Public example	127 MW / 254 MWh; floor and profit-share agreement	225 MW PV plus 90 MW / 240 MWh BESS; grant-supported storage	263 MW / 900 MWh; 17-year capacity-market contract
What can support debt	Enforceable floor, within its tenor and credit limits	PV contract / grant-adjusted capex; BESS revenues separately tested	Awarded capacity income, subject to delivery obligations
Key lender test	Floor amount, collateral, guarantor and term mismatch	Grant conditions, connection and BESS operating cash flow	Certification, derating, penalties and asset availability

Public market and contract signals—not disclosed private non-recourse BESS debt precedents.

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Structure the debt around the dependable layer

A financeable structure gives each revenue source a clear treatment and matches debt obligations to the risk it carries.

ROMANIA

Floor first

Base debt case only to the extent the floor is enforceable, creditworthy and long enough. Cash-sweep excess merchant revenue; consider mini-perm debt where the floor is shorter than asset life.

BULGARIA

Separate capex from cash flow

Recognise grant funding only when conditions and timing are secure. Size operating debt to contracted PV cash flow and conservative BESS net revenue; protect against grant delay and clawback.

POLAND

Convert capacity rights into DSCR

Sculpt debt to contracted availability income, while reserving for penalties, outages, augmentation and compliance costs. Treat market upside as a buffer until evidenced.

Common tools **Conservative gearing | debt sculpting | DSRA / liquidity reserve | cash sweep | optimiser direct agreement | step-in / replacement rights**

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Bankability can fail at the hand-offs

Grid access, dispatch, settlement and debt service must remain connected when a counterparty or asset fails.

01	02	03	04	05
GRID RIGHT	**DISPATCH**	**SETTLEMENT**	**CONTINUITY**	**DEBT SERVICE**
TSO / DSO	**IPP / optimiser**	**BRP / trader**	**Counsel / lender**	**SPV / lender**
Import and export rights Connection timing Curtailment limits	Dispatch authority Market qualification Telemetry and data	Metering and imbalance Fees and collateral Payment timing	Data portability Step-in rights Replacement route	Net CFADS Liquidity reserves DSCR under stress

FAILURE DRILL **If the optimiser exits, can the SPV stay qualified, dispatch, settle and receive cash?**

TSO: access | Counsel: enforceability | IPP: delivery | Optimiser: continuity | Lender: downside CFADS

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Debt follows the revenue architecture

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A credible BESS financing case is built from cash flows that can be evidenced, controlled and stressed.

01	**Contracted cash flow can anchor debt, but only within its legal, credit and tenor limits.**
02	Floors, grants and capacity payments support different parts of the financing case.
03	Merchant upside belongs in the model, with a risk treatment that reflects evidence and downside exposure.
04	Grid rights, optimiser control, performance and augmentation can determine whether projected revenue reaches CFADS.

Not all revenue is debt revenue.

Q&A reference | What the public disclosures establish

Use this page to separate known transaction facts from terms that remain private.

CASE	DISCLOSED	NOT PUBLICLY DISCLOSED
Romania / Scornicești	127 MW / 254 MWh; optimiser; minimum revenue guarantee plus profit share; term tied to five years after ancillary-service start.	Floor value, collateral, guarantor credit support, project debt and lender terms.
Bulgaria / St. George	PV debt package up to €90m; 90 MW / 240 MWh BESS; grant covers 50% of BESS cost.	BESS-specific debt, optimiser / revenue contract and project-level cash-flow allocation.
Poland / Żarnowiec	263 MW / 900 MWh; 17-year capacity-market contract from 2029; construction launched.	Project-specific capacity price, debt terms, covenant package and debt sizing.

These examples demonstrate structures and market signals, not disclosed non-recourse BESS financings.

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