September 6, 2018

Mr. Kenneth Sheehan
Director, Division of Clean Energy
New Jersey Board of Public Utilities
44 S. Clinton Avenue
Trenton, NJ 08625

Dear Mr. Sheehan:

Enclosed please find Sunrun, Inc.'s preliminary comments for the Clean and Renewable Energy workshop in New Jersey's 2019 Energy Master Plan process. Sunrun will file more formal comments in response to the specific discussion questions by the October deadline. Please feel free to contact me at any time regarding the enclosed comments.

Respectfully submitted,

Nicole W. Sitaraman

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Sunrun, Inc.'s Preliminary Comments
New Jersey 2019 Energy Master Plan
Clean and Renewable Energy Session
September 7, 2018

Introduction

My name is Nicole Sitaraman and I serve as a Senior Manager of Public Policy for Sunrun, Inc. Thank you for the opportunity to provide preliminary input today regarding New Jersey's clean and renewable energy future. Sunrun supports this important process to develop a strategic, inclusive and cost-effective roadmap to reaching Governor Murphy's goal of reaching 100% renewable energy by 2050. We look forward to working with stakeholders to facilitate a consumer-centric, equitable pathway to greater solar energy deployment and a sustainable solar market for both developers and ratepayers.

Background on Sunrun

Sunrun is a leader in residential solar, storage, and energy management with over 200,000 customers in 23 states, the District of Columbia and Puerto Rico. Sunrun pioneered the "solar-as-a-service" model more than ten years ago and today we are the largest residential solar, storage, and energy services company in the United States. Sunrun has installed solar for thousands of New Jersey homeowners over many years. We work directly with local organizations and companies to install solar for residential electricity customers. We are proud to be a part of New Jersey's solar community which has provided New Jerseyans with over 7,000 jobs. Sunrun's solar and storage services empower consumers through monthly savings on their energy expenses, back-up power and reduction in their carbon and pollution emissions.

We are committed to ensuring that consumers have a meaningful choice in where their energy comes from and how they use energy. We are also passionate about working with partners to advance the conversation around solar access and solar equity for communities of color and low-income families. We believe that solar energy plays a critical role in redressing environmental justice harms and bringing employment and economic justice to the communities that need them the most. Further, distributed solar is an essential building block for creating a more resilient and reliable grid that benefits all ratepayers.

Supporting Distributed Solar and Battery Storage in New Jersey

As we move forward with mapping out New Jersey's solar future, we need to prioritize the development of a solar incentive program that ensures market continuity for in-state solar resources while reducing ratepayer impacts. Rooftop solar, in particular, is a bread and butter issue for both consumers and the thousands of workers employed in the solar market. Rooftop solar creates high-quality jobs that cannot be automated or exported. Rooftop solar also provides significant benefits to all ratepayers because the energy generated at or near the load enables utilities to defer or avoid unnecessary and expensive distribution and transmission upgrades. In aggregate, rooftop solar saves everyone money on their utility bills. For example, a recent analysis conducted by Synapse Energy Economics showed that

distributed solar reduced New England wholesale power costs by nearly $20 million dollars during a heat wave from July 1 to July 7. That represents over 14% of what wholesale costs would have been without distributed solar – significant savings.

Additionally, Sunrun looks forward to working with stakeholders to enable more New Jersey consumers to adopt battery storage for backup power and greater home energy resiliency during severe weather events. Residential battery storage is the fastest deploying and most flexible segment of the storage industry. We hope to explore ways for New Jersey continue incentivizing the use of this technology and reach more consumers who need backup power the most.

Battery storage not only provides tremendous value to individual consumers but when aggregated, residential storage can provide substantial benefits to the larger energy delivery system. These benefits include distribution and transmission deferral, distribution and transmission cost reductions, energy and wholesale market cost reductions, increased renewable energy integration, resource adequacy, peak reduction, and ancillary services. Renewable energy, such as solar, combined with battery storage will be a critical element to empowering New Jersey communities vulnerable to climate change.

Environmental Justice and Distributed Solar

Making solar and storage accessible to all communities is a fundamental principle upon which this company was built. Galvanizing a renewable energy future for New Jersey is especially significant for low-income families and communities of color. According to the NAACP, approximately 68% of African Americans across the country live within 30 miles of a coal-fired power plant, and a report by Clean Air Task Force found that close to 2 million Latinx live within a half mile of oil and gas plants. As a result of proximity to pollution, these communities face elevated health risks ranging from severe asthma and other respiratory illnesses to various forms of cancer. This unjust energy imbalance cannot be part of our clean energy future. When traditionally underrepresented communities have a seat at the table where our clean energy policies are being developed, together we can create the right consumer-centered policies to equip communities with better energy solutions, jobs and a clean energy environment. We need to devote investment and resources to the communities that need them the most.

In order to encourage renewable energy development in low- and moderate-income communities in New Jersey, we would encourage the state to consider modifying the current solar energy renewable credit system to include factoring that would increase the value of the solar energy renewable credit when generated at a location within these communities. Additionally, Sunrun believes that New Jersey should focus on utilizing its built environment – rooftop space – in urban areas for greater solar deployment. Building large, grid-scale solar projects – branded as community solar -- located far away from where people live is not the silver bullet for addressing solar equity issues and is not necessarily more affordable in the long run for low-income communities. Locally-generated renewable energy – bringing energy solutions right where people live and work – will lead to greater energy democracy and continue to solidify New Jersey's standing as a national leader in renewable energy deployment.

Finally, a critical issue in the energy justice conversation is competition and community empowerment. As more solar and battery storage is deployed in New Jersey, we must ensure that there is a level playing field for all current and future market participants to compete in the distributed energy resource marketplace. We should enable more entrepreneurship, innovation and ownership in the clean energy industry for environmental justice communities. Sunrun values the dialogue we have with utilities about how to deploy more distributed energy resources in an equitable manner. We recognize the utilities' mammoth responsibility of maintaining and operating the energy delivery system. However, we believe their role as owners and operators of the grid should not preclude new and emerging energy services providers from providing distributed energy resources solutions for members of their own communities. At Sunrun, we believe in facilitating an energy future that prioritizes solar energy generated by the people and for the people. We look forward to continuing this dialogue regarding ways to enable equitable access to distributed energy resources for all communities in New Jersey.