UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) November 4, 2026

Sunrun Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-37511**	**26-2841711**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

600 California Street, Suite 1800
San Francisco, California 94108
(Address of principal executive offices, including zip code)

(415) 580-6900
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	RUN	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On November 4, 2026, Sunrun Inc. (the "Company") issued a press release announcing its financial results for the quarter ended September 30, 2026. In the press release, the Company also announced that it would be holding a conference call on November 4, 2026 to discuss its financial results for the quarter ended September 30, 2026. The full text of the press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information set forth in this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) ***Exhibits.***

Exhibit No.	Description
99.1	Press release issued by Sunrun Inc. dated November 4, 2026.
104	Cover Page Interactive Data File (embedded within the inline XRBL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SUNRUN INC.

By: /s/ Jeanna Steele
Jeanna Steele
Chief Legal Officer and Chief People Officer

Date: November 4, 2026

Sunrun Reports Third Quarter 2026 Financial Results

Robust sales growth continued in our direct business

Aggregate Subscriber Value of approximately $1.3 billion in Q3

Storage Attachment Rate reached record 75% in Q3 and Networked Storage Capacity reached 5.0 Gigawatt-hours as of September 30, 2026

Net cash provided by operating activities was $301 million in Q3 and Cash Generation was $6 million, or $56 million if excluding $50 million of net investments in equipment safe harbor

Revised Cash Generation[1,2] guidance to approximately $200 million for full-year 2026, excluding investments in equipment safe harbor

SAN FRANCISCO, November 4, 2026 -- Sunrun (Nasdaq: RUN), America's largest provider of home battery storage, solar, and home-to-grid power plants, today announced financial results for the third quarter ended September 30, 2026.

"Sunrun has returned its direct business to growth, with installations increasing 9% year-over-year. Sunrun is the nation's largest Residential Independent Power Producer. We hit a 75% attachment rate of storage assets, the highest in our history. The need for affordable, reliable power has never been more evident, and our storage-first offering is meeting it. We are positioning the business for strong growth, bringing on some of the best talent in the industry and scaling deliberately, with a focus on customer experience and asset quality. And as that engine scales, we're aiming to unlock new ways to monetize the network we've already built, from distributed power plant programs to emerging data center and grid edge applications, creating new streams of Cash Generation," **said Mary Powell, Sunrun's Chief Executive Officer**.

"Q3 marked an important inflection point as we returned to growth in our direct business and expanded our Upfront Net Subscriber Value margins considerably. We delivered $56 million in Cash Generation in Q3, excluding investments in equipment for safe harbor activities, and expect higher Cash Generation in Q4 resulting in full-year Cash Generation of approximately $200 million," **said Danny Abajian, Sunrun's Chief Financial Officer.**[1]

Third Quarter Updates and Recent Developments

- *Leading with Storage-First Strategy*: Storage Attachment Rate was 75% in Q3, up from 70% in the prior-year period. As of September 30, 2026, Sunrun has installed more than 284,000 storage and solar systems, representing approximately 5.0 Gigawatt hours of Networked Storage Capacity.
- *Recognized for Commitment to Customer Satisfaction, innovation, and industry leadership:* In July 2026, Sunrun was awarded the exclusive 2026 Preferred Partner Award and Platinum Solar Award by BestCompany.com to recognize the company's commitment to customer satisfaction, product innovation and industry leadership. Sunrun has received the Platinum Solar Award for three consecutive years and Preferred Partner Award for two consecutive years.
- *Three Consecutive Record-setting Residential Distributed Power Plant Dispatch Events:* In September, Sunrun participated in a 580 MW dispatch event contributing 320+ MW (56%), which marks the dispatch event as the largest in history. In October, Sunrun participated in two additional record setting dispatch events on back-to-back days on October 5th and 6th. On October 5, Sunrun contributed 400+ MW (61%) in a 669 MW dispatch event and 430+ MW (58%) of the 745 MW dispatch event that took place on October 6.

Key Operating Metrics

In the third quarter of 2026, Subscriber Additions were 22,957, a 24% decrease compared to the third quarter of 2025. As of September 30, 2026, Sunrun had 1,057,695 Subscribers. Subscribers as of September 30, 2026 grew 9% compared to September 30, 2025.

Storage Capacity Installed was 374 megawatt hours in the third quarter of 2026, a 9% decrease from the third quarter of 2025. Solar Capacity Installed was 204 megawatts in the third quarter of 2026, a 15% decrease from the third quarter of 2025.

Subscriber Value was $55,342 in the third quarter of 2026, a 6% increase compared to the third quarter of 2025. Contracted Subscriber Value was $52,525 in the third quarter of 2026, an 8% increase compared to the third quarter of 2025. Subscriber Value figures for the third quarter of 2026 reflect an 8.4% discount rate based on observed project-level capital costs, compared to 7.3% in the prior year period. Subscriber Value reflects an average Investment Tax Credit of 43.4% in the third quarter of 2026 compared to 42.4% in the prior year period. Storage Attachment Rate was 75% in the third quarter of 2026 compared to 70% in the prior year period.

Net Subscriber Value was $9,462 in the third quarter of 2026, a 28% decrease compared to $13,205 in the third quarter of 2025. Contracted Net Subscriber Value was $6,645 in the third quarter of 2026, a 28% decrease compared to $9,266 in the third quarter of 2025.

Aggregate Subscriber Value was $1.3 billion in the third quarter of 2026, a 20% decrease compared to the third quarter of 2025.

Total Operating Expenses were $946 million in the third quarter of 2026, an increase of 31% compared to the prior year period. Creation Costs Reflected in Operating Expenses were $610 million in the third quarter of 2026, a 100% increase compared to the third quarter of 2025. Net cash used in investing activities was $420 million in the third quarter of 2026, a 44% decrease compared to the prior year period. Creation Costs Reflected in Capital Expenditures were $444 million in the third quarter of 2026, a 49% decrease compared to the third quarter of 2025.

Net cash provided by operating activities was $301 million in the third quarter of 2026, while Cash Generation was $6 million. Cash Generation would have been $56 million excluding the effects of equipment safe harbor investments that totaled $50 million in the third quarter of 2026.

Contracted Net Earning Assets were $3.7 billion, which included $1.1 billion in Total Cash, as of September 30, 2026.

Outlook

For the full-year 2026, Aggregate Subscriber Value is now expected to be approximately $4.6 billion, compared to the company's prior guidance of $4.6 billion to $4.9 billion.

Cash Generation[1,2] is now expected to be approximately $200 million for the full-year 2026, excluding investments related to equipment safe harboring, compared to the company's prior guidance of $200 million to $375 million.

Third Quarter 2026 GAAP Results

Total revenue was $1,099.5 million in the third quarter of 2026, up $374.9 million, or 52%, from the third quarter of 2025. Customer agreements and incentives revenue was $553.5 million, an increase of $61.9 million, or 13%, compared to the third quarter of 2025. Energy systems and product sales revenue was $546.0 million, an increase of $313.1 million, or 134%, compared to the third quarter of 2025. The increase in Energy systems and product sales revenue is primarily due to a transaction that Sunrun entered into in the third quarter of 2025 whereby certain storage and energy systems subject to newly originated Customer Agreements are sold to a third party. Sunrun continues to maintain the customer experience and servicing relationships and can sell future goods and services to these customers.

Total cost of revenue was $629.9 million, an increase of 31% year-over-year. Total operating expenses were $946.0 million, an increase of 31% compared to the third quarter of 2025.

Net income attributable to common stockholders was $153.2 million, or $0.64 per basic share and $0.56 per diluted share, in the third quarter of 2026.

Conference Call Information

Sunrun is hosting a conference call for analysts and investors to discuss its third quarter 2026 results and business outlook at 1:30 p.m. Pacific Time today, November 4, 2026. A live audio webcast of the conference call along with supplemental financial information will be accessible via the "Investor Relations" section of Sunrun's website at https://investors.sunrun.com. The conference call can also be accessed live over the phone by dialing (877) 407-5989 (toll-free) or (201) 689-8434 (toll). An audio replay will be available following the call on the Sunrun Investor Relations website for approximately one month.

Footnotes

(1) Cash Generation, Creation Costs Reflected in Operating Expenses, and Creation Costs Reflected in Capital Expenditures are non-GAAP financial measures. See “Non-GAAP Financial Measures” below for a discussion of these measures and reconciliations to the most directly comparable GAAP measures.

(2) The Company is not able to provide reconciliations to certain of its forward-looking measures to comparable GAAP measures because certain items required for such reconciliations are outside of the Company’s control and/or cannot be reasonably predicted without unreasonable effort. The Company encourages investors to review its GAAP financial measures and to not rely on any single financial measure to evaluate our business.

About Sunrun

Sunrun Inc. (Nasdaq: RUN) is America’s largest provider of home battery storage, solar, and home-to-grid power plants. As the pioneer of home energy systems offered through a no-upfront-cost subscription model, Sunrun empowers customers nationwide with greater energy control, security, and independence. Sunrun supports the grid by providing on-demand dispatchable power that helps prevent blackouts and lowers energy costs. Learn more at www.sunrun.com.

Forward Looking Statements

This communication contains forward-looking statements related to Sunrun (the “Company”) within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements related to: the Company’s financial and operating guidance and expectations; the Company’s business plan, growth trajectory, expectations, market leadership, competitive advantages, operational and financial results and metrics (and the assumptions related to the calculation of such metrics); the Company’s expectation regarding its growth trajectory in installations exiting the year; the Company’s momentum in its business strategies including expectations regarding its direct business and market share growth in certain geographies, customer value proposition, market penetration, growth of certain divisions and ability to scale offerings, financing activities, financing capacity, product mix, and ability to manage cash flow and liquidity; the Company’s discussion of new products, offerings, and applications, including monetization of the Company’s network for grid programs and emerging data center and grid edge applications; the trajectory of the storage and solar industry; the Company’s business, customer base, and market; and anticipated demand, market acceptance, and market adoption of the Company’s offerings; the Company’s expectations regarding its allocations of and ability to create new streams of Cash Generation; and the Company’s aim to leverage its existing energy infrastructure to serve AI-driven electricity demand and create new, high-margin revenue opportunities. These statements are not guarantees of future performance; they reflect the Company’s current views with respect to future events and are based on assumptions and estimates and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. The risks and uncertainties that could cause the Company’s results to differ materially from those expressed or implied by such forward-looking statements include: the Company’s continued ability to manage costs and compete effectively; the availability of additional financing on acceptable terms; worldwide economic conditions, including slow or negative growth rates and inflation; volatile or rising interest rates; changes in policies and regulations, including net metering, interconnection limits, and fixed fees, or caps and licensing restrictions and the impact of these changes on the solar industry and the Company’s business; the Company’s ability to attract and retain the Company’s business partners; supply chain risks, including the Company’s and its energy system partners’ dependence on a limited number of suppliers of solar panels, batteries, and other system components and any shortage, bottlenecks, delays, detentions, or component price changes from these suppliers, restrictions on components and materials sourced from designated foreign entities of concern and the Company’s reliance on specific countries for critical components, tariff and trade policy impacts, and raw material availability for solar panels and batteries; realizing the anticipated benefits of past or future investments, partnerships, strategic transactions, or acquisitions, and integrating those acquisitions; the Company’s leadership team and ability to attract and retain key employees; regulators imposing rules on the type of electricians qualified to install and service the Company’s solar and battery systems in California, which may result in workforce shortages, operational delays, and increased costs; changes in the retail prices of traditional utility generated electricity; the availability of rebates, tax credits and other incentives, and the risk that if the IRS makes determinations that the creditable basis of the Company’s energy systems is materially lower than what it has claimed, it may have to pay significant amounts to its fund investors; the Company’s risk of additional taxes owed in respect of lost ITCs and the availability of related insurance coverage; the availability of solar panels, batteries, and other components and raw materials; the Company’s failure or perceived failure to comply with existing or future laws, regulations, contracts, self-regulatory schemes, standards, and other obligations related to data privacy and security (including security incidents), including where compliance or the actual or perceived failure to comply could increase the

costs of its products and services, limit their use or adoption, and otherwise negatively affect our operating results and business; the Company's business plan and the Company's ability to effectively manage the Company's growth and labor constraints; the Company's ability to meet the covenants in the Company's investment funds and debt facilities; factors impacting the home electrification and solar industry generally, and such other risks and uncertainties identified in the reports that we file with the U.S. Securities and Exchange Commission from time to time. All forward-looking statements used herein 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.

Citations to industry and market statistics used herein may be found in our Investor Presentation, available via the "Investor Relations" section of Sunrun's website at https://investors.sunrun.com.

Consolidated Balance Sheets
(In Thousands)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash	$ 699,428	$ 823,380
Restricted cash	421,757	413,460
Accounts receivable, net	289,933	262,627
Inventories	709,656	501,286
Prepaid expenses and other current assets	183,805	155,216
Total current assets	2,304,579	2,155,969
Restricted cash	148	148
Energy systems, net	17,410,940	16,817,863
Property and equipment, net	55,505	75,692
Other assets	4,199,515	3,560,924
Total assets	$ 23,970,687	$ 22,610,596
Liabilities and total equity		
Current liabilities:		
Accounts payable	$ 419,673	$ 271,021
Distributions payable to noncontrolling interests and redeemable noncontrolling interests	52,155	47,072
Accrued expenses and other liabilities	498,389	518,835
Deferred revenue, current portion	166,651	162,839
Deferred grants, current portion	8,991	8,681
Finance lease obligations, current portion	22,727	24,557
Non-recourse debt, current portion	350,362	269,510
Total current liabilities	1,518,948	1,302,515
Deferred revenue, net of current portion	1,416,115	1,350,494
Deferred grants, net of current portion	187,985	196,726
Finance lease obligations, net of current portion	20,026	36,908
Convertible senior notes	475,314	473,749
Line of credit	135,077	238,323
Non-recourse debt, net of current portion	14,310,006	13,708,532
Other liabilities	202,053	156,199
Deferred tax liabilities	293,606	163,176
Total liabilities	18,559,130	17,626,622
Redeemable noncontrolling interests	765,551	709,255
Total stockholders' equity	3,692,139	3,132,484
Noncontrolling interests	953,867	1,142,235
Total equity	4,646,006	4,274,719
Total liabilities, redeemable noncontrolling interests and total equity	$ 23,970,687	$ 22,610,596

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Consolidated Statements of Operations
(In Thousands, Except Per Share Amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Customer agreements and incentives	$ 553,451	$ 491,600	$ 1,565,003	$ 1,352,520
Energy systems and product sales	546,047	232,957	1,126,714	445,644
Total revenue	1,099,498	724,557	2,691,717	1,798,164
Operating expenses:				
Cost of customer agreements and incentives	325,306	315,811	982,500	969,816
Cost of energy systems and product sales	304,593	165,480	691,593	366,422
Sales and marketing	240,042	164,798	609,256	463,247
Research and development	10,144	9,267	30,521	27,309
General and administrative	65,931	65,550	233,087	194,856
Total operating expenses	946,016	720,906	2,546,957	2,021,650
Income (loss) from operations	153,482	3,651	144,760	(223,486)
Interest expense, net	(276,003)	(265,788)	(804,374)	(740,359)
Other income (expense), net	164,328	(17,880)	199,009	(77,807)
Income (loss) before income taxes	41,807	(280,017)	(460,605)	(1,041,652)
Income tax benefit	(45,166)	(2,172)	(42,072)	(207,652)
Net income (loss)	86,973	(277,845)	(418,533)	(834,000)
Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	(66,273)	(294,434)	(854,575)	(1,180,373)
Net income attributable to common stockholders	$ 153,246	$ 16,589	$ 436,042	$ 346,373
Net income per share attributable to common stockholders				
Basic	$ 0.64	$ 0.07	$ 1.83	$ 1.51
Diluted	$ 0.56	$ 0.06	$ 1.60	$ 1.33
Weighted average shares used to compute net income per share attributable to common stockholders				
Basic	240,914	230,980	238,189	228,868
Diluted	274,525	267,473	273,650	262,196

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Consolidated Statements of Cash Flows
(In Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating activities:				
Net income (loss)	$ 86,973	$ (277,845)	$ (418,533)	$ (834,000)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Depreciation and amortization, net of amortization of deferred grants	196,660	181,546	579,004	541,149
Deferred income taxes	(45,167)	(999)	(42,073)	(207,652)
Stock-based compensation expense	19,284	29,591	66,705	79,620
Unrealized (gain) loss on derivatives	(152,936)	16,079	(196,253)	78,704
Other noncash items	95,778	79,288	268,814	218,094
Changes in operating assets and liabilities:				
Accounts receivable	(69,582)	(68,609)	(57,428)	(95,748)
Inventories	(28,325)	(78,838)	(98,820)	(167,904)
Prepaid expenses and other assets	(111,622)	(189,579)	(361,607)	(443,908)
Accounts payable	89,532	(71,446)	158,822	(35,082)
Accrued expenses and other liabilities	54,317	10,696	1,584	11,679
Deferred revenue	38,920	55,370	67,442	143,437
Deferred tax liabilities	127,548	193,223	158,167	193,223
Net cash provided by (used in) operating activities	301,380	(121,523)	125,824	(518,388)
Investing activities:				
Payments for the costs of energy systems	(375,457)	(742,152)	(1,229,242)	(2,088,932)
Purchase of equity investment	(42,280)	—	(61,533)	—
Purchases of property and equipment, net	(2,158)	(1,489)	(6,854)	(2,551)
Net cash used in investing activities	(419,895)	(743,641)	(1,297,629)	(2,091,483)
Financing activities:				
Proceeds from state tax credits, net of recapture	—	—	12,384	9,668
Proceeds from trade receivable financing	—	95,758	—	167,081
Repayment of trade receivable financing	—	(71,323)	—	(195,584)
Proceeds from line of credit	—	49,800	184,000	200,486
Repayment of line of credit	(18,623)	(67,112)	(287,245)	(265,502)
Repurchase of convertible senior notes	—	—	(5,457)	(2,124)
Proceeds from issuance of non-recourse debt	731,899	1,847,950	2,991,055	3,896,379
Repayment of non-recourse debt	(655,567)	(1,256,945)	(2,494,890)	(2,170,694)
Payment of debt fees	(19,379)	(35,672)	(62,326)	(63,930)
Payment of finance lease obligations	(6,010)	(6,251)	(18,276)	(19,037)
Contributions received from noncontrolling interests and redeemable noncontrolling interests	140,099	524,815	961,655	1,460,099
Distributions paid to noncontrolling interests and redeemable noncontrolling interests	(68,956)	(58,299)	(217,241)	(177,099)
Acquisition of noncontrolling interests	—	(14,485)	(16,878)	(30,704)
Proceeds from transfer of investment tax credits	325,942	295,778	972,556	1,156,652
Payments to redeemable noncontrolling interests and noncontrolling interests of investment tax credits	(325,942)	(295,778)	(972,556)	(1,156,652)
Net proceeds related to stock-based award activities	—	607	9,369	9,172
Net cash provided by financing activities	103,463	1,008,843	1,056,150	2,818,211
Net change in cash and restricted cash	(15,052)	143,679	(115,655)	208,340
Cash and restricted cash, beginning of period	1,136,385	1,012,077	1,236,988	947,416
Cash and restricted cash, end of period	$ 1,121,333	$ 1,155,756	$ 1,121,333	$ 1,155,756

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Non-GAAP Financial Measures

This press release includes the Company's non-GAAP financial measures: Creation Costs Reflected in Operating Expenses, Creation Costs Reflected in Capital Expenditures, and Cash Generation. The Company utilizes these non-GAAP measures to analyze the Company's performance and for internal planning and forecasting purposes. These non-GAAP financial measures should not be considered in isolation or as a substitute for the Company's financial results as reported under GAAP. Additionally, these non-GAAP measures may not be comparable to similarly titled measures presented by other companies, thus reducing their usefulness. Accompanying schedules provide reconciliations of these non-GAAP financial measures to their most directly comparable GAAP measures. The Company is not able to provide reconciliations of certain forward-looking financial measures to comparable GAAP measures because certain items required for such reconciliations are outside of the Company's control and/or cannot be reasonably predicted without unreasonable effort. The Company encourages investors to review our GAAP financial measures and to not rely on any single financial measure to evaluate our business.

Creation Costs Reflected in Operating Expenses is a Non-GAAP measure that management utilizes to assess the operating performance of our ongoing operations associated with the origination and installation of solar and storage systems. Creation Costs Reflected in Operating Expenses represent total operating expenses, adjusted for certain items consistent with management's use as a performance measure. The adjusting items are detailed in the Reconciliation of Total Operating Expenses to Creation Costs Reflected in Operating Expenses table below. The Company believes that Creation Costs Reflected in Operating Expenses, when viewed together with the corresponding GAAP financial measure, provides meaningful information to our investors by measuring our operating performance with respect to costs associated with the origination and installation of storage and solar systems. When evaluating performance, investors should consider Creation Costs Reflected in Operating Expenses in addition to, though not as a substitute for, the Company's financial results as reported under GAAP, including total operating expenses.

Reconciliation of Total Operating Expenses to Creation Costs Reflected in Operating Expenses	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
$ millions, unless otherwise noted					
Total Operating Expenses	**$721**	**$1,061**	**$766**	**$835**	**$946**
(-) Fleet servicing cost in COGS	$(58)	$(56)	$(46)	$(57)	$(52)
(-) Non-cash impairment of energy systems, net	$(1)	$(28)	$(12)	$(15)	$(24)
(-) Depreciation & Amortization	$(182)	$(184)	$(190)	$(193)	$(197)
(-) Amortization of CTOC (sales commissions) in S&M expense	$(26)	$(24)	$(26)	$(27)	$(28)
(-) Cost of Energy Systems and Product Sales (Excluding Non-Retained or Partially Retained Subscribers)	$(104)	$(109)	$(80)	$(54)	$(60)
(-) Gross profit from Systems & Product Sales (Excluding Non-Retained or Partially Retained Subscribers) as contra cost	$(14)	$(15)	$(1)	$(5)	$12
(-) Non-cash stock based compensation expense	$(30)	$(28)	$(26)	$(21)	$(19)
(-) Goodwill Impairment	$—	$—	$—	$—	$—
(-) Amortization of intangible assets	$—	$—	$—	$—	$—
(-) Other adjustments (e.g., restructuring, legal)	$(2)	$(1)	$(16)	$(13)	$(4)
(+) Adjustments to reflect purchase price adjustment for Non-Retained or Partially Retained Subscribers owing to consigned inventory usage	$—	$—	$—	$19	$35
Creation Costs Reflected in Operating Expenses	**$305**	**$617**	**$368**	**$469**	**$610**

Note: Creation Costs Reflected in Operating Expenses uses inputs from the Company's GAAP income statement, and as such, is presented on an accrual basis.

Creation Costs Reflected in Capital Expenditures is a Non-GAAP measure that management utilizes to assess the operating performance of our ongoing operations associated with the origination and installation of solar and storage systems. Creation Costs Reflected in Capital Expenditures represent Net cash used in investing activities, adjusted for certain items consistent with management's use as a performance measure. The adjusting items are detailed in the Reconciliation of Net Cash Used in Investing Activities to Creation Costs Reflected in Capital Expenditures table below. The Company believes that Creation Costs Reflected in Capital Expenditures, when viewed together with the corresponding GAAP financial measure, provides meaningful information to our investors by measuring our operating performance with respect to costs associated with the origination and installation of storage and solar systems. When evaluating performance, investors should consider Creation Costs Reflected in Capital Expenditures in addition to, though not as a substitute for, the Company's financial results as reported under GAAP, including Net cash used in investing activities.

Reconciliation of Net Cash Used in Investing Activities to Creation Costs Reflected in Capital Expenditures	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
$ millions, unless otherwise noted					
Net cash used in investing activities	**$744**	**$409**	**$429**	**$449**	**$420**
(+) Additions to capitalized CTOC (sales commissions)	$133	$21	$79	$85	$66
(-) Purchase of equity method investment	$—	$—	$(4)	$(16)	$(42)
Creation Costs Reflected in Capital Expenditures	**$877**	**$430**	**$503**	**$519**	**$444**

Note: Creation Costs Reflected in Capital Expenditures uses inputs from the Company's Statement of Cash Flows, and as such, is presented using a cash basis of accounting.

Cash Generation is a Non-GAAP measure that management utilizes to assess the Company's financial performance as it relates to raising capital from non-recourse capital sources relative to the cost of originating new customers, working capital management, and other cash flows associated with Sunrun's business activities. Cash Generation represents Net cash provided by (used in) operating activities, adjusted for certain items consistent with management's use as a performance measure. The adjusting items are detailed in the Reconciliation of Cash Provided by Operating Activities to Cash Generation table below. The Company believes that Cash Generation, when viewed together with the corresponding GAAP financial measure, provides meaningful information to our investors by measuring our financial performance with respect to our ability to raise capital and effectively balance working capital requirements associated with our ongoing operations associated with the origination and installation of solar and storage systems. The Company uses Cash Generation as one of the performance metrics in its executive incentive compensation plan, underscoring management's focus on delivering sustainable cash flow while continuing to grow the business. When evaluating performance, investors should consider Cash Generation in addition to, though not as a substitute for, the Company's financial results as reported under GAAP, including Net cash provided by (used in) operating activities.

Reconciliation of Cash Provided by Operating Activities to Cash Generation	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
$ millions, unless otherwise noted					
Net cash provided by (used in) operating activities	**$(122)**	**$97**	**$11**	**$(186)**	**$301**
(-) Payments for the costs of energy systems	$(742)	$(410)	$(424)	$(429)	$(375)
(-) Purchase of equity investment	$—	$—	$(4)	$(16)	$(42)
(-) Purchases of property and equipment, net	$(1)	$1	$(0)	$(4)	$(2)
(+) Proceeds from state tax credits, net of recapture	$—	$—	$12	$—	$—
(+) Proceeds from trade receivables financing	$96	$—	$—	$—	$—
(-) Repayment of trade receivable financing	$(71)	$(96)	$—	$—	$—
(+) Proceeds from issuance of non-recourse debt	$1,848	$215	$808	$1,451	$732
(-) Repayment of non-recourse debt	$(1,257)	$(115)	$(666)	$(1,174)	$(656)
(-) Payment of debt fees	$(36)	$(4)	$(18)	$(25)	$(19)
(+) Proceeds from pass-through financing and other obligations, net	$—	$—	$—	$—	$—
(-) Repayment of pass-through financing obligation	$—	$—	$—	$—	$—
(-) Payment of finance lease obligations	$(6)	$(6)	$(6)	$(6)	$(6)
(+) Contributions received from noncontrolling interests and redeemable noncontrolling interests	$525	$542	$306	$516	$140
(-) Distributions paid to noncontrolling interest and redeemable noncontrolling interests	$(58)	$(70)	$(76)	$(73)	$(69)
(-) Acquisition of noncontrolling interest	$(14)	$(0)	$—	$(17)	$—
(+) Proceeds from transfer of investment tax credits	$296	$446	$340	$307	$326
(+) Payments to redeemable noncontrolling interest and noncontrolling interests of investment tax credits	$(296)	$(446)	$(340)	$(307)	$(326)
(-) Increase / (+) decrease in Restricted Cash	$(53)	$33	$4	$(14)	$2
(+/-) Changes in 2026 convertible senior notes reserve balance	$—	$—	$(5)	$—	$—
Cash Generation ($ millions)	**$108**	**$187**	**$(59)**	**$23**	**$6**

Key Operating and Financial Metrics

The following operating metrics are used by management to evaluate the performance of the business. Management believes these metrics, when taken together with other information contained in our filings with the SEC and within this press release, provide investors with helpful information to determine the economic performance of the business activities in a period that would otherwise not be observable from historic GAAP measures. Management believes that it is helpful to investors to evaluate the present value of cash flows expected from subscribers over the full expected relationship with such subscribers ("Subscriber Value", more fully defined in the definitions appendix below). The Company also believes that Subscriber Value, Aggregate Subscriber Value, Creation Costs Reflected in Operating Expenses, Creation Costs Reflected in Capital Expenditures, Net Subscriber Value, Contracted Net Subscriber Value and Upfront Net Subscriber Value are useful metrics for investors because they present a view of unit economics the Company uses to assess customers originated in a period, inclusive of expected future cash flows from these customers over a 30-year period, based on contracted pricing terms with its customers, which is not observable in any current or historic GAAP-derived metric. Management believes it is useful for investors to also evaluate the future expected cash flows from all customers that have been deployed through the respective measurement date, less estimated costs to maintain such systems and estimated distributions to tax equity partners in consolidated joint venture partnership flip structures, and distributions to project equity investors ("Gross Earning Assets", more fully defined in the definitions appendix below). The Company also believes Gross Earning Assets is useful for management and investors because it represents the remaining future expected cash flows from existing customers, which is not derivable from a current or historic GAAP-derived measure.

Various assumptions are made when calculating these metrics. Subscriber Value metrics are calculated using a discount rate based on the observed project-level capital costs in the period. Gross Earning Assets utilize a 6% rate to discount future cash flows to the present period. Furthermore, these metrics assume that Subscribers renew after the initial contract period at a rate equal to 90% of the rate in effect at the end of the initial contract term, or purchase their systems at equal values. For Customer Agreements with 25-year initial contract terms, a 5-year renewal period is assumed. For a 20-year initial contract term, a 10-year renewal period is assumed. In all instances, we assume a 30-year customer relationship, although the customer may renew for additional years, or purchase the system. Estimated cost of servicing assets has been deducted and is estimated based on the service agreements underlying each fund.

KEY OPERATING METRICS					
Unit Economics in Period	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
$ per Subscriber Addition, unless otherwise noted					
Subscriber Additions in period	30,104	25,475	17,665	19,793	22,957
Subscriber Value	$52,446	$50,165	$61,240	$59,377	$55,342
Discount rate (observed project-level capital costs)	7.3 %	7.1 %	6.3 %	7.3 %	8.4 %
Contracted Subscriber Value	$48,507	$47,988	$55,464	$55,033	$52,525
x Advance Rate on Contracted Subscriber Value (estimated)	88.2 %	91.2 %	98.2 %	94.4 %	94.4 %
= Upfront Proceeds (estimated)	$42,763	$43,758	$54,484	$51,949	$49,597
= Upfront Net Subscriber Value	$3,522	$2,692	$5,136	$2,016	$3,718
Upfront Net Subscriber Value margin as a % of Contracted Subscriber Value	7.3 %	5.6 %	9.3 %	3.7 %	7.1 %

Aggregate Gross Value and Costs in Period	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
$ millions, unless otherwise noted					
Aggregate Subscriber Value	$1,579	$1,278	$1,082	$1,175	$1,270
Aggregate Contracted Subscriber Value	$1,460	$1,222	$980	$1,089	$1,206
Aggregate Upfront Proceeds (estimated)	$1,287	$1,115	$962	$1,028	$1,139
Creation Costs Reflected in Operating Expenses[1]	$305	$617	$368	$469	$610
Creation Costs Reflected in Capital Expenditures[1]	$877	$430	$503	$519	$444
Cash Generation[1]	$108	$187	$(59)	$23	$6

Volume Additions in Period	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
Storage Capacity Installed (MWhrs)	412.0	371.1	282.3	332.0	374.4
Solar Capacity Installed (MWs)	239.2	216.2	154.2	174.3	203.7
Solar Capacity Installed with Storage (MWs)	172.4	157.1	115.9	133.8	151.5
Solar Capacity Installed without Storage (MWs)	66.8	59.1	38.2	40.5	52.1
Customer Additions	32,833	27,773	18,948	20,979	24,096
Customer Additions with Storage	22,822	19,639	13,789	15,531	18,081
Customer Additions without Storage	10,011	8,134	5,159	5,448	6,015
Storage Attachment Rate	70 %	71 %	73 %	74 %	75 %
Subscriber Additions (included within Customer Additions)	30,104	25,475	17,665	19,793	22,957
Subscriber Additions as % of Customer Additions	92 %	92 %	93 %	94 %	95 %

Customer Base Value & Energy Capacity at End of Period	**9/30/2025**	**12/31/2025**	**3/31/2026**	**6/30/2026**	**9/30/2026**
Net Earning Assets ($ millions)	$8,241	$8,538	$8,872	$9,004	$9,032
Contracted Net Earning Assets ($ millions)	$3,373	$3,571	$3,701	$3,677	$3,710
Customers	1,137,913	1,165,686	1,184,634	1,205,613	1,229,709
Subscribers (included within Customers)	971,805	997,280	1,014,945	1,034,738	1,057,695
Networked Storage Capacity (MWhrs)	3,662	4,033	4,315	4,647	5,022
Networked Solar Capacity (MWs)	8,188	8,404	8,558	8,732	8,936

Basic Shares Outstanding	**3Q25**	**4Q25**	**1Q26**	**2Q26**	**3Q26**
Basic shares outstanding at end of period (in millions)	231.6	233.6	235.5	240.1	241.2
Weighted average basic shares outstanding in period (in millions)	231.0	232.6	234.6	239.0	240.9

Figures presented above may not sum due to rounding. For adjustments related to Subscriber Value, Creation Costs Reflected in Operating Expenses, and Creation Costs Reflected in Capital Expenditures, please see the supplemental materials available on the Sunrun Investor Relations website at investors.sunrun.com.

(1) Creation Costs Reflected in Operating Expenses, Creation Costs Reflected in Capital Expenditures, and Cash Generation are non-GAAP financial measures. See “Non-GAAP Financial Measures” above for a discussion of these measures and reconciliations to the most directly comparable GAAP measures.

Glossary of Terms

Definitions for Volume-related Terms

Deployments represent solar or storage systems, whether sold directly to customers or subject to executed Customer Agreements (i) for which we have confirmation that the systems are installed, subject to final inspection, or (ii) in the case of certain system installations by our partners, for which we have accrued at least 80% of the expected project cost (inclusive of acquisitions of installed systems). A portion of customers have subsequently entered into Customer Agreements to obtain, or have directly purchased, additional solar or storage systems at the same host customer site, and since these represent separate assets, they are considered separate Deployments.

Customer Agreements refer to, collectively, solar and/or storage power purchase agreements and leases.

Retained Subscribers represent customers subject to Customer Agreements for solar and/or storage systems that have been recognized as Deployments and recognized as energy systems on Sunrun's consolidated balance sheet, whether or not they continue to be active.

Non-Retained or Partially Retained Subscribers represent customers subject to Customer Agreements for solar and/or storage systems that have been recognized as Deployments whereby the assets have been fully or partially sold to one or more investors and not presented as an energy system on Sunrun's consolidated balance sheet.

Subscribers represent aggregate Retained Subscribers and Non-Retained or Partially Retained Subscribers.

Purchase Customers represent customers who purchased, whether outright or with proceeds from third-party loans, solar and/or storage systems that have been recognized as Deployments.

Customers represent aggregate Subscribers and Purchase Customers.

Subscriber Additions represent the number of Subscribers added in a period.

Purchase Customer Additions represent the number of Purchase Customers added in a period.

Customer Additions represent Subscriber Additions plus Purchase Customer Additions.

Solar Capacity Installed represents the aggregate megawatt production capacity of solar energy systems that were recognized as Deployments in a period.

Storage Capacity Installed represents the aggregate megawatt hour capacity of storage systems that were recognized as Deployments in a period.

Networked Solar Capacity represents the cumulative Solar Capacity Installed from the company's inception through the measurement date.

Networked Storage Capacity represents the cumulative Storage Capacity Installed from the company's inception through the measurement date.

Storage Attachment Rate represents Customer Additions with storage divided by total Customer Additions.

Definitions for Unit-based and Aggregate Value, Costs and Margin Terms

Subscriber Value represents Contracted Subscriber Value plus Non-contracted or Upside Subscriber Value.

Contracted Subscriber Value represents the per Subscriber present value of estimated upfront and future Contracted Cash Flows from Subscriber Additions in a period, discounted at the observed cost of capital in the period.

Non-contracted or Upside Subscriber Value represents the per Subscriber present value of estimated future Non-contracted or Upside Cash Flows from Subscriber Additions in a period, discounted at the observed cost of capital in the period.

Contracted Cash Flows represent, (A) for Retained Subscribers, (x) (1) scheduled payments from Subscribers during the initial terms of the Customer Agreements (provided, that for Flex Customer Agreements that allow variable billings based on the amount of electricity consumed by the Subscriber, only the minimum contracted payment is included in Contracted Cash Flows), (2) net proceeds from tax equity partners, (3) payments from government and utility incentive and rebate programs, (4) contracted net cash flows from grid services programs with utilities or grid operators, and (5) contracted or defined (i.e., with fixed pricing) cash flows from the sale of renewable energy credits, *less* (y) (1) estimated operating and maintenance costs to service the systems and replace equipment over the initial terms of the Customer Agreements, consistent with estimates by independent engineers, (2) distributions to tax equity partners in consolidated joint venture partnership flip structures, and (3) distributions to any project equity investors, and (B) for Non-Retained or Partially Retained Subscribers, (x) contracted proceeds from the full or partial sale of related assets, before any price adjustments related to consigned inventory usage, plus (y) the share of Contracted Cash Flows described in clause (A) of this definition which are allocated to Sunrun pursuant to the terms of each sale agreement or partnership agreement.

Non-contracted or Upside Cash Flows represent (A) for Retained Subscribers the (1) net cash flows realized from either the purchase of systems at the end of the Customer Agreement initial terms or renewals of Customer Agreements beyond the initial terms, estimated in both cases to have equivalent value, assuming only a 30-year relationship and a contract renewal rate equal to 90% of each Subscriber's contractual rate in effect at the end of the initial contract term, (2) non-contracted net cash flows from grid service programs with utilities and grid operators, (3) non-contracted net cash flows from the sale of renewable energy credits, and (4) contracted cash flows from Flex Customer Agreements exceeding the minimum contracted payment (provided, that for Flex Customer Agreements that allow variable billings based on the amount of electricity consumed by the Subscriber, an assumption is made that each Subscriber's electricity consumption increases by approximately 2% per year through the end of the initial term of the Customer Agreement and into the renewal period (if renewed), resulting in billings in excess of the minimum contracted amount (which minimums are included in Contracted Cash Flows)), and (B) for Non-Retained or Partially Retained Subscribers, the share of Non-contracted or Upside Cash Flows described in clause (A) of this definition which are allocated to Sunrun pursuant to the terms of each sale agreement or partnership agreement. After the initial contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then-prevailing utility power prices.

Creation Costs Reflected In Operating Expenses (Non-GAAP measure) represent total operating expenses, adjusted for certain items consistent with management's use as a performance measure, all of which are itemized in the Non-GAAP reconciliation table as provided in the Company's earnings release. Creation Costs Reflected In Operating Expenses may be derived by taking total operating expenses incurred in a period, and adjusting by: (A) excluding the following items: (i) fleet servicing costs; (ii) non-cash net impairment of energy systems; (iii) depreciation and amortization expense; (iv) amortization of costs to obtain contracts, which represents the amortization expense of sales commissions; (v) cost of energy system and product sales not pertaining to Non-retained or Partially Retained Subscribers; (vi) gross profit from system & product sales not pertaining to Non-retained or Partially Retained Subscribers; (vii) stock based compensation expense; (viii) goodwill impairment expense; (ix) amortization of intangible assets; and (x) costs associated with certain restructuring activities, amortization of previously capitalized insurance costs associated with tax credit transfer agreements, and one-time items are identified and excluded; and (B) including any purchase price adjustments for Non-retained or Partially Retained Subscribers owing to consigned inventory usage. When presented on a per Subscriber Addition basis, Creation Costs Reflected in Operating Expenses is divided by the Subscriber Additions for the corresponding period.

Creation Costs Reflected In Capital Expenditures (Non-GAAP measure) represent total capital expenditures, adjusted for certain items consistent with management's use as a performance measure, all of which are itemized in the Non-GAAP reconciliation table as provided in the Company's earnings release. Creation Costs Reflected In Capital Expenditures may be derived by taking net cash used in investing activities and adjusting to include the gross additions to capitalized costs to obtain contracts (i.e., sales commissions) and to exclude cash used for the purchase of equity investments. As such, this measure represents the sum of the following items: (i) payments for the costs of energy systems, (ii) net purchases of property and equipment, and (iii) gross additions to capitalized costs to obtain contracts (i.e., sales commissions). When presented on a per Subscriber Addition basis, Creation Costs Reflected in Capital Expenditures is divided by the Subscriber Additions for the corresponding period.

Net Subscriber Value represents Subscriber Value less the summation of the following items divided by Subscriber Additions: (A) payments for the costs of energy systems; (B) net purchases of property and equipment; (C) gross additions to capitalized costs to obtain contracts (i.e., sales commissions); (D) total operating expenses, adjusted to exclude the following items: (i) fleet servicing costs; (ii) non-cash net impairment of energy systems; (iii) depreciation and amortization expense; (iv) amortization of costs to obtain contracts, which represents the amortization expense of sales

commissions; (v) cost of energy system and product sales not pertaining to Non-retained or Partially Retained Subscribers; (vi) gross profit from system & product sales not pertaining to Non-retained or Partially Retained Subscribers; (vii) stock based compensation expense; (viii) goodwill impairment expense; (ix) amortization of intangible assets; and (x) costs associated with certain restructuring activities, amortization of previously capitalized insurance costs associated with tax credit transfer agreements, and one-time items are identified and excluded; and to include any purchase price adjustments for Non-retained or Partially Retained Subscribers owing to consigned inventory usage.

Contracted Net Subscriber Value represents Contracted Subscriber Value less the summation of the following items divided by Subscriber Additions: (A) payments for the costs of energy systems; (B) net purchases of property and equipment; (C) gross additions to capitalized costs to obtain contracts (i.e., sales commissions); (D) total operating expenses, adjusted to exclude the following items: (i) fleet servicing costs; (ii) non-cash net impairment of energy systems; (iii) depreciation and amortization expense; (iv) amortization of costs to obtain contracts, which represents the amortization expense of sales commissions; (v) cost of energy system and product sales not pertaining to Non-retained or Partially Retained Subscribers; (vi) gross profit from system & product sales not pertaining to Non-retained or Partially Retained Subscribers; (vii) stock based compensation expense; (viii) goodwill impairment expense; (ix) amortization of intangible assets; and (x) costs associated with certain restructuring activities, amortization of previously capitalized insurance costs associated with tax credit transfer agreements, and one-time items are identified and excluded; and to include any purchase price adjustments for Non-retained or Partially Retained Subscribers owing to consigned inventory usage.

Upfront Net Subscriber Value represents Contracted Subscriber Value multiplied by Advance Rate less the summation of the following items divided by Subscriber Additions: (A) payments for the costs of energy systems; (B) net purchases of property and equipment; (C) gross additions to capitalized costs to obtain contracts (i.e., sales commissions); (D) total operating expenses, adjusted to exclude the following items: (i) fleet servicing costs; (ii) non-cash net impairment of energy systems; (iii) depreciation and amortization expense; (iv) amortization of costs to obtain contracts, which represents the amortization expense of sales commissions; (v) cost of energy system and product sales not pertaining to Non-retained or Partially Retained Subscribers; (vi) gross profit from system & product sales not pertaining to Non-retained or Partially Retained Subscribers; (vii) stock based compensation expense; (viii) goodwill impairment expense; (ix) amortization of intangible assets; and (x) costs associated with certain restructuring activities, amortization of previously capitalized insurance costs associated with tax credit transfer agreements, and one-time items are identified and excluded; and to include any purchase price adjustments for Non-retained or Partially Retained Subscribers owing to consigned inventory usage.

Advance Rate or **Advance Rate on Contracted Subscriber Value** represents the company's estimated upfront proceeds, expressed as a percentage of Contracted Subscriber Value or Aggregate Contracted Subscriber Value, from project-level capital, proceeds from Non-Retained or Partially Retained Subscribers, and other upfront cash flows, based on market terms and observed cost of capital in a period.

Aggregate Subscriber Value represents Subscriber Value multiplied by Subscriber Additions.

Aggregate Contracted Subscriber Value represents Contracted Subscriber Value multiplied by Subscriber Additions.

Aggregate Upfront Proceeds represent Aggregate Contracted Subscriber Value multiplied by Advance Rate. Actual project financing transaction timing for portfolios of Subscribers may occur in a period different from the period in which Subscribers are recognized, and may be executed at different terms. As such, Aggregate Upfront Proceeds are an estimate based on capital markets conditions present during each period and may differ from ultimate Proceeds Realized in respect of such period's Retained Subscribers and ultimate proceeds obtained from such period's Non-Retained or Partially Retained Subscribers.

Proceeds Realized From Retained Subscribers represents cash flows received in respect of Retained Subscribers from non-recourse financing partners in addition to upfront customer prepayments, incentives and rebates. It is calculated as the proceeds from non-controlling interests on the cash flow statement, *plus* the net proceeds from non-recourse debt (excluding normal non-recourse debt amortization for existing debt, as such debt is serviced by cash flows from existing solar and storage assets), *plus* the gross additions to deferred revenue which represents customer payments for prepaid Customer Agreements along with local rebates and incentive programs.

Cash Generation (Non-GAAP measure) represents Net cash provided by operating activities, less cash used in investing activities, less increases in restricted cash (or plus decreases in restricted cash), plus the following items: (i) net proceeds from non-recourse debt financings; (ii) net proceeds from tax equity (non-controlling interests and proceeds from sale of

investment tax credits); (iii) net proceeds from state tax credits; (iv) net proceeds from trade receivable financings; and (v) net proceeds from pass-through financing obligations and finance lease obligations. Cash Generation can also be calculated through the change in our unrestricted cash balance from our consolidated balance sheet, less net proceeds (or plus net repayments) from all recourse debt (inclusive of convertible debt), and less any primary equity issuances or net proceeds derived from employee stock award activity (or plus any stock buybacks or dividends paid to common stockholders) as presented on the Company's consolidated statement of cash flows. The Company expects to continue to raise proceeds from tax equity and asset-level non-recourse debt, and proceeds from the sale of Non-Retained or Partially Retained Subscribers, to fund growth, and as such, these sources of cash are included in the definition of Cash Generation. Cash Generation also excludes proceeds from long-term asset or business divestitures (aside from transactions relating to Non-Retained or Partially Retained Subscribers) and equity investments in external non-consolidated businesses not related to Non-Retained or Partially Retained Subscribers (or less dividends or distributions received in connection with such equity investments).

Definitions for Gross and Net Value from Existing Customer Base Terms

Gross Earning Assets is calculated as Contracted Gross Earning Assets plus Non-contracted or Upside Gross Earning Assets.

Contracted Gross Earning Assets represents, as of any measurement date, the present value of estimated remaining Contracted Cash Flows that we expect to receive in future periods in relation to Subscribers as of the measurement date, discounted at 6%.

Non-contracted or Upside Gross Earning Assets represents, as of any measurement date, the present value of estimated Non-contracted or Upside Cash Flows that we expect to receive in future periods in relation to Subscribers as of the measurement date, discounted at 6%.

Net Earning Assets represents Gross Earning Assets, plus Total Cash, less adjusted debt and lease pass-through financing obligations, as of the measurement date. Debt is adjusted to exclude a pro-rata share of non-recourse debt associated with funds with project equity structures for Retained Subscribers along with debt associated with the company's ITC safe harboring equipment inventory facility. Because estimated cash distributions to our project equity partners for Retained Subscribers are deducted from Gross Earning Assets, a proportional share of the corresponding project level non-recourse debt is deducted from Net Earning Assets, as such debt would be serviced from cash flows already excluded from Gross Earning Assets.

Contracted Net Earning Assets represents Net Earning Assets less Non-contracted or Upside Gross Earning Assets.

Non-contracted or Upside Net Earning Assets represents Net Earning Assets less Contracted Net Earning Assets.

Total Cash represents the total of the restricted cash balance and unrestricted cash balance from our consolidated balance sheet.

Other Terms

Annual Recurring Revenue represents revenue arising from Customer Agreements over the following twelve months for Retained Subscribers that have met initial revenue recognition criteria as of the measurement date.

Average Contract Life Remaining represents the average number of years remaining in the initial term of Customer Agreements for Retained Subscribers that have met revenue recognition criteria as of the measurement date.

Households Served in Low-Income Multifamily Properties represent the number of individual rental units served in low-income multi-family properties from shared solar energy systems deployed by Sunrun. Households are counted when the solar energy system has interconnected with the grid, which may differ from Deployment recognition criteria.

Positive Environmental Impact from Customers represents the estimated reduction in carbon emissions as a result of energy produced from our Networked Solar Capacity over the trailing twelve months. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

Positive Expected Lifetime Environmental Impact from Customer Additions represents the estimated reduction in carbon emissions over thirty years as a result of energy produced from solar energy systems that were recognized as Deployments in a period. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis, leveraging our estimated production figures for such systems, which degrade over time, and is extrapolated for 30 years. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

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