



sunnova

Q2 2024
Results

July 31, 2024

sunnova

Legal Disclaimer

This presentation and the accompanying oral presentations contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally relate to future events or Sunnova's future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "going to," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern Sunnova's expectations, strategy, priorities, plans or intentions. Forward-looking statements in this presentation include, but are not limited to, statements regarding our level of growth, customer value propositions, technological developments, service levels, the ability to achieve our operational and financial targets, operating performance, including our outlook and guidance, demand for Sunnova's products and services, investment tax credit rates, future financing and asset sales and ability to raise capital therefrom, liquidity forecasts, and references to Adjusted EBITDA and customer P&I payments from solar loans and the assumptions related to the calculation of such forward-looking statements. Sunnova's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including risks regarding our ability to forecast our business due to our limited operating history, supply chain uncertainties, results of operations and financial position, our competition, changes in regulations applicable to our business, fluctuations in the solar and home-building markets, availability of capital, and our ability to attract and retain dealers and customers and manage our dealer and strategic partner relationships. The forward-looking statements contained in this presentation are also subject to other risks and uncertainties, including those more fully described in Sunnova's filings with the Securities and Exchange Commission, including Sunnova's annual report on Form 10-K for the year ended December 31, 2023, and subsequent quarterly reports on Form 10-Q. The forward-looking statements in this presentation are based on information available to Sunnova as of the date hereof, and Sunnova disclaims any obligation to update any forward-looking statements, except as required by law.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation and the accompanying oral presentation include certain non-GAAP financial measures, including Adjusted EBITDA and Adjusted Operating Expense. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. Adjusted EBITDA and Adjusted Operating Expense are non-GAAP financial measures that help management, investors and securities analysts in evaluating Sunnova's performance. These measurements are not recognized in accordance with GAAP and should not be viewed as alternatives to GAAP measures of performance. The GAAP measures most directly comparable to Adjusted EBITDA and Adjusted Operating Expense are net income/loss and total operating expense, respectively. Adjusted EBITDA and Adjusted Operating Expense have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of Sunnova's results as reported under GAAP. In addition, Adjusted EBITDA and Adjusted Operating Expense are not necessarily comparable to Adjusted EBITDA and Adjusted Operating Expense as calculated by other companies. Reconciliations of each of these measures to their most directly comparable GAAP measure are included in the appendix to this presentation for historical periods. Sunnova is unable to reconcile projected Adjusted EBITDA to the most comparable financial measures calculated in accordance with GAAP because of fluctuations in interest rates and their impact on our unrealized and realized interest rate hedge gains or losses. Sunnova provides a range for the forecast of Adjusted EBITDA to allow for the variability in the timing of cash receipts and disbursements, customer utilization of our assets, and the impact on the related reconciling items, many of which interplay with each other. Therefore, the reconciliation of projected Adjusted EBITDA to projected net income (loss) is not available without unreasonable effort.

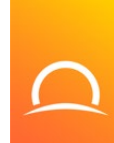
This presentation includes operational metrics such as number of customers, weighted average number of systems and estimated net and gross contracted customer value. These operational metrics are not necessarily comparable to the same or similar metrics as calculated by other companies.

This presentation and the accompanying oral presentation also contain market data, statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. Some data are also based on Sunnova's good faith estimates, which are derived from its review of internal sources as well as the independent sources described above. Although Sunnova believes these sources are reliable, we have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, Sunnova makes no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

Power of Service

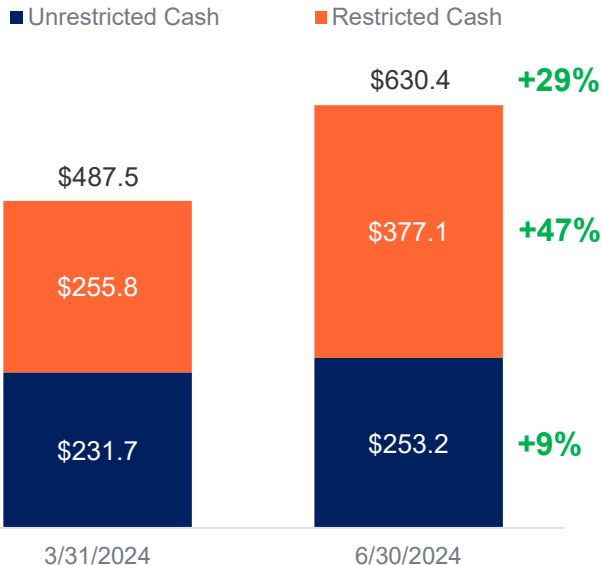
Business Update

Key Q2 2024 Updates



Increased Unrestricted Cash and Total Cash⁽¹⁾

\$ millions



Increased Cash Generation Guidance⁽²⁾

\$ millions

+70%
vs 1Q24 guidance



Q2 2024 Additions

26.5K

Customers Deployed, Gross

161

MW of Solar Power Generation Under Management Added





284

MWh of Energy Storage Under Management Added

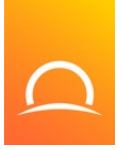
1. Total cash represents the total of cash and cash equivalents (unrestricted cash) and total restricted cash from our consolidated balance sheet.
2. Cash generation represents the change in cash and cash equivalents (unrestricted cash) on our consolidated balance sheet.

Sunnova's Priorities Remain Consistent



What we said in Q1	Demonstrated Follow-Through
 <p>Maximizing Asset-Level Capital</p>	<ul style="list-style-type: none"> • ABS and Tax Equity adds outpacing 2023 <ul style="list-style-type: none"> • 1H24 ABS Issuances: \$853M (+40% vs 1H23) • 1H24 Tax Equity adds: \$811M (+207% vs 1H23)
 <p>Continue to Drive Cost Efficiencies</p>	<ul style="list-style-type: none"> • Reducing adjusted operating expense per customer <ul style="list-style-type: none"> • 2Q24 Down 15% vs 4Q23
 <p>Increasing ITC Adder Utilization</p>	<ul style="list-style-type: none"> • Recent ITC adder guidance from IRS primary driver of 70% increase in NOVA's expected 3-year cash generation <ul style="list-style-type: none"> • +\$850M cash generation expected through 2026⁽¹⁾
 <p>Re-Focusing on Core Adaptive Energy Customers</p>	<ul style="list-style-type: none"> • Emphasis on higher-margin core adaptive energy customers driving margin improvement <ul style="list-style-type: none"> • 2Q24 fully burdened unlevered return on a trailing twelve months Up 3.5% vs 4Q23

1. Cash generation represents the change in cash and cash equivalents (unrestricted cash) on our consolidated balance sheet.



Maximizing Asset-Level Capital

Generating higher proceeds from asset-level financings; reducing time between issuances

Asset Backed Securitizations

1H24:

	1H24	1H23	% change
Size	\$853M	\$610M	+40%
Transactions	4	2	+100%

2H24 Plan:

- Up to \$1 billion in additional securitization through 3 additional transactions
- Priced our 5th securitization of the year on July 31, 2024

Tax Equity

	1H24	1H23	% change
Commitments	\$811M	\$264M	+207%

Non-Solar Loan Sales

	1H24	1H23
Net Proceeds ⁽¹⁾	\$61M	\$0

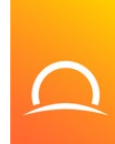
Evaluating additional opportunities:

- Forward flow agreements for solar and accessory loans
- Additional accessory loan sales
- Sale of un-securitized solar loans
- Monetization of lease and PPA residuals

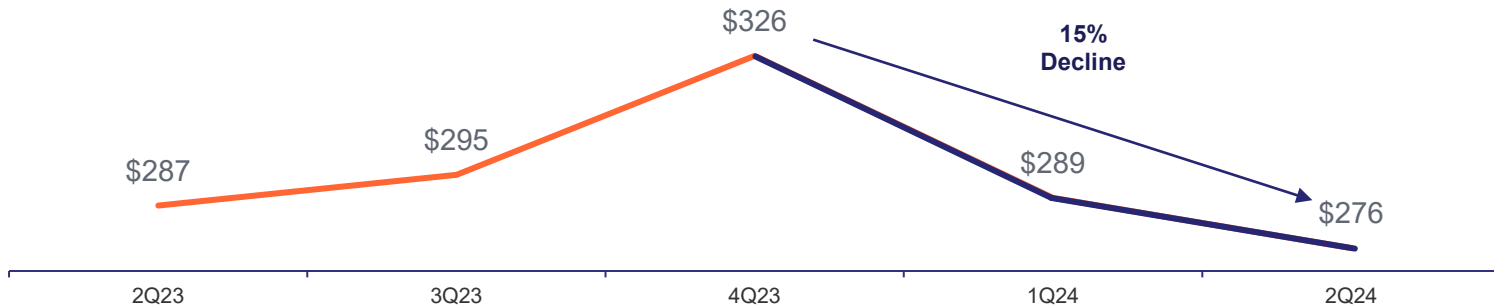
1. After feeds and debt repayments. \$52 million of cash proceeds received in 2Q24 with remainder to be received in future periods



Continue to Drive Cost Efficiencies

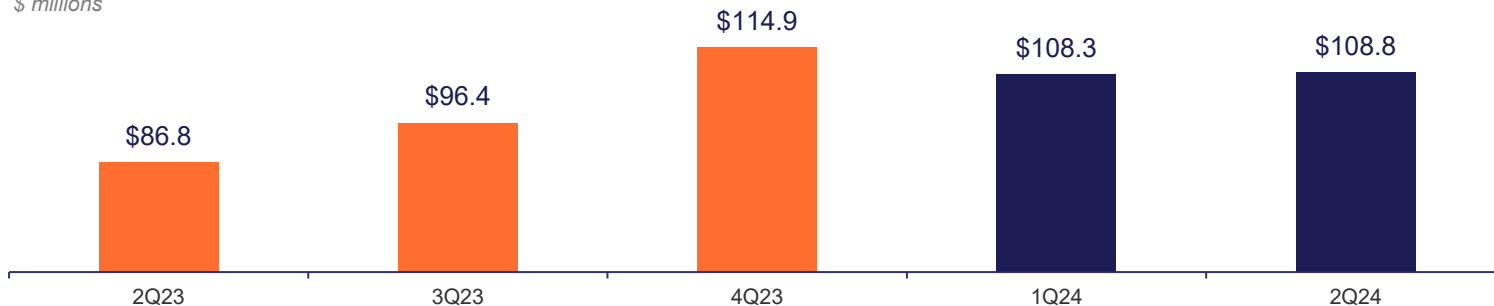


Adjusted Operating Expense Per Weighted Average Customer⁽¹⁾



Adjusted Operating Expense

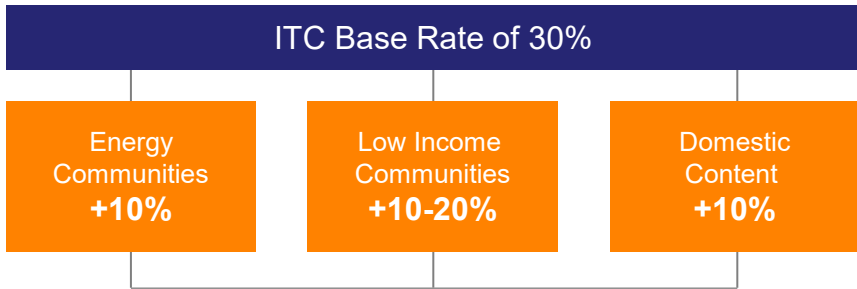
\$ millions



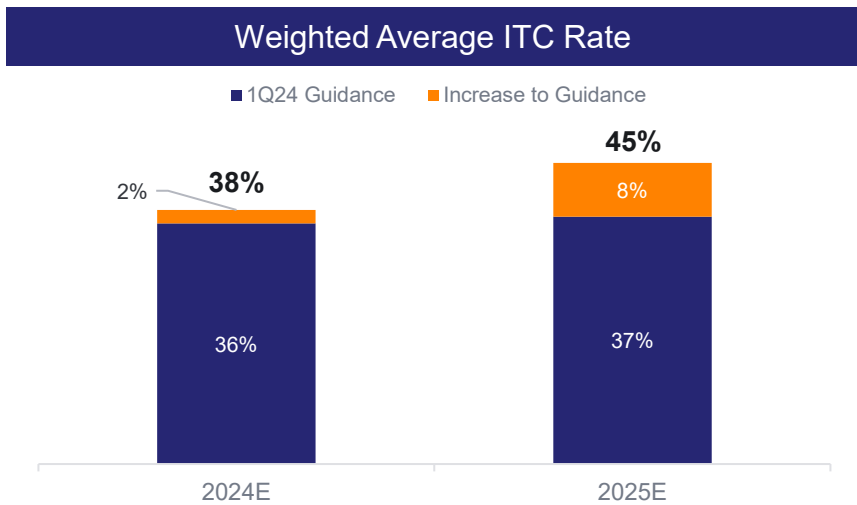
We expect cost per weighted average customer to continue to decline as we further utilize our technology platform and scale

1. Excludes non-core customers from discontinued sales channel.

ITC Adders: Cash Generation Tailwind

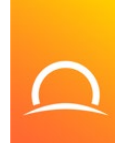


Each **+1%** in ITC rate = **~\$50 million** of cash generation⁽¹⁾

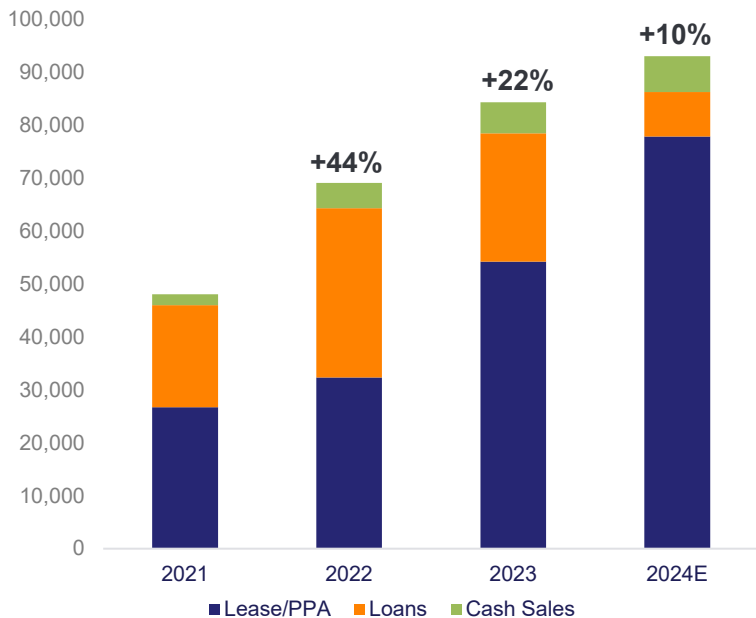


1. Cash generation represents the change in cash and cash equivalents (unrestricted cash) on our consolidated balance sheet.

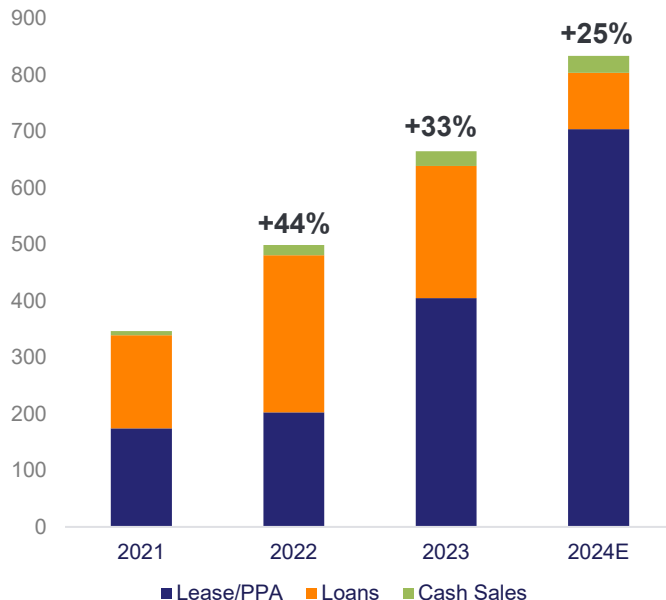
Refocusing on Core Adaptive Energy Customers



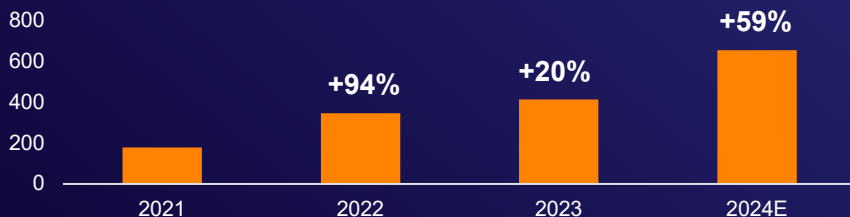
Solar Customers Added Per Year



MW Added Per Year

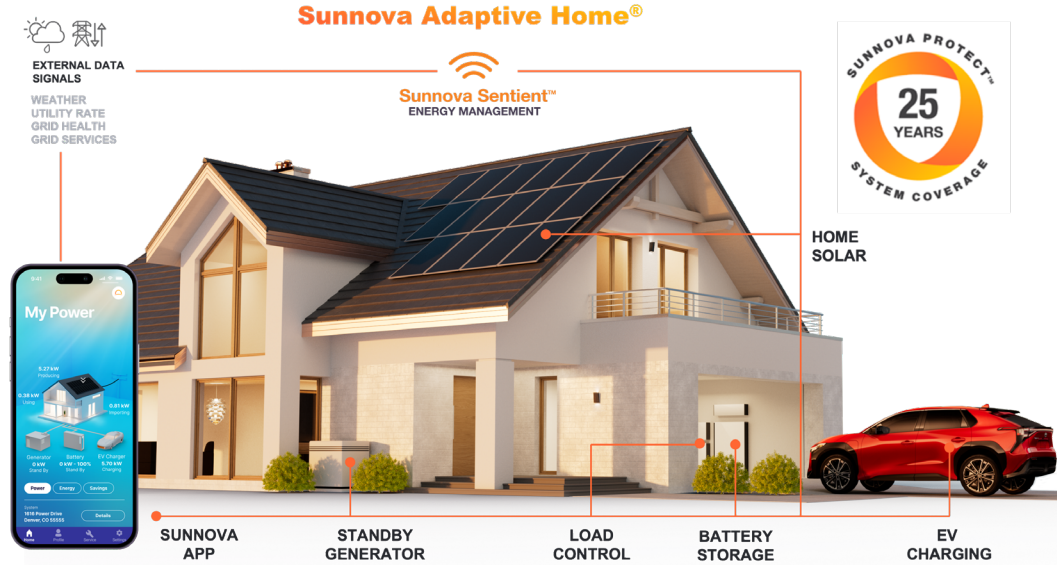


MWh of Energy Storage Added Per Year



While overall customers deployed are expected to decline in 2024, Sunnova expects continued growth in solar and solar plus storage customers

Powering the Home of the Future



By the Numbers

(as of June 30, 2024)



403.7K

Customers



2.8

GW of Solar Power
Generation Under
Management



1,439

MWh of Energy Storage
Under Management



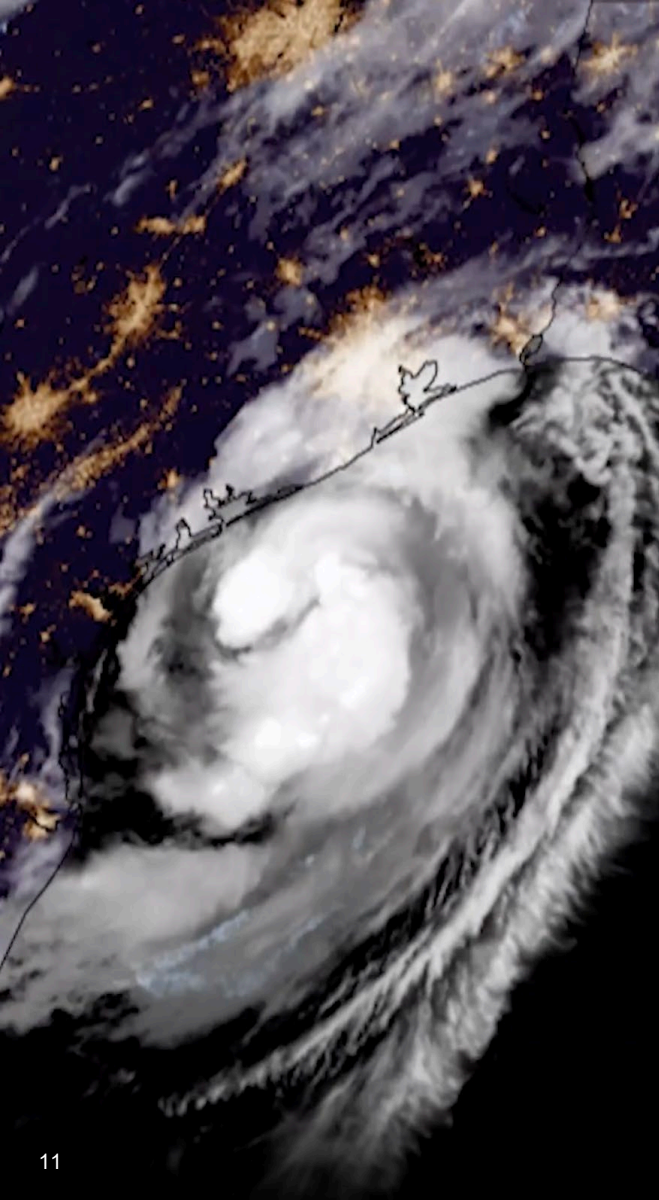
2,165

Dealers, Sub-dealers, &
New Homes Installers



50+

U.S. States and
Territories



Reliable When it Matters

On July 8, Hurricane Beryl left nearly 3 million Texans without power

485.2 MWh

Generated by Sunnova solar + storage systems in the greater Houston area during the storm and its outages

164.6 kWh

Average generated per Sunnova household

96%

Percentage of our customers' systems in the path of the storm that required no repair to their service

Dependable energy in extreme weather demonstrates long-term value of solar plus storage and is one of the macro tailwinds driving its adoption

Q2 2024 Financial Update



Q2 2024 Financial Results



\$216.7M

Adjusted EBITDA⁽¹⁾
 +\$170.3M 2Q24 vs 1Q24
 +\$188.6M 2Q24 vs 2Q23

\$35.4M

Interest Income
 -\$0.3M 2Q24 vs 1Q24
 +\$9.1M 2Q24 vs 2Q23

\$55.4M

Principal Proceeds⁽²⁾
 +\$13.5M 2Q24 vs 1Q24
 +\$15.7M 2Q24 vs 2Q23

\$276

Adjusted Opex Per Customer⁽³⁾
 -\$13 2Q24 vs 1Q24
 -\$11 2Q24 vs 2Q23

\$253.2M

Unrestricted Cash at 6/30/2024
 +\$21.5M 2Q24 vs 1Q24
 +\$65.9M 2Q24 vs 2Q23

\$630.4M

Total Cash at 6/30/2024⁽⁴⁾
 +\$142.9M 2Q24 vs 1Q24
 +\$224.5M 2Q24 vs 2Q23

Net Contracted Customer Value (\$M)⁽⁵⁾



Net Contracted Customer Value Per Share⁽⁵⁾

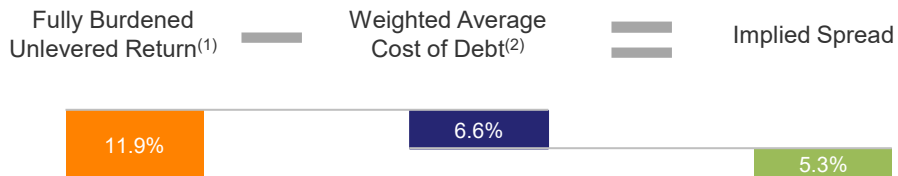


1. Adjusted EBITDA is a non-GAAP financial measure. Please see appendix for a reconciliation to the most directly comparable GAAP measure.
 2. Principal proceeds from customer notes receivable, net of amounts recorded in revenue, and proceeds from investments in solar receivables.
 3. Excludes non-core customers from discontinued sales channel.
 4. Total cash represents the total of cash and cash equivalents (unrestricted cash) and total restricted cash from our consolidated balance sheet.
 5. For the purposes of calculating this metric, we discount all future cash flows at 6%

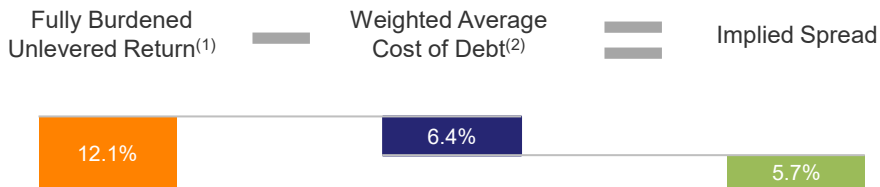
Q2 2024 Unit Economics



Trailing 12 months as of June 30, 2024



Quarter to date as of June 30, 2024



1. Fully Burdened Unlevered Return is the internal rate of return of the total expected cash flows of all systems (loans, leases, and PPAs), including customer payments, government incentives, projected value of renewals and customer purchases, offset by the sum of the up-front payments made to dealers, including bonus and exclusivity payments, tax equity distributions, working capital interest during construction, allocated operating expenses, asset retirement obligations, title fees and other indirect costs.
2. Represents the weighted average blended yield for securitizations closed during the applicable period; assumes spreads for any high yield tranches not issued are in line with most recent issued and outstanding high yield tranches.

Higher Utility Rates Allow Price Adjustments in a Higher Interest Rate Environment



Guidance



Full Year Guidance 2024

110,000 – 120,000

Customer Additions

Guidance decreased from 140,000 – 150,000

\$650M – \$750M

Adjusted EBITDA⁽¹⁾

Guidance increased from \$350M – \$450M

\$115M – \$125M

Interest Income

Guidance decreased from \$150M – \$190M

\$180M – \$190M

Principal Proceeds⁽²⁾

Guidance decreased from \$210M – \$250M

1. Adjusted EBITDA is a non-GAAP financial measure.

2. Principal proceeds from customer notes receivable, net of amounts recorded in revenue, and proceeds from investments in solar receivables.

Cash Generation Guidance

(\$ millions)



	1H 2024 Actuals	2H 2024E	2024E	2025E	2026E
Levered cash flows ⁽¹⁾	\$56	\$69	\$125	\$175	\$215
Investment in systems – EPC costs ⁽²⁾	(1,105)	(2,180)	(3,285)	(4,560)	(4,560)
Net overhead and corporate capex ⁽³⁾	(136)	(129)	(265)	(265)	(265)
Net proceeds from tax equity	685	1,095	1,780	2,455	2,470
Net borrowings from non-recourse debt ⁽⁴⁾	584	1,251	1,835	2,635	2,630
Cash paid for corporate interest expense	(44)	(46)	(90)	(90)	(90)
Cash Generation⁽⁵⁾	\$40	\$60	\$100	\$350	\$400

1. The sum of expected residuals from securitized customer lease, PPA, and loan contracts, plus all MSA fees and inflows from unpledged SRECs and grid services.

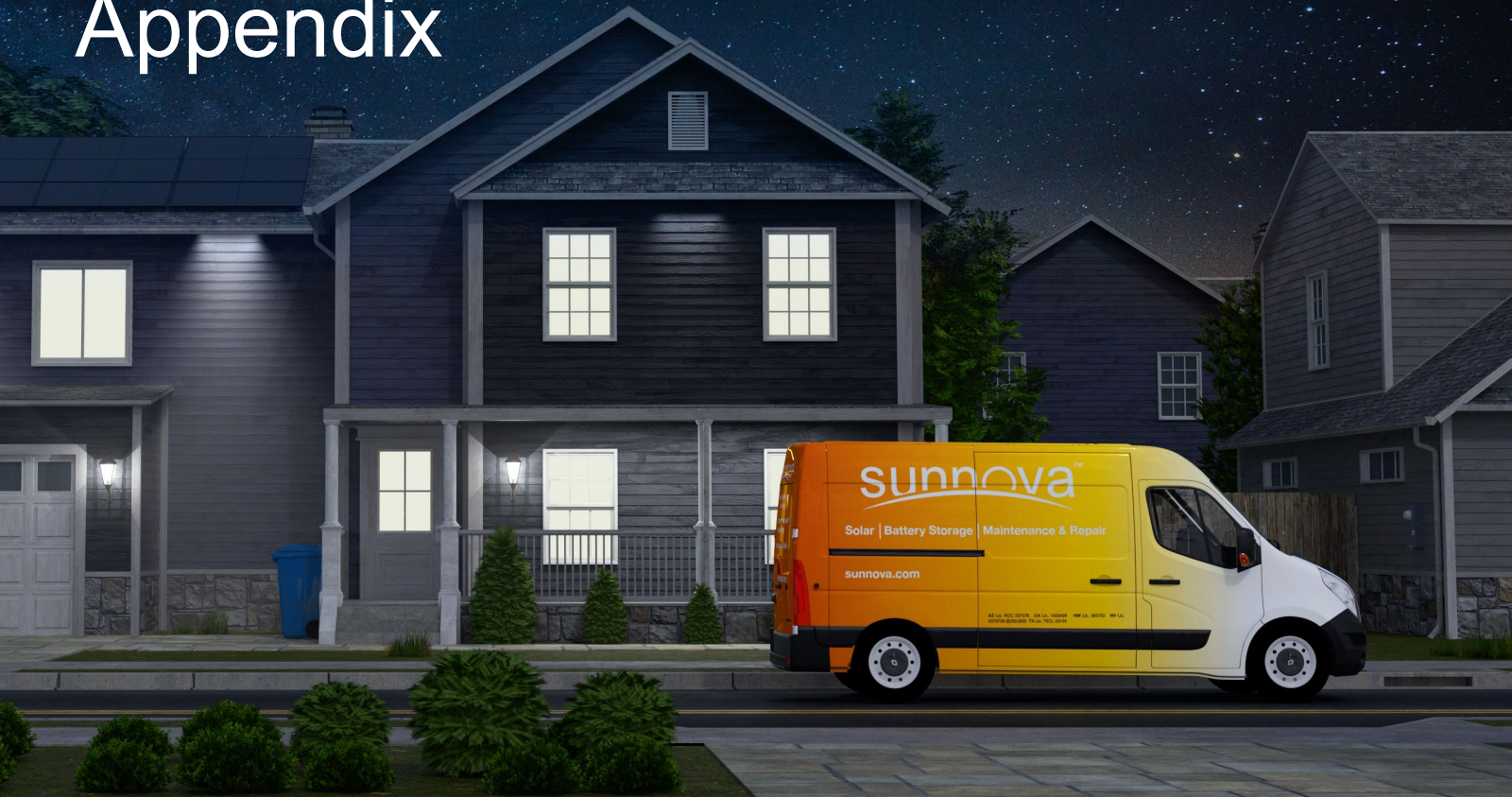
2. Includes EPC costs captured in PP&E and customer notes receivable origination and dealer bonus payments.

3. Includes corporate capex, indirect capex, net warehouse cash flows, gain on sale proceeds - excluding proceeds from loan asset sales, and all overhead expenditures including G&A, sales marketing, and service costs.

4. Includes net borrowings from asset backed securitizations, borrowings from warehouse facilities, and proceeds from loan asset sales.

5. Cash generation represents the change in cash and cash equivalents (unrestricted cash) on our consolidated balance sheet.

Appendix



Non-GAAP Reconciliation

Adjusted EBITDA



Three Months Ended
June 30,

	2024	2023
Reconciliation of Net Loss to Adjusted EBITDA:	(in thousands)	
Net loss	\$(79,693)	\$(100,781)
Interest expense, net	121,513	56,947
Interest income	(35,395)	(26,292)
Income tax (benefit) expense	(70,259)	7,183
Depreciation expense	55,789	35,204
Amortization expense	7,579	7,358
EBITDA	(466)	(20,381)
Non-cash compensation expense	4,824	4,803
ARO accretion expense	1,611	1,153
Non-cash disaster (gains) losses	(2,565)	3,400
Unrealized (gain) loss on fair value instruments and equity securities	(784)	9,815
Amortization of payments to dealers for exclusivity and other bonus arrangements	2,045	1,575
Provision for current expected credit (gains) losses	(4,420)	10,848
Non-cash inventory and other impairments	6,370	15,663
ITC sales	186,139	—
Loss on sales of non-core customer notes receivable	23,962	—
Other, net	—	1,203
Adjusted EBITDA	\$216,716	\$28,079

Non-GAAP Reconciliation

Adjusted EBITDA



Six Months Ended
June 30,

	2024	2023
Reconciliation of Net Loss to Adjusted EBITDA:	(in thousands)	
Net loss	\$(169,768)	\$(211,127)
Interest expense, net	206,114	142,554
Interest income	(71,091)	(51,080)
Income tax (benefit) expense	(113,287)	7,693
Depreciation expense	106,548	67,875
Amortization expense	15,106	14,696
EBITDA	(26,378)	(29,389)
Non-cash compensation expense	18,411	14,318
ARO accretion expense	3,088	2,234
Non-cash disaster (gains) losses	(2,575)	3,400
Unrealized (gain) loss on fair value instruments and equity securities	(13,123)	9,328
Amortization of payments to dealers for exclusivity and other bonus arrangements	4,019	2,961
Provision for current expected credit (gains) losses	(4,688)	21,107
Non-cash inventory and other impairments	26,352	15,663
ITC sales	234,092	—
Loss on sales of non-core customer notes receivable	23,962	—
Other, net	—	3,010
Adjusted EBITDA	\$263,160	\$42,632

Non-GAAP Reconciliation

Adjusted Operating Expense



Three Months Ended
June 30,

	2024	2023
Reconciliation of Total Operating Expense, Net to Adjusted Operating Expense:	(in thousands, except per system data)	
Total operating expense, net	\$278,525	\$226,148
Depreciation expense	(55,789)	(35,204)
Amortization expense	(7,579)	(7,358)
Non-cash compensation expense	(4,824)	(4,803)
ARO accretion expense	(1,611)	(1,153)
Non-cash disaster losses	2,565	(3,400)
Amortization of payments to dealers for exclusivity and other bonus arrangements	(2,045)	(1,575)
Provision for current expected credit gains (losses)	4,420	(10,848)
Non-cash inventory and other impairments	(6,370)	(15,663)
Cost of revenue related to direct sales costs	(12,200)	(12,967)
Cost of revenue related to cash sales	(19,380)	(11,958)
Cost of revenue related to inventory sales	(29,831)	(26,543)
Unrealized gain (loss) on fair value instruments	5,690	(6,643)
Gain on held-for-sale loans	13	3
Loss on sales of customer notes receivable	(42,823)	—
Other, net	—	(1,203)
Adjusted operating expense	\$108,761	\$86,833
Adjusted operating expense per weighted average system	\$256	\$265

Non-GAAP Reconciliation

Adjusted Operating Expense



Six Months Ended
June 30,

	2024	2023
Reconciliation of Total Operating Expense, Net to Adjusted Operating Expense:	(in thousands, except per system data)	
Total operating expense, net	\$523,651	\$436,625
Depreciation expense	(106,548)	(67,875)
Amortization expense	(15,106)	(14,696)
Non-cash compensation expense	(18,411)	(14,318)
ARO accretion expense	(3,088)	(2,234)
Non-cash disaster losses	2,575	(3,400)
Amortization of payments to dealers for exclusivity and other bonus arrangements	(4,019)	(2,961)
Provision for current expected credit gains (losses)	4,688	(21,107)
Non-cash inventory and other impairments	(26,352)	(15,663)
Cost of revenue related to direct sales costs	(30,621)	(20,564)
Cost of revenue related to cash sales	(33,219)	(21,303)
Cost of revenue related to inventory sales	(51,723)	(78,322)
Unrealized gain (loss) on fair value instruments	18,005	(5,920)
Gain on held-for-sale loans	37	3
Loss on sales of customer notes receivable	(42,823)	—
Other, net	—	(3,010)
Adjusted operating expense	\$217,046	\$165,255
Adjusted operating expense per weighted average system	\$505	\$532


Financial Statements & Operating Metrics
(dollars in thousands; customer counts and per customer values in units; customer values in millions)

BALANCE SHEET												
As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Assets												
Current assets:												
Cash	\$ 408,156	\$ 243,101	\$ 208,495	\$ 208,114	\$ 412,581	\$ 360,257	\$ 210,884	\$ 187,331	\$ 467,902	\$ 212,832	\$ 231,711	\$ 253,222
Accounts receivable - trade, net	25,440	18,584	21,267	28,017	35,743	24,435	25,614	28,764	40,170	40,767	35,756	44,199
Accounts receivable - other	24,318	57,736	49,650	111,431	152,942	212,397	188,642	114,081	101,907	253,350	163,724	293,220
Other current assets	(A) 259,773	296,321	283,139	323,152	336,047	351,300	402,975	416,590	383,961	429,299	386,222	462,576
Total current assets	717,687	615,742	562,551	670,714	937,313	948,389	828,115	746,766	993,940	936,248	817,413	1,053,217
Property and equipment, net	(B) 2,737,619	2,909,613	3,056,898	3,288,232	3,537,177	3,784,801	4,054,373	4,512,510	5,119,027	5,638,794	6,042,158	6,479,395
Customer notes receivable, net	962,497	1,204,073	1,449,991	1,736,558	2,072,264	2,466,149	2,864,545	3,228,299	3,531,083	3,735,986	3,890,835	3,884,853
Intangible assets, net	197,763	190,520	183,407	176,296	169,187	162,512	155,400	148,292	141,175	134,058	126,539	119,430
Goodwill	13,150	13,150	13,150	13,150	13,150	13,150	13,150	13,150	13,150	-	-	-
Other assets	(C) 431,699	571,136	660,981	797,253	912,529	961,891	986,625	957,778	986,930	895,885	938,629	1,023,850
Total assets	\$ 5,060,415	\$ 5,504,234	\$ 5,926,978	\$ 6,682,203	\$ 7,641,620	\$ 8,336,892	\$ 8,902,208	\$ 9,606,795	\$ 10,785,305	\$ 11,340,971	\$ 11,815,574	\$ 12,560,745
Liabilities, Redeemable Noncontrolling Interests and Equity												
Current liabilities:												
Accounts payable	\$ 53,612	\$ 55,033	\$ 72,452	\$ 82,476	\$ 94,647	\$ 116,136	\$ 123,498	\$ 138,843	\$ 194,551	\$ 355,791	\$ 374,861	\$ 504,098
Accrued expenses	57,894	81,721	80,736	90,918	121,195	139,873	122,233	105,617	107,140	122,355	87,626	103,616
Current portion of long-term debt	(D) 118,589	129,793	155,113	165,889	191,131	214,431	209,335	241,968	470,133	483,497	493,496	333,191
Other current liabilities	(E) 33,099	44,350	37,315	48,459	51,093	71,506	72,884	94,042	96,949	133,649	146,449	146,693
Total current liabilities	263,194	310,897	345,616	387,742	458,066	541,946	527,950	580,470	868,773	1,095,292	1,102,432	1,087,598
Long-term debt, net	(D) 2,932,123	3,135,681	3,461,614	3,985,744	4,807,107	5,194,755	5,621,437	6,123,923	6,710,734	7,030,756	7,273,736	7,644,678
Other long-term liabilities	(F) 372,924	436,043	468,614	536,626	631,137	712,741	806,057	914,277	1,003,922	1,086,011	1,117,617	1,153,735
Total liabilities	3,568,241	3,882,621	4,275,844	4,910,112	5,896,310	6,449,442	6,955,444	7,618,670	8,583,429	9,212,059	9,493,785	9,886,011
Redeemable noncontrolling interests	142,377	145,336	145,186	151,507	153,469	165,737	179,502	100,081	124,082	165,872	187,312	217,310
Stockholders' equity	1,095,158	1,189,495	1,232,094	1,294,832	1,238,340	1,273,076	1,278,777	1,389,775	1,557,918	1,526,890	1,604,005	1,743,111
Noncontrolling interests	254,639	286,782	273,854	325,752	353,501	448,637	488,485	498,269	519,876	436,150	530,472	714,313
Total liabilities, redeemable noncontrolling interests and equity	\$ 5,060,415	\$ 5,504,234	\$ 5,926,978	\$ 6,682,203	\$ 7,641,620	\$ 8,336,892	\$ 8,902,208	\$ 9,606,795	\$ 10,785,305	\$ 11,340,971	\$ 11,815,574	\$ 12,560,745
INCOME STATEMENT												
Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Revenue	(G) \$ 68,901	\$ 65,019	\$ 65,722	\$ 147,012	\$ 149,364	\$ 195,592	\$ 161,696	\$ 166,377	\$ 198,398	\$ 194,182	\$ 160,904	\$ 219,597
Operating expense:												
Cost of revenue - depreciation	19,665	20,853	21,958	23,314	24,663	26,345	28,197	30,322	33,743	37,999	42,156	46,444
Cost of revenue - inventory sales	-	-	-	48,967	40,917	88,426	51,779	26,543	50,694	47,355	21,892	29,831
Cost of revenue - other	(H) 7,342	8,262	7,569	9,838	15,567	19,513	19,224	31,394	30,981	39,266	39,348	37,103
Other operating expenses, net	50,070	44,969	70,401	67,624	95,938	78,154	111,277	137,889	121,196	166,229	141,730	165,147
Total operating expense, net	77,077	74,084	99,928	149,743	177,085	212,438	210,477	226,148	236,614	290,849	245,126	278,525
Operating income (loss)	(8,176)	(9,065)	(34,206)	(2,731)	(27,721)	(16,846)	(48,781)	(59,771)	(38,216)	(96,667)	(84,222)	(58,928)
Interest expense, net	26,588	31,500	(1,015)	24,571	20,824	63,395	85,607	56,947	57,601	171,782	84,601	121,513
Interest income	(9,098)	(9,962)	(10,932)	(13,311)	(16,185)	(19,371)	(24,788)	(26,292)	(30,590)	(34,202)	(35,696)	(35,395)
Other (income) expense	189	456	(155)	(160)	(12)	(2,763)	236	3,172	561	(20)	(24)	4,906
Loss before income tax	(25,855)	(31,059)	(22,104)	(13,831)	(32,348)	(58,107)	(109,836)	(93,598)	(65,788)	(234,227)	(133,103)	(149,952)
Income tax expense	64	196	-	-	-	3,886	510	7,183	(9,325)	609	(43,028)	(70,259)
Net loss	(25,919)	(31,255)	(22,104)	(13,831)	(32,348)	(61,993)	(110,346)	(100,781)	(56,463)	(234,836)	(90,075)	(79,693)
Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	1,622	(17,047)	12,954	27,306	32,195	(41,089)	(29,263)	(14,690)	6,684	(47,196)	(20,115)	(46,640)
Net loss attributable to stockholders	\$ (27,541)	\$ (14,208)	\$ (35,058)	\$ (41,137)	\$ (64,543)	\$ (20,904)	\$ (81,083)	\$ (86,091)	\$ (63,147)	\$ (187,640)	\$ (69,960)	\$ (33,053)


STATEMENT OF CASH FLOWS

Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
CASH FLOWS FROM OPERATING ACTIVITIES												
Net loss	\$ (25,919)	\$ (31,255)	\$ (22,104)	\$ (13,831)	\$ (32,348)	\$ (61,993)	\$ (110,346)	\$ (100,781)	\$ (56,463)	\$ (234,836)	\$ (90,075)	\$ (79,693)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:												
Depreciation	21,961	23,314	24,740	26,067	27,594	29,766	32,671	35,204	40,082	45,430	50,759	55,789
Impairment and loss on disposals, net	1,910	133	402	387	2,182	5,488	647	16,697	7,586	31,662	21,718	7,561
Amortization of intangible assets	7,046	7,243	7,113	7,111	7,109	7,108	7,108	7,108	7,108	7,108	7,108	7,108
Amortization of deferred financing costs	2,723	2,494	2,626	3,293	3,771	3,950	5,171	5,563	6,273	8,219	8,288	9,479
Amortization of debt discount	2,184	1,718	1,784	1,921	2,568	3,069	3,512	4,397	5,062	6,203	6,656	7,147
Non-cash effect of equity-based compensation plans	3,093	3,299	10,864	4,732	4,463	4,159	9,515	4,803	5,494	5,723	13,587	4,824
Non-cash direct sales revenue	(382)	(729)	(341)	(958)	(3,149)	(4,036)	(12,161)	(16,307)	(14,566)	(17,556)	(13,750)	(10,885)
Non-cash bad debt expense	7,053	9,279	7,132	9,871	11,770	14,245	11,858	12,024	11,203	11,114	1,674	(2,582)
Unrealized (gain) loss on derivatives	(2,642)	700	(33,874)	32,857	(26,563)	8,129	23,616	(15,605)	(18,219)	77,526	(30,698)	25,861
Unrealized (gain) loss on fair value instruments and equity securities	(8,834)	(17,323)	(6,362)	(8,399)	10,625	(25,143)	(487)	9,815	(8,482)	(658)	(12,339)	(784)
Loss on sales of customer notes receivable	-	-	-	-	-	-	-	-	-	-	-	42,823
Other non-cash items	2,209	8,945	2,691	(43,776)	2,673	3,450	3,261	3,766	(4,394)	4,699	11,065	(29,192)
Changes in components of operating assets and liabilities:												
Accounts receivable	(17,893)	(26,067)	4,958	(66,204)	(39,291)	(58,758)	20,837	68,321	10,595	1,372	48,507	(4,024)
Other current assets	(31,877)	(30,079)	(48,228)	(23,766)	(67,952)	20,152	(43,060)	(47,836)	12,920	(27,767)	(6,585)	(42,844)
Intangibles and goodwill	-	-	-	-	-	(433)	-	-	-	-	-	-
Other assets	(12,338)	(29,354)	(22,639)	(36,634)	(24,869)	(40,406)	(80,308)	(17,867)	2,854	(20,167)	(52,524)	(36,127)
Accounts payable	(2,952)	(1,166)	(2,086)	9,429	(5,940)	3,083	(10,618)	10,580	(6,673)	1,218	16,591	86
Accrued expenses	14,379	7,985	9,620	5,880	26,071	6,814	(11,588)	(18,288)	(5,317)	23,980	(39,083)	3,736
Other current liabilities	2,711	7,580	(10,204)	7,273	(1,312)	16,015	(3,470)	17,069	(3,995)	34,061	8,104	(39,948)
Other long-term liabilities	1,405	900	(18,221)	14,533	(854)	(2,290)	(15,485)	8,122	(3,317)	(102)	(14,639)	1,549
Net cash provided by (used in) operating activities	(36,163)	(62,383)	(92,129)	(70,214)	(103,452)	(67,631)	(169,327)	(13,215)	(12,249)	(42,771)	(65,636)	(80,116)
CASH FLOWS FROM INVESTING ACTIVITIES												
Purchases of property and equipment	(107,697)	(210,497)	(138,181)	(242,254)	(257,121)	(230,652)	(289,296)	(458,856)	(567,040)	(517,522)	(398,768)	(465,651)
Payments for investments and customer notes receivable	(247,977)	(175,451)	(246,270)	(326,978)	(329,525)	(333,455)	(274,362)	(242,737)	(199,873)	(192,516)	(114,044)	(91,676)
Proceeds from customer notes receivable	16,419	19,579	23,740	28,913	27,217	29,890	36,111	44,820	46,049	53,741	50,538	63,737
Proceeds from sales of customer notes receivable	-	-	-	-	-	-	-	-	-	-	-	63,884
Payments for investments in solar receivables	-	(32,212)	-	-	-	-	-	-	-	-	-	-
Proceeds from investments in solar receivables	-	3,231	1,798	3,822	3,768	3,006	2,132	2,797	3,779	2,874	2,259	3,295
Other, net	1,263	1,315	1,263	155	(1,700)	962	1,120	4,348	(761)	531	1,332	1,611
Net cash used in investing activities	(337,992)	(394,035)	(357,650)	(536,342)	(557,361)	(530,249)	(524,295)	(649,628)	(717,846)	(652,892)	(458,683)	(424,800)
CASH FLOWS FROM FINANCING ACTIVITIES												
Proceeds from long-term debt	607,389	345,754	391,903	848,000	1,068,130	595,694	604,240	1,156,440	1,098,809	648,339	729,499	634,457
Payments of long-term debt	(245,642)	(131,420)	(39,639)	(309,077)	(222,545)	(187,094)	(188,724)	(619,840)	(281,774)	(315,684)	(475,190)	(427,310)
Payments on notes payable	(26,533)	-	-	-	-	-	-	(1,915)	(2,441)	(2,795)	(2,507)	(1,406)
Payments of deferred financing costs	(14,092)	(4,293)	(5,084)	(10,968)	(8,696)	(6,043)	(6,832)	(14,852)	(38,652)	(15,584)	(12,625)	(15,519)
Purchase of capped call transactions	-	-	-	-	(48,420)	-	-	-	-	-	-	-
Proceeds from issuance of common stock, net	89	602	(2,820)	(358)	(167)	155	(1,488)	439	82,378	(13)	1,884	(3,602)
Contributions from redeemable noncontrolling interests and noncontrolling interests	109,822	123,689	51,889	125,390	59,382	212,737	174,951	144,405	201,255	172,283	301,728	467,093
Distributions to redeemable noncontrolling interests and noncontrolling interests	(4,146)	(5,447)	(5,854)	(6,476)	(8,517)	(8,924)	(8,554)	(9,818)	(11,787)	(18,827)	(105,240)	(58,179)
Payments of costs related to redeemable noncontrolling interests and noncontrolling interests	(1,381)	(646)	(7,383)	(789)	(2,208)	(2,711)	(4,511)	(801)	(3,163)	(3,406)	(8,517)	(7,675)
Proceeds from sales of investment tax credits for redeemable noncontrolling interests and noncontrolling interests	-	-	-	-	-	-	-	-	4,950	1,021	88,776	60,340
Other, net	(180)	(193)	(199)	(207)	(195)	(201)	(211)	(6,164)	(287)	(336)	(370)	(433)
Net cash provided by financing activities	425,326	328,046	382,813	645,515	836,764	603,613	568,871	647,894	1,049,288	464,998	517,438	647,766
Net increase (decrease) in cash and restricted cash	51,171	(128,372)	(66,966)	38,959	175,951	5,733	(124,751)	(14,949)	319,193	(230,665)	(6,881)	142,850
Cash and restricted cash at beginning of period	469,098	520,269	391,897	324,931	363,890	539,841	545,574	420,823	405,874	725,067	494,402	487,521
Cash and restricted cash at end of period	520,269	391,897	324,931	363,890	539,841	545,574	420,823	405,874	725,067	494,402	487,521	630,371
Restricted cash included in other current assets	(52,042)	(80,213)	(34,958)	(53,842)	(14,584)	(51,733)	(52,699)	(37,825)	(30,307)	(62,188)	(28,765)	(88,458)
Restricted cash included in other assets	(60,071)	(68,583)	(81,478)	(101,934)	(112,676)	(133,584)	(157,240)	(180,718)	(226,858)	(219,382)	(227,045)	(288,691)
Cash at end of period	\$ 408,156	\$ 243,101	\$ 208,495	\$ 208,114	\$ 412,581	\$ 360,257	\$ 210,884	\$ 187,331	\$ 467,902	\$ 212,832	\$ 231,711	\$ 253,222


Financial Statements & Operating Metrics
(dollars in thousands; customer counts and per customer values in units; customer values in millions)
SELECTED BALANCE SHEET AND INCOME STATEMENT DETAIL

As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
A - Other current assets												
Prepaid inventory	\$ 3,231	\$ 4,835	\$ 2,155	\$ -	\$ 1,065	\$ 622	\$ 622	\$ 622	\$ -	\$ 408	\$ -	\$ 183
Inventory	134,889	127,955	150,517	150,720	186,572	152,113	182,949	179,209	137,674	148,575	130,756	132,061
Restricted cash	52,042	80,213	34,958	53,842	14,584	51,733	52,699	37,825	30,307	62,188	28,765	88,458
Other prepaid assets	16,590	14,920	16,438	22,409	20,858	16,870	19,835	29,091	28,805	25,588	27,884	33,809
Deferred receivables	7,421	4,818	4,021	7,109	11,070	7,392	5,650	10,388	12,984	7,601	5,568	10,896
Current portion of customer notes receivable	44,847	56,074	67,608	81,130	94,061	114,910	133,150	150,966	165,884	176,562	185,098	186,755
Current portion of investments in solar receivables	-	6,787	6,750	7,250	7,156	7,107	7,973	7,804	7,618	7,457	7,330	7,528
Other	753	719	692	692	681	553	97	685	689	920	821	2,886
Total other current assets	\$ 259,773	\$ 296,321	\$ 283,139	\$ 323,152	\$ 336,047	\$ 351,300	\$ 402,975	\$ 416,590	\$ 383,961	\$ 429,299	\$ 386,222	\$ 462,576
B - Property and equipment, net												
Solar energy systems	\$ 2,751,798	\$ 2,917,721	\$ 3,087,926	\$ 3,273,315	\$ 3,442,340	\$ 3,719,727	\$ 3,972,515	\$ 4,295,288	\$ 4,826,091	\$ 5,443,796	\$ 5,953,572	\$ 6,438,522
Construction in progress	174,643	188,518	186,361	252,770	356,213	329,893	367,174	528,008	619,171	530,180	464,875	443,708
Asset retirement obligations	42,492	45,264	47,815	50,611	53,168	57,063	60,409	64,636	71,125	78,538	84,554	90,296
Software and business technology systems	37,760	49,673	49,841	51,925	52,203	72,797	80,417	84,871	102,170	130,300	133,331	155,070
Computers and equipment	2,464	3,085	4,202	4,202	4,440	4,976	5,664	6,371	6,944	7,503	7,715	7,739
Leasehold improvements	3,143	3,160	3,495	3,606	4,437	5,558	5,964	6,015	6,170	6,170	6,379	7,019
Furniture and fixtures	1,132	1,132	1,132	1,132	1,132	1,172	1,172	1,172	1,172	1,172	1,172	1,172
Vehicles	1,638	1,638	1,638	1,638	1,638	1,640	1,640	1,640	1,640	1,640	1,640	1,640
Other	157	157	157	156	157	157	158	158	157	419	419	419
Property and equipment, gross	3,015,227	3,210,348	3,382,170	3,639,355	3,915,728	4,192,983	4,495,113	4,988,159	5,634,640	6,199,718	6,653,657	7,145,585
Accumulated depreciation	(277,608)	(300,735)	(325,272)	(351,123)	(378,551)	(408,182)	(440,740)	(475,649)	(515,613)	(560,924)	(611,499)	(666,190)
Total property and equipment, net	\$ 2,737,619	\$ 2,909,613	\$ 3,056,898	\$ 3,288,232	\$ 3,537,177	\$ 3,784,801	\$ 4,054,373	\$ 4,512,510	\$ 5,119,027	\$ 5,638,794	\$ 6,042,158	\$ 6,479,395
C - Other assets												
Restricted cash	\$ 60,071	\$ 68,583	\$ 81,478	\$ 101,934	\$ 112,676	\$ 133,584	\$ 157,240	\$ 180,718	\$ 226,858	\$ 219,382	\$ 227,045	\$ 288,691
Construction in progress - customer notes receivable	209,884	238,791	271,400	339,457	391,435	382,611	326,907	247,588	190,019	159,066	123,508	92,757
Investments in solar receivables	-	75,871	70,828	67,620	64,500	65,064	62,749	60,558	56,632	61,877	60,612	61,891
Exclusivity and other bonus arrangements with dealers, net	79,912	81,756	92,854	105,697	106,089	121,313	144,568	173,799	171,402	166,359	174,512	209,710
Straight-line revenue adjustment	40,880	43,367	45,835	48,276	50,699	53,086	55,416	57,803	60,059	62,941	66,585	70,957
Other	40,952	62,768	98,586	134,269	187,130	206,233	239,745	237,312	281,960	226,260	286,367	299,844
Total other assets	\$ 431,699	\$ 571,136	\$ 660,981	\$ 797,253	\$ 912,529	\$ 961,891	\$ 986,625	\$ 957,778	\$ 986,930	\$ 895,885	\$ 938,629	\$ 1,023,850
D - Debt												
Sunnova Energy International Inc.	\$ 560,972	\$ 561,643	\$ 562,311	\$ 562,979	\$ 1,148,488	\$ 1,149,756	\$ 1,151,044	\$ 1,152,382	\$ 1,153,727	\$ 1,155,078	\$ 1,156,435	\$ 1,157,799
Sunnova Energy Corporation	385,955	386,030	386,766	387,530	388,269	388,894	389,762	395,434	778,965	777,677	776,499	784,921
Secured term loans and warehouse facilities:												
EZOP	(1,021)	189,102	189,224	369,329	408,398	499,468	705,537	720,607	639,157	510,698	389,910	126,781
TEPH	214,792	115,272	215,752	270,281	314,890	423,657	551,497	472,330	764,680	1,035,432	1,023,835	1,196,037
AP8	-	-	-	-	-	75,000	150,000	177,000	213,400	215,000	215,000	211,087
IS	-	-	-	-	-	-	45,000	37,100	30,100	31,300	34,100	18,408
AP9	-	-	-	-	-	-	-	-	12,446	11,546	15,541	(416)
BMB	-	-	-	-	-	-	-	-	-	-	-	832
Solar asset-backed and loan-backed notes:												
HELII	221,852	222,035	214,016	214,193	208,854	209,027	204,872	205,042	200,882	201,048	196,825	196,988
RAYSI	116,966	115,306	114,177	113,086	112,094	111,424	110,598	109,761	109,019	107,688	106,552	105,325
HELIII	116,100	112,644	109,511	106,657	104,099	101,675	99,865	97,820	95,374	93,765	92,037	89,855
SOLI	378,507	373,886	369,889	366,889	362,299	358,111	354,227	351,125	342,049	342,996	340,240	337,777
HELIV	127,880	124,509	121,454	118,365	115,835	113,976	112,224	109,874	107,609	105,940	104,357	102,256
SOLII	244,441	242,205	240,538	238,892	235,797	234,045	231,233	229,533	227,544	225,146	222,827	220,989
HELVI	171,993	168,027	163,956	160,494	157,529	154,956	152,908	150,152	147,406	145,335	143,334	140,966
SOLIII	308,583	304,208	299,610	295,675	291,739	286,678	281,687	277,731	273,543	268,334	263,194	258,807
HELVI	203,692	199,252	195,613	189,889	184,706	181,490	179,429	176,596	173,919	171,045	168,618	166,908
HELVII	-	151,355	148,941	145,439	143,041	140,683	138,218	135,714	133,498	131,887	130,466	128,650
HELVIII	-	-	284,970	277,384	274,223	271,766	268,142	262,815	257,923	255,265	252,810	249,821
SOLIV	-	-	-	334,551	329,907	327,145	324,704	323,436	321,070	317,877	315,659	314,217
HELIX	-	-	-	-	218,070	216,577	215,629	212,217	209,237	205,595	203,275	200,806
HELX	-	-	-	-	-	164,858	164,196	203,632	202,236	200,759	197,874	196,516
SOLV	-	-	-	-	-	-	-	298,790	298,417	298,446	297,479	296,725
HELXI	-	-	-	-	-	-	-	266,800	262,756	261,289	258,510	252,018
HELXII	-	-	-	-	-	-	-	-	220,910	219,724	218,560	213,258
HESI	-	-	-	-	-	-	-	-	-	225,383	224,242	219,741
SOLVI	-	-	-	-	-	-	-	-	-	-	208,714	206,884
HELXIII	-	-	-	-	-	-	-	-	-	-	210,339	203,797
HESII	-	-	-	-	-	-	-	-	-	-	-	161,593
HELXIV	-	-	-	-	-	-	-	-	-	-	-	218,523
Total debt	\$ 3,050,712	\$ 3,265,474	\$ 3,616,727	\$ 4,151,633	\$ 4,998,238	\$ 5,409,186	\$ 5,830,772	\$ 6,365,891	\$ 7,180,867	\$ 7,514,253	\$ 7,767,232	\$ 7,977,869


Financial Statements & Operating Metrics
(dollars in thousands; customer counts and per customer values in units; customer values in millions)
SELECTED BALANCE SHEET AND INCOME STATEMENT DETAIL (continued)

As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
E - Other current liabilities												
Interest payable	\$ 14,620	\$ 22,740	\$ 13,658	\$ 22,019	\$ 20,752	\$ 35,258	\$ 26,220	\$ 42,910	\$ 36,041	\$ 67,647	\$ 65,988	\$ 69,680
Current portion of performance guarantee obligations	3,268	3,175	1,993	2,343	2,519	2,495	1,810	2,335	2,675	2,667	3,061	2,927
Deferred revenue	11,479	15,273	19,209	21,272	24,523	30,172	38,938	41,277	46,403	50,815	59,044	55,013
Current portion of lease liability	1,955	1,850	2,215	2,592	3,002	3,247	3,246	3,455	4,001	4,231	4,471	4,553
Other	1,777	1,312	240	233	297	334	2,670	4,065	7,829	8,289	13,885	14,520
Total other current liabilities	\$ 33,099	\$ 44,350	\$ 37,315	\$ 48,459	\$ 51,093	\$ 71,506	\$ 72,884	\$ 94,042	\$ 96,949	\$ 133,649	\$ 146,449	\$ 146,693
F - Other long-term liabilities												
Deferred revenue	\$ 216,923	\$ 283,610	\$ 345,124	\$ 416,960	\$ 496,186	\$ 589,764	\$ 691,903	\$ 786,013	\$ 875,999	\$ 940,188	\$ 981,312	\$ 1,010,517
Long-term derivative liability	5,093	5,330	-	-	-	-	-	-	-	-	-	-
Asset retirement obligations	50,823	54,396	57,779	61,463	64,966	69,869	74,292	79,663	87,405	96,227	103,712	111,056
Contingent consideration	85,674	67,895	41,915	34,060	45,161	26,787	15,040	22,243	12,874	19,916	4,685	3,738
Other	14,411	24,812	23,796	24,143	24,824	26,321	24,822	26,358	27,644	29,680	27,908	28,424
Total other long-term liabilities	\$ 372,924	\$ 436,043	\$ 468,614	\$ 536,626	\$ 631,137	\$ 712,741	\$ 806,057	\$ 914,277	\$ 1,003,922	\$ 1,086,011	\$ 1,117,617	\$ 1,153,735
Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
G - Revenue												
PPA revenue	\$ 25,359	\$ 17,644	\$ 21,185	\$ 31,159	\$ 31,891	\$ 20,328	\$ 21,746	\$ 39,155	\$ 38,300	\$ 24,445	\$ 30,075	\$ 55,793
Lease revenue	17,845	20,019	21,780	24,025	25,912	28,353	31,343	34,159	37,966	44,320	50,555	57,696
SREC revenue	12,858	10,889	6,244	14,687	16,241	11,526	7,791	15,055	16,136	11,393	8,408	14,741
Loan revenue	2,126	2,768	3,376	4,194	5,012	6,019	7,143	8,112	9,283	10,178	11,176	11,910
Direct sales revenue	382	729	341	958	3,149	4,036	12,161	16,307	14,566	17,556	13,750	10,885
Service revenue	696	667	649	766	1,161	1,602	3,817	3,675	4,756	3,949	1,039	3,560
Cash sales revenue	8,680	11,558	11,348	15,414	18,933	26,730	16,819	21,724	24,284	33,245	21,954	33,978
Inventory sales revenue	-	-	-	54,245	45,528	96,206	59,914	26,492	51,356	48,093	23,574	29,550
Other revenue	955	745	799	1,564	1,537	792	962	1,698	1,751	1,003	373	1,484
Total revenue	\$ 68,901	\$ 65,019	\$ 65,722	\$ 147,012	\$ 149,364	\$ 195,592	\$ 161,696	\$ 166,377	\$ 198,398	\$ 194,182	\$ 160,904	\$ 219,597
H - Cost of revenue - other												
Direct sales costs	\$ 310	\$ 375	\$ 380	\$ 493	\$ 3,237	\$ 2,152	\$ 7,597	\$ 12,967	\$ 12,635	\$ 14,850	\$ 18,421	\$ 12,200
Cash sales costs	4,591	6,112	5,815	7,906	10,225	14,820	9,345	11,958	12,698	18,643	13,839	19,380
Other costs	2,441	1,775	1,374	1,439	2,105	2,541	2,282	6,469	5,648	5,773	7,088	5,523
Total cost of revenue - other	\$ 7,342	\$ 8,262	\$ 7,569	\$ 9,838	\$ 15,567	\$ 19,513	\$ 19,224	\$ 31,394	\$ 30,981	\$ 39,266	\$ 39,348	\$ 37,103

KEY PERFORMANCE METRICS, NON-GAAP RECONCILIATIONS AND OTHER METRICS

Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Reconciliation of Net Loss to Adjusted EBITDA												
Net loss	\$ (25,919)	\$ (31,255)	\$ (22,104)	\$ (13,831)	\$ (32,348)	\$ (61,993)	\$ (110,346)	\$ (100,781)	\$ (56,463)	\$ (234,836)	\$ (90,075)	\$ (79,693)
Interest expense, net	26,588	31,500	(1,015)	24,571	20,824	63,395	85,607	56,947	57,601	171,782	84,601	121,513
Interest income	(9,098)	(9,962)	(10,932)	(13,311)	(16,185)	(19,371)	(24,788)	(26,292)	(30,590)	(34,202)	(35,696)	(35,395)
Income tax expense (benefit)	64	196	-	-	-	3,886	510	7,183	(9,325)	609	(43,028)	(70,259)
Depreciation expense	21,961	23,314	24,740	26,067	27,594	29,766	32,671	35,204	40,082	45,430	50,759	55,789
Amortization expense	7,204	7,409	7,288	7,297	7,309	7,330	7,338	7,358	7,416	7,471	7,527	7,579
EBITDA	20,800	21,202	(2,023)	30,793	7,194	23,013	(9,008)	(20,381)	8,721	(43,746)	(25,912)	(466)
Non-cash compensation expense	3,093	3,299	10,864	4,732	4,463	4,159	9,515	4,803	5,494	5,723	13,587	4,824
ARO accretion expense	745	803	840	895	952	1,014	1,081	1,153	1,257	1,414	1,477	1,611
Non-cash disaster losses	-	-	-	-	-	-	-	3,400	-	465	(10)	(2,565)
Unrealized (gain) loss on fair value instruments and equity securities	(8,834)	(17,323)	(6,362)	(8,399)	10,625	(25,143)	(487)	9,815	(8,482)	(658)	(12,339)	(784)
Amortization of payments to dealers for exclusivity and other bonus arrangements	832	879	928	997	1,185	1,217	1,386	1,575	1,996	1,987	1,974	2,045
Provision for current expected credit losses	6,567	8,647	6,657	9,257	10,967	13,279	10,259	10,848	8,360	6,048	(268)	(4,420)
Non-cash inventory and other impairments	-	-	-	-	864	4,511	-	15,663	6,443	28,889	19,982	6,370
ITC sales	-	-	-	-	-	-	-	-	14,422	193,003	47,953	186,139
(Gain) loss on sales of non-core customer notes receivable	-	-	-	-	-	-	-	-	-	-	-	23,962
Other, net	2,045	230	1,643	1,394	5,054	3,540	1,807	1,203	2,200	(1,639)	-	-
Adjusted EBITDA	\$ 25,248	\$ 17,737	\$ 12,547	\$ 39,669	\$ 41,304	\$ 25,590	\$ 14,553	\$ 28,079	\$ 40,411	\$ 191,486	\$ 46,444	\$ 216,716
Interest income	\$ 9,098	\$ 9,962	\$ 10,932	\$ 13,311	\$ 16,185	\$ 19,371	\$ 24,788	\$ 26,292	\$ 30,590	\$ 34,202	\$ 35,696	\$ 35,395
Principal proceeds from customer notes receivable, net of related revenue	\$ 14,333	\$ 16,866	\$ 20,413	\$ 24,781	\$ 22,284	\$ 23,977	\$ 29,098	\$ 36,850	\$ 36,966	\$ 43,787	\$ 39,616	\$ 52,066
Proceeds from investments in solar receivables	\$ -	\$ 3,231	\$ 1,798	\$ 3,822	\$ 3,768	\$ 3,006	\$ 2,132	\$ 2,797	\$ 3,779	\$ 2,874	\$ 2,259	\$ 3,295


KEY PERFORMANCE METRICS, NON-GAAP RECONCILIATIONS AND OTHER METRICS (continued)

Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Adjusted Operating Expense												
Reconciliation of Total Operating Expense, Net to Adjusted Operating Expense												
Total operating expense, net	\$ 77,077	\$ 74,084	\$ 99,928	\$ 149,743	\$ 177,085	\$ 212,438	\$ 210,477	\$ 226,148	\$ 236,614	\$ 290,849	\$ 245,126	\$ 278,525
Depreciation expense	(21,961)	(23,314)	(24,740)	(26,067)	(27,594)	(29,766)	(32,671)	(35,204)	(40,082)	(45,430)	(50,759)	(55,789)
Amortization expense	(7,204)	(7,409)	(7,288)	(7,297)	(7,309)	(7,330)	(7,338)	(7,358)	(7,416)	(7,471)	(7,527)	(7,579)
Non-cash compensation expense	(3,093)	(3,299)	(10,864)	(4,732)	(4,463)	(4,159)	(9,515)	(4,803)	(5,494)	(5,723)	(13,587)	(4,824)
ARO accretion expense	(745)	(803)	(840)	(895)	(952)	(1,014)	(1,081)	(1,153)	(1,257)	(1,414)	(1,477)	(1,611)
Non-cash disaster losses	-	-	-	-	-	-	-	(3,400)	-	(465)	10	2,565
Amortization of payments to dealers for exclusivity and other bonus arrangements	(832)	(879)	(928)	(997)	(1,185)	(1,217)	(1,386)	(1,575)	(1,996)	(1,987)	(1,974)	(2,045)
Provision for current expected credit losses	(6,567)	(8,647)	(6,657)	(9,257)	(10,967)	(13,279)	(10,259)	(10,848)	(8,360)	(6,048)	268	4,420
Non-cash inventory and other impairments	-	-	-	-	(864)	(4,511)	-	(15,663)	(6,443)	(28,889)	(19,982)	(6,370)
Cost of revenue related to direct sales	(310)	(375)	(380)	(493)	(3,237)	(2,152)	(7,597)	(12,967)	(12,635)	(14,850)	(18,421)	(12,200)
Cost of revenue related to cash sales	(4,591)	(6,112)	(5,815)	(7,906)	(10,225)	(14,820)	(9,345)	(11,958)	(12,698)	(18,643)	(13,839)	(19,380)
Cost of revenue related to inventory sales	-	-	-	(48,967)	(40,917)	(88,426)	(51,779)	(26,543)	(50,694)	(47,355)	(21,892)	(29,831)
Unrealized gain (loss) on fair value instruments	9,023	17,779	6,207	8,239	(10,637)	22,380	723	(6,643)	9,043	638	12,315	5,690
Gain (loss) on held-for-sale loans	-	-	-	-	-	-	-	3	8	8	24	13
Gain (loss) on sales of customer notes receivable	-	-	-	-	-	-	-	-	-	-	-	(42,823)
Other, net	(2,045)	(230)	(1,643)	(1,394)	(5,054)	(3,540)	(1,807)	(1,203)	(2,200)	1,639	-	-
Adjusted Operating Expense	\$ 38,752	\$ 40,795	\$ 46,980	\$ 49,977	\$ 53,681	\$ 64,604	\$ 78,422	\$ 86,833	\$ 96,390	\$ 114,859	\$ 108,285	\$ 108,761

Adjusted operating expense allocation

Customer service	\$ 26,203	\$ 27,237	\$ 27,311	\$ 29,552	\$ 30,422	\$ 27,445	\$ 40,741	\$ 44,722	\$ 47,525	\$ 44,163	\$ 41,075	\$ 44,541
Sales and marketing, excluding direct sales	\$ 12,666	\$ 15,742	\$ 19,522	\$ 19,197	\$ 22,258	\$ 34,715	\$ 34,127	\$ 39,379	\$ 43,137	\$ 64,459	\$ 61,878	\$ 57,731
Direct sales	\$ 197	\$ 219	\$ 524	\$ 858	\$ 1,371	\$ 2,444	\$ 3,554	\$ 2,732	\$ 5,728	\$ 6,435	\$ 5,319	\$ 6,455
Other	\$ (314)	\$ (2,403)	\$ (377)	\$ 370	\$ (370)	\$ -	\$ -	\$ -	\$ -	\$ (198)	\$ 13	\$ 34
Adjusted Operating Expense	\$ 38,752	\$ 40,795	\$ 46,980	\$ 49,977	\$ 53,681	\$ 64,604	\$ 78,422	\$ 86,833	\$ 96,390	\$ 114,859	\$ 108,285	\$ 108,761
<i>Adjusted Operating Expense per weighted average system</i>	\$ 230	\$ 222	\$ 235	\$ 230	\$ 227	\$ 247	\$ 267	\$ 265	\$ 262	\$ 283	\$ 250	\$ 256
<i>Adjusted Operating Expense per weighted average customer, excluding non-core customers</i>							\$ 280	\$ 287	\$ 295	\$ 326	\$ 289	\$ 276
<i>Adjusted Operating Expense per average customer</i>	\$ 232	\$ 222	\$ 235	\$ 231	\$ 228	\$ 246	\$ 266	\$ 264	\$ 262	\$ 285	\$ 252	\$ 258
<i>Adjusted Operating Expense per customer, trailing twelve months</i>	\$ 943	\$ 944	\$ 988	\$ 916	\$ 910	\$ 912	\$ 954	\$ 989	\$ 1,031	\$ 1,078	\$ 1,087	\$ 1,139
<i>Adjusted Operating Expense per customer, trailing twelve months, excluding direct sales</i>	\$ 938	\$ 938	\$ 981	\$ 907	\$ 895	\$ 890	\$ 922	\$ 954	\$ 985	\$ 1,025	\$ 1,033	\$ 1,075

As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Cumulative number of customers, net												
Lease	41,210	46,099	50,060	55,018	60,007	66,362	71,789	78,420	87,772	98,807	105,827	117,758
PPA	64,269	67,405	70,422	73,126	75,976	79,399	82,771	87,391	94,071	101,112	106,780	111,862
Solar loan	30,261	37,229	44,570	51,840	59,613	69,071	76,436	83,726	88,993	93,288	96,225	98,672
Cash sales	1,093	2,037	2,807	3,679	5,004	6,782	7,961	9,160	10,850	12,618	14,468	16,099
Total solar	136,833	152,770	167,859	183,663	200,600	221,614	238,957	258,697	281,686	305,825	323,300	344,391
Non-solar loan (no solar system)	356	426	567	1,843	5,612	10,422	20,743	38,650	52,197	61,687	64,159	6,521
Service	37,178	39,428	39,423	39,452	40,375	47,323	49,589	51,225	52,360	51,732	51,056	52,822
Total cumulative number of customers, net	174,367	192,624	207,849	224,958	246,587	279,359	309,289	348,572	386,243	419,244	438,515	403,734

Services per customer							7.3	7.4	7.3	7.3	7.3	7.7
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Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Number of customers deployed during the period												
Total weighted average number of systems	168,191	183,705	199,949	217,172	236,732	261,682	293,453	328,096	368,542	405,287	433,841	425,086
Lease	3,151	4,899	3,979	4,981	5,001	6,359	5,450	6,646	9,360	11,031	7,024	11,940
PPA	3,238	3,147	3,028	2,711	2,862	3,432	3,383	4,635	6,689	7,048	5,669	5,093
Solar loan	5,059	6,969	7,352	7,325	7,808	9,506	7,383	7,338	5,218	4,308	2,953	2,476
Cash sales	802	944	770	872	1,325	1,778	1,179	1,199	1,690	1,768	1,850	1,631
Non-solar loan (no solar system)	51	70	144	1,319	3,814	4,898	10,420	18,041	13,852	9,797	6,914	1,031
Service	1,850	2,250	11	94	951	6,948	2,304	1,907	2,142	814	2,619	4,341
Number of customers deployed during the period, gross	14,151	18,279	15,284	17,302	21,761	32,921	30,119	39,766	38,951	34,766	27,029	26,512
Non-core accessory loan sales	-	-	-	-	-	-	-	-	-	-	-	(58,437)
Terminations and pay-offs (excluding service)	(30)	(22)	(43)	(128)	(104)	(149)	(151)	(212)	(273)	(323)	(4,463)	(281)
Service terminations and expirations	-	-	(16)	(65)	(28)	-	(38)	(271)	(1,007)	(1,442)	(3,295)	(2,575)
Total number of customers deployed during the period, net	14,121	18,257	15,225	17,109	21,629	32,772	29,930	39,283	37,671	33,001	19,271	(34,781)


KEY PERFORMANCE METRICS, NON-GAAP RECONCILIATIONS AND OTHER METRICS (continued)
Number of customers deployed during the period, net

CA	6,385	7,305	5,132	4,775	6,145	6,914	5,512	6,402	7,305	6,105	3,769	(2,725)
NJ	922	972	1,449	1,251	1,357	1,781	1,501	1,836	1,832	1,811	1,485	1,617
CT	875	910	985	739	832	1,312	1,387	1,995	1,248	1,460	1,223	656
MA	692	816	888	949	1,046	1,305	1,245	1,769	1,773	1,470	930	764
MD	207	208	189	236	299	291	373	550	528	584	509	(67)
NY	465	474	398	587	666	705	650	912	968	709	563	(291)
PA	443	467	503	661	805	1,584	1,505	1,727	1,772	1,951	1,432	1,102
PR	1,842	4,491	3,147	4,526	4,543	5,928	5,006	4,944	6,734	6,274	2,097	(8,558)
TX	532	637	507	987	2,947	3,848	3,077	2,397	1,334	1,028	681	1,200
CO	361	299	405	369	325	486	466	929	449	542	(28)	361
NV	254	290	258	194	342	290	294	545	712	647	950	1,036
FL	487	759	777	851	906	1,456	3,829	2,331	3,064	3,735	3,452	(2,684)
AZ	335	282	136	177	145	304	986	983	1,243	1,605	1,439	(1,409)
MI	-	-	-	1	71	828	468	643	675	129	(212)	(2,352)
VA	-	-	-	1	54	709	437	298	584	86	(221)	(1,399)
IL	1	5	11	14	32	501	315	1,626	1,563	1,369	237	(3,628)
All others	320	342	440	791	1,114	4,530	2,879	9,396	5,887	3,496	965	(18,404)
Total number of customers deployed during the period, net	14,121	18,257	15,225	17,109	21,629	32,772	29,930	39,283	37,671	33,001	19,271	(34,781)

As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Cumulative MW deployed												
Lease	292.3	318.3	338.6	364.3	390.4	424.6	455.2	493.9	555.1	636.4	700.4	784.9
PPA	477.8	500.8	523.7	545.7	568.7	597.2	626.2	667.6	727.4	790.4	841.7	888.6
Loan	243.8	302.4	366.2	428.6	496.6	581.1	650.2	721.7	773.3	815.3	843.3	865.2
Other	3.7	6.9	9.7	12.8	17.8	24.5	32.2	36.7	43.5	50.5	58.1	65.8
Total cumulative MW deployed	1,017.6	1,128.4	1,238.2	1,351.4	1,473.5	1,627.4	1,763.8	1,919.9	2,099.3	2,292.6	2,443.5	2,604.5

Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
MW deployed during the period												
Lease	16.0	26.0	20.3	25.7	26.1	34.2	30.6	38.7	61.2	81.3	64.0	84.5
PPA	22.8	23.0	22.9	22.0	23.0	28.5	29.0	41.4	59.8	63.0	51.3	46.9
Loan	43.4	58.6	63.8	62.4	68.0	84.5	69.1	71.5	51.6	42.0	28.0	21.9
Other	2.7	3.2	2.8	3.1	5.0	6.7	7.7	4.5	6.8	7.0	7.6	7.7
Total MW deployed during period	84.9	110.8	109.8	113.2	122.1	153.9	136.4	156.1	179.4	193.3	150.9	161.0

<i>Average kw deployed per customer</i>	6.9	7.0	7.3	7.2	7.2	7.3	7.9	7.9	7.8	8.0	8.6	7.6
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Key Performance Indicators & Other Metrics and Calculations
(dollars in millions; customer and per customer values in units)
OTHER METRICS AND CALCULATIONS

As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Estimated gross contracted customer value - 6% discount rate	\$ 3,345	\$ 3,853	\$ 4,236	\$ 4,697	\$ 5,163	\$ 5,875	\$ 6,751	\$ 7,330	\$ 8,244	\$ 9,097	\$ 9,490	\$ 9,579
<i>Estimated gross contracted customer value rate per customer</i>	\$ 19,184	\$ 20,003	\$ 20,380	\$ 20,879	\$ 20,938	\$ 21,030	\$ 21,827	\$ 21,029	\$ 21,344	\$ 21,699	\$ 21,641	\$ 23,726
Estimated gross total customer value - 6% discount rate	\$ 3,777	\$ 4,351	\$ 4,759	\$ 5,251	\$ 5,752	\$ 6,491	\$ 7,464	\$ 8,287	\$ 9,108	\$ 10,042	\$ 10,462	\$ 10,618
<i>Estimated gross total customer value per customer</i>	\$ 21,661	\$ 22,588	\$ 22,896	\$ 23,342	\$ 23,326	\$ 23,235	\$ 24,133	\$ 23,774	\$ 23,581	\$ 23,953	\$ 23,858	\$ 26,299
Estimated gross contracted customer value	\$ 3,345	\$ 3,853	\$ 4,236	\$ 4,697	\$ 5,163	\$ 5,875	\$ 6,751	\$ 7,330	\$ 8,244	\$ 9,097	\$ 9,490	\$ 9,579
(+) Estimated gross renewal customer value	432	498	523	554	589	616	713	957	864	945	972	1,039
Estimated gross customer value	3,777	4,351	4,759	5,251	5,752	6,491	7,464	8,287	9,108	10,042	10,462	10,618
(-) Project debt, net	(2,104)	(2,309)	(2,556)	(3,079)	(3,251)	(3,681)	(4,090)	(4,616)	(5,083)	(5,464)	(5,761)	(5,994)
Estimated net earning assets	1,673	2,042	2,203	2,172	2,501	2,810	3,374	3,671	4,025	4,578	4,701	4,624
(-) Corporate debt, net (including equity component)	(947)	(948)	(949)	(951)	(1,537)	(1,539)	(1,541)	(1,548)	(1,933)	(1,933)	(1,933)	(1,943)
(+) Cash and restricted cash	520	392	325	364	540	546	421	406	725	494	488	630
(+) Construction in process	385	427	458	592	748	713	694	776	809	689	588	536
(+) Inventory, prepaid inventory and inventory receivable	169	206	227	280	356	386	387	301	232	211	146	146
Estimated net customer value	1,800	2,119	2,264	2,457	2,608	2,916	3,335	3,606	3,858	4,039	3,990	3,993
(-) Estimated gross renewal customer value	(432)	(498)	(523)	(554)	(589)	(616)	(713)	(957)	(864)	(945)	(972)	(1,039)
<i>Estimated net contracted customer value - 6% discount rate</i>	\$ 1,368	\$ 1,621	\$ 1,741	\$ 1,903	\$ 2,019	\$ 2,300	\$ 2,622	\$ 2,649	\$ 2,994	\$ 3,094	\$ 3,018	\$ 2,954
Cumulative capital deployed in solar energy systems	\$ 2,752	\$ 2,918	\$ 3,088	\$ 3,273	\$ 3,442	\$ 3,720	\$ 3,973	\$ 4,295	\$ 4,826	\$ 5,444	\$ 5,954	\$ 6,439
Cumulative capital deployed in customer notes receivable	779	961	1,153	1,379	1,646	1,961	2,267	2,552	2,775	2,922	3,036	3,006
Exclusivity and other bonus arrangements with dealers, net	80	82	93	106	106	121	145	174	171	166	175	210
<i>Cumulative capital deployed</i>	\$ 3,611	\$ 3,961	\$ 4,334	\$ 4,758	\$ 5,194	\$ 5,802	\$ 6,385	\$ 7,021	\$ 7,772	\$ 8,532	\$ 9,165	\$ 9,655
Average cumulative capital deployed, trailing twelve months	\$ 3,081	\$ 3,373	\$ 3,680	\$ 4,038	\$ 4,403	\$ 4,882	\$ 5,360	\$ 5,890	\$ 6,483	\$ 7,167	\$ 7,775	\$ 8,338
Customer contract sensitivities												
Estimated gross total customer value - 4% discount rate	\$ 4,491	\$ 5,144	\$ 5,581	\$ 6,109	\$ 6,655	\$ 7,439	\$ 8,581	\$ 9,233	\$ 10,480	\$ 11,560	\$ 12,081	\$ 12,347
Estimated gross total customer value - 6% discount rate	\$ 3,777	\$ 4,351	\$ 4,759	\$ 5,251	\$ 5,752	\$ 6,491	\$ 7,464	\$ 8,287	\$ 9,108	\$ 10,042	\$ 10,462	\$ 10,618
Estimated gross total customer value - 8% discount rate	\$ 3,275	\$ 3,792	\$ 4,182	\$ 4,647	\$ 5,117	\$ 5,821	\$ 6,678	\$ 7,253	\$ 8,143	\$ 8,975	\$ 9,327	\$ 9,409
Estimated gross contracted customer value - 4% discount rate	\$ 3,785	\$ 4,337	\$ 4,735	\$ 5,215	\$ 5,706	\$ 6,451	\$ 7,431	\$ 8,043	\$ 9,085	\$ 10,032	\$ 10,499	\$ 10,654
Estimated gross contracted customer value - 6% discount rate	\$ 3,345	\$ 3,853	\$ 4,236	\$ 4,697	\$ 5,163	\$ 5,875	\$ 6,751	\$ 7,330	\$ 8,244	\$ 9,097	\$ 9,490	\$ 9,579
Estimated gross contracted customer value - 8% discount rate	\$ 3,007	\$ 3,481	\$ 3,855	\$ 4,299	\$ 4,745	\$ 5,432	\$ 6,229	\$ 6,783	\$ 7,600	\$ 8,382	\$ 8,722	\$ 8,762
Estimated net contracted customer value - 4% discount rate	\$ 1,808	\$ 2,105	\$ 2,240	\$ 2,421	\$ 2,562	\$ 2,876	\$ 3,302	\$ 3,362	\$ 3,835	\$ 4,029	\$ 4,027	\$ 4,029
Estimated net contracted customer value - 6% discount rate	\$ 1,368	\$ 1,621	\$ 1,741	\$ 1,903	\$ 2,019	\$ 2,300	\$ 2,622	\$ 2,649	\$ 2,994	\$ 3,094	\$ 3,018	\$ 2,954
Estimated net contracted customer value - 8% discount rate	\$ 1,030	\$ 1,249	\$ 1,360	\$ 1,505	\$ 1,601	\$ 1,857	\$ 2,100	\$ 2,102	\$ 2,350	\$ 2,379	\$ 2,250	\$ 2,137
Period	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Fully burdened unlevered return at origination, trailing twelve months	9.0%	8.7%	8.8%	8.8%	9.0%	9.6%	10.2%	10.5%	11.1%	11.5%	11.8%	11.9%
Creation costs - total	\$ 397	\$ 349	\$ 426	\$ 521	\$ 508	\$ 623	\$ 543	\$ 585	\$ 749	\$ 824	\$ 634	\$ 584
Creation costs - leases and PPAs	\$ 149	\$ 173	\$ 180	\$ 194	\$ 178	\$ 290	\$ 268	\$ 342	\$ 549	\$ 631	\$ 519	\$ 492
As of	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Deferred revenue - loans	\$ 212,882	\$ 275,682	\$ 338,036	\$ 411,025	\$ 490,511	\$ 586,128	\$ 689,342	\$ 783,789	\$ 871,981	\$ 930,999	\$ 972,453	\$ 994,546
Remaining loan OID	21%	22%	22%	23%	23%	23%	23%	23%	24%	24%	24%	24%
Cash Asset Coverage Ratio	3.4x	4.1x	4.4x	4.8x	5.0x	5.8x	6.6x	6.6x	3.7x	3.9x	3.8x	3.7x



For more information about metrics and important notes regarding our financial statements please refer to our periodic reports filed with the SEC and our quarterly earnings presentations available on our website at investors.sunnova.com.

Adjusted EBITDA is calculated as net income (loss) excluding the impacts of interest expense, income tax (benefit) expense, depreciation and amortization expense, non-cash compensation expense, asset retirement obligation ("ARO") accretion expense, non-cash disaster losses, losses on unenforceable contracts, losses on extinguishment of long-term debt, unrealized gains and losses on fair value instruments and equity securities, amortization of payments to dealers for exclusivity and other bonus arrangements, provision for current expected credit gains and losses, non-cash inventory and other impairments and gains and losses on sales of non-core customer notes receivable and including the impacts of investment tax credit ("ITC") sales.

Interest Income; Principal Proceeds from Customer Notes Receivable, Net of Related Revenue; and Proceeds from Investments in Solar Receivables are considered key performance metrics because the customer obtains financing for the purchase of a solar energy system from us and we agree to operate and maintain the solar energy system throughout the duration of the agreement. Pursuant to the terms of the loan agreement, the customer makes scheduled principal and interest payments to us and has the option to prepay principal at any time in part or in full. Whereas we typically recognize payments from customers under our leases and PPAs as revenue, we recognize payments received from customers under our loan agreements (a) as interest income, to the extent attributable to earned interest on the contract that financed the customer's purchase of the solar energy system; (b) as a reduction of a note receivable on the balance sheet, to the extent attributable to a return of principal (whether scheduled or prepaid) on the contract that financed the customer's purchase of the solar energy system; and (c) as revenue, to the extent attributable to payments for operations and maintenance services provided by us. Interest income also includes income on short term investments with financial institutions. We also enter into leases with third-party owners of pools of solar energy systems to receive such third party's interest in those systems. In connection therewith, we assume the related customer PPA and lease obligations, entitling us to future customer cash flows as well as certain credits, rebates and incentives (including SRECs) under those agreements. We recognize payments received from such third parties as proceeds from investments in solar receivables.

Adjusted Operating Expense is calculated as total operating expense less depreciation and amortization expense, non-cash disaster losses, amortization of payments to dealers for exclusivity and other bonus arrangements, cost of revenue related to direct sales, cost of revenue related to cash sales, cost of revenue related to inventory sales, unrealized gains and losses on fair value instruments, gains and losses on held-for-sale loans, gains and losses on sales of customer notes receivable and excluding the effect of certain non-recurring items we do not consider to be indicative of our ongoing operating performance such as, but not limited to, losses on unenforceable contracts and other non-cash items such as non-cash compensation expense, ARO accretion expense, provision for current expected credit gains and losses and non-cash inventory and other impairments.

Cumulative Number of Customers includes every unique premises on which a Sunnova product is installed or on which Sunnova is obligated to perform services for a counterparty. We track the total number of customers as an indicator of our historical growth and our rate of growth from period to period.

Service represents a transaction that Sunnova, or Sunnova's designee, performs in exchange for a fee from the customer and is counted for the duration of the customer relationship so long as that service is still in effect. A customer relationship is defined by the presence of at least one active agreement such as a service plan or similar offering.

Weighted Average Number of Systems is calculated based on the number of months a customer and any additional service obligation related to a solar energy system is in-service during a given measurement period. The weighted average number of systems reflects the number of systems at the beginning of a period, plus the total number of new systems added in the period adjusted by a factor that accounts for the partial period nature of those new systems. For purposes of this calculation, we assume all new systems added during a month were added in the middle of that month. The number of systems for any end of period will exceed the number of customers, as defined above, for that same end of period as we are also including any additional services and/or contracts a customer or third party executed for the additional work for the same residence or business. We track the weighted average system count in order to accurately reflect the contribution of the appropriate number of systems to key financial metrics over the measurement period.

Number of Customers Deployed includes the change in the cumulative number of customers during a given measurement period.

Cash Asset Coverage Ratio is the ratio of (a) estimated net contracted customer value at a 6% discount rate to (b) the aggregate principal amount of the 5.875% senior notes due 2026 and 11.75% senior notes due 2028, as outstanding at each quarter end. This ratio must be greater than 2.0 to 1.0 as of the last day of each fiscal quarter beginning with the third quarter of 2021.

Estimated Gross Contracted Customer Value represents the sum of the present value of the remaining estimated future net cash flows we expect to receive from existing customers during the initial contract term of our customer agreements, which are typically 25 years in length, plus the present value of future net cash flows we expect to receive from the sale of related solar renewable energy certificates ("SREC"), either under existing contracts or in future sales, plus the cash flows we expect to receive from energy services programs such as grid services, plus the carrying value of outstanding customer loans on our balance sheet. From these aggregate estimated initial cash flows, we subtract the present value of estimated net cash distributions to redeemable noncontrolling interests and noncontrolling interests and estimated operating, maintenance and administrative expenses associated with the solar service agreements. These estimated future cash flows reflect the projected monthly customer payments over the life of our solar service agreements and depend on various factors including but not limited to solar service agreement type, contracted rates, expected sun hours and the projected production capacity of the solar equipment installed. For the purpose of calculating this metric, we discount all future cash flows at 6% "unless otherwise specified". The anticipated operating, maintenance and administrative expenses included in the calculation of estimated gross contracted customer value include, among other things, expenses related to accounting, reporting, audit, insurance, maintenance and repairs. In the aggregate, we estimate these expenses are \$20 per kilowatt per year initially, with 2% annual increases for inflation, and an additional \$81 per year non-escalating expense included for energy storage systems. We do not include maintenance and repair costs for inverters and similar equipment as those are largely covered by the applicable product and dealer warranties for the life of the product, but we do include additional cost for energy storage systems, which are only covered by a 10-year warranty.

Estimated Gross Renewal Customer Value represents the sum of the present value of future net cash flows we would receive from customers during two five-year renewal terms of our leases and PPAs, plus the present value of future net cash flows we expect to receive from the sale of related SRECs, either under existing contracts or in future sales. From these aggregate estimated renewal cash flows we subtract the present value of estimated net cash distributions to redeemable noncontrolling interests and noncontrolling interests and the estimated operating, maintenance and administrative expenses associated with the solar service agreements. For the purpose of calculating this metric, we discount all future cash flows at 6% "unless otherwise specified". To calculate estimated renewal gross customer value, we use the established industry convention, which assumes 100% of solar leases and PPAs are renewed, due to the expected useful life of the system and costs to the customer associated with an election to purchase or remove the equipment. We further assume that these contracts are renewed at 90% of the contractual price in effect at expiration of the term of the solar service agreement. Because the customer has two renewal options of five years each, for the second renewal period we assume a contractual price of 90% of the price in the first renewal period. Our loan agreements do not contain a renewal feature, and therefore are not included in estimated renewal gross customer value.

Estimated Net Contracted Customer Value represents estimated gross contracted customer value, less debt, plus cash and restricted cash, construction in progress, inventory, prepaid inventory and inventory receivable.



Definitions

Cumulative Capital Deployed represents the property and equipment attributable to solar energy systems plus net customer notes receivable, less deferred revenue in other current liabilities and other long-term liabilities, plus payments to dealers for exclusivity and other bonus arrangements.

Creation Costs represents the property and equipment attributable to solar energy systems over the period plus all cash paid for customer notes receivable during the period plus the average amount recognized in each quarter for the trailing twelve months of payments to dealers for exclusivity and other bonus arrangements.

Creation Costs, Leases and PPAs represents Creation Costs attributable to our lease and PPA contracts and excludes amounts attributable to our loan contracts.



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