Investor Presentation

November 2015

Creating a planet run by the sun

Safe harbor & forward looking statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which statements involve substantial risks and uncertainties. Forward-looking statements in this presentation include, but are not limited to, statements regarding our future financial and operating guidance, including megawatt installations and bookings and revenue and operating expenses, operational and financial results such as estimates of nominal contracted payments remaining, estimated retained value, average system size, project value, estimated creation costs and NPV, and the assumptions related to the calculation of the foregoing metrics and expectations regarding customers, renewals, growth of the industry and macroeconomic trends.

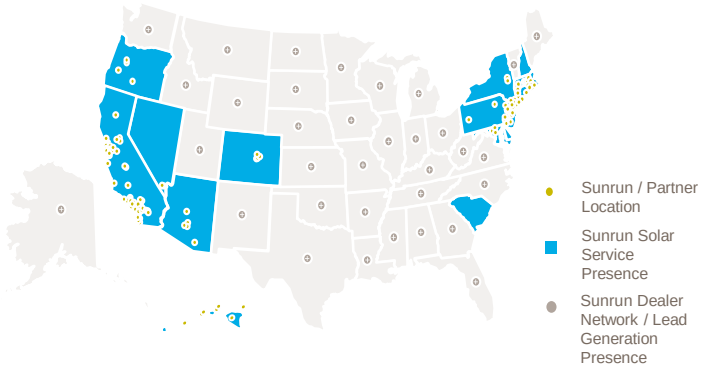
These forward-looking statements are subject to a number of risks, uncertainties and assumptions. The risks and uncertainties that could cause our results to differ materially and adversely from those expressed or implied by such forward-looking statements include: the availability of additional financing on acceptable terms; changes in the retail prices of traditional utility generated electricity; 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, representations and warranties in our investment funds and debt facilities; and such other risks and uncertainties identified in the registration statements and reports that we have filed with the U.S. Securities and Exchange Commission, or SEC, from time to time. You should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. All forward-looking statements in this presentation are based on information available to us as of the date hereof, and we assume no obligation to update publicly these forward-looking statements for any reason, except as required by law.

Sunrun overview

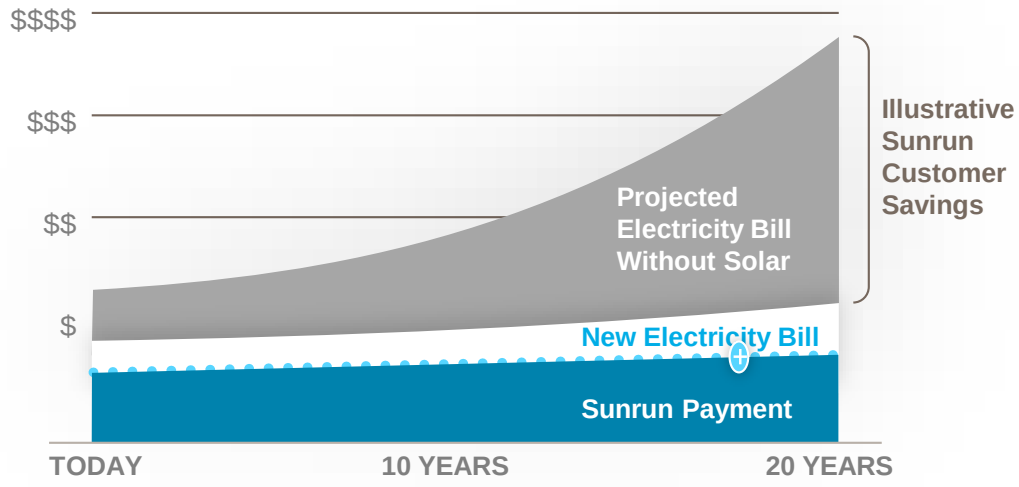
Who We Are

- Formed in 2007 and headquartered in San Francisco, CA, Sunrun pioneered the residential solar service product
- As of September 30, 2015, Sunrun has 528.2 MW of deployed systems and operates in 15 states and the District of Columbia
- Sunrun fuels its growth with capital raised through a combination of corporate debt and equity, tax equity, and senior project debt. As of November 12, 2015 the cumulative value of solar systems funded by tax equity reached $4.0 billion

Market Coverage



Compelling Value Proposition



Note: Savings measured over initial 20 year contract term.

Value to customer

- Save 20% or more on electricity
- No upfront cost
- Maintenance and repairs included
- Agreement easily transferable

Value to Sunrun

- 20+ year customer relationship
- Reliable, financeable cash flow streams
- Differentiated approach drives strong unit economics

Our Mission: Create a planet run by the sun

Actual neighborhood of Sunrun customer homes in Stevenson Ranch, CA

Sunrun is led by seasoned professionals with extensive industry experience

LYNN JURICH
CEO & Co-Founder

SUMMIT PARTNERS · STARTUP AMERICA PARTNERSHIP · SIERRA CLUB

EDWARD FENSTER
Chairman & Co-Founder

Blackstone · asurion

BOB KOMIN
Chief Financial Officer

FLURRY · Tellme · CONVERGYS

TOM HOLLAND
President

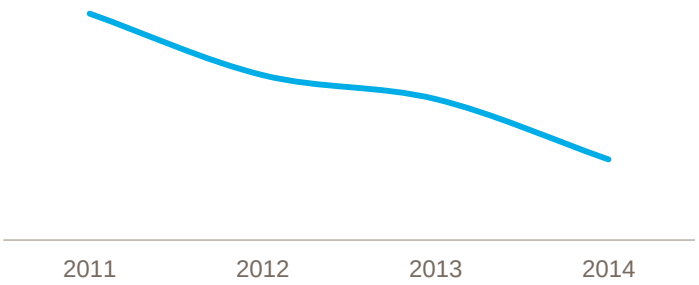
BAIN & COMPANY · CLOROX

PAUL WINNOWSKI
Chief Operating Officer

United Technologies · GE

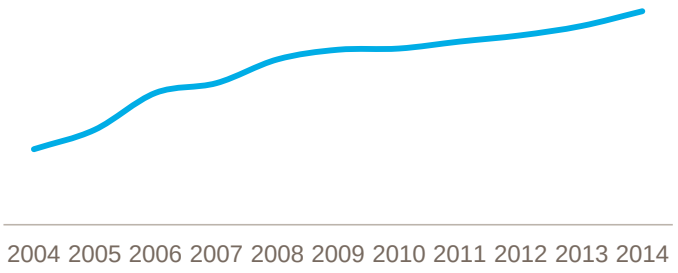
Sunrun's addressable market is large and growing, supported by powerful macroeconomic forces

Residential system costs[1]



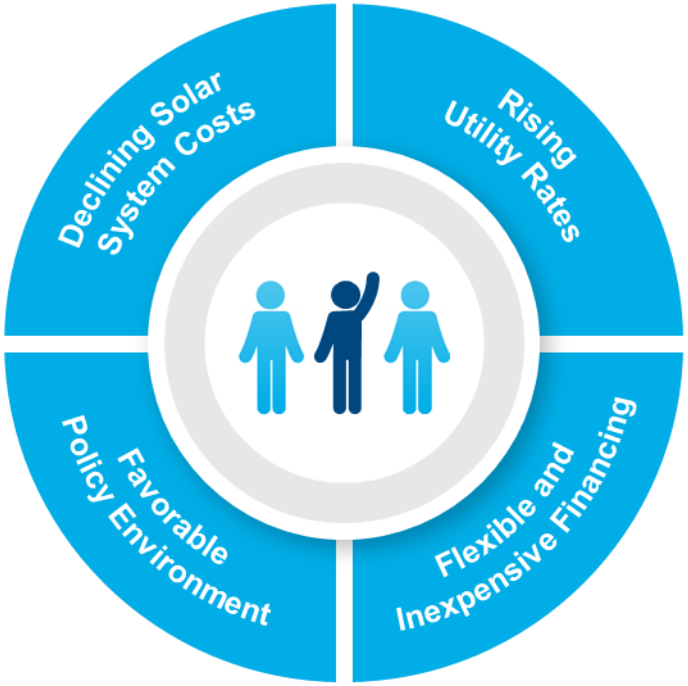
Costs have decreased by ~42% per watt since 2011

Residential utility rates[2]



Retail rates have increased ~35% since 2004

Compelling customer value proposition and rapid adoption



Notes:
(1) Source: GTM Research, 2014 SEIA.
(2) Source: U.S. Energy Information Administration (EIA).

Market penetration remains low even with significantly increased industry growth

Notes:

(1) Current market penetration calculation uses GTM residential cumulative MW installation data, an assumed industry-wide residential system size of 6.5 kW, 2013 census data for total housing units, and EIA data for residential electricity revenue to calculate penetration.

(2) Estimated 2020 market penetration assumes housing units remain flat at 2013 levels (Census data), and uses kWh pricing and consumption data from EIA's "2020 U.S. Electricity Spend as per EIA Annual Energy Outlook 2015" report to calculate total residential electricity revenue in 2020.

Residential solar contracts are high quality assets

Performance Exceeds Expectations

- Total cumulative production exceeds forecast production by 4%
- Cumulative solar electricity production approaching 1,400 GWh to date

~4%
Production over- performance

Customer Pay Their Bills

- Sunrun's credit standards yield a high credit customer pool
- Cumulative lost billings rate since inception is less than 1.0% (1)

<1%
Cumulative loss rate on billings

Easy To Transfer

- In-house service transfer specialists successfully completed thousands of service transfers to date
- Service transfers achieve an average of 99% in total NPV recovery (2)

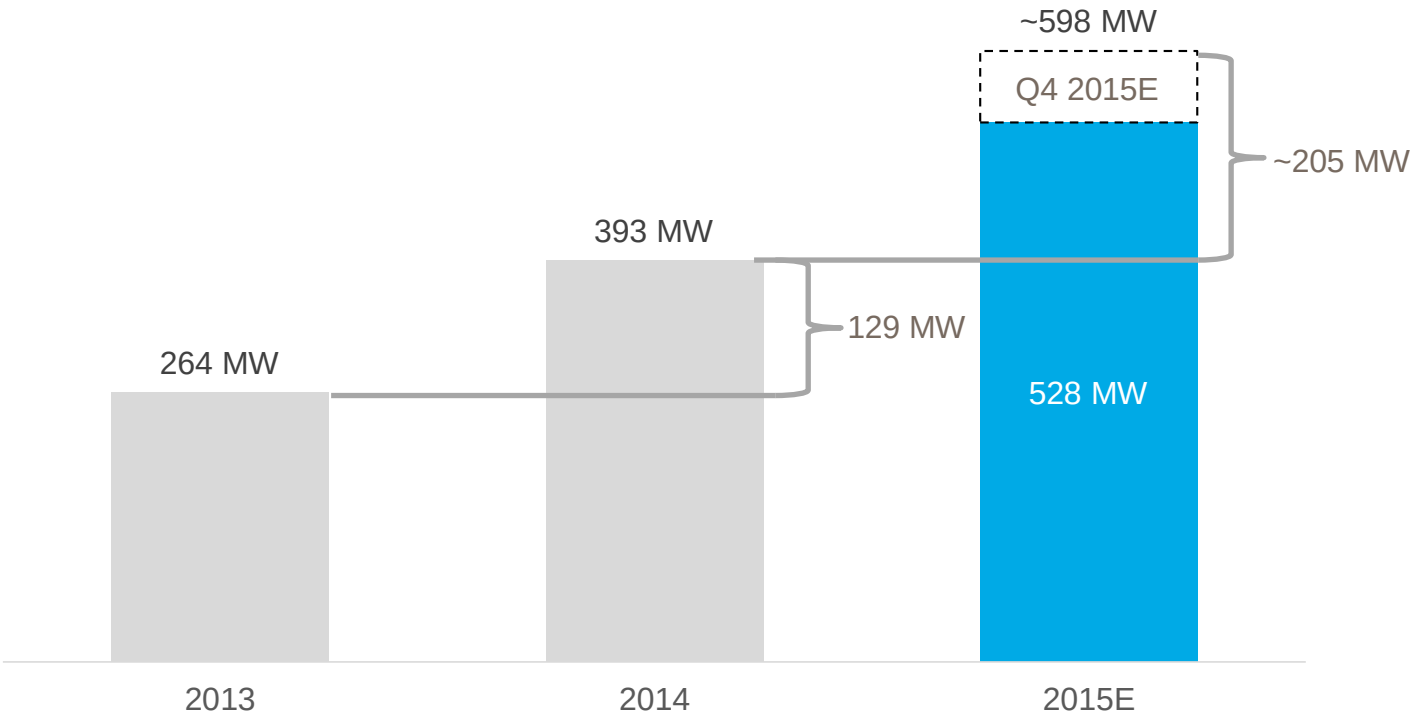
~99%
Service transfer recovery rate

Note: All figures represent fleetwide statistics as of September 30, 2015.
(1) Losses include write downs, appeasement credits and uncollected billings 5 months after invoice date. Losses exclude non-recurring customer credits.
(2) Based on analysis of completed service transfers for monthly customers; Recoveries >100% arise from prepayments.

Sunrun has delivered consistent growth

Cumulative MW Deployed

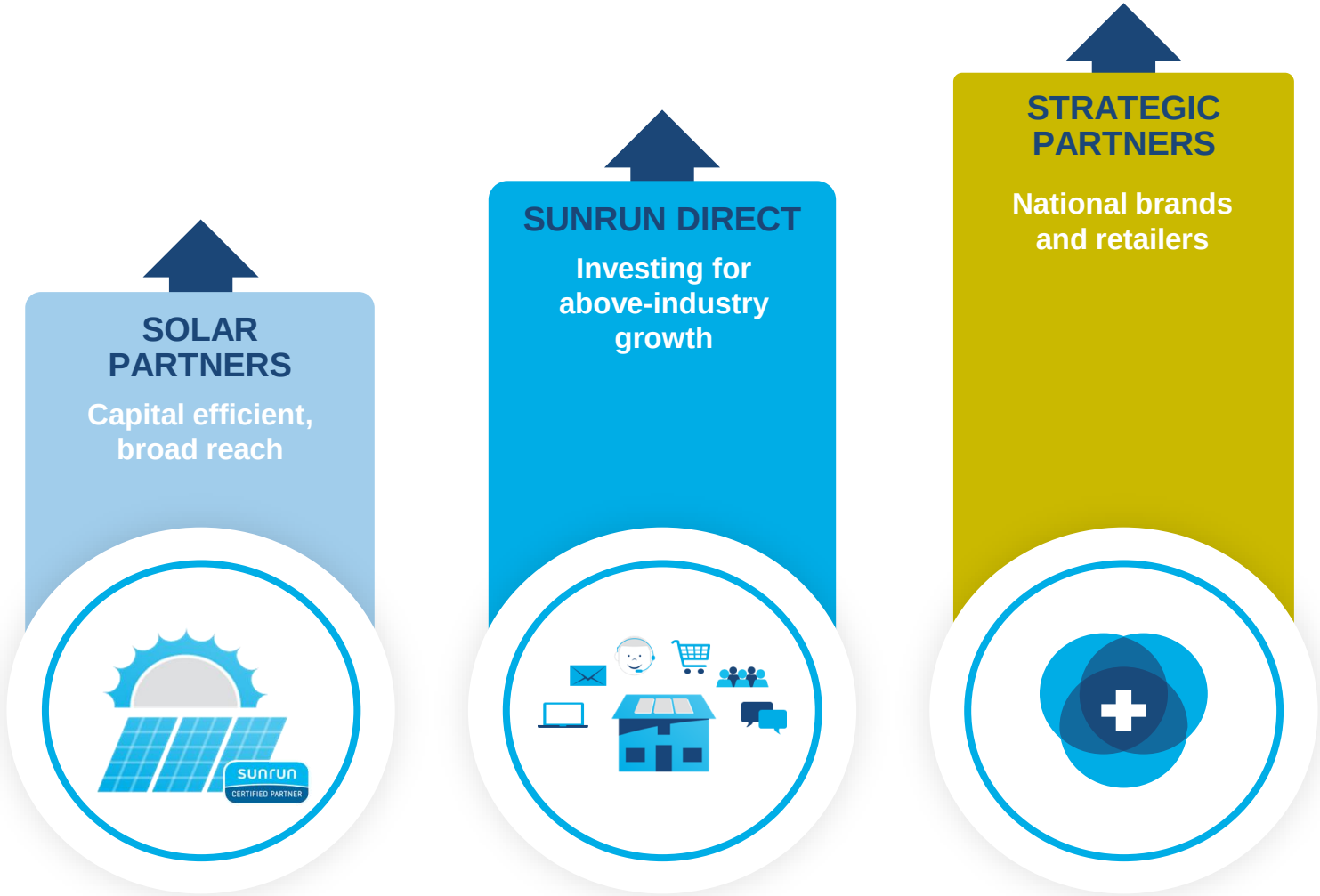
MW DC



Note: All figures presented as of end of relevant time period.

Sunrun's platform optimizes direct capabilities and high-quality partnerships

Open platform enables 1,000+ distribution points and several thousand Sunrun-trained sales reps



Differentiated approach, high quality results: 100,000 customers strong

Disciplined market selection

Technology-enabled customer targeting

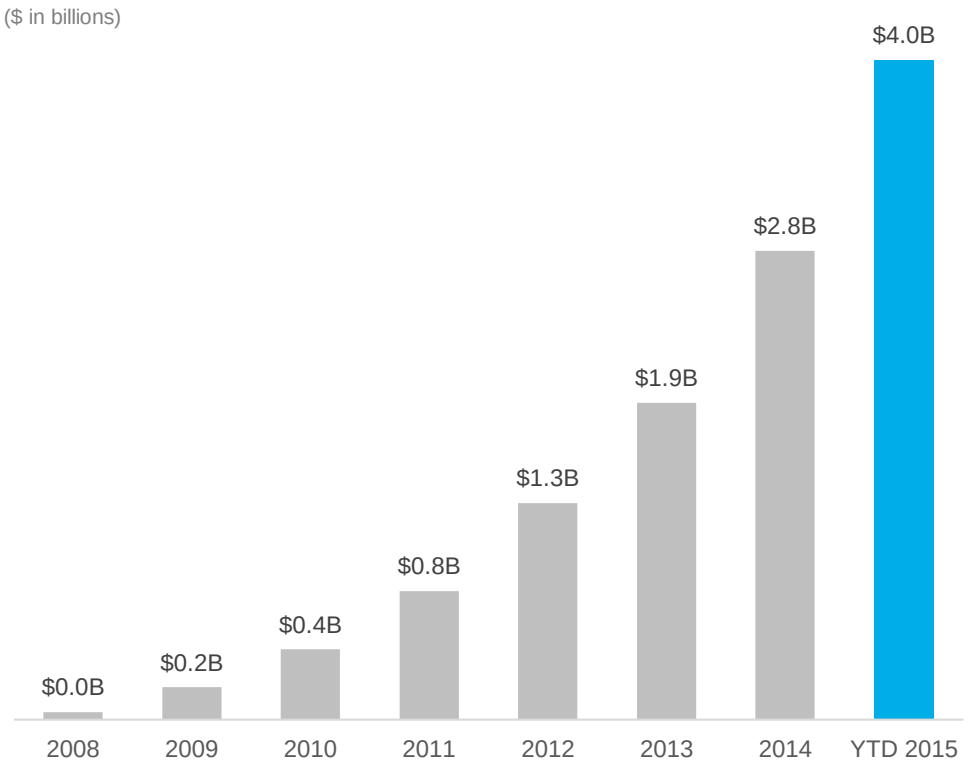
Differentiated customer experience

COMPETITIVE PRICING

ATTRACTIVE UNIT ECONOMICS

Sunrun has raised tax equity to support $4.0 billion in solar systems

Cumulative System Value Funded by Tax Equity



Strong Long-Term Partnerships

Bank of America Merrill Lynch
CREDIT SUISSE
Goldman Sachs
J.P.Morgan
RBC
STATE STREET
usbancorp

As of November 12, 2015 the cumulative value of solar systems funded by tax equity reached $4.0 billion, an increase of $916 million from system value funded as of September 10, 2015

SUNRUN IS PRIMED FOR SUCCESS

1

Compelling customer value proposition

Our customers enjoy significant savings vs. traditional utility power

2

Large, growing addressable market

Less than 1% of single family detached homes have solar; strong secular trends and formidable entry barriers

3

Distinctive approach

Open platform of services and tools enables growth and cost reduction; differentiated customer experience attracts high quality customers with strong unit margin

4

Proven execution

Our seasoned executive team pioneered the residential solar service model and has built the nation's second largest fleet of residential systems

FINANCIAL OVERVIEW

NPV growth and rapid cost declines

94.5 MW Booked

115% year-over-year growth

55.7 MW Deployed

85% year-over-year organic growth

528.2 Cumulative MW Deployed

48% increase year-over-year
2nd largest residential fleet

$4.70 Project Value Per Watt

Compared to $5.00 in Q2 2015

$3.75 Creation Cost Per Watt

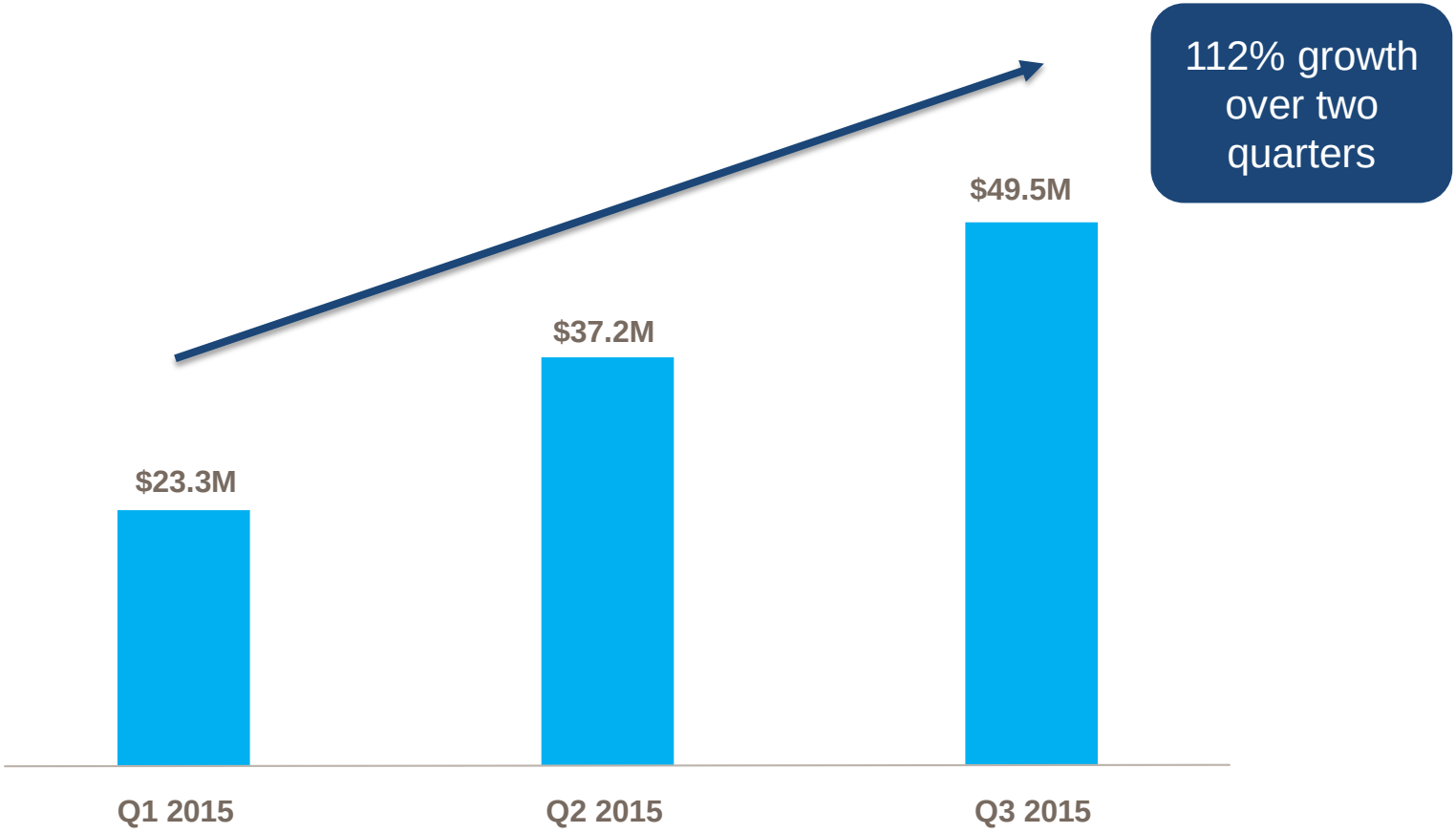
$0.61 or **14%** decrease from Q1 2015

$49.5M NPV Generated

112% growth over Q1 2015

See appendix for glossary of terms.

Strong growth in NPV creation



See appendix for glossary of terms.

Sunrun's strategy drives durable competitive advantage

Project Value & NPV Maximization

- History of focus on high revenue markets and customers, premium service
- Smart customer targeting
- Residential-only focus

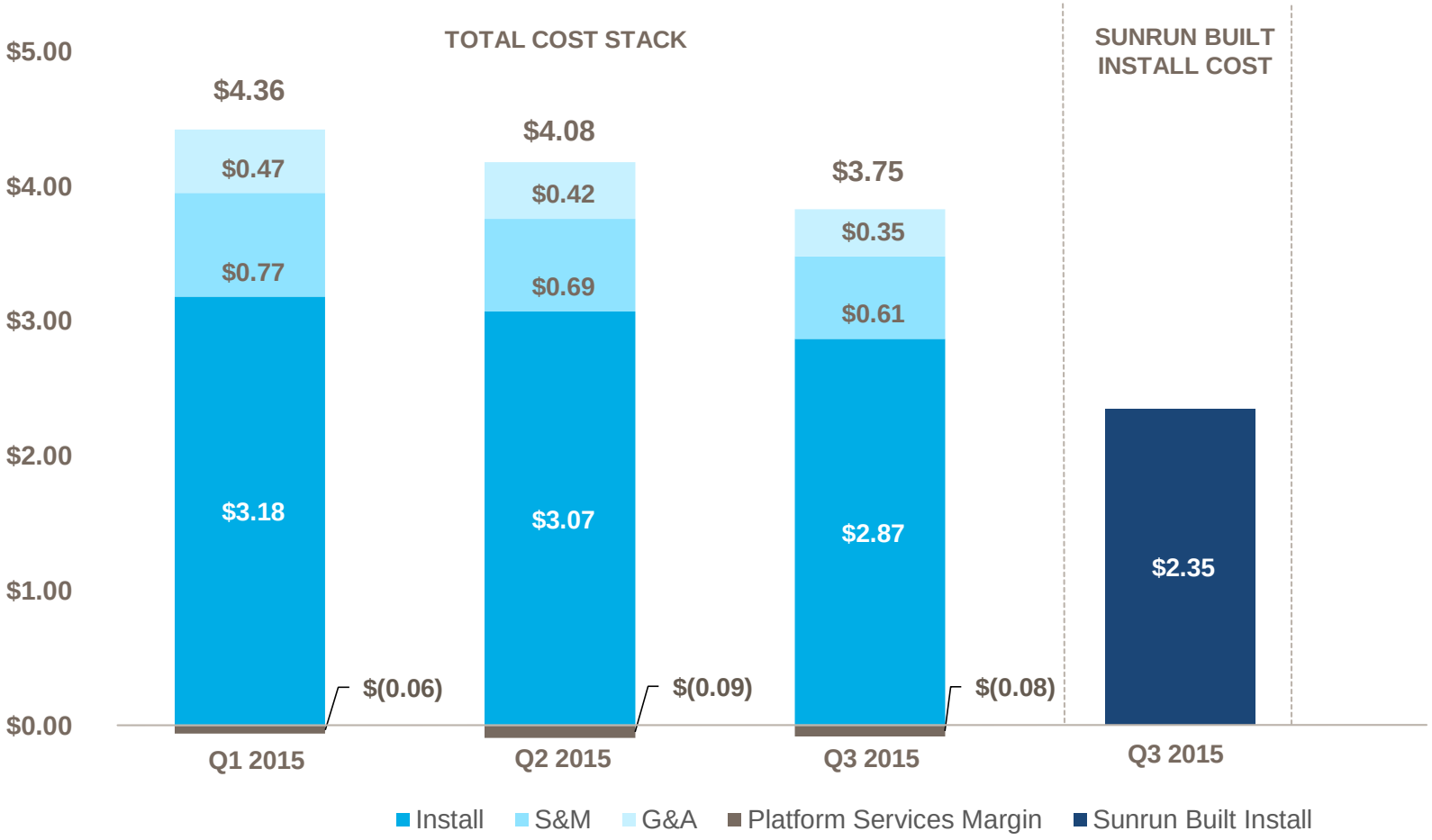
Cost Structure

- Cost advantages from scale
- Unique advantage from monetizing platform services
- Broad multi-channel distribution leads to lower customer acquisition cost

Flexibility

- No recourse debt outside working capital line, due 2018
- Blend of fixed and variable costs
- Panel agnostic with no heavy capex / manufacturing exposure

Realizing rapid cost improvements
Sunrun Built installations at $2.35 / watt

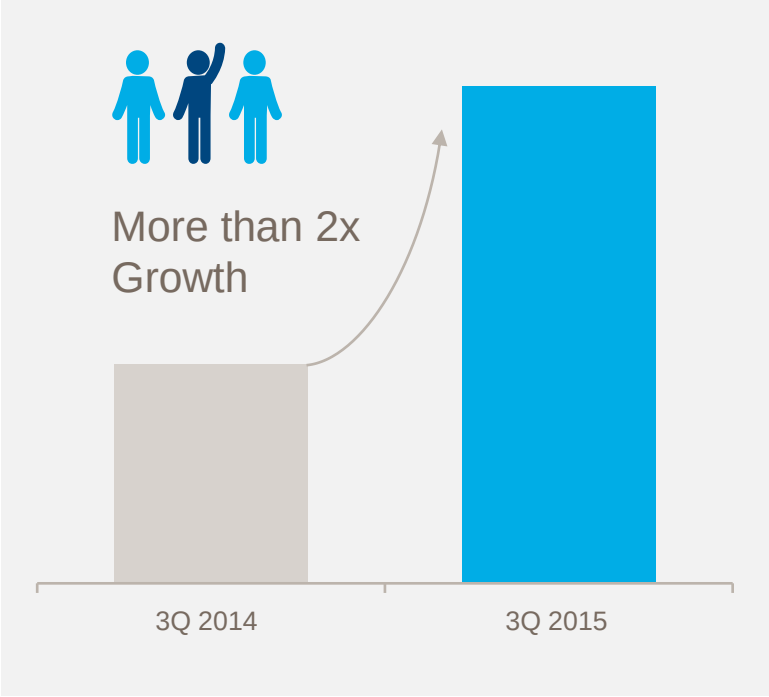


Totals may not add due to rounding. See appendix for glossary of terms.

Increased year-over-year growth rates with greater cost improvements

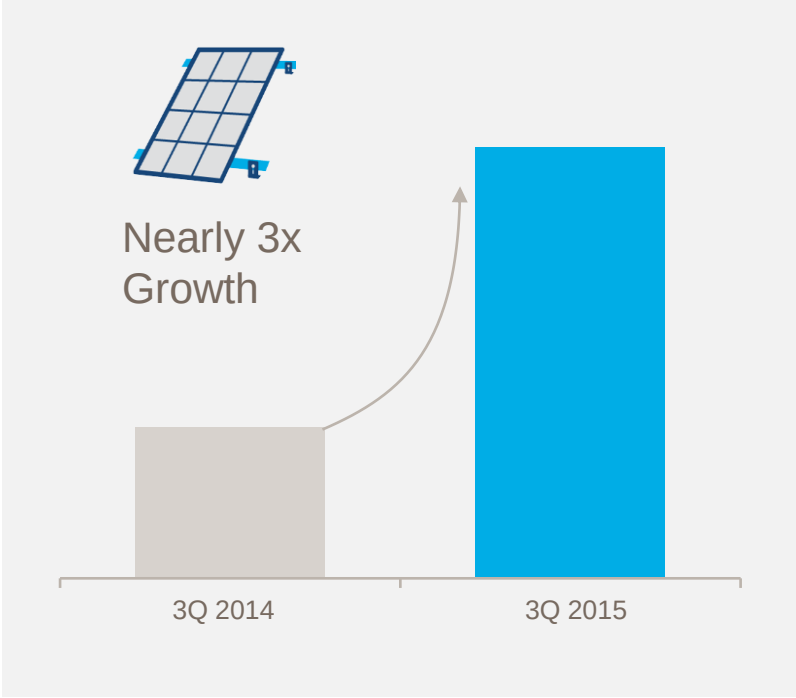
Direct to Consumer

Growth in MW Booked



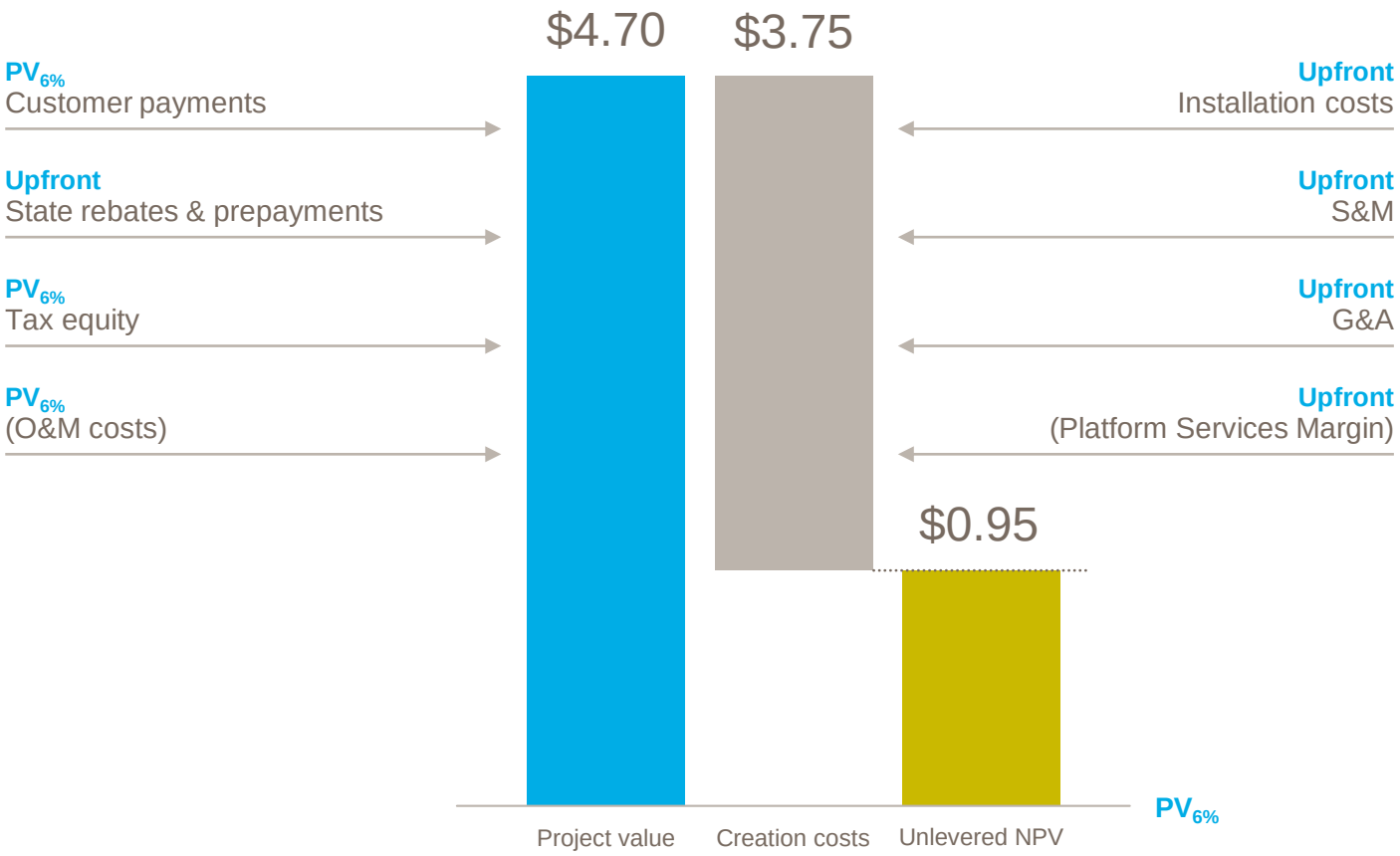
Built by Sunrun

Growth in MW Installed



See appendix for glossary of terms.

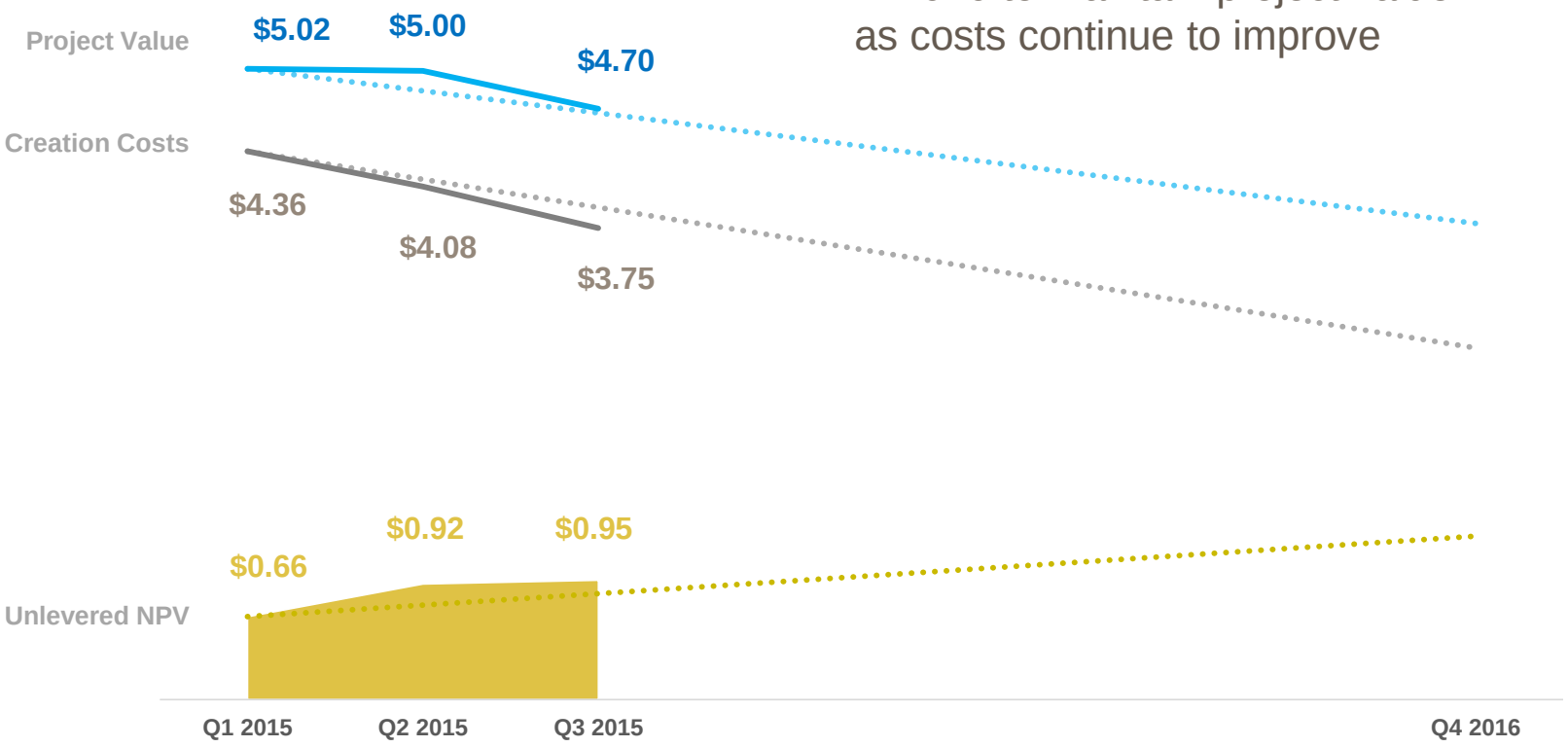
Unlevered NPV at $0.95 per watt



See appendix for glossary of terms.

Cost improvements and project value on track to achieve 2016 NPV above $1 per watt

Strong demand and enhanced pricing in 2016 to maintain project value as costs continue to improve



See appendix for glossary of terms.

$1.4B in retained value and $1.0B in net retained value

Gross Retained Value (6%) as of September 30, 2015	**$1,368**
- Long-term debt	($336)
- Lease pass-through financing	($127)
- Line of credit	($133)
+ Cash and cash equivalents	$271
Net Retained Value	**$1,043**

$2.30
per watt

See appendix for glossary of terms.

Project value assumptions have up to ~$1 per watt in upside

Reported project value	**$4.70**
+ 35-year, rather than 30-year, project life for 50% of customers	$0.10
+ PV of Uncontracted SRECs (1)	$0.09
+ Inverter replacement (2) and O&M (3) savings	$0.12
+ Renewal at 10% discount to expected utility prices rather than Sunrun prices (4)	$0.50
+ Leverage assumption at today's rates (5)	$0.12
Possible upside case for project value	**$5.63**

(1) Forward curves provided by SREC brokers
(2) Assumes 20% cost reduction
(3) O&M savings lead to an estimated cost of $18.0/kw-yr for Low Upfront customers and $10.0/kw-yr for Prepaid customers with a 2.0% annual escalator
(4) Assumes 3% utility price escalation from today
(5) Assumes 4.5% cost of debt and a 70% advance rate

Retained value discount rate

When discounting at a 6% unlevered discount rate and borrowing at 4.5%, contracted net retained value is being discounted at ~10%.[1]

- Gross retained value is the value of cash flows after expected tax equity dividends.
- Net retained value is Gross retained value less the face value of debt.
- Because market debt carries an interest rate of below 6%, the actual cost of debt service, discounted at 6%, is meaningfully less than the face value of debt.
- For back-leveraged funds, using a 6% unlevered discount rate and deducting the face value of debt results in net contracted retained value being discounted at ~10%.[1]

Capital Stack Component	Pre-Tax Cost	% of Capital	Pre-Tax Weighted Cost
Debt	4.5%	70%	3.2%
Equity	9.5%	**30%**	2.9%
Unlevered Discount Rate			**6.0%**

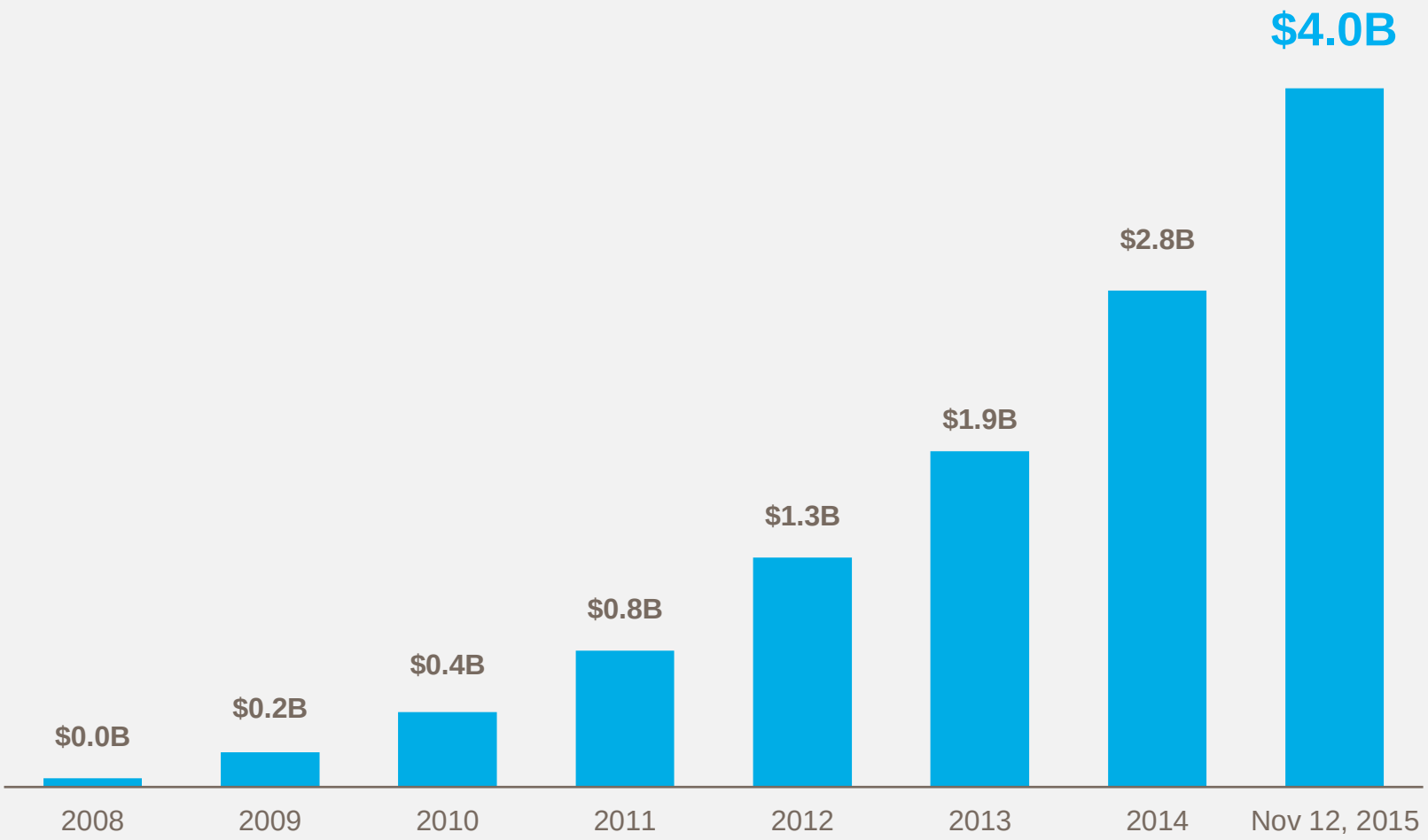
Expected impact of changes in long-term interest rates is limited

The expectation of increased interest rates was largely priced into long-term rates at June 30, 2015. Even 11 years in the future, long-term rates are expected to climb less than 100 bps.

Interest Rates[1]	Actual 6/30/15	Forward 9/30/16	Forward 9/30/27	Headwind (6-15 to 9-16)
7-Year Swap (for debt costs)	2.15%	2.22%	3.06%	0.08%
Average of 10 & 30-Year Treasury (for retained value calculation)	2.74%	2.88%	3.57%	0.14%
NPV/Watt Headwind from 6/15/15 to 9/30/16 of ~$0.04/watt				

Source Data: Bloomberg, November 10, 2015
10-Year Treasuries: Actual 6/30/15 – 2.35%, Forward 9/30/16 – 2.54%; Forward 9/30/27 – 3.42%
30-Year Treasuries: Actual 6/30/15 – 3.12%, Forward 9/30/16 – 3.22%; Forward 9/30/27 – 3.71%

Closed new tax equity financing for $900 million in solar system value



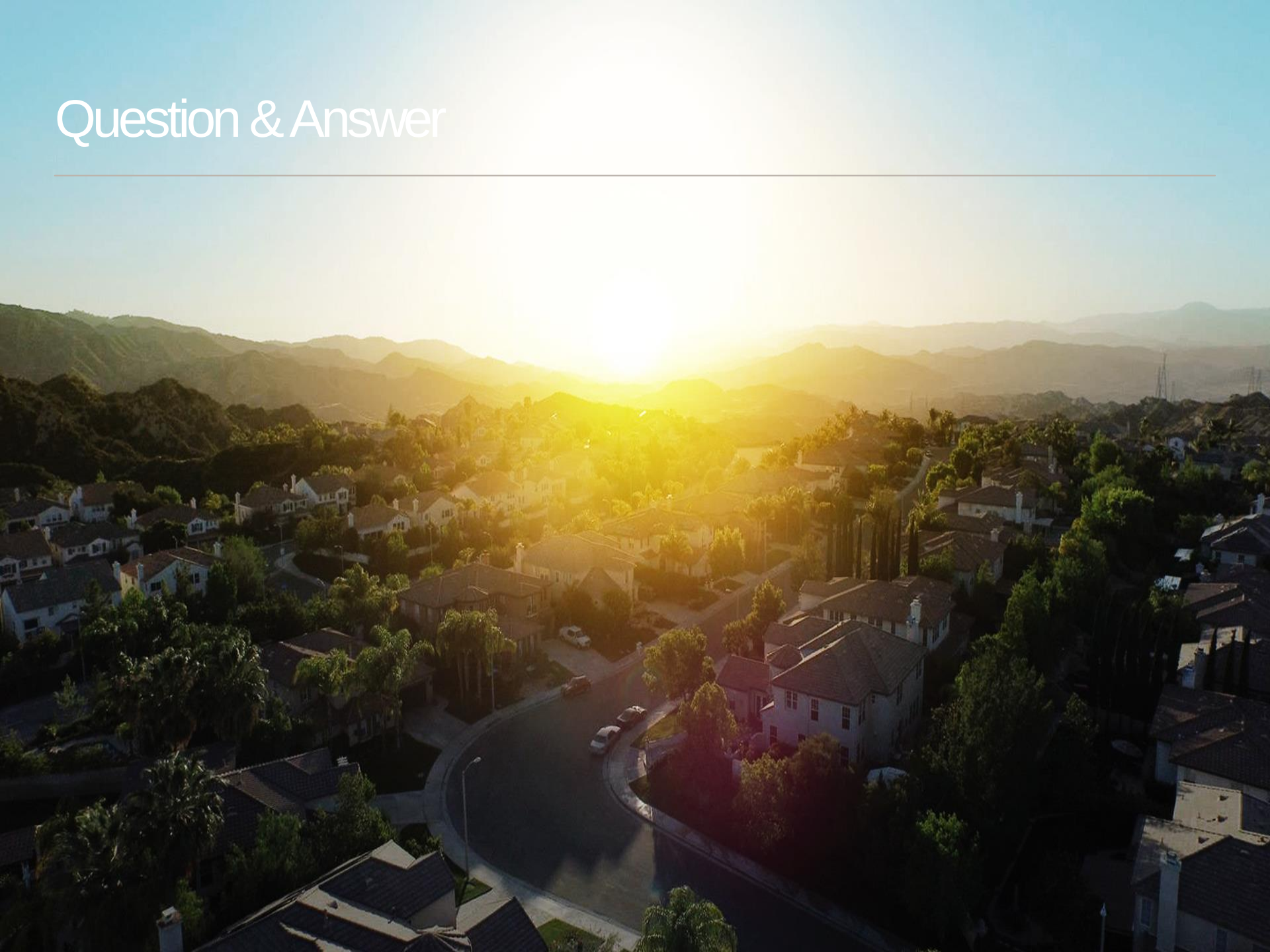
Guidance

2015

MW INSTALLATION

- Approximately 205 MW

Question & Answer



APPENDIX: Key Operating Metrics

	Three Months Ended		
	Sept. 30, 2015	June 30, 2015	Sept. 30, 2014
MW Booked	94.5	61.2	44.0
MW Deployed	55.7	42.4	33.5 (1)
Cumulative MW Deployed	528.2	472.5	356.2
Estimated Nominal Contracted Payments Remaining (in millions)	$2,219	$1,917	$1,423
Estimated Retained Value (in millions)	$1,368	$1,223	$897
Estimated retained value under energy contract (in millions)	$921	$808	$567
Estimated retained value of purchase (in millions)	$447	$415	$330
Estimated retained value per watt	$2.30	$2.39	$2.40

(1) Includes 3.4 MWs associated with purchase of asset portfolio in the second quarter of 2014.

	Three Months Ended	
	Sept. 30, 2015	June 30, 2015
Project Value (per watt)	$4.70	$5.00(1)
Creation Costs (2) (per watt)	$3.75	$4.08
Unlevered NPV (per watt)	$0.95	$0.92
NPV (in millions)	$49.5	$37.2

(1) Excludes materially all SREC value.
(2) Excludes IDC costs paid prior to deployments and excludes non-cash items such as amortization of intangible assets and stock-based compensation, and contingent consideration related to an acquisition

APPENDIX: Glossary

MW Booked represents the aggregate megawatt production capacity of our solar energy systems sold to customers or subject to an executed customer agreement, net of cancellations.

MW Deployed represents the aggregate megawatt production capacity of our solar energy systems, whether sold directly to customers or subject to customer agreements, for which we have (i) confirmation that the systems are installed on the roof, subject to final inspection or (ii) in the case of certain system installations by our partners, accrued at least 80% of the expected project cost.

Customers refers to residential customers with solar energy systems that are installed or under contract to install, net of cancellations.
Estimated Nominal Contracted Payments Remaining equals the sum of the remaining cash payments that customers are expected to pay over the initial terms of their agreements (not including the value of any renewal or system purchase at the end of the initial agreement term), including estimated uncollected prepayments, for systems contracted as of the measurement date.

Estimated Retained Value represents the cash flows (discounted at 6%) we expect to receive pursuant to customer agreements during the initial agreement term, excluding substantially all value from SRECs prior to July 1, 2015. It also includes a discounted estimate of the value of the purchase or renewal of the agreement at the end of the initial term. Estimated retained value excludes estimated distributions to investors in consolidated joint ventures and estimated operating, maintenance and administrative expenses for systems contracted as of the measurement date. We do not deduct amounts we are obligated to pass through to investors in lease pass-throughs. Estimated retained value under energy contract represents the net cash flows during the initial 20-year term of our customer agreements. Estimated retained value of purchase is the forecasted net present value we would receive upon or following the expiration of the initial contract term.

Project Value represents the value of upfront and future payments by customers, the benefits received from utility and state incentives, as well as the present value of net proceeds derived through investment funds. Project value is calculated as the sum of the following items (all measured on a per-watt basis with respect to megawatts deployed under customer agreements during the period): (i) estimated retained value, (ii) utility or upfront state incentives, (iii) upfront payments from customers for deposits and partial or full prepayments of amounts otherwise due under customer agreements and which are not already included in estimated retained value and (iv) finance proceeds from tax equity investors. Project value includes contracted SRECS. Project value does not include cash true-up payments or the value of asset contributions in lieu of cash true-up payments made to investment fund investors, the cumulative impact of which is expected to be immaterial in 2015.

Creation Costs includes (i) certain installation and general and administrative costs after subtracting the gross margin on solar energy systems and product sales divided by watts deployed and (ii) certain sales and marketing expenses under new customer agreements, net of cancellations during the period divided by the related watts booked.

Unlevered NPV equals the difference between project value and estimated creation costs.

Sunrun Built Install Cost is the portion of installation cost per watt related to systems managed directly by Sunrun.

After three years of utility attacks and 50 verdicts, same number of states open for solar competition

Key Actions

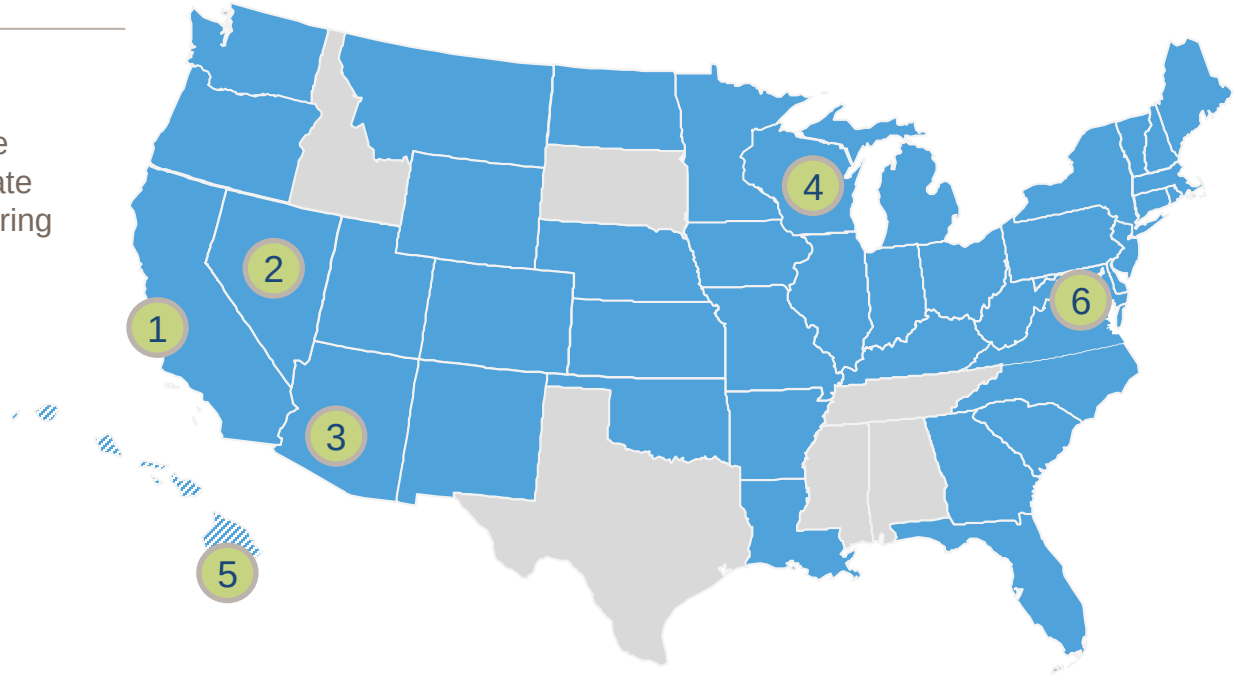
1 California
Rate reform expands addressable market and regulators support state clean energy goals when considering net metering proposals

2 Nevada
Net metering cap lifted

3 Arizona
Anti-solar utility withdraws discriminatory fee proposal

4 Wisconsin
After successful lawsuit, court reverses discriminatory fee on solar

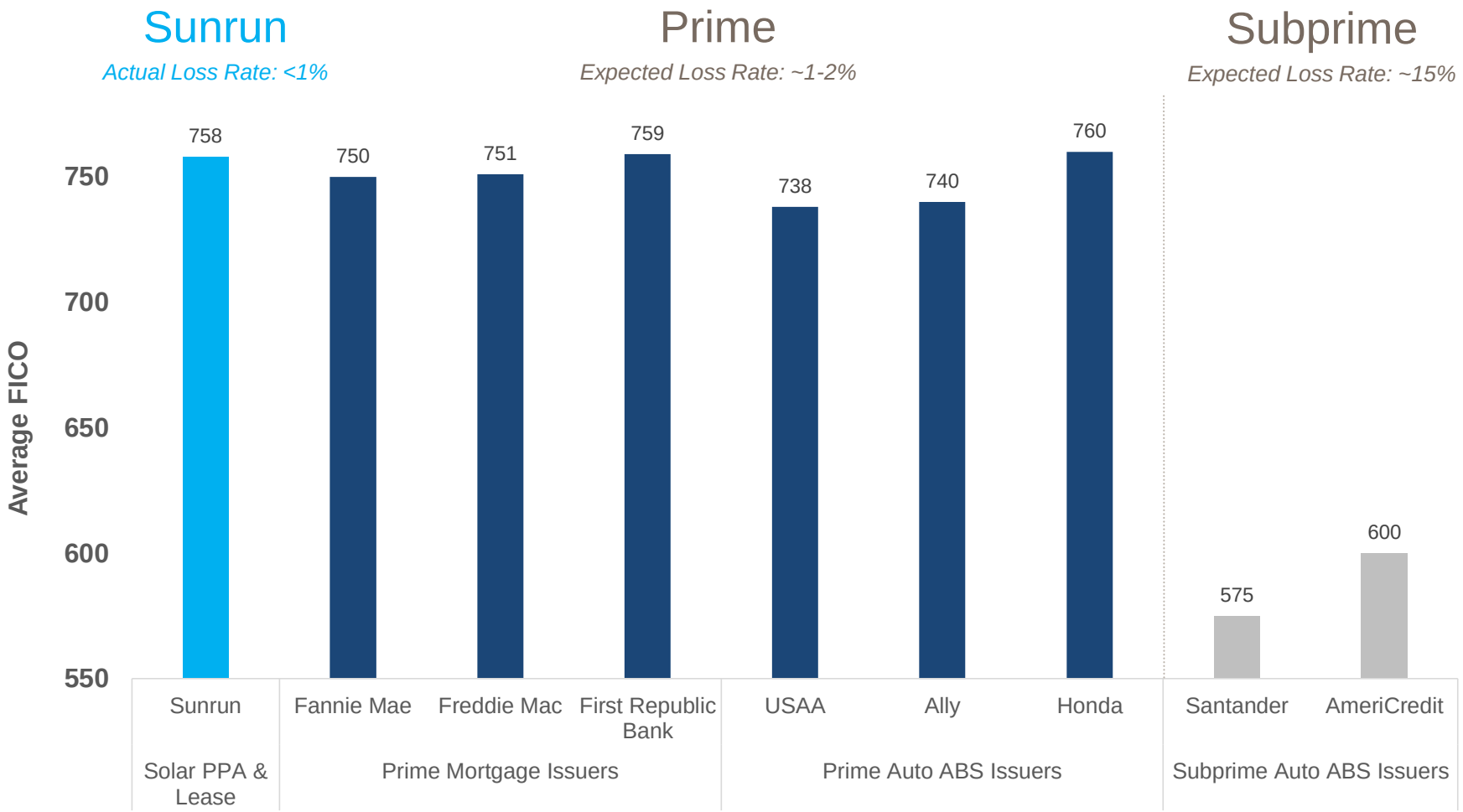
5 Hawaii
Sunrun litigating to reverse regulator decision made without cost/benefit analysis, many similarities to Wisconsin action



6 Investment Tax Credit Extension
Momentum building in Congress for multi-year extension, with leading support by conservative lawmakers supporting competition from states where solar has new traction

Customer Credit Risk

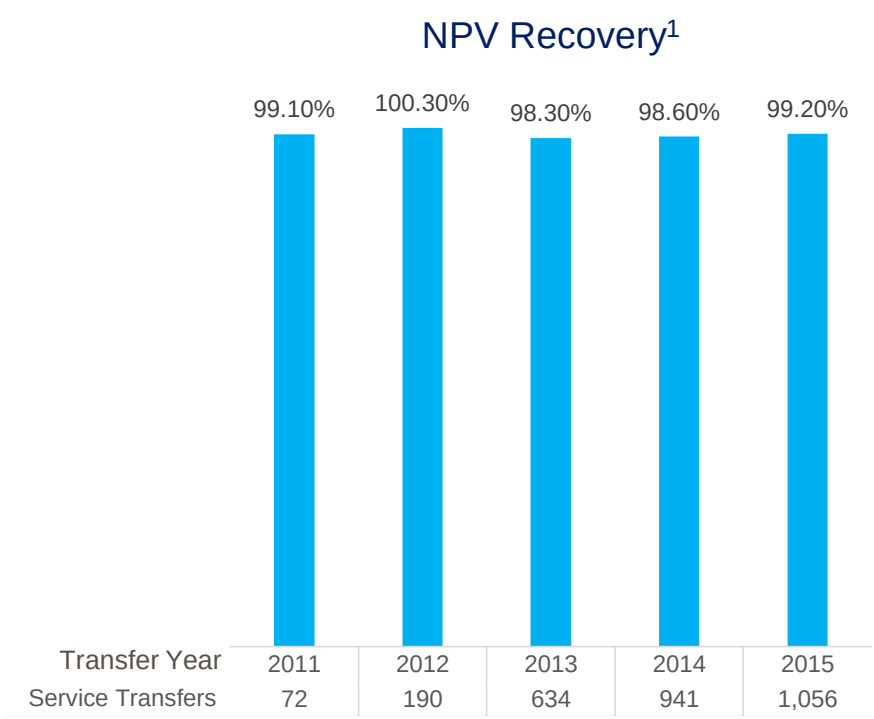
Sunrun customers are prime credit risks

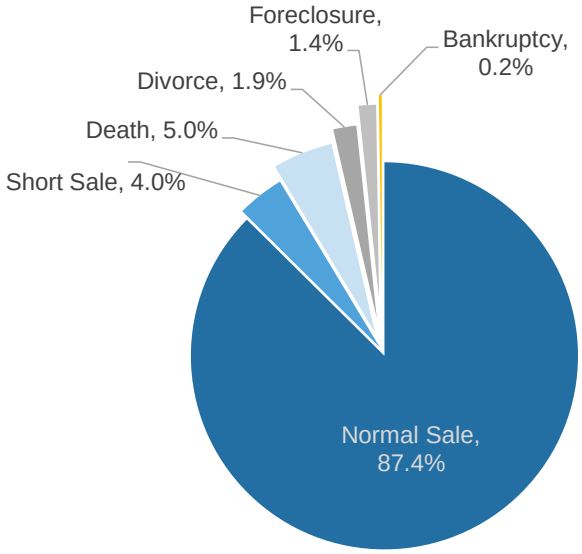


Source: Form 10-Qs, 2015 ABS issuances.

Service Transfer Performance

When customers move or their service is otherwise transferred to a new homeowner, Sunrun has maintained 99% of expected contract value



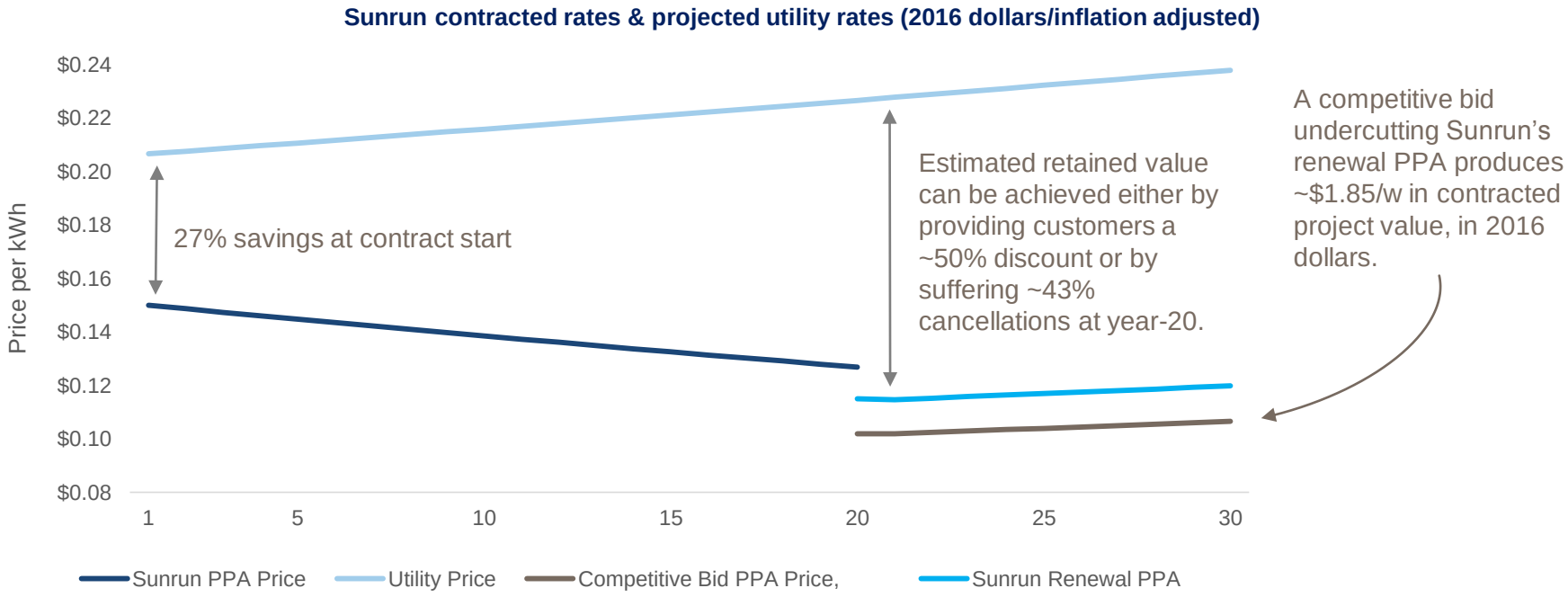


Transfer Reason	Transfers	NPV Recovery[1]
Normal Sale	2,543	99.40%
Short Sale	115	94.70%
Death	146	98.20%
Divorce	56	99.30%
Foreclosure	42	85.40%
Bankruptcy	7	67.20%
Total	**2,909**	**98.8%**

(1) Recovery percentage is equal to (i) remaining customer agreement cash flows after the service transfer discounted at 6%, divided by (ii) the sum of (a) remaining customer agreement cash flows before the service transfer discounted at 6% and (b) prepayments received in connection with the service transfer.
Data as of September 30, 2015 for Sunrun host customer agreements with monthly payments only. The sum of the percentage columns and the balance columns may not equal 100.0% or the total, as applicable, due to rounding. Excludes new home transfers and prepaid contracts. Since inception, Sunrun has repossessed 25 systems. Reasons for repossession have included bankruptcy, dislike of solar panels, unsuccessful transfer, and a customer self-removing a system.

Estimated retained value can be achieved with either a ~57% renewal rate or full renewals at a ~50% discount to utility prices

- Sunrun PPAs contractually auto-renew at a 10% discount to prevailing utility kWh rates
- Estimated retained value assumes only a 10% discount to Sunrun's Year-20 kWh rate



Assumptions: Long term inflation modeled at 2.5%. Competitive bid undercuts Sunrun by 20%, offset by higher efficiency factor panels, to justify switching costs and escalates at same 3% per year. Utility rates assumed to escalate at 3%. NPV Discount rate applied to renewal at 6.0%. Competitive Project Value calculation assumes no tax credit upon renewal in 2036.


sunrun®