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Sunrun to Build and Operate Puerto Rico's First Virtual Power Plant, A Customer-Driven Energy Solution

As reliable power continues to be an issue for millions of Puerto Ricans, Sunrun's innovative solution will help harden the island's fragile grid and lower energy costs for all

SAN FRANCISCO, Nov. 01, 2022 (GLOBE NEWSWIRE) -- Sunrun (Nasdaq: RUN), the nation's leading home solar, battery storage, and energy services provider, today announced it has been exclusively selected by Puerto Rico's electric utility provider to help rebuild and transform the island's energy system through the development of a 17 megawatt virtual power plant (VPP), the first distributed large-scale storage program on the island.

The VPP will help lower energy costs for all consumers, reduce pollution island-wide and help harden Puerto Rico's fragile grid with reliable, abundant solar energy by networking together more than 7,000 Sunrun solar-plus-battery systems installed on homes.

Sunrun will spend the next year enrolling customers into the program and begin networked dispatches in 2024. Customers will benefit from the cost savings of on-site energy generation and backup power and will also be compensated in exchange for strategically sharing their stored energy with Puerto Rico's power grid, creating a shared clean energy economy. Batteries enrolled in the VPP will continue maintaining adequate backup reserves to power through potential grid outages at participants' homes. All customers with batteries are also eligible to enroll and can opt out at any point during the 10-year program.

"Puerto Ricans are ready to make the move to reliable independent clean energy solutions that will increase their sense of safety and security in their own homes," said Sunrun CEO Mary Powell. "We're solving energy insecurity on the island by switching the model so that solar energy is generated on rooftops and stored in batteries to power each home, and then shared with neighbors, creating a clean shared energy economy. That way, residents not only have control over their energy at home, but can also share power with their community and be compensated for it. A huge thanks to our channel partners in Puerto Rico, who have endured through so many climatic events yet continue to help Sunrun deliver energy independence and peace of mind to thousands of Puerto Rican households. I also want to thank those dedicated to advancing clean energy policy on the island to make these projects possible—Governor Pierluisi, the legislature, the Puerto Rico Energy Bureau and the Solar and Energy Storage Association of Puerto Rico, as well as the U.S. Department of Energy, which has provided technical assistance to the rebuilding effort. It is critical we continue efforts to ensure there is clean, reliable and affordable power for all in Puerto Rico."

In 2019, two years after Hurricane Maria dismantled the island's electric grid, the Puerto Rico Energy Public Policy Act was passed by the Legislature to set the parameters for a

forward-looking energy system that maximizes distributed generation. The Puerto Rico Energy Bureau (PREB) determined that VPPs were key to achieving the legislation's goals of building a resilient and robust energy system and meeting Puerto Rico's renewable portfolio standards.

VPP technology enables utilities to call upon distributed resources for clean energy capacity instead of relying on dirty, expensive fossil fuel power plants. VPPs give customers the opportunity to contribute to a cleaner energy future while delivering significant community benefits, including stabilizing the local electric grid, mitigating the risk of outages and reducing pollution through decreased reliance on peaker plants, which in turn saves all grid-connected customers money by cutting back on expensive fossil fuel consumption and centralized grid infrastructure investments.

Sunrun is the nation's VPP leader and has over a dozen programs in various stages of development and operation, including the first wholesale market VPP in the country. This summer in California and New England, Sunrun's VPPs provided 1.1 and 1.8 gigawatt-hours of energy to local grids during extreme weather conditions, helping utility providers meet peak electricity demand and stave off power outages.

Coupled with increasing utility rates — some of the highest in the United States — and reliance on the old, poorly maintained fossil fuel power plants, Puerto Rico has seen a transformational shift away from an unreliable energy system, with tens of thousands of Puerto Ricans now with rooftop solar and batteries. Earlier this fall, Hurricane Fiona knocked out the island's power grid, leaving more than three million residents in the dark. Sunrun customers on the island were able to power through the extended outages. Sunrun solar-plus-battery systems provided more than 350,000 hours of backup power to thousands of homes.

"My solar and battery system kept my lights on and my family safe during Hurricane Fiona," said Hector Jimenez, a Sunrun customer in San Juan. "My neighbors relied on diesel to run their generators and started to worry when fuel supply began to run low. I was able to help them out by charging up portable batteries and lending them to people in the community who needed electricity."

"Because of the solar battery system we installed on the roof of our station after Hurricane Maria, our communications systems were powered all night and day during Fiona, enabling us to respond to emergency calls," said former San Juan Metro Fire Station Lt. Francisco Cruz.

Sunrun entered Puerto Rico in 2018 and has quickly become one of the island's largest providers of residential solar energy and battery systems. Residents interested in participating can install a Sunrun home solar and battery storage system for as little as zero dollars down and at a consistent, low monthly rate.

The Governing Board of the Puerto Rico Electric Power Authority approved the terms of the agreement on October 26, 2022, and the agreement is subject to regulatory sign-off by the Puerto Rico Energy Bureau and the Fiscal Oversight Management Board.

About Sunrun

Sunrun Inc. (Nasdaq: RUN) is the nation's leading home solar, battery storage, and energy

services company. Founded in 2007, Sunrun pioneered home solar service plans to make local clean energy more accessible to everyone for little to no upfront cost. Sunrun's innovative home battery solutions bring families affordable, resilient, and reliable energy. The company can also manage and share stored solar energy from the batteries to provide benefits to households, utilities, and the electric grid while reducing our reliance on polluting energy sources. For more information, please visit www.sunrun.com.

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The Sunrun logo consists of the word "sunrun" in a bold, blue, sans-serif font. The letters are lowercase and the "s" and "n" are slightly larger than the other letters.

Source: Sunrun Inc.