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Sunrun Activates Nation's First Residential Virtual Power Plant in Wholesale Market

Thousands of clean home energy systems networked together to reduce peak energy costs and provide grid stability in New England

SAN FRANCISCO, Oct. 11, 2022 (GLOBE NEWSWIRE) -- Sunrun (Nasdaq: RUN), the nation's leading home solar, battery storage, and energy services provider, today announced it has completed its first successful season running a residential Virtual Power Plant (VPP) in a wholesale capacity market, a first-of-its-kind in the country.

In 2019, Sunrun won its cost-competitive bid into the Independent System Operator - New England (ISO-NE), the region's grid operator and one of the largest wholesale electricity markets in the United States. The landmark contract was the first successful bid committing capacity value from home solar and battery storage systems to the grid. Sunrun won against polluting, centralized power plants, signifying a transformational shift toward a more modern, decentralized electricity system powered by locally-generated solar energy.

In the summer months of June through August, Sunrun's New England VPP shared more than 1.8 gigawatt-hours of energy back to the grid. Thousands of Sunrun home solar systems across New England exported excess clean solar energy during the peak demand window of 1-5 p.m., effectively reducing overall energy demand and relieving stress on the region's energy grid. The VPP also helped minimize the use of expensive, polluting peaker plants while reducing energy costs across the region and ensuring a reliable source of power.

This milestone comes at a critical economic period for Americans who face skyrocketing energy costs, record inflation and severe heat waves that are prompting grid operators across the country to issue energy conservation warnings.

"It is tremendous that we are able to work with ISO-NE to integrate local home solar and battery systems into the wholesale markets, and we thank them for their leadership," said Mary Powell, CEO of Sunrun. "This is a wonderful example of radical collaboration and demonstrates the importance of every market operator leveraging local clean energy resources to solve capacity constraints and grid reliability. As more severe and frequent heat waves, arctic freezes and other climatic events continue to stress our nation's grid, we strongly encourage grid operators, utilities and policy makers alike to leverage these amazing solar energy resources."

Home solar and batteries, especially when networked together to form VPPs, can significantly support the grid and reduce peak demand. In an August report, ISO-NE detailed how home solar helped keep wholesale system demand below the average forecast throughout a heat wave in July, despite the region's heat index hitting 100 degrees or more. In addition, VPPs provide greater demand flexibility, which is critical as New England shifts to

a winter-peaking system and customers further electrify their transportation and heating. Through their partnership, ISO-NE and Sunrun are demonstrating that local solar and batteries can deliver value to wholesale markets across the country and reduce grid costs for all.

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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