

# Side Letter to Engineering Procurement & Construction Agreement

**Project:** SunPort Solar Phase II

**Date:** October 5 2025

**Parties:**

- **SunPort Development LLC** (“Owner”)
- **SolX EPC Services Inc.** (“Contractor”)

---

## 1 Purpose

This Side Letter modifies the **EPC Agreement dated May 12 2024** between Owner and Contractor (the “Agreement”).

Unless otherwise stated, capitalized terms have the meanings given in the Agreement.

---

## 2 Change in Scope — Tracker System Upgrade

- Contractor will install **dual-axis tracker assemblies** in lieu of single-axis units specified in Schedule C.
- Additional cost: **US \$2.3 million**, payable under the revised Milestone 3 invoice.
- Expected generation gain: **+7 % (kWh/yr)** based on simulation v4.2.

*Note:* Previous generation model assumed 6 %; marginal improvement < 1 % per updated data.

---

## 3 Revised Milestone Payments

Milestone	Original Amount (US \$ M)	New Amount (US \$ M)	Due Date	Comment

1 – Mobilization Advance	4.5	4.5	Oct 10 2025	No change
2 – Pile Completion	6.2	6.8	Dec 15 2025	Extra tracking equipment
3 – Module Delivery & Installation	8.0	9.7	Mar 1 2026	Dual-axis scope
4 – Commissioning & Handover	3.8	3.9	Jun 30 2026	Minor increase
<b>Total Contract Price</b>	<b>22.5</b>	<b>24.9 (+10.7 %)</b>	—	—

---

#### 4 Performance Guarantee Adjustment

- Minimum Performance Ratio (PR) reduced from **83 %** → **81 %** during first 12 months of operation.
- Contractor liability cap lowered from **10 %** → **6 % of EPC price** for liquidated damages (LDs).

*Analyst note:* Lower PR target and LD cap de-risk Contractor, not Owner.

---

#### 5 Warranty and Spare Parts

- Warranty extended from **24** → **30 months**, parts only; labor excluded.
  - Contractor will supply 0.5 % spare modules (previously 1 %).
- 

#### 6 Schedule Impacts

The dual-axis upgrade extends construction duration by **45 days**.  
Revised COD: **July 15 2026** (Agreement: May 31 2026).

Owner acknowledges potential ITC recapture if COD > June 30 2026 and assumes associated risk.

---

## 7 Other Terms

- All other provisions of the Agreement remain in effect.
- This Side Letter may be executed electronically and in counterparts.
- Governing law: State of Colorado.

---

### Signatures

#### SunPort Development LLC

By: \_\_\_\_\_ Date: \_\_\_\_\_

Name: Elena Sanders, CEO

#### SoIX EPC Services Inc.

By: \_\_\_\_\_ Date: \_\_\_\_\_

Name: David Long, President

---

## Appendix A — Summary of Key Changes

Category	Change	Impact
Scope	Dual-axis tracker upgrade	CapEx ↑ \$2.3 M
Schedule	+45 days	Possible ITC risk
Performance	PR 81 % (–2 pp)	Lower energy yield
LD Cap	6 % of price (–4 pp)	Less protection for Owner
Spare Parts	0.5 % vs 1 %	Reduced coverage
Warranty	30 mo parts-only	Labor cost shifted to Owner

---