Forward Looking Statements

Thank you Angela, and thank you to those on the call for joining us today.

Before we begin, please note that certain remarks we will make on this conference call constitute forward-looking statements. Although we believe these statements reflect our best judgment based on factors currently known to us, actual results may differ materially and adversely. Please refer to the Company's filings with the SEC for a more inclusive discussion of risks and other factors that may cause our actual results to differ from projections made in any forward-looking statements. Please also note these statements are being made as of today, and we disclaim any obligation to update or revise them.

On the call today are Lynn Jurich, Sunrun’s co-founder and CEO, Bob Komin, Sunrun’s CFO, and Ed Fenster, Sunrun’s co-founder and Executive Chairman.

The presentation today will use slides which are available on our website at investors.sunrun.com.

And now let me turn the call over to Lynn.

LYNN JURICH

Thanks, Patrick.

We are pleased to share with you Sunrun’s first quarter results along with progress against our strategic priorities.

In the first quarter we added more than 11,400 customers representing 86 MW of deployments, a 27% year-over-year improvement. We generated $77 million of net present value and created NPV per watt of $1.06 or $8,100 per customer.

For the year, we are reiterating our growth guidance and cash generation of over $100 million while raising our unit margin target. These strong results can be achieved while investing in our customer experience and product leadership for long-term differentiation.
We have now installed over 5,000 Brightbox battery systems and continue to expect Brightbox installations to grow over 100% in 2019. We have launched the service in eight states, and it represents over 10% of our direct business overall and more than 25% in California. Brightbox provides customers with backup power and the ability to turn unfavorable rate changes into a benefit by using stored power at high cost times. It also offers Sunrun additional revenue streams through energy services. As we’ve stated before, we believe energy services can add an incremental 25% to net value per customer. It also protects us against attempts by incumbents to undermine the value of residential solar. Given the value inherent in distributed solar and batteries, along with the increased competitive advantages they bring, we expect Brightbox to become our standard offering over the coming years.

**Future Energy System**

Sunrun is helping our country decarbonize through our rapidly growing customer base and pioneering work building the future energy system. Consumer preferences for clean energy they can control and rapid advancements in battery technology mean that households will increasingly get a major portion of their energy on-site. We are designing our footprint of energy assets to provide ongoing value to utilities and grid operators, as well as our individual customers. This will help us create a 100% clean energy future for Americans and a model for the rest of the world, whether or not you have solar panels on your roof.

Last quarter we demonstrated our initial success towards this effort winning a 20 megawatt capacity bid in the ISO New England auction from an anticipated 5,000 Brightbox systems.

This quarter we’ve identified two additional opportunities to replace traditional infrastructure with superior customer-sited resources.

The city of Los Angeles has resource needs following the decommissioning of a fossil fuel power plant. We have proposed a solution to replace this capacity. Our analysis found that as few as 75,000 Los Angeles homes with solar and batteries could provide a ‘virtual power plant’ and replace the lost capacity. We estimate that doing so could save almost $60 million as compared to an equivalent new gas plant.

In addition to these direct savings, solar and batteries add quality jobs, cleaner air, lower energy costs and more reliable power for communities and businesses. Building clean energy locally eliminates the need for expensive transmission lines to move power into the city and can help strengthen an aging distribution grid - preventing blackouts and providing emergency backup power when outages occur.

Our analysis also highlights how much room there is for Sunrun to grow. Despite the significant expansion of residential solar, Los Angeles is home to only 180 megawatts of residential solar installed on 36,000 homes. This represents only 2.5% of the 1.3 million total customers.
Another report by the New York grid operator has highlighted that the best place to put clean energy is local, where customers are. The grid operator warned that without upwards of a billion dollars in new transmission lines into the NYC region, electricity from upstate renewables won’t reach the city. With over 3 gigawatts of fossil fuel peaker plants in New York City and Long Island slated for retirement in the early 2020’s, the role for local rooftop solar and battery storage as a cost effective peak capacity resource couldn't be more clear.

**ESG**

Turning now to our sustainability efforts. We, as a company along with many of our shareholders, care about leading in ESG matters as a foundation for building a strong and enduring company.

We recently adopted a supplier code of conduct that reflects our commitment to doing business ethically and means that we will only work with vendors and suppliers who share the same commitment.

To both advance and demonstrate our commitment to diversity and inclusion in the workplace, this quarter we joined two leading groups, the CEO Action for Diversity & Inclusion and the Catalyst CEO Champions for Change, signing on with many Fortune 500 companies in the pledge to advance positive social change, including by maintaining and accelerating representation of women on our Board of Directors and driving diversity and inclusion as part of Sunrun’s culture. Examples of this commitment include our achievement of gender pay parity last year, and our demonstrated solar industry leadership on these issues, based on a report published this week.

I’ll now turn the call over to Bob Komin, our CFO, to review Q1 performance and to discuss guidance in more detail.

**BOB KOMIN**

Thanks, Lynn.

**NPV**

Customer NPV in the first quarter was approximately $8,100 - or $1.06 per watt.

**Project Value**

Project value per customer was approximately $34,600 - or $4.52 per watt in Q1.

As a reminder, project value is very sensitive to modest changes in geographic, channel, and tax equity fund mix.
**Creation Costs**

Turning now to Creation Costs on Slide 8.

In Q1, total Creation Costs were approximately $26,500 per customer - or $3.46 per watt. Similar to Project Value, Creation Costs can fluctuate quarter to quarter. Creation Costs per watt improved 5 cents year-over-year. We expect Creation Costs to show modest declines for the full year 2019 even as we deploy more Brightbox battery systems and make investments to grow our direct business.

As a reminder, our cost stack is not directly comparable to those of peers because of our channel partner business. Blended installation cost per watt, which includes the costs of solar projects deployed by our channel partners, as well as installation costs incurred for Sunrun built systems, improved by $0.07 year-over-year to $2.58 per watt.

Install costs for systems built by Sunrun were $1.95 per watt.

In Q1, our sales and marketing costs were $0.78 per watt. Our total sales and marketing unit costs are calculated by dividing costs in the period by total MWs deployed. A higher mix of direct business results in higher reported sales and marketing cost per watt, but it also means there will be lower blended installation costs per watt over time due to the higher mix of direct business installations at a lower cost per watt.

In Q1, G&A costs were $0.29 per watt, a slight improvement from Q1 of 2018.

Finally, when we calculate Creation Costs, we subtract the GAAP gross margin contribution realized from our platform services. This includes our distribution, racking, and lead generation businesses as well as solar systems we sell for cash or with a third party loan. We achieved platform services gross margin of $0.20 per watt.

**Deployments**

In the first quarter we deployed 86 MW.

Our cash and third party loan mix was 16% in Q1, in-line with recent levels. We expect this mix to be in the mid to high teens for the year.

**Financial Statements**

Turning now to our balance sheet.

We ended the first quarter with $310 million in total cash, a $6 million increase from last quarter, while also reducing our recourse debt by $8 million, generating $14 million of cash in the quarter.
We continue to expect cash generation to increase to over $100 million in 2019. Quarterly cash generation can fluctuate due to the timing of project finance activities, but this represents our best view based on our plans for the remainder of the year.

We define cash generation as the change in our total cash less the change in recourse debt. Also please note that our cash generation outlook excludes any strategic opportunities beyond our current plans, along with ITC safe harboring activities, which we may undertake.

Net income to common shareholders and EPS was slightly negative in the quarter. As the growth rates in our direct business exceed the growth in our channel business, we have more GAAP costs expensed upfront instead of capitalized and amortized over 20 years or more. Given faster growth rates in our direct business, this trend may continue. Our focus is on managing the business to our key value creation metrics of cash generation, NPV and building a growing base of valuable customers.

**Guidance**

Moving on to guidance on Slide 9.

We continue to expect full year 2019 deployments to grow between 16% and 18%. We are increasing our unit economics to $1.15 or greater per watt in NPV, up from the prior target of $1.10.

In the second quarter, we expect deployments to be in a range of 102 to 104 MWs.

Now let me turn it over to Ed.

**EDWARD FENSTER**

Thanks, Bob.

Today I plan to discuss our capital strategy for the remainder of 2019. I will also review Net Earning Assets and capital runway.

By mid year, we continue to expect to execute, on better terms than our Q4 2018 transaction, a securitization of assets that have been operating for 5 or more years. We expect to generate proceeds that exceed or are consistent with our valuation framework that uses gross earnings assets as a book value measure. This highlights the quality of our assets and our capability to continue to extract value from them over time.

**Net Earning Assets & Cash Generation**
Moving to slide 10, at quarter end, Net Earning Assets was $1.4 billion, an increase of $143 million, or 11%, year over year.

Net Earning Assets is our way to describe the value of the cash flows to Sunrun shareholders after payments to financing counterparties.

Cash was $310 million. Total cash, less recourse debt, increased $75 million from the prior year period.

**Capital Runway**

Turning finally to our pipeline, our tax equity and debt capital commitments provide runway through Q4 2019.

With that, I'll turn the call back over to Lynn.

**LYNN JURICH**

Thanks Ed.

With that, let’s open the line for questions please.

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**Forward Looking Statements**

This script contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, including statements regarding our market leadership, competitive advantages, investments, market adoption rates, our future financial and operating guidance, operational and financial results such as growth, value creation, cash generation, MW deployments, estimates of gross and net earning assets, project value, estimated creation costs and NPV, and the assumptions related to the calculation of the foregoing metrics, as well as our expectations regarding our growth, financing activities, and financing capacity. The risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to: the availability of additional financing on acceptable terms; changes in the retail prices of traditional utility generated electricity; changes in interest rates; changes in policies and regulations including net metering and interconnection limits or caps; the availability of rebates, tax credits and other incentives; the availability of solar panels and other raw materials; our limited operating history, particularly as a new public company; our ability to attract and retain our relationships with third parties, including our solar partners; our ability to meet the covenants in our investment funds and debt facilities; and such other risks identified in the reports that we file with the U.S. Securities and Exchange Commission, or SEC, from time to time. All forward-looking statements in this script are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.