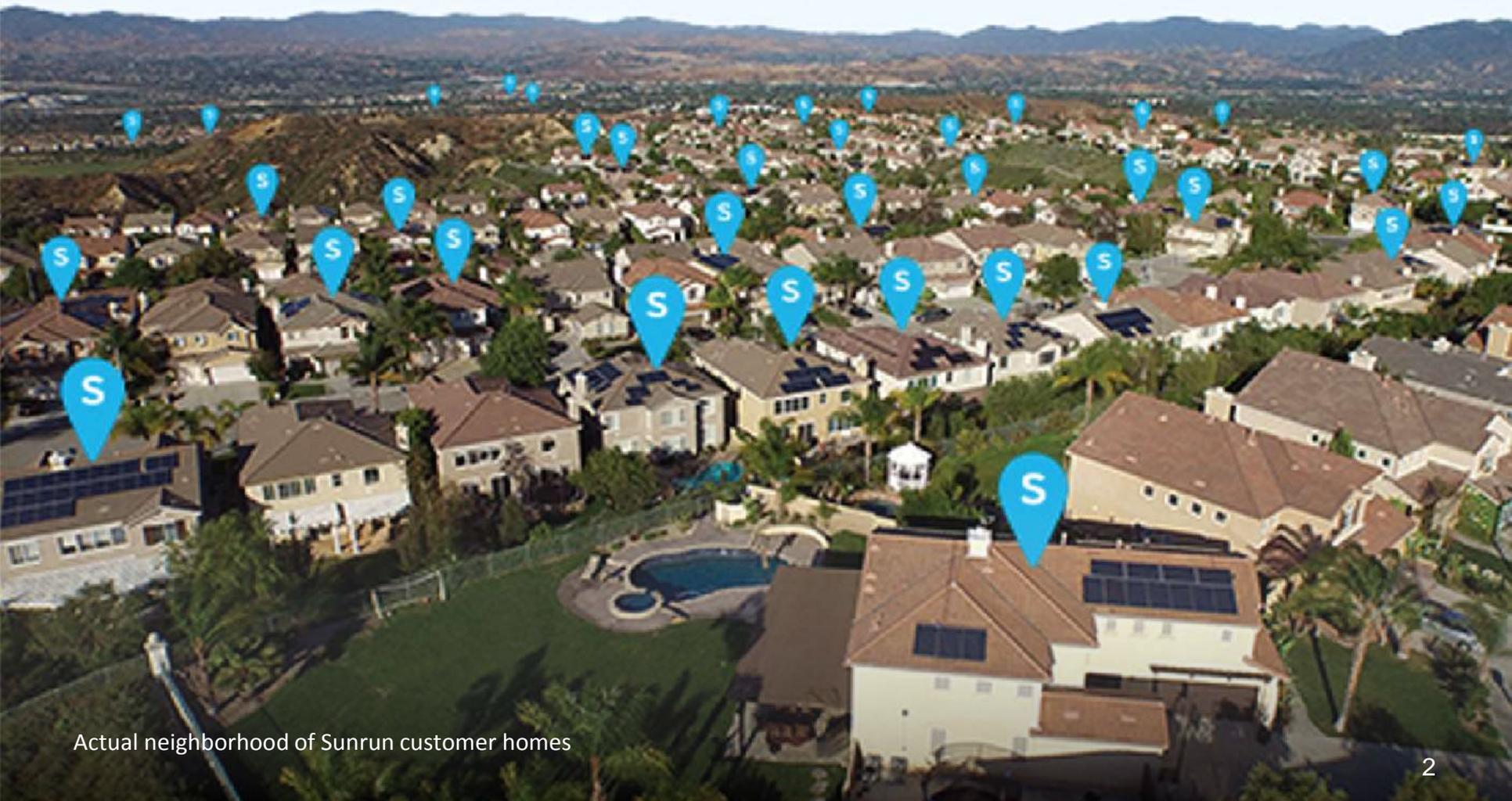




Retail Customer Choice

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Create a planet run by the sun



Actual neighborhood of Sunrun customer homes

What is Customer Choice?



Retail choice includes a range of options for electric customers

- **Generation services:** Customers obtain electric services from non-utilities load-serving entities (LSEs) that buy electricity for residential customers within their jurisdiction or across the state.
- **Rates or tariffs:** Pricing schedules or rate plans offered to customers that can be based on a customer's business activities or the amount of energy they consume.
- **Energy services:** Customer participation in energy efficiency or demand response programs that help support grid reliability.

NY, IL, TX and CA all offer forms of customer choice.

- All four states enable a high penetration of customer choice though the structural frameworks vary across states.

Case Study: Customer Choice in California

Explosive growth of retail choice in CA



California has 39 load-serving entities (LSEs) under Public Utilities Commission jurisdiction

- 3 large electric investor-owned utilities
- 16 electric service providers
- 20 CCAs
 - The number of LSEs has more than doubled over the past decade
 - In 2016, CCAs represented 3.1% of load share.
 - In 2018, CCAs are forecasted to represent 10.9% of load share.

Growth of retail choice in CA: Emerging Issues

Managing CCA load growth

- How do regulators ensure reliability?

Ensuring that increasing diversity of suppliers and buyers will meet the State's ambitious clean energy goals

- What is the oversight role of regulators as new service providers enter the market?

Consumer protection

- How do legislators and regulators protect the safe delivery of electricity to meet customer demand?
- How do legislators and regulators ensure affordability within this changing landscape?

The CPUC's Green Book



In May 2018, the CPUC issued a draft paper designed to initiate a policy conversation among stakeholders on the future of the California's electricity market.

- The Green Book provided a history of competition in California and evaluated the current regulatory framework.
- The CPUC solicited feedback on the draft Green Book from stakeholders in June 2018.
- The CPUC is currently finalizing the Green Book and it may inform future legislation/regulations related to customer choice in California.

Residential Solar and Retail Customer Choice

Customer choice is not new to the solar industry



Sunrun and the residential solar industry has been offering consumers energy choice and access

- Sunrun pioneered the "solar-as-a-service" model 10 years ago and since then we have been delivering on a vision to provide customers with energy choice.
- Sunrun serves 134,000 customers across 16 states, as well as the District of Columbia, and have deployed close to 2 billion dollars of assets.
- We experienced strong growth rates in our earlier years and now we are a mature industry.

Enabling competitive energy choice can benefit customers

- **Innovation:** Innovation in solar began with leasing -- making solar more affordable and available to more customers. This innovation has continued with solar plus battery storage solutions
- **Savings:** At Sunrun alone, we're most proud of our customer experience, having already saved our customers over \$100 million, while continuing to grow.
- **GHG reduction:** Solar offers an opportunity to help meet greenhouse gas reduction goals.
- **Jobs:** California has more than 100,000 solar energy jobs up and down the supply chain.

Thank you!