sunrun

Before the General Assembly of the State of Maryland
House Economic Matters Committee
February 13, 2020

Written Testimony of Nicole W. Sitaraman
Senior Manager, Public Policy
Sunrun, Inc.
In Support of HB 561 – ELECTRIC INDUSTRY – COMMUNITY CHOICE ENERGY

Dear Chair Davis, Vice Chair Dumais, and members of the Economic Matters Committee:

Thank you for the opportunity to provide testimony on House Bill 561 – Community Choice Energy. My name is Nicole Sitaraman, Senior Manager of Public Policy at Sunrun, Inc. I am pleased to share our general perspective on the growing role of community choice aggregators ("CCAs") in facilitating scaled and aggregated deployment of distributed energy resources. HB561 would enable a county or municipal corporation or multiple such jurisdictions, collectively, to generate or procure energy for the benefit of their citizens. CCAs allow municipalities to purchase electricity on behalf of their residents, aggregating the energy needs of citizens to increase purchasing power and keep energy costs low. While Sunrun's engagement with CCAs has primarily been in California, CCAs exist throughout the Northeast, including in Massachusetts, New York and New Jersey. *Communities across the country are demanding greater integration of locally-sourced renewable energy and are rejecting the traditional top-down approach to energy procurement.* CCAs should be considered as another meaningful opportunity to support consumer choice and community-driven clean energy solutions.

Background on Sunrun

Sunrun is the largest residential solar, storage, and energy services company in the country, with more than 233,000 customers in 22 states, the District of Columbia and Puerto Rico. We pioneered the "solar-as-a-service" model over 12 years ago to make solar energy more accessible. Sunrun has operated in Maryland for about eight years and opened its first office with facilities in Linthicum Heights in 2015. Sunrun believes there is a better, less expensive, and cleaner way for communities to power their lives. With Sunrun's residential rooftop solar, storage, and energy services, consumers are saving money, dramatically reducing their carbon footprint, and becoming energy management partners capable of delivering grid benefits and lowering system costs for all ratepayers. Nationally, Sunrun's systems have prevented greenhouse gas emissions totaling 3.7 million metric tons of carbon dioxide equivalent, an amount comparable to eliminating more than 9 billion passenger vehicle miles. As a national leader in residential solar plus storage deployment, Sunrun has great interest in policy initiatives that facilitate the scaling of customer-sited solar and energy storage for the benefit of individual consumers, all ratepayers and the electricity grid.

CCAs, Environmental Justice and Grid Services

From Sunrun's perspective, CCA's have the potential to enable *scaled deployment of aggregated customer-sited solar plus storage installations*, also referred as Virtual Power Plant or "VPPs". VPPs are taking the prior rooftop solar framework of house-by-house, property-by-property solar installation to the next level of *power in numbers.* VPPs enable multiple rooftop solar plus storage

systems to be collectively managed to power communities and avoid the need for conventional, polluting and costly energy infrastructure. VPPs can provide tremendous benefits to customers, the electric distribution system and the wholesale marketplace. These include reduced pollution, reduced carbon emissions, distribution and transmission upgrade deferral and distribution and transmission cost reduction, resource adequacy, peak reduction, and ancillary services. Maximizing the benefits that solar plus storage can provide requires the stacking of value streams at the customer, distribution, and bulk system or wholesale level – coordination of multiple-use applications of customer-sited solar-plus-storage. CCAs can play a significant role in quickly actualizing these value streams and expanding the integration of VPPs for the benefit of individual residents, the broader community and the energy grid as a whole.

For example, in June 2019, Sunrun was awarded a landmark contract by the East Bay Community Energy (EBCE) board of directors to help replace the retiring jet-fuel Oakland Power Plant in Oakland, California with home solar and battery systems on low-income housing in West Oakland and Alameda County. Sunrun's project with EBCE represents a leading example in the United States of home solar and battery systems directly contributing to the replacement of a retiring fossil fuel-fired power plant. Through this project, Sunrun will bundle solar energy stored in home battery systems and send it back to the electricity grid, forming a VPP to power the surrounding area. This project is particularly exciting for us because it was driven by local community decision-making – through East Bay Community Energy -- and will have direct environmental justice benefits in a community that has long been contaminated by dirty energy.

We believe that *people* are our greatest energy resource. The way that consumers individually and collectively generate, consume, store and manage clean energy through solar and battery storage will increasingly have transformative and beneficial impacts on climate, communities and the electric grid. Power by the people, for the people, is fundamental to a sustainable energy future in Maryland and CCAs have a role to play. House Bill 561 preserves net metering for CCAs and allows for consumers to opt-out, if they so choose. We think the legislation is reasonable and worthy of a favorable report. Thank you again for the opportunity to share our perspective.

Contact:
Email: nicole.sitaraman@sunrun.com