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Sunnova Energy Corporation  
20 Greenway Plaza, Suite 540  
Houston, TX 77046  
sunnova.com

**MEMO**

Date: March 19, 2025

To: Pennsylvania Public Utility Commission

RCVD PUC SEC BUR  
APR 16 2025 AM 8:10

From: Yolanda Rodriguez, Paralegal

RE: **Sunnova Energy Corporation – Commonwealth of Pennsylvania Electrical Broker License**

Enclosed please find the following documents:

- Application – Pennsylvania Public Utility Commission  
Response to questions: 7, 8, 8D  
Business Plans for Operations within the Commonwealth
- Application Fee: Cashier's Check in the amount of \$350.00
- \$10,000 Original Surety Bond
- Resumes for: Paul Mathews, David Searle and Eric Williams
- Corporate Documents Registration
- Application Affidavit
- Operation Affidavit
- Sunnova's 10K Sunnova is public company NOVA.
- Marketing Materials
- Sunnova's Organizational Chart
- Standard Form Market Participant Agreement
- Public Utility Commission of Texas Broker Report

Please feel free to call me if you have any questions at 786-417-6301 or [legal@sunnova.com](mailto:legal@sunnova.com)

Thank you,

*Yolanda Rodriguez*

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Sunnova Energy Corporation, d/b/a Sunnova Energy Corporation, for approval to offer, render, furnish, or supply electricity or electric generation services as a(n) [as specified in item #4b below] to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

### 1. IDENTIFICATION AND CONTACT INFORMATION

- a. **IDENTITY OF THE APPLICANT:** Provide name (including any fictitious name or d/b/a), primary address, web address, and telephone number of Applicant:

Sunnova Energy Corporation 20  
Greenway Plaza, Suite 540 Houston,  
TX 77046  
Phone: (281) 985-9900  
www.sunnova.com

- b. **PENNSYLVANIA ADDRESS / REGISTERED AGENT:** If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

Corporation Service Company  
2595 Interstate Drive, Ste. 103  
Harrisburg, PA 17110  
Phone: (717) 526-4330

- c. **REGULATORY CONTACT:** Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application and future inquiries should be addressed.

**NOTE:** To ensure timely receipt of regulatory information, a contact employed directly by the Applicant, and not a consultant, is preferred.

Yolanda Rodriguez, Paralegal 20  
Greenway Plaza, Suite 540  
Houston, TX 77046  
Phone: 713-997-2943  
E-mail: legal@sunnova.com

- d. **ATTORNEY:** Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

The applicant Sunnova Energy Corporation is not using an attorney for this registration.

- e. **CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS: (Required of ALL Applicants)** Provide the name, title, address, telephone number, FAX number, and e-mail **OF THE PERSON AND AN ALTERNATE PERSON (2 REQUIRED)** responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

Suzanne Patrick, VP, Litigation, Associate,  
General Counsel  
Email: Suzanne.Patrick@sunnova.com  
Phone: 713-653-3592  
Address: 20 Greenway Plaza, Suite 540  
Houston, TX 77046

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SECRETARY'S BUREAU

## 2. BUSINESS ENTITY FILINGS AND REGISTRATION

a. **FICTITIOUS NAME:** *(Select appropriate statement and provide supporting documentation as listed.)*

The Applicant will be using a fictitious name or doing business as ("d/b/a")

Provide a copy of the Applicant's filing with Pennsylvania's Department of State pursuant to 54 Pa.C.S. § 311, Form DSCB: 54-311.

**OR**

The Applicant will not be using a fictitious name.

b. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

*(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)*

The Applicant is a sole proprietor.

- If the Applicant is located outside the Commonwealth, provide proof of compliance with 15 Pa.C.S. § 412 relating to Department of State filing requirements.

**OR**

The Applicant is a:

- domestic general partnership (\*)
- domestic limited partnership (15 Pa.C.S. § 8621)
- foreign general or limited partnership (15 Pa.C.S. §§ 411 and 412)
- domestic limited liability partnership (15 Pa.C.S. §§ 8201 and 8221)
- foreign limited liability general partnership (15 Pa.C.S. §§ 411 and 412)
- foreign limited liability limited partnership (15 Pa.C.S. §§ 411 and 412)

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.
- Give name, d/b/a, and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.
- Provide the state in which the business is organized/formed and provide a copy of the Applicant's charter documentation.
- \* If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa.C.S. §§ 411 and 412.

**OR**

The Applicant is a:

- domestic corporation (15 Pa.C.S. § 1308)
- foreign corporation (15 Pa.C.S. §§ 411 and 412)
- domestic limited liability company (15 Pa.C.S. § 8821)
- foreign limited liability company (15 Pa.C.S. §§ 411 and 412)
- Other (Describe):

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.
- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation.
- Give name and address of officers.

**Paul Mathews, President and Chief Executive Officers Email:**  
legal@sunnova.com  
Phone: 281-985-9900

**Eric Williams, Executive Vice President, General Counsel and Chief Compliance Officer**  
Email: legal@sunnova.com  
Phone: 281-985-9900

**David Searle, Executive Vice President & Chief Financial Officer Email:** legal@sunnova.com  
Phone: 281-985-9900

### 3. AFFILIATES AND PREDECESSORS

*(both in state and out of state)*

- a. **AFFILIATES:** Give name and address of any affiliates currently doing business and state whether the affiliates are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.

Sunnova Energy Corporation does not have any affiliates currently doing business in PA.

- b. **PREDECESSORS:** Identify any predecessors of the Applicant and provide the names under which the Applicant has operated, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

Sunnova Energy Corporation does not have any predecessors that have done business in PA.

- c. **RELATED DOCKET NUMBERS:** Provide the Docket Numbers for any previous Pennsylvania PUC licenses for the Applicant, all affiliates, and any predecessors. If the Applicant does not have any related Docket Numbers, explicitly state so.

Sunnova Energy Corporation does not have any related Docket Numbers.

## 4. OPERATIONS

a. **APPLICANT'S PRESENT OPERATIONS:** *(select and complete the appropriate statement)*

Definitions

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

- The Applicant is presently doing business in Pennsylvania as a
- municipal electric corporation
  - electric cooperative
  - local gas distribution company
  - provider of electric generation, transmission or distribution services
  - broker/marketer engaged in the business of supplying electricity services
  - Other; Identify the nature of service being rendered.

**OR**

- The Applicant is not presently doing business in Pennsylvania.

b. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a *(may check multiple)*:

- Supplier of electricity
- Aggregator engaged in the business of supplying electricity
- Broker/Marketer engaged in the business of supplying electricity services
  - Check here to verify that your organization will not be taking title to the electricity nor will you be making payments for customers.
- Electric Cooperative and supplier of electric power
- Other (Describe):

c. **PROPOSED SERVICES:** Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

Please see attached.

d. **PROPOSED SERVICE AREA:** Check the box of each Electric Distribution Company for which the Applicant proposes to provide service.

- Citizens' Electric
- Duquesne Light
- Met-Ed
- PECO
- Penelec
- Penn Power

- Pike
- PPL
- UGI Utilities
- Wellsboro
- West Penn

Entire Commonwealth of PA

e. **CUSTOMERS:** Applicant proposes to provide services to:

- Residential Customers
- Small Commercial Customers - (25 kW and Under)
- Large Commercial Customers - (Over 25 kW)
- Industrial Customers
- Governmental Customers
- All of above
- Other (Describe):
- Residential and Small Commercial Customers in a Mixed Meter Capacity -

This customer class reflects situations in which a large commercial, industrial, and/or governmental customer account also contains features of residential and/or small commercial customers. In this instance, the residential and/or small commercial portion must be an incidental portion of the larger account. **This customer class alone does not allow marketing targeted directly to residential and/or small commercial customers.** Further information may be found in the Requirements Applicable to Mixed Meter Scenarios Secretarial Letter served March 25, 2011, at Docket No. M-2009-2082042.

f. **START DATE:** Provide the approximate date the Applicant proposes to actively market within the Commonwealth.

Sunnova would actively market upon approval of the registration.

## 5. COMPLIANCE

- a. **CRIMINAL/CIVIL PROCEEDINGS:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.  
Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such. **SEC IS A PUBLIC CORPORATION WITH OVER 2k EMPLOYEES AND AS SUCH IS SUBJECT OF LITIGATION. HOWEVER NONE OF THE LITIGATION IS MATERIAL.**

- b. **CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:** Identify all formal or escalated actions or complaints, in the Commonwealth of Pennsylvania or any state, filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers, Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. **Applicant should also include if it had a Pennsylvania PUC EGS or NGS license previously cancelled by the Commission.** If the Applicant has no actions or complaints to list, explicitly state such.

**Sunnova is in 50 states and 5 territories and customers routinely make complaints which are dealt with pursuant to our Complaint Management Policy. However, as of the date of this application, no formal action has been taken against Sunnova (or its subsidiaries) by a regulatory body.**

- c. **SUMMARY:** Provide a statement as to the resolution or present status of any proceedings or actions listed above. Additionally, provide details of any actions the applicant has undertaken that will prevent the items listed above from occurring if licensed in Pennsylvania.

Not applicable.

## 6. PROOF OF SERVICE

**Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.**  
*(Example Certificate of Service is attached at Appendix C)*

- a. **STATUTORY AGENCIES:** Pursuant to Sections 1.57, 1.58, and 54.32(d) of the Commission's Regulations, 52 Pa. Code §§ 1.57, 1.58, and 54.32(d), provide proof of service of a signed and verified Application with attachments on the following:

Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2 West  
Harrisburg, PA 17120

Office of the Attorney General  
Bureau of Consumer Protection  
Strawberry Square, 14th Floor  
Harrisburg, PA 17120

Office of Consumer Advocate  
5th Floor, Forum Place  
555 Walnut Street  
Harrisburg, PA 17120

Department of Revenue  
Bureau of Compliance  
PO Box 281230  
Harrisburg, PA 17128-1230

Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1st Floor  
Harrisburg, PA 17101

- b. **EDCs:** Pursuant to Sections 1.57, 1.58, and 54.32(d) of the Commission's Regulations, 52 Pa. Code §§ 1.57, 1.58, and 54.32(d), provide Proof of Service of the Application and attachments upon each Electric Distribution Company the Applicant proposes to provide service in. Upon review of the Application, further notice may be required pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code § 5.14. Contact information for each EDC is as follows.

<p><b>Citizens' Electric Company:</b>  Citizens' Electric Company  Attn: EGS Coordination  1775 Industrial Boulevard  Lewisburg, PA 17837</p>	<p><b>Duquesne Light Company:</b>  Regulatory Affairs  Duquesne Light Company  411 Seventh Street, MD 16-4  Pittsburgh, PA 15219</p>
<p><b>Met-Ed, Penelec, and Penn Power:</b>  Legal Department  First Energy  2800 Pottsville Pike  Reading PA, 19612</p>	<p><b>PECO:</b>  Manager Energy Acquisition  PECO Energy Company  2301 Market Street  Philadelphia, PA 19101-8699</p>
<p><b>Pike County Light &amp; Power Company:</b>  Vice President – Energy Supply  Corning Natural Gas Holding Corporation  330 West William Street  Corning, NY 14830</p>	<p><b>PPL:</b>  Office of General Counsel  Attn: Kimberly A. Klock  PPL  Two North Ninth Street (GENTW3)  Allentown, PA 18101-1179</p>
<p><b>UGI:</b>  UGI Utilities, Inc.  Attn: Rates Dept. – Choice Coordinator  1 UGI Drive  Denver, PA 17517</p>	<p><b>Wellsboro Electric Company:</b>  Wellsboro Electric Company  Attn: EGS Coordination  33 Austin Street  P. O. Box 138  Wellsboro, PA 16901</p>
<p><b>West Penn Power:</b>  Legal Department  West Penn Power d/b/a Allegheny Power  800 Cabin Hill Drive  Greensburg, PA 15601-1689</p>	

## 7. FINANCIAL FITNESS

- a. **FINANCIAL SECURITY:** In accordance with 66 Pa.C.S. § 2809(c)(1)(i) and 52 Pa. Code § 54.40(a), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant is...
- Furnishing the **ORIGINAL** of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$250,000.
  - Furnishing the **ORIGINAL** of another initial security for Commission approval, to ensure financial responsibility, such as a parental guarantee, in the amount of \$250,000.
  - For Marketers and Brokers** - Filing for a modification to the \$250,000 requirement and furnishing the **ORIGINAL** of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$10,000. Applicant is required to provide information supporting an amount less than \$250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.

### CRITICAL BONDING NOTES:

Applicant is required to maintain a bond or other financial instrument the entire time it maintains an EGS license with the Commonwealth of Pennsylvania. If Applicant's security instrument is not continuous, Applicant **MUST** submit a Rider, Amendment, or Continuation Certificate annually based on the expiration date of its security instrument.

At least sixty days (60) prior to the security instrument's expiration date, EGS suppliers should email [pc-puc-tus-energy@pa.gov.onmicrosoft.com](mailto:pc-puc-tus-energy@pa.gov.onmicrosoft.com) or call (717)783-5242 to determine the appropriate bonding amount based on a percentage of suppliers gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. Once the amount has been determined, suppliers should overnight the updated security instrument(s) at least thirty (30) days prior to the expiration date to ensure adequate time for staff review and approval of the security instrument(s).

Template versions of a continuous bond (preferred), fixed-term bond, continuous letter of credit, and parental guarantee are attached at Appendix E, F, G, & H, respectively. Applicant's security must follow language from these examples, and must include the unmodified language outlined in Appendix D. Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.

**b. FINANCIAL RECORDS, STATEMENTS, AND RATINGS:** Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.
- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K) (SEC/EDGAR web addresses are sufficient)
- Applicant's accounting statements, including balance sheet and income statements for the past two years.
- Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.
- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.
- Audited financial statements exhibiting accounts over a minimum two-year period.
- Bank account statements (3-12 recent consecutive months), tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

**c. SUPPLIER FUNDING METHOD:** If Applicant is operating as anything other than **Broker/Marketer only**, explain how Applicant will fund its operations. Provide all credit agreements, lines of credit, etc., and elaborate on how much is available on each item. N/A

**d. BROKER PAYMENT STRUCTURE:** If applicant is a broker/marketer, explain how your organization will be collecting your fees.

**e. ACCOUNTING RECORDS CUSTODIAN:** Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.

Sunnova Energy Corporation c/o Kirk Crow, 20 Greenway Plaza, Suite 540, Houston, TX 77046 Email: kirk.crow@sunnova.com

**f. TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix I to this application.

*All sections of the Tax Certification Statement must be completed. Submitting N/A on either the Sales Tax License Number or the Employer ID Number (items 7A and 7B) shall be accompanied by supporting documentation or an explanation validating the absence of such information.*

*Item 7A on the Tax Certification Statement is designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.*

## 8. TECHNICAL FITNESS:

To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided.

a. **EXPERIENCE, PLAN, STRUCTURE:** such information may include: Please see attached.

- Applicant's previous experience in the electricity industry.
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.
- Type of customers and number of customers Applicant currently serves in other jurisdictions.
- Staffing structure and numbers as well as employee training commitments.
- Business plans for operations within the Commonwealth.
- Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.
- Any other information appropriate to ensure the technical capabilities of the Applicant.

b. **PROPOSED MARKETING METHOD** (*check all that apply*)

- Internal – Applicant will use its own internal resources/employees for marketing
- External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
- Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
- External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
- Other (Describe):

c. **DOOR TO DOOR SALES:** Will the Applicant be implementing door to door sales activities?

- Yes
- No

If yes, will the Applicant be using verification procedures?

- Yes
- No

If yes, describe the Applicant's verification procedures.

d. **OVERSIGHT OF MARKETING:** Explain all methods Applicant will use to ensure all marketing is performed in an ethical manner, for both employees and subcontractors.

e. **OFFICERS:** Identify Applicant's chief officers, and include the professional resumes for any officers directly responsible for operations. All resumes should include date ranges and job descriptions containing actual work experience.

Please see attached.

f. **FERC FILING:** Applicant has:

- Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.
- Received approval from FERC to be a Power Marketer at Docket or Case Number \_\_\_\_\_.
- Not applicable

## 9. **DISCLOSURE STATEMENTS:**

**Disclosure Statements:** If proposing to serve Residential and/or Small Commercial (under 25 kW) Customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix J to this Application.

- Electricity should be priced in clearly stated terms to the extent possible. Common definitions should be used. All consumer contracts or sales agreements should be written in plain language with any exclusions, exceptions, add-ons, package offers, limited time offers or other deadlines prominently communicated. Penalties and procedures for ending contracts should be clearly communicated.

***Not applicable for an applicant applying for a license exclusively as a broker/marketer.***

## 10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS

a. **PJM LOAD SERVING ENTITY REQUIREMENT:** As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:

- proof of registration as a PJM Load Serving Entity (LSE), or
- proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application.

*(Select only one of the following)*

- AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).
- AGREED - Applicant will provide compliance with this requirement within 120 days of receiving its license
- ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. **STANDARDS OF CONDUCT AND DISCLOSURE:** As a condition of receiving a license, Applicant agrees to conform to any Uniform Standards of Conduct and Disclosure as set forth by the Commission. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43, as well as any future amendments.

AGREED

c. **REPORTING REQUIREMENTS:** Applicant agrees to provide the following information to the Commission or the Department of Revenue, as appropriate:

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.
- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.
- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.
- Net Metering Reports: Applicant shall be responsible to report any Net Metering per the Standards on [http://www.puc.pa.gov/consumer\\_info/electricity/alternative\\_energy.aspx](http://www.puc.pa.gov/consumer_info/electricity/alternative_energy.aspx). Scroll down to the Net Metering Standards Section.

- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis per 52 Pa. Code § 54.39(b)(4).
- Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 28 of the Public Utility Code, 66 Pa.C.S. Chapt. 28, pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

AGREED

- d. **TRANSFER OF LICENSE:** The Applicant understands that if it plans to transfer its license to another entity, it is required to request authority from the Commission for permission prior to transferring the license. See 66 Pa.C.S. § 2809(D) and 52 Pa. Code § 54.41(a). Transferee will be required to file the appropriate licensing application.

AGREED

- e. **ANNUAL FEES:** The Public Utility Code authorizes the PUC to collect an annual fee of \$350 from suppliers, brokers, marketers, and aggregators selling electricity in the Commonwealth of PA, and an annual supplemental fee based on annual gross intrastate revenues, applicable to suppliers only.

ACKNOWLEDGED

- f. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

AGREED

- g. **FALSIFICATION:** The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa.C.S. §§ 4902, 4903, and 4904, relating to perjury and falsification in official matters.

AGREED

- h. **NOTIFICATION OF CHANGE:** If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within thirty (30) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

AGREED

- i. **CEASING OF OPERATIONS:** Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

AGREED

- j. **Electronic Data Interchange:** The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at Appendix M.

AGREED

- k. **FILING FEE:** The Applicant has enclosed or paid the required, non-refundable filing fee by **CERTIFIED CHECK OR MONEY ORDER** in the amount of **\$350.00** payable to the Commonwealth of Pennsylvania. The Commission does not accept corporate or personal checks for filing fees.

PAYMENT ENCLOSED

## 11. AFFIDAVITS

**Must be notarized before filing.**

- a. **APPLICATION AFFIDAVIT:** Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.
- b. **OPERATIONS AFFIDAVIT:** Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.

## 12. NEWSPAPER PUBLICATIONS

**Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.**

**All Applicants MUST include a Commission issued Docket Number in their publications.** Docket Numbers are issued to new applicants when an application packet is submitted to the PUC's Secretary's Bureau. **Newspaper publications published without a Commission issued Docket No. will be rejected.** For more information, see 52 Pa. Code § 54.35.

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. The newspapers in which proof of publication are required is dependent on the service territories the applicant is proposing to serve.

The chart below dictates which newspapers are necessary for each EDC. For example, an applicant that wants to operate in Penn Power would need to run ads in both The Erie Times-News and the Pittsburgh Post-Gazette. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

The only acceptable verification of this requirement is with Notarized Proofs of Publication, which may be requested from each newspaper and **must be supplied to the Commission before the applicant is licensed.**

	Erie Times-News	Harrisburg Patriot-News	Philadelphia Daily News or Philadelphia Inquirer	Pittsburgh Post-Gazette	Scranton Times-Tribune	Williamsport Sun-Gazette	Johnstown Tribune-Democrat
Citizens' Electric						X	
Duquesne				X			
Met Ed		X	X		X		
PECO			X				
Penelec	X	X			X	X	X
Penn Power	X			X			
Pike					X		
PPL		X	X		X	X	
UGI					X		
Wellsboro						X	
West Penn		X		X		X	X
Entire Commonwealth	X	X	X	X	X	X	X

(Newspaper Publication Templates are provided at Appendices K and L)

**13. SIGNATURE**

Applicant: Sunnova Energy Corporation

By: 

Title: Assistant Secretary

**RECEIVED**

APR 16 2025

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**14. CHECKLIST**

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

**Applicant:** Sunnova Energy Corporation

	<b>Signature</b>	
	<b>Filing Fee (CERTIFIED CHECK OR MONEY ORDER ONLY)</b>	✓
	<b>Application Affidavit</b>	✓
	<b>Operations Affidavit</b>	✓
	<b>Bond, Letter of Credit, or Parental/Affiliate Guarantee</b>	✓
	<b>Tax Certification Statement</b>	✓
	<b>Commonwealth Department of State Verification</b>	✓
	<b>Certificate of Service</b>	✓

Applicant's Use

PUC Secretary's Bureau Use

Appendix A

APPLICATION AFFIDAVIT

[Commonwealth/State] of Texas

ss.

County of Harris

S. David Smith, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

[He/she is the S. David Smith (Office of Affiant) of S. David Smith (Name of Applicant);]

[That he/she is authorized to and does make this affidavit for said Applicant;]

That the Applicant herein Sunnova Energy Corporation has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa.C.S. § 2809 (b) and 52 Pa. Code § 54.37.

That the Applicant herein Sunnova Energy Corporation has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

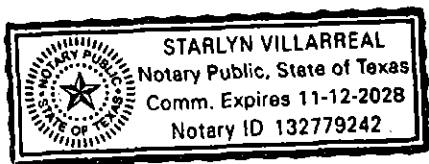
That the Applicant herein Sunnova Energy Corporation acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein Sunnova Energy Corporation acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief, and that he/she expects said Applicant to be able to prove the same at hearing.

[Signature]  
Signature of Affiant

Sworn and subscribed before me this 19<sup>th</sup> day of March, 2025.



[Signature]  
Signature of official administering oath

My commission expires 11/12/2025

RECEIVED

APR 16 2025

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RECEIVED

APR 16 2025

OPERATIONS AFFIDAVIT

[Commonwealth/State] of Texas

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

ss.

County of Harris

\_\_\_\_\_, Affiant, being duly [sworn/affirmed] according to law,  
deposes and says that:

[He/she is the \_\_\_\_\_ (Office of Affiant) of S. David Smith  
(Name of Applicant);]

[That he/she is authorized to and does make this affidavit for said Applicant;]

That S. David Smith, the Applicant herein, acknowledges that [Applicant] may have obligations pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; or with other applicable statutes or regulations including Emergency Orders which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

That S. David Smith, the Applicant herein, asserts that [he/she/it] possesses the requisite technical, managerial, and financial fitness to render electric service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That S. David Smith, the Applicant herein, certifies to the Commission that it is subject to , will pay, and in the past has paid, the full amount of taxes imposed by Articles II and XI of the Act of March 4, 1971 (P.L. 6, No. 2), known as the Tax Reform Code of 1971, 72 P.S. §§ 7101 et seq., and any tax imposed by Chapter 28 of Title 66. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of Chapter 28, shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall report to the Commission its jurisdictional Gross Receipts and power sales for ultimate consumption, for the previous year or as otherwise required by the Commission. The Applicant also acknowledges that it is subject to 66 Pa.C.S. § 506 (relating to the inspection of facilities and records).

As provided by 66 Pa.C.S. § 2810 (C)(6)(iv), Applicant, by filing of this application waives confidentiality with respect to its state tax information in the possession of the Department of Revenue, regardless of the source of the information, and shall consent to the Department of Revenue providing that information to the Pennsylvania Public Utility Commission.

**Appendix B (Continued)**

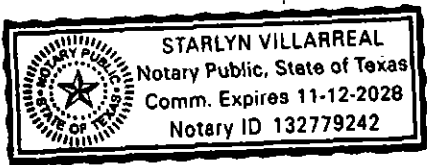
That Sunnova Energy Corporation the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa.C.S. § 506, § 2807(c), § 2807(d)(2), § 2809(b) and the standards and billing practices of 52 Pa. Code Chapter 56.

That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

S. Villarreal for Sunnova  
Signature of Affiant

Sworn and subscribed before me this 19<sup>th</sup> day of March, 2025.



S. Villarreal  
Signature of official administering oath

My commission expires 11/12/2025

## Appendix D

Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.

### Electric Generation Supplier License Financial Instruments

Bonds or other financial instruments submitted in order to satisfy the licensing process must comply with the following:

The financial instrument, in the amount of \$250,000 for suppliers/aggregators or \$10,000 for brokers/marketers, should name the Pennsylvania Public Utility Commission as the obligee or beneficiary, and should contain the following unmodified language:

...“ in accordance with Section 2809(c)(1)(i) of the Public Utility Code, 66 Pa. C.S. 2809(c)(1)(i), to assure compliance with applicable provisions of the Public Utility Code, 66 Pa. C.S. 101, et seq. and the rules and regulation of the Pennsylvania Public Utility Commission by the Principal as a licensed electric generation supplier; to ensure the payment of Gross Receipts Tax as required by Section 2810 of the Public Utility Code, 66 Pa. C.S. 2810; to ensure the payment of annual fees as authorized by Act 155 of 2014; to adhere to the requirements of the Alternative Energy Portfolio Standards Act, 73 P.S. § 1648.1 et seq. and 52 Pa.Code 75.1 et seq.; and to ensure the supply of electricity at retail in accordance with contracts, agreements or arrangement. Payment of claims shall have the following priority: (I) The Commonwealth of Pennsylvania; (II) Electric Distribution Companies for the reimbursement of Gross Receipts Tax; and (III) Private Individuals. Proceeds of the bond may not be used to pay any penalties or fines levied against the Principal for violations of the law, or for the payment of any other tax obligations owed to the Commonwealth of Pennsylvania.”

The **ORIGINAL** financial instrument must be submitted, preferably by overnight delivery, to the Secretary of the Pennsylvania Public Utility Commission, 400 North Street, Keystone Building, Harrisburg, PA 17120. If the application is approved, the entry date of the Commission's Order will be the effective date of the license.

**Applicants should CHOOSE ONE financial instrument template from Appendices E through H.**

## PA Broker License Application – Question 7: Broker Payment Structure

**If applicant is a broker/marketer, explain how your organization will be collecting your fees.**

Sunnova will earn a commission for each referred customer. The commission structure will vary depending on the EGS. Currently, there are 3 models: upfront, residual, and hybrid.

## PA Broker License Application – Question 8: Technical Fitness

### **8A. Experience, plan, structure**

- **Applicant's previous experience in the electricity industry.**

Please see attached.

Attachments: COMPANY OVERVIEW DECK, BUSINESS SUMMARY/PLAN, OFFICER RESUMES

- **Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.**

Sunnova is licensed to provide electricity broker services in Texas (BR200240). Please see attached for proof of broker registration in Texas. Sunnova is concurrently applying for energy broker licenses in Massachusetts and New Jersey.

Please see attached Texas Broker License:

[https://www.puc.texas.gov/industry/electric/directories/brk/report\\_brk.aspx?ID=BRSQLO1DB1245918300001](https://www.puc.texas.gov/industry/electric/directories/brk/report_brk.aspx?ID=BRSQLO1DB1245918300001)

- **Type of customers and number of customers Applicant currently serves in other jurisdictions.**

Sunnova currently markets energy broker services to residential customers in Texas.

- **Staffing structure and numbers as well as employee training commitments.**

ADD STAFFING STRUCTURE/NUMBERS/ ORG CHART

- **Business plans for operations within the Commonwealth.**

Sunnova will offer a service to broker affordable retail energy plans for Sunnova customers and prospects in Pennsylvania through a white-label brokerage platform.

Sunnova will curate market offers on the platform and communicate pricing to customers and prospects via digital marketing campaigns. Initial products offerings considered are fixed structures with configurable plan features such as term, customer incentives, price, early termination fee, early termination fee coverage, renewable content, etc. Offer recommendations will be grounded in a comparative analysis of multiple factors including current customer rates (for existing Sunnova customers), competitive supply rates, and Standard Offer Service (SOS)/Price to Compare (PTC) rates. These will be monitored and reevaluated on an ongoing basis to ensure any claims of providing lower rates remain accurate throughout the campaign. Evaluation criteria will also take into consideration factors such as net metering, to prevent unwanted consequences and losing value to the customer.

If the customer is interested, they can click through to the broker platform, where the pricing and plan structure(s) will be detailed along with the terms and conditions received from the REP offering the plan. If the customer decides to enroll, they will enter their utility account information and confirm that they have read and agreed to the terms and conditions prior to the execution of the contract.

The proposed broker service will be marketed through digital campaigns. Customers can choose to enroll with a third-party EGS through the brokerage platform. Sunnova's Customer Care team will continue to be a consistent and dependable contact for them. Bilingual agents (English and Spanish) are available 7 days a week, spanning up to 17 hours per day. For inquiries and complaints around an EGS's service, Sunnova agents will connect customers with the appropriate customer service contacts at the EGS in question. This approach helps to build trust and ensure that customer needs are fully addressed and resolved to the customer's satisfaction.

Sunnova plans to initially launch the proposed service in PPL, Met-Ed, Duquesne, and PECO territories, with the intention of expanding throughout the Commonwealth.

- **Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.**

Please see attached for proof of membership in PJM and ERCOT.

**8D. OVERSIGHT OF MARKETING: Explain all methods Applicant will use to ensure all marketing is performed in an ethical manner, for both employees and subcontractors.**

Sunnova strives to ensure the highest possible quality of marketing and other outward-facing materials. It is essential that all representations in marketing and training materials are factually accurate and comply with Sunnova standards and policies, as well as the FTC Green Guides, the SEIA Business code, and applicable laws. Adherence to these standards is essential to providing the best possible service to our customers.

The tone of marketing materials for this service will be friendly and informative, reflecting our brand values of transparency and customer empowerment. The messaging will educate consumers on the advantages of shopping for energy supply options in deregulated markets, highlighting competitive pricing, ease of use, and environmental impact. All such materials undergo an extensive review and approval process to ensure that all information is factual and in compliance with applicable regulations. The Associate General Counsel, Consumer and Regulatory Compliance reviews and releases the official approval of all marketing materials.

Sunnova has a dedicated Training & Knowledge team responsible for developing customer care communications, training material, and facilitated classroom instruction. Employees are trained in program specifics in advance of any marketing activity to customers.

**Application for Associate Membership  
Between  
PJM Interconnection, L.L.C.  
And  
Sunnova Energy Corporation**

This Application for Associate Membership is entered into between PJM Interconnection, L.L.C. ("PJM") and Sunnova Energy Corporation ("Applicant"). The purpose of this Application for Associate Membership is for the Applicant to apply to become an Associate Member of PJM as set forth in the PJM Operating Agreement ("OA") in Section 11.7 entitled "Associate Membership Requirements." The Applicant agrees to the accept rights and obligations as set forth in the above-referenced section.

The Applicant states it may qualify as an Associate Member as it meets the following conditions: (1) the Applicant is not a member of the End-User Customer sector and has not been a Market Participant over the past six months, and has no verifiable plans to become a Market Participant over the next six months; and (2) the Applicant does not meet the requirements of Section 11.6 of the OA.

The Applicant recognized that it shall become an Associate Member of the PJM Agreement effective as of the date that PJM notifies the Applicant of its approval.

The Associate Membership will remain in effect until notice of termination is given in writing by the authorized representative of the Applicant. An Associate Member may become a Member of PJM if the Applicant meets the requirements of Section 1.24 of the OA.

Applicant for Associate Membership:

Signed by: Michael Grasso  
Signature: \_\_\_\_\_  
9F900AB27FCF4B8

Printed Name: Michael Grasso Company Name: Sunnova Energy Corporation

Title: EVP, Chief Revenue Officer Date: 12/18/2024

PJM Interconnection:

Signature: Monica Burkett

Printed Name: Monica Burkett

Title: Manager, Membership Process & Services Date: January 13, 2025

BUREAU OF CORPORATION TAXES  
 PO BOX 280705  
 HARRISBURG PA 17128-0705
**NOTICE OF CORPORATE REGISTRATION**
**SUNNOVA ENERGY CORPORATION**  
**PO BOX 56229**  
**HOUSTON TX 77256**

 REVENUE ID:.....1000710541  
 FEIN:.....Not Available  
 NOTICE NUMBER:.....BU1000268111  
 MAIL DATE:.....06/26/2013  
 FISCAL YR END:.....12/31  
 CERT OF AUTHORITY DATE:.....06/10/2013
**TAXES SUBJECT:**
 Corporate Net Income  
 Loans  
 Foreign Franchise

Welcome to Pennsylvania's business community. The Department of Revenue has been advised that you are authorized to conduct business in Pennsylvania. The above Revenue ID number has been assigned to your business for tax reporting purposes. Please reference this number on all correspondence with the department.

Carefully review your name, address and tax information above for accuracy. If no federal employer identification number (FEIN) is indicated, please provide this number to the department as soon as it is available from the federal government. Write the FEIN and other changes or additions in the top, right-hand corner above and return this letter to the PA DEPARTMENT OF REVENUE, PO BOX 280705, HARRISBURG PA 17128-0705.

**FILING REQUIREMENTS**

The taxes you are required to report annually are identified above. Tax reports must be filed timely, even if there is no business activity or if the first year in business is less than 12 months. You are obligated to pay timely and file tax returns until you formally dissolve your corporate charter, file an out of existence affidavit or cancel a license or authorization. Failure to file and pay timely may result in penalties and liens. For information on tax due dates, visit the department's website at [www.revenue.state.pa.us](http://www.revenue.state.pa.us).

Pay particular attention to the month your fiscal year ends, identified above, for the following reasons:

- For capital stock/foreign franchise, corporate net income and mutual thrift taxes, the first quarterly estimated payments are due within 75 days following the incorporation/authority date.
- A federal subchapter S corporation desiring not to be taxed as a PA S corporation is required to file Form REV-976 on or before the due date or extended due date of the first tax period for which it is to be in effect. REV-976 is available at [www.revenue.state.pa.us](http://www.revenue.state.pa.us).

**SUBJECTIVITY TO CORPORATE TAXES FOR LIMITED LIABILITY COMPANIES AND BUSINESS TRUSTS**

- According to Section 601 of the Tax Reform Code, limited liability companies and business trusts are considered corporations for purposes of capital stock/foreign franchise tax, regardless of how they file with the Internal Revenue Service (IRS).
- Under Section 401, any entity that files as a corporation with the IRS is subject to PA corporate net income tax. A limited liability company or business trust that does not file as a corporation with the IRS is not subject to the PA corporate net income tax.

**ELECTRONIC FILING**

Payments of \$10,000 or more must be remitted electronically. Register online through the department's e-Services Center at [www.revenue.state.pa.us](http://www.revenue.state.pa.us) to send tax payments to the department online using e-TIDES.

The Department of Revenue appreciates your cooperation and wishes your business success in Pennsylvania. If you have any questions, visit the Online Customer Service Center at [www.revenue.state.pa.us](http://www.revenue.state.pa.us) or call the Taxpayer Service & Information Center at 717-787-1064.





**pennsylvania**  
DEPARTMENT OF REVENUE

BUREAU OF CORPORATION TAXES  
PO BOX 280705  
HARRISBURG PA 17128-0705

SUNNOVA ENERGY CORPORATION  
PO BOX 56229  
HOUSTON TX 77256



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS  
401 NORTH STREET, ROOM 206  
P.O. BOX 8722  
HARRISBURG, PA 17105-8722  
WWW.CORPORATIONS.STATE.PA.US/CORP

Sunnova Energy Corporation

THE BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS IS HAPPY TO SEND YOU YOUR FILED DOCUMENT. THE BUREAU IS HERE TO SERVE YOU AND WANTS TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA.

IF YOU HAVE ANY QUESTIONS PERTAINING TO THE BUREAU, PLEASE VISIT OUR WEB SITE LOCATED AT WWW.CORPORATIONS.STATE.PA.US/CORP OR PLEASE CALL OUR MAIN INFORMATION TELEPHONE NUMBER (717)787-1057. FOR ADDITIONAL INFORMATION REGARDING BUSINESS AND / OR UCC FILINGS, PLEASE VISIT OUR ONLINE "SEARCHABLE DATABASE" LOCATED ON OUR WEB SITE.

ENTITY NUMBER: 4193466

RECEIVED

APR 16 2025

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Moeller, Debra  
PO Box 56229  
Houston, TX 77256



7 Check one of the following:

**Business Corporation:** The corporation is a corporation incorporated for a purpose or purposes involving pecuniary profit, incidental or otherwise.

**Nonprofit Corporation:** The corporation is a corporation incorporated for a purpose or purposes not involving pecuniary profit, incidental or otherwise.

8 Business corporations only. Check any applicable statements:

- This corporation is organized on a nonstock basis.
- This corporation is a statutory close corporation.
- This corporation is a management corporation.
- This corporation is a professional corporation.
- This corporation is an insurance corporation.
- This corporation is a benefit corporation.

IN TESTIMONY WHEREOF, the undersigned corporation has caused this Application for Certificate of Authority to be signed by a duly authorized officer thereof this 29th day of May, 2013.

Sunnova Energy Corporation

\_\_\_\_\_  
Name of Corporation

John S. Miller  
Signature

Vice President

\_\_\_\_\_  
Title

Standard Form Market Participant Agreement  
Between  
Sunnova Energy Corporation  
and  
Electric Reliability Council of Texas, Inc.

This Market Participant Agreement ("Agreement"), effective as of the 14th day of November, 2024 ("Effective Date"), is entered into by and between Sunnova Energy Corporation, a Delaware Corporation ("Participant") and Electric Reliability Council of Texas, Inc., a Texas non-profit corporation ("ERCOT").

**Recitals**

WHEREAS:

- A. As defined in the ERCOT Protocols, Participant is a (check all that apply):
- Load Serving Entity (LSE)
  - Qualified Scheduling Entity (QSE)
  - Transmission Service Provider (TSP)
  - Distribution Service Provider (DSP)
  - Congestion Revenue Right (CRR) Account Holder
  - Resource Entity
  - Renewable Energy Credit (REC) Account Holder
  - Independent Market Information System Registered Entity (IMRE)
- B. ERCOT is the Independent Organization certified under PURA §39.151 for the ERCOT Region; and
- C. The Parties enter into this Agreement in order to establish the terms and conditions by which ERCOT and Participant will discharge their respective duties and responsibilities under the ERCOT Protocols.

**Agreements**

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, ERCOT and Participant (the "Parties") hereby agree as follows:

Section 1. Notice.

All notices required to be given under this Agreement shall be in writing, and shall be deemed delivered three (3) days after being deposited in the U.S. mail, first class postage prepaid, registered (or certified) mail, return receipt requested, addressed to the other Party at the address specified in this Agreement or shall be deemed delivered on the day of receipt if sent in another manner requiring a signed receipt, such as courier delivery or overnight delivery service. Either Party may change its address for such notices by delivering to the other Party a written notice referring specifically to this Agreement. Notices required under the ERCOT Protocols shall be in accordance with the applicable Section of the ERCOT Protocols.

If to ERCOT:

Electric Reliability Council of Texas, Inc.  
Attn: Legal Department  
8000 Metropolis Drive (Building E), Suite 100  
Austin, Texas 78744  
Telephone: (512) 225-7000  
Facsimile: (512) 225-7079

If to Participant:

Sunnova Energy Corporation  
Legal Department  
20 Greenway Plaza, Suite 540  
Houston, TX 77046  
Email: Legal@Sunnova.com; EnergyServicesManagement@Sunnova.com

Section 2. Definitions.

- A. Unless herein defined, all definitions and acronyms found in the ERCOT Protocols shall be incorporated by reference into this Agreement.
- B. "ERCOT Protocols" shall mean the document adopted by ERCOT, including any attachments or exhibits referenced in that document, as amended from time to time, that contains the scheduling, operating, planning, reliability, and Settlement (including Customer registration) policies, rules, guidelines, procedures, standards, and criteria of ERCOT. For the purposes of determining responsibilities and rights at a given time, the ERCOT Protocols, as amended in accordance with the change procedure(s) described in the ERCOT Protocols, in effect at the time of the performance or non-performance of an action, shall govern with respect to that action.

Section 3. Term and Termination.

- A. Term. The initial term ("Initial Term") of this Agreement shall commence on the Effective Date and continue until the last day of the month which is twelve (12) months from the Effective Date. After the Initial Term, this Agreement shall automatically renew for one-

year terms (a "Renewal Term") unless the standard form of this Agreement contained in the ERCOT Protocols has been modified by a change to the ERCOT Protocols. If the standard form of this Agreement has been so modified, then this Agreement will terminate upon the effective date of the replacement agreement. This Agreement may also be terminated during the Initial Term or the then-current Renewal Term in accordance with this Agreement.

- B. Termination by Participant. Participant may, at its option, terminate this Agreement:
- (1) Immediately upon the failure of ERCOT to continue to be certified by the PUCT as the Independent Organization under PURA §39.151 without the immediate certification of another Independent Organization under PURA §39.151;
  - (2) If the "REC Account Holder" box is checked in Section A. of the *Recitals* section of this Agreement, Participant may, at its option, terminate this Agreement immediately if the PUCT ceases to certify ERCOT as the Entity approved by the PUCT ("Program Administrator") for carrying out the administrative responsibilities related to the Renewable Energy Credit Program as set forth in PUC Substantive Rule 25.173(g) without the immediate certification of another Program Administrator under PURA §39.151; or
  - (3) For any other reason at any time upon thirty days written notice to ERCOT.
- C. Effect of Termination and Survival of Terms. If this Agreement is terminated by a Party pursuant to the terms hereof, the rights and obligations of the Parties hereunder shall terminate, except that the rights and obligations of the Parties that have accrued under this Agreement prior to the date of termination shall survive.

#### Section 4. Representations, Warranties, and Covenants.

- A. Participant represents, warrants, and covenants that:
- (1) Participant is duly organized, validly existing and in good standing under the laws of the jurisdiction under which it is organized and is authorized to do business in Texas;
  - (2) Participant has full power and authority to enter into this Agreement and perform all obligations, representations, warranties and covenants under this Agreement;
  - (3) Participant's past, present and future agreements or Participant's organizational charter or bylaws, if any, or any provision of any indenture, mortgage, lien, lease, agreement, order, judgment, or decree to which Participant is a party or by which its assets or properties are bound do not materially affect performance of Participant's obligations under this Agreement;
  - (4) Market Participant's execution, delivery and performance of this Agreement by Participant have been duly authorized by all requisite action of its governing body;

- (5) Except as set out in an exhibit (if any) to this Agreement, ERCOT has not, within the twenty-four (24) months preceding the Effective Date, terminated for Default any Prior Agreement with Participant, any company of which Participant is a successor in interest, or any Affiliate of Participant;
- (6) If any Defaults are disclosed on any such exhibit mentioned in subsection 4(A)(5), either (a) ERCOT has been paid, before execution of this Agreement, all sums due to it in relation to such Prior Agreement, or (b) ERCOT, in its reasonable judgment, has determined that this Agreement is necessary for system reliability and Participant has made alternate arrangements satisfactory to ERCOT for the resolution of the Default under the Prior Agreement;
- (7) Participant has obtained, or will obtain prior to beginning performance under this Agreement, all licenses, registrations, certifications, permits and other authorizations and has taken, or will take prior to beginning performance under this Agreement, all actions required by applicable laws or governmental regulations except licenses, registrations, certifications, permits or other authorizations that do not materially affect performance under this Agreement;
- (8) Participant is not in violation of any laws, ordinances, or governmental rules, regulations or order of any Governmental Authority or arbitration board materially affecting performance of this Agreement and to which it is subject;
- (9) Participant is not Bankrupt, does not contemplate becoming Bankrupt nor, to its knowledge, will become Bankrupt;
- (10) Participant acknowledges that it has received and is familiar with the ERCOT Protocols; and
- (11) Participant acknowledges and affirms that the foregoing representations, warranties and covenants are continuing in nature throughout the term of this Agreement. For purposes of this Section, "materially affecting performance" means resulting in a materially adverse effect on Participant's performance of its obligations under this Agreement.

B. ERCOT represents, warrants and covenants that:

- (1) ERCOT is the Independent Organization certified under PURA §39.151 for the ERCOT Region;
- (2) ERCOT is duly organized, validly existing and in good standing under the laws of Texas, and is authorized to do business in Texas;
- (3) ERCOT has full power and authority to enter into this Agreement and perform all of ERCOT's obligations, representations, warranties and covenants under this Agreement;

- (4) ERCOT's past, present and future agreements or ERCOT's organizational charter or bylaws, if any, or any provision of any indenture, mortgage, lien, lease, agreement, order, judgment, or decree to which ERCOT is a party or by which its assets or properties are bound do not materially affect performance of ERCOT's obligations under this Agreement;
- (5) The execution, delivery and performance of this Agreement by ERCOT have been duly authorized by all requisite action of its governing body;
- (6) ERCOT has obtained, or will obtain prior to beginning performance under this Agreement, all licenses, registrations, certifications, permits and other authorizations and has taken, or will take prior to beginning performance under this Agreement, all actions required by applicable laws or governmental regulations except licenses, registrations, certifications, permits or other authorizations that do not materially affect performance under this Agreement;
- (7) ERCOT is not in violation of any laws, ordinances, or governmental rules, regulations or order of any Governmental Authority or arbitration board materially affecting performance of this Agreement and to which it is subject;
- (8) ERCOT is not Bankrupt, does not contemplate becoming Bankrupt nor, to its knowledge, will become Bankrupt; and
- (9) ERCOT acknowledges and affirms that the foregoing representations, warranties, and covenants are continuing in nature throughout the term of this Agreement. For purposes of this Section, "materially affecting performance" means resulting in a materially adverse effect on ERCOT's performance of its obligations under this Agreement.

#### Section 5. Participant Obligations.

- A. Participant shall comply with, and be bound by, all ERCOT Protocols.
- B. Participant shall not take any action, without first providing written notice to ERCOT and reasonable time for ERCOT and Market Participants to respond, that would cause a Market Participant within the ERCOT Region that is not a "public utility" under the Federal Power Act or ERCOT itself to become a "public utility" under the Federal Power Act or become subject to the plenary jurisdiction of the Federal Energy Regulatory Commission.

#### Section 6. ERCOT Obligations.

- A. ERCOT shall comply with, and be bound by, all ERCOT Protocols.
- B. ERCOT shall not take any action, without first providing written notice to Participant and reasonable time for Participant and other Market Participants to respond, that would cause Participant, if Participant is not a "public utility" under the Federal Power Act, or ERCOT itself to become a "public utility" under the Federal Power Act or become

subject to the plenary jurisdiction of the Federal Energy Regulatory Commission. If ERCOT receives any notice similar to that described in Section 5(B) from any Market Participant, ERCOT shall provide notice of same to Participant.

Section 7. [RESERVED]

Section 8. Default.

A. Event of Default.

- (1) Failure by Participant to (i) pay when due, any payment or Financial Security obligation owed to ERCOT or its designee, if applicable, under any agreement with ERCOT ("Payment Breach"), or (ii) designate/maintain an association with a QSE (if required by the ERCOT Protocols) ("QSE Affiliation Breach"), shall constitute a material breach and event of default ("Default") unless cured within one (1) Bank Business Day after ERCOT delivers written notice of the breach to Participant. Provided further that if such a material breach, regardless of whether the breaching Party cures the breach within the allotted time after notice of the material breach, occurs more than three (3) times in a 12-month period, the fourth such breach shall constitute a Default.
- (2) A material breach other than a Payment Breach or a QSE Affiliation Breach includes any material failure by Participant to comply with the ERCOT Protocols. A material breach under this subsection shall constitute an event of Default by Participant unless cured within fourteen (14) Business Days after delivery by ERCOT of written notice of the material breach to Participant. Participant must begin work or other efforts within three (3) Business Days to cure such material breach after delivery of the breach notice by ERCOT, and must prosecute such work or other efforts with reasonable diligence until the breach is cured. Provided further that if a material breach, regardless of whether such breach is cured within the allotted time after notice of the material breach, occurs more than three (3) times in a 12-month period, the fourth such breach shall constitute a Default.

A material breach under this subsection shall not result in a Default if the breach cannot reasonably be cured within fourteen (14) Business Days, and Participant:

- (a) Promptly provides ERCOT with written notice of the reasons why the breach cannot reasonably be cured within fourteen (14) Business Days;
- (b) Begins to work or other efforts to cure the breach within three (3) Business Days after ERCOT's delivery of the notice to Participant; and
- (c) Prosecutes the curative work or efforts with reasonable diligence until the curative work or efforts are completed.

- (3) Bankruptcy by Participant, except for the filing of a petition in involuntary bankruptcy or similar involuntary proceedings, that is dismissed within 90 days thereafter, shall constitute an event of Default.
- (4) Except as otherwise excused herein, a material breach of this Agreement by ERCOT, including any material failure by ERCOT to comply with the ERCOT Protocols, other than a Payment Breach, shall constitute a Default by ERCOT unless cured within fourteen (14) Business Days after delivery by Participant of written notice of the material breach to ERCOT. ERCOT must begin work or other efforts within three (3) Business Days to cure such material breach after delivery by Participant of written notice of such material breach by ERCOT and must prosecute such work or other efforts with reasonable diligence until the breach is cured. Provided further that if a material breach, regardless of whether such breach is cured within the allotted time after notice of the material breach, occurs more than three (3) times within a 12-month period, the fourth such breach shall constitute a Default.
- (5) If, due to a Force Majeure Event, a Party is in breach with respect to any obligation hereunder, such breach shall not result in a Default by that Party.

**B. Remedies for Default.**

- (1) ERCOT's Remedies for Default. In the event of a Default by Participant, ERCOT may pursue any remedies ERCOT has under this Agreement, at law, or in equity, subject to the provisions of Section 10: Dispute Resolution of this Agreement. In the event of a Default by Participant, if the ERCOT Protocols do not specify a remedy for a particular Default, ERCOT may, at its option, upon written notice to Participant, immediately terminate this Agreement, with termination to be effective upon the date of delivery of notice. In the event of Participant's bankruptcy, Participant waives any right to challenge ERCOT's right to set off amounts ERCOT owes to Participant by the amount of any sums owed by Participant to ERCOT, including any amounts owed pursuant to the operation of the Protocols.
- (2) Participant's Remedies for Default.
  - (a) Unless otherwise specified in this Agreement or in the ERCOT Protocols, and subject to the provisions of Section 10: Dispute Resolution of this Agreement in the event of a Default by ERCOT, Participant's remedies shall be limited to:
    - (i) Immediate termination of this Agreement upon written notice to ERCOT;
    - (ii) Monetary recovery in accordance with the Settlement procedures set forth in the ERCOT Protocols; and

(iii) Specific performance.

- (b) However, in the event of a material breach by ERCOT of any of its representations, warranties or covenants, Participant's sole remedy shall be immediate termination of this Agreement upon written notice to ERCOT.
- (3) A Default or breach of this Agreement by a Party shall not relieve either Party of the obligation to comply with the ERCOT Protocols.

C. Force Majeure.

- (1) If, due to a Force Majeure Event, either Party is in breach of this Agreement with respect to any obligation hereunder, such Party shall take reasonable steps, consistent with Good Utility Practice, to remedy such breach. If either Party is unable to fulfill any obligation by reason of a Force Majeure Event, it shall give notice and the full particulars of the obligations affected by such Force Majeure Event to the other Party in writing or by telephone (if followed by written notice) as soon as reasonably practicable, but not later than fourteen (14) calendar days, after such Party becomes aware of the event. A failure to give timely notice of the Force Majeure event shall constitute a waiver of the claim of Force Majeure Event. The Party experiencing the Force Majeure Event shall also provide notice, as soon as reasonably practicable, when the Force Majeure Event ends.
- (2) Notwithstanding the foregoing, a Force Majeure Event does not relieve a Party affected by a Force Majeure Event of its obligation to make payments or of any consequences of non-performance pursuant to the ERCOT Protocols or under this Agreement, except that the excuse from Default provided by subsection 8(A)(5) above is still effective.
- D. Duty to Mitigate. Except as expressly provided otherwise herein, each Party shall use commercially reasonable efforts to mitigate any damages it may incur as a result of the other Party's performance or non-performance of this Agreement.

Section 9. Limitation of Damages and Liability and Indemnification.

- A. EXCEPT AS EXPRESSLY LIMITED IN THIS AGREEMENT OR THE ERCOT PROTOCOLS, ERCOT OR PARTICIPANT MAY SEEK FROM THE OTHER, THROUGH APPLICABLE DISPUTE RESOLUTION PROCEDURES SET FORTH IN THE ERCOT PROTOCOLS, ANY MONETARY DAMAGES OR OTHER REMEDY OTHERWISE ALLOWABLE UNDER TEXAS LAW, AS DAMAGES FOR DEFAULT OR BREACH OF THE OBLIGATIONS UNDER THIS AGREEMENT; PROVIDED, HOWEVER, THAT NEITHER PARTY IS LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OR INJURY THAT MAY OCCUR, IN WHOLE OR IN PART, AS A RESULT OF A DEFAULT UNDER THIS AGREEMENT, A TORT, OR ANY OTHER CAUSE, WHETHER OR

NOT A PARTY HAD KNOWLEDGE OF THE CIRCUMSTANCES THAT RESULTED IN THE SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OR INJURY, OR COULD HAVE FORESEEN THAT SUCH DAMAGES OR INJURY WOULD OCCUR.

- B. With respect to any dispute regarding a Default or breach by ERCOT of its obligations under this Agreement, ERCOT expressly waives any Limitation of Liability to which it may be entitled under the Charitable Immunity and Liability Act of 1987, Tex. Civ. Prac. & Rem. Code §84.006, or successor statute.
- C. The Parties have expressly agreed that, other than subsections A and B of this Section, this Agreement shall not include any other limitations of liability or indemnification provisions, and that such issues shall be governed solely by applicable law, in a manner consistent with the Choice of Law and Venue subsection of this Agreement, regardless of any contrary provisions that may be included in or subsequently added to the ERCOT Protocols (outside of this Agreement).
- D. The Independent Market Monitor (IMM), and its directors, officers, employees, and agents, shall not be liable to any person or Entity for any act or omission, other than an act or omission constituting gross negligence or intentional misconduct, including but not limited to liability for any financial loss, loss of economic advantage, opportunity cost, or actual, direct, indirect, or consequential damages of any kind resulting from or attributable to any such act or omission of the IMM, as long as such act or omission arose from or is related to matters within the scope of the IMM's authority arising under or relating to PURA §39.1515 and PUC SUBST. R. 25.365, Independent Market Monitor.

#### Section 10. Dispute Resolution.

- A. In the event of a dispute, including a dispute regarding a Default, under this Agreement, Parties to this Agreement shall first attempt resolution of the dispute using the applicable dispute resolution procedures set forth in the ERCOT Protocols.
- B. In the event of a dispute, including a dispute regarding a Default, under this Agreement, each Party shall bear its own costs and fees, including, but not limited to attorneys' fees, court costs, and its share of any mediation or arbitration fees.

#### Section 11. Miscellaneous.

- A. Choice of Law and Venue. Notwithstanding anything to the contrary in this Agreement, this Agreement shall be deemed entered into and performable solely in Texas and, with the exception of matters governed exclusively by federal law, shall be governed by and construed and interpreted in accordance with the laws of the State of Texas that apply to contracts executed in and performed entirely within the State of Texas, without reference to any rules of conflict of laws. Neither Party waives primary jurisdiction as a defense; provided that any court suits regarding this Agreement shall be brought in a state or federal court located within Travis County, Texas, and the Parties hereby waive any defense of forum non-conveniens, except defenses under Tex. Civ. Prac. & Rem. Code §15.002(b).

**B. Assignment.**

- (1) Notwithstanding anything herein to the contrary, a Party shall not assign or otherwise transfer all or any of its rights or obligations under this Agreement without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed, except that a Party may assign or transfer its rights and obligations under this Agreement without the prior written consent of the other Party (if neither the assigning Party or the assignee is then in Default of any Agreement with ERCOT):
- (a) Where any such assignment or transfer is to an Affiliate of the Party; or
  - (b) Where any such assignment or transfer is to a successor to or transferee of the direct or indirect ownership or operation of all or part of the Party, or its facilities; or
  - (c) For collateral security purposes to aid in providing financing for itself, provided that the assigning Party will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by either Party pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). If requested by the Party making any such collateral assignment to a Financing Person, the other Party shall execute and deliver a consent to such assignment containing customary provisions, including representations as to corporate authorization, enforceability of this Agreement and absence of known Defaults, notice of material breach pursuant to Section 8(A), notice of Default, and an opportunity for the Financing Person to cure a material breach pursuant to Section 8(A) prior to it becoming a Default.
- (2) An assigning Party shall provide prompt written notice of the assignment to the other Party. Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve either Party of its obligations under this Agreement, nor shall either Party's obligations be enlarged, in whole or in part, by reason thereof.

- C. **No Third Party Beneficiary.** Except with respect to the rights of the Financing Persons in Section 11(B), (a) nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any third party, (b) no third party shall have any rights or interest, direct or indirect, in this Agreement or the services to be provided hereunder and (c) this Agreement is intended solely for the benefit of the Parties, and the Parties expressly disclaim any intent to create any rights in any third party as a third-party beneficiary to this Agreement or the services to be provided hereunder. Nothing in this Agreement shall create a contractual relationship between one

Party and the customers of the other Party, nor shall it create a duty of any kind to such customers.

- D. No Waiver. Parties shall not be required to give notice to enforce strict adherence to all provisions of this Agreement. No breach or provision of this Agreement shall be deemed waived, modified or excused by a Party unless such waiver, modification or excuse is in writing and signed by an authorized officer of such Party. The failure by or delay of either Party in enforcing or exercising any of its rights under this Agreement shall (a) not be deemed a waiver, modification or excuse of such right or of any breach of the same or different provision of this Agreement, and (b) not prevent a subsequent enforcement or exercise of such right. Each Party shall be entitled to enforce the other Party's covenants and promises contained herein, notwithstanding the existence of any claim or cause of action against the enforcing Party under this Agreement or otherwise.
- E. Headings. Titles and headings of paragraphs and sections within this Agreement are provided merely for convenience and shall not be used or relied upon in construing this Agreement or the Parties' intentions with respect thereto.
- F. Severability. In the event that any of the provisions, or portions or applications thereof, of this Agreement is finally held to be unenforceable or invalid by any court of competent jurisdiction, that determination shall not affect the enforceability or validity of the remaining portions of this Agreement, and this Agreement shall continue in full force and effect as if it had been executed without the invalid provision; provided, however, if either Party determines, in its sole discretion, that there is a material change in this Agreement by reason thereof, the Parties shall promptly enter into negotiations to replace the unenforceable or invalid provision with a valid and enforceable provision. If the Parties are not able to reach an agreement as the result of such negotiations within fourteen (14) days, either Party shall have the right to terminate this Agreement on three (3) days written notice.
- G. Entire Agreement. Any exhibits attached to this Agreement are incorporated into this Agreement by reference and made a part of this Agreement as if repeated verbatim in this Agreement. This Agreement represents the Parties' final and mutual understanding with respect to its subject matter. It replaces and supersedes any prior agreements or understandings, whether written or oral. No representations, inducements, promises, or agreements, oral or otherwise, have been relied upon or made by any Party, or anyone on behalf of a Party, that are not fully expressed in this Agreement. An agreement, statement, or promise not contained in this Agreement is not valid or binding.
- H. Amendment. The standard form of this Agreement may only be modified through the procedure for modifying ERCOT Protocols described in the ERCOT Protocols. Any changes to the terms of the standard form of this Agreement shall not take effect until a new Agreement is executed between the Parties.
- I. ERCOT's Right to Audit Participant. Participant shall keep detailed records for a period of three years of all activities under this Agreement giving rise to any information, statement, charge, payment or computation delivered to ERCOT under the ERCOT

Protocols. Such records shall be retained and shall be available for audit or examination by ERCOT as hereinafter provided. ERCOT has the right during Business Hours and upon reasonable written notice and for reasonable cause to examine the records of Participant as necessary to verify the accuracy of any such information, statement, charge, payment or computation made under this Agreement. If any such examination reveals any inaccuracy in any such information, statement, charge, payment or computation, the necessary adjustments in such information, statement, charge, payment, computation, or procedures used in supporting its ongoing accuracy will be promptly made.

- J. Participant's Right to Audit ERCOT. Participant's right to data and audit of ERCOT shall be as described in the ERCOT Protocols and shall not exceed the rights described in the ERCOT Protocols.
- K. Further Assurances. Each Party agrees that during the term of this Agreement it will take such actions, provide such documents, do such things and provide such further assurances as may reasonably be requested by the other Party to permit performance of this Agreement.
- L. Conflicts. This Agreement is subject to applicable federal, state, and local laws, ordinances, rules, regulations, orders of any Governmental Authority and tariffs. Nothing in this Agreement may be construed as a waiver of any right to question or contest any federal, state and local law, ordinance, rule, regulation, order of any Governmental Authority, or tariff. In the event of a conflict between this Agreement and an applicable federal, state, and local law, ordinance, rule, regulation, order of any Governmental Authority or tariff, the applicable federal, state, and local law, ordinance, rule, regulation, order of any Governmental Authority or tariff shall prevail, provided that Participant shall give notice to ERCOT of any such conflict affecting Participant. In the event of a conflict between the ERCOT Protocols and this Agreement, the provisions expressly set forth in this Agreement shall control.
- M. No Partnership. This Agreement may not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party has any right, power, or authority to enter any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- N. Construction. In this Agreement, the following rules of construction apply, unless expressly provided otherwise or unless the context clearly requires otherwise:
- (1) The singular includes the plural, and the plural includes the singular.
  - (2) The present tense includes the future tense, and the future tense includes the present tense.
  - (3) Words importing any gender include the other gender.
  - (4) The word "shall" denotes a duty.

- (5) The word “must” denotes a condition precedent or subsequent.
  - (6) The word “may” denotes a privilege or discretionary power.
  - (7) The phrase “may not” denotes a prohibition.
  - (8) References to statutes, tariffs, regulations or ERCOT Protocols include all provisions consolidating, amending, or replacing the statutes, tariffs, regulations or ERCOT Protocols referred to.
  - (9) References to “writing” include printing, typing, lithography, and other means of reproducing words in a tangible visible form.
  - (10) The words “including,” “includes,” and “include” are deemed to be followed by the words “without limitation.”
  - (11) Any reference to a day, week, month or year is to a calendar day, week, month or year unless otherwise indicated.
  - (12) References to articles, Sections (or subdivisions of Sections), exhibits, annexes or schedules are to this Agreement, unless expressly stated otherwise.
  - (13) Unless expressly stated otherwise, references to agreements, ERCOT Protocols and other contractual instruments include all subsequent amendments and other modifications to the instruments, but only to the extent the amendments and other modifications are not prohibited by this Agreement.
  - (14) References to persons or entities include their respective successors and permitted assigns and, for governmental entities, entities succeeding to their respective functions and capacities.
  - (15) References to time are to Central Prevailing Time.
- O. Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

SECTION 22 (A): STANDARD FORM MARKET PARTICIPANT AGREEMENT

SIGNED, ACCEPTED AND AGREED TO by each undersigned signatory who, by signature hereto, represents and warrants that he or she has full power and authority to execute this Agreement.



***Electric Reliability Council of Texas, Inc.:***

Signed by:  
By: Chad V. Seely  
00F468C41CA7478...

Name: Chad V. Seely

Title: Senior Vice President and General Counsel

Date: 11/14/2024

***Participant:***

Signed by:  
By: Michael Grasso  
9F900AB27FCF4B8...

Name: Michael Grasso

Title: Executive Vice President, Chief Revenue Officer

Date: November 1, 2024

Market Participant Name: Sunnova Energy Corporation

Market Participant DUNS: 07-861-4598



# Corporate Overview 2024

SUNNOVA

SUNNOVA



# Core Values

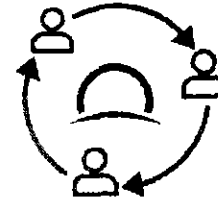
At Sunnova, our core values are at the heart of everything we do. They serve as guiding principles that every employee and business we work with are expected to live by and exemplify on a daily basis.



## Service

**We believe in providing a better energy service.**

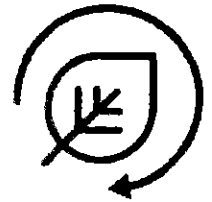
We are a technology-enabled energy services provider who delivers with quality and steadfast dedication in the communities we serve.



## Sustainability

**We believe in doing well by doing good.**

We provide the world with cleaner, renewable and more reliable energy by focusing on responsible growth, energy resiliency and innovation to create lasting value.



## Synergy

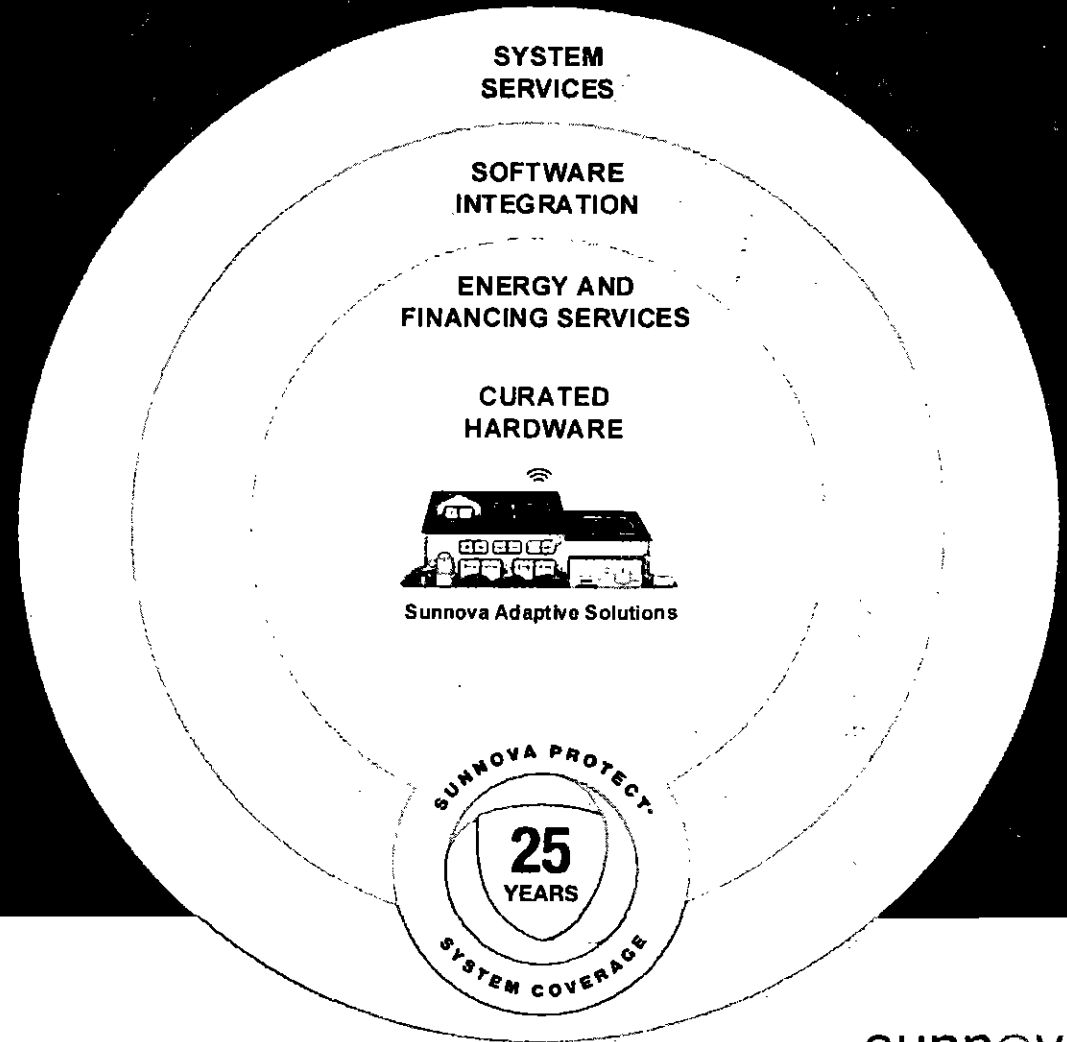
**We believe in achieving more by working together.**

We are focused on collectively advancing Sunnova and the energy industry through collaboration, integrity, respect and long-term trusted relationships.

# Sunnova Service Model

Technology Enabled. People Powered.

- Comprehensive Suite of Solutions
- Leading Technology
- Multiple Finance Options
- Sunnova Protect® Service Plans
- Superior Software Solutions
- Centralized, Holistic Customer Service Experience



A better energy service.

**sunnova**

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# Comprehensive Suite of Energy and Financing Services



## ENERGY GENERATION, STORAGE & MANAGEMENT SERVICES



Sunnova Home Solar



Sunnova SunSafe® Battery Storage



Home Standby Generators



Sunnova +SunSafe® Add-on Battery



EV Charging



Load Control

## GRID SERVICES



Sunnova DER, Demand Response, VPP Programs

## FLEXIBLE FINANCING OPTIONS

### Lease

Prepaid or fixed and balanced billing options

### Loan

Competitive APR's  
Accessory loans

### PPA\*

Prepaid or levelized billing options

### Cash

Inclusive of Sunnova Service

## ADDITIONAL SERVICES & ENHANCEMENTS



Roof Replacement



Main Electric Panel Upgrades



Water Systems



Tree Trimming



HVAC and Heat Pumps



Sunnova Protect® & Sunnova Repair™ Services

## FUTURE

Other solutions to further electrify and manage home energy needs, e.g., Retail Energy, Space Heating



Fuel Cells (coming soon!)

## OPEN PLATFORM - MANUFACTURER AGNOSTIC



Tesla

FranklinWH

Generac

Enphase

Savant

SolarEdge

ChargePoint

28 Panel/Racking OEMs

+ more!

# About Sunnova

Sunnova has the broadest market footprint of solar services providers.

Residential Markets



## By the Numbers



Founded

2012

Public on NYSE

2019

Customers\*

403.7k+

Residential EaaS Markets\*\*

55

Solar, Storage – 51

Accessory Loan – 55

Dealers, Sub-Dealers &  
New Home Builders\*

2.1k+

Employees\*\*\*

1.1k+

\* Figure as of 30/1/24

\*\* Figure as of 10/3/24

\*\*\* Figure as of 12/31/22

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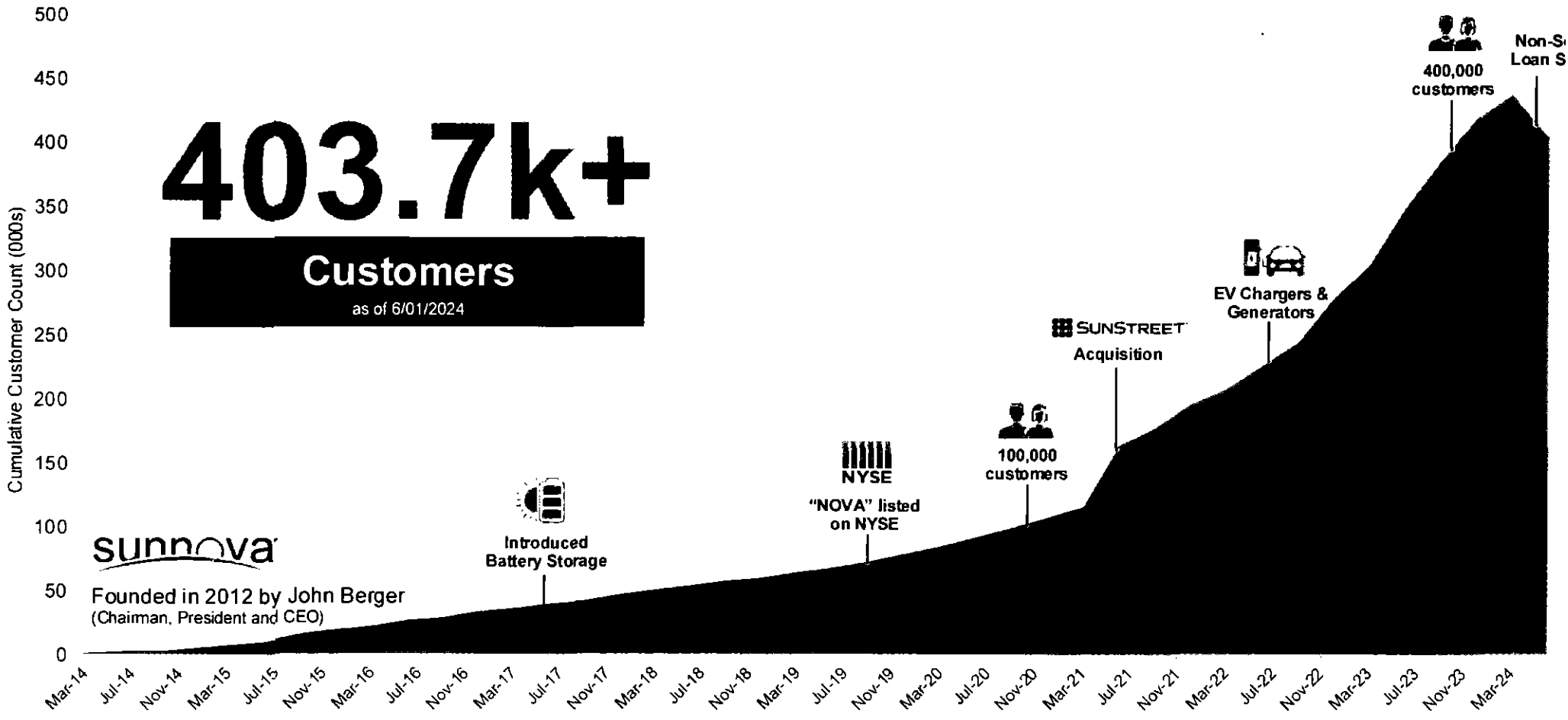
# Accelerating Customer Growth



# 403.7k+

## Customers

as of 6/01/2024



**sunnova**

Founded in 2012 by John Berger  
(Chairman, President and CEO)

Introduced  
Battery Storage

"NOVA" listed  
on NYSE

100,000  
customers

SUNSTREET  
Acquisition

EV Chargers &  
Generators

400,000  
customers

Non-S  
Loan S



# Strategic Partnerships Fueling Growth

Sunnova continues to expand marketing partnerships with top companies.

**T E S L A**  
**E N E R G Y**

*Sunnova is the largest distributor of Tesla batteries in the world.*



**GENERAC**

**LENNAR**

**ENPHASE**

**FRANKLINWH**

**-chargepoint+**

**solar**edge****

**lumin.**

**SAVANT**

**SPAN**

# Long-Term Customer Service



**From the moment a customer signs their agreement, they become part of the Sunnova community.**

Customers can count on us to keep their system functioning optimally for 25 years with support from our national network of in-house service technicians, dedicated customer care, and access to advanced online tools & app.



## System Protection

All solar system components are covered for 25 years, reducing or eliminating out-of-pocket expenses for repairs and maintenance.<sup>1</sup>



## Battery Coverage

While the manufacturer offers a 10-year warranty, we offer additional battery coverage with 15-yr and 25-yr plans.



## Bilingual Customer Care

Bilingual customer service agents able to support both our Spanish-speaking and English-speaking customers.



## Energy Guarantee

We guarantee your system will produce at least 85% of the promised amount of energy, or we will refund or credit our customers the difference.<sup>2</sup>



## System Monitoring

We track our systems' solar generation and battery storage performance. If we detect an issue, our service team will take care of it.



## Online Tools & Apps

Customers can easily access hourly production data, production estimates, FAQs, and more.

# Customer Care

- Service 7 days a week spanning up to 17 hours per day
- All voice customer care agents are bilingual (English and Spanish)
- Leading service levels three years running!
  - Customer Satisfaction Averages\* > 4.7/5.0
  - First Call Resolution averages\* > 85%
- Drive for customer self-service
  - Guided by agent feedback
  - Easy for agents = easy for customers



# Awards



Green Builder Media



TopSolarCompanies.com



Solar Builder Magazine



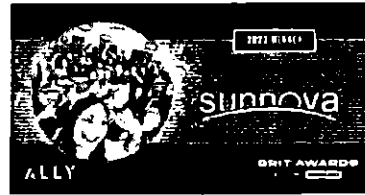
Houston Business Journal



Green Home Builder



Ally Energy GRIT Awards



Ally Energy GRIT Awards

## Comparably Best Places to Work



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# Public Utility Commission of Texas

## Broker Report

### SUNNOVA ENERGY CORPORATION

BR200240

Type: Corporation

Date Registered:

10/31/2023

DBA Names:

No DBA Records

#### Company Information

Customer Types:

Customer Details:

#### Contact Information

*Company / Physical (Mailing Address)*  
SUNNOVA ENERGY CORPORATION  
20 GREENWAY PLAZA SUITE 540  
HOUSTON, TX 77046  
**Email:** [legal@sunnova.com](mailto:legal@sunnova.com)  
**Phone:** 281-985-9900

*Authorized Rep*  
SUNNOVA ENERGY CORPORATION  
DAVID SMITH  
ASSOCIATE GENERAL COUNSEL  
20 GREENWAY PLAZA SUITE 540  
HOUSTON, TX 77046  
**Email:** [legal@sunnova.com](mailto:legal@sunnova.com)  
**Phone:** 281-957-5220

*Contact (Complaint)*  
SUNNOVA ENERGY CORPORATION  
DAVID SMITH  
ASSOCIATE GENERAL COUNSEL  
20 GREENWAY PLAZA SUITE 540  
HOUSTON, TX 77046  
**Email:** [legal@sunnova.com](mailto:legal@sunnova.com)  
**Phone:** 281-957-5220

Docket/Project/Control Numbers

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49779-1653

**Type:** PROJECT**Open Date:** 11/20/2020**Close Date:** 11/29/2020**Filings:** New**Note:** INITIAL BROKER REGISTRATION  
APPLICATION

49779-3675

**Type:** PROJECT**Open Date:** 10/31/2023**Close Date:** 10/31/2023**Filings:** Amendment**Note:** BROKER REGISTRATION  
AMENDMENT - 3YR RENEWAL

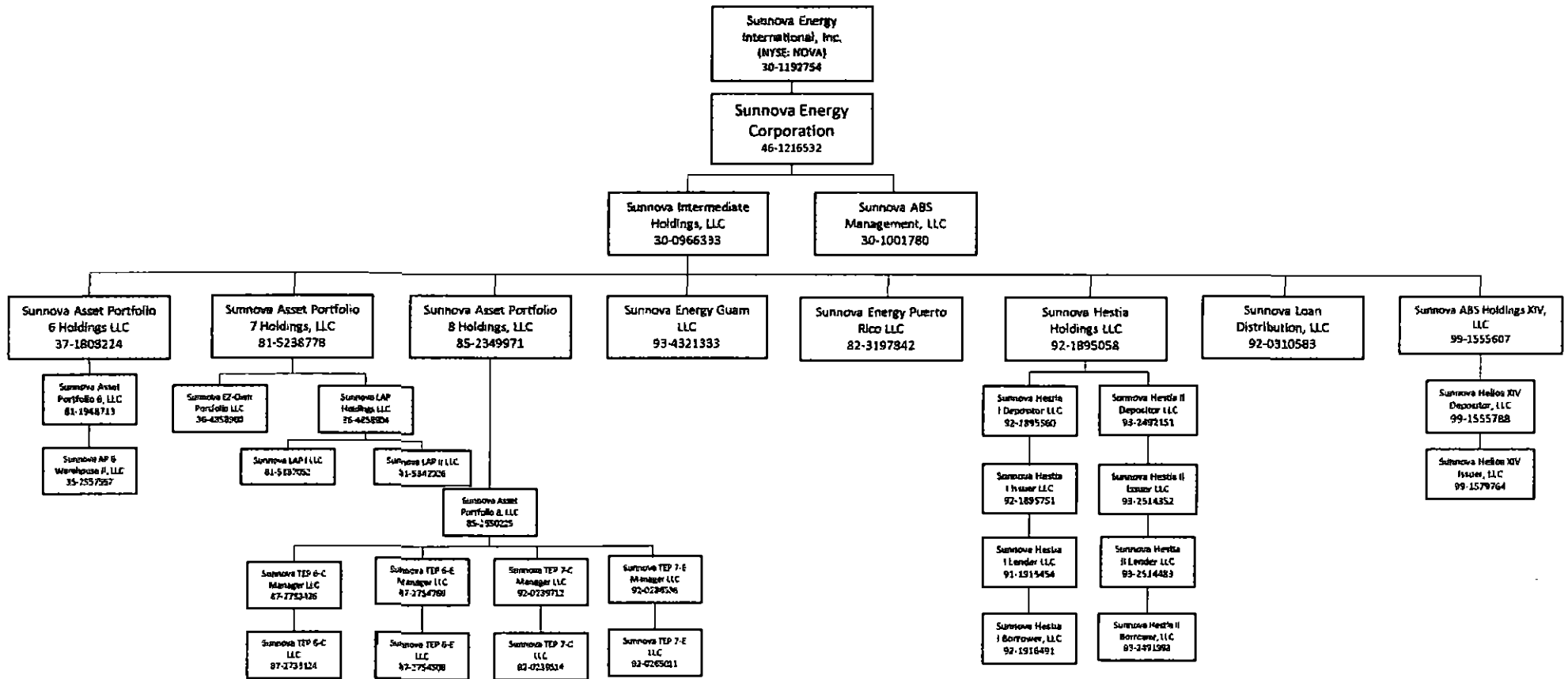
49779-3676

**Type:** PROJECT**Open Date:** 10/31/2023**Close Date:** 10/31/2023**Filings:** Amendment**Note:** ADDENDUM TO RENEWAL  
APPLICATION - COMPANY CONTACT  
INFORMATION

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*End Report*

# Sunnova Energy Corporation Organizational Chart\*



\* Each Entity is owned 100% by the entity above and, as such, no individual (natural person) owns greater than 10% of any entity.



**PROFESSIONAL CERTIFICATIONS:**

**Certified Public Accountant** (completed all four sections during first exam sitting – November 2001)

**EDUCATION:**

**Masters, Accounting** (2000–2001) - University of Alabama, Tuscaloosa, AL: GPA: 4.0, Suma Cum Laude

**Bachelors, Accounting** (1996–2000) - Samford University, Birmingham, AL: GPA: 3.95, Suma Cum Laude

**PROFESSIONAL EXPERIENCE:**

**Sunnova Energy Corporation (NYSE: NOVA) (<http://www.sunnova.com>), Houston, TX**      **June 2024 – Present**  
*Executive Vice President & Chief Financial Officer*

*Sunnova Energy Corporation, established in 2012, is a top commercial and residential solar company, offering a suite of energy services to make clean energy more accessible, reliable and affordable to consumers.*

- Lead the accounting, finance, capital markets, business development, tax, treasury and investor relations teams
- Primary public-facing officer for equity, debt investor and banking communities
- Oversee risk management and strategic planning
- Financial reporting and tax preparation for entity and all affiliates and subsidiaries
- External audit management
- Companywide financial budgeting and forecasting

**Diversified Energy (NYSE/LSE: DEC) (<http://www.div.energy>), Birmingham, AL**      **July 2017 – September 2023**  
*Chief Financial Officer & Executive Vice President*

*Diversified Energy, an independent operator of gas & oil wells within the Appalachian Basin & Central Region of the United States, was founded in 2001, listed on the AIM segment of the London Stock Exchange with a ~\$50M IPO in February 2017. Managed ~\$3.3B of acquisitions that the Company funded with mix of debt and equity capital. Since IPO, DEC has delivered ~250% TSR (total shareholder return) including equity appreciation and dividends.*

*In my ~6 years with Diversified, through more than 25 acquisitions and persistent asset optimization, we have grown the Company's enterprise value ~2,150% (~\$125MM to ~\$2.8B) and the value of our proved reserves ~2,550% (~\$260MM to ~\$6.1B). I coined the phrase "Smarter Asset Management," which stakeholders closely associate with Diversified's strategy of acquiring, optimizing, harvesting and responsibly retiring assets to deliver tangible shareholder returns through a progressive dividend and equity appreciation. While I spend a significant amount of time market-facing to raise debt and equity capital, I remain mindful of the importance of developing a finance organization that partners with Operations to deliver on the commitments we make to our Stakeholders. Accordingly, I foster a finance culture within Diversified's broader culture that focuses on respect for individual contribution and encouraging ideas that challenge the status quo that are underpinned by taking ownership of our work, completing projects on time, driving towards defined outcomes all while optimizing along the way. Finance leaders mentor our staff to collaborate with leaders across all Company disciplines to support informed decision making and continuous acquisition integration aligned with our clearly stated strategy.*

*As CFO, I oversaw:*

- *Accounting*
- *Financial Reporting including Internal and External (IFRS and US GAAP)*
- *Strategic Planning; Financial Planning, Analysis (FP&A) and Budgeting*
- *Investor and Media Relations*
- *Risk Management including Hedging and Insurance*
- *Treasury*
- *Internal Audit*
- *Tax*
- *Acquisitions*
- *Top Tier Financial Relations and Regulator Inquiries*
- *Financial growth*

**Callon Petroleum Company (<http://www.callon.com>), Houston, TX****March 2010 – July 2017**

*Callon Petroleum is an independent oil and gas producer with annual revenues, market cap and total employees approximating \$200M, \$3.5B and 120, respectively.*

*In my 7+ years with Callon, the Company grew nearly 6,250% from a Market Cap of ~\$40M to over \$3.5B, successfully transforming itself from a deep-water, non-op company to an onshore, pure-play operator. We completed four secondary offerings in 2016, increasing our shares outstanding by ~150% and increasing our market cap by 11x. I have had the opportunity to serve in various roles throughout the finance and accounting teams, providing unique professional development opportunities during Callon's rapid, highly successful corporate transformation.*

**Manager of Finance (Investor Relations & Treasury)****December 2013 – July 2017****Manager of Financial Reporting****March 2010 – December 2013****(Note: Company has no employee 'Director' titles; "Manager" immediately precedes Officer-level)**

- Leverage my financial reporting leadership to build a formal IR function during a period of significant growth (During 2016 alone - Shares outstanding up 150%; Market Capitalization up 11x)
- Given expanded responsibilities and multiple special projects evidencing my results-oriented nature
  - Manage an expanding sell-side coverage group, growing from 13 analysts to 26+ covering sell-side analysts and continuously onboarded new analysts
  - Review and reconcile analysts' financial models to guidance/other public data and coordinate Q&A to resolve discrepancies and/or outliers
  - Interact with the Company's largest shareholders to answer questions, including those related to their financial models, and ensure any needs or concerns are addressed
- Integration of multiple deadline-driven cycles inherent with Financial Reporting and Investor relations necessitates being highly organized and efficient
- Prepare monthly investor presentations and quarterly earnings presentations, ensuring compliance with Regulation Fair Disclosure ("Reg FD") and consistency with SEC filings, public information and press releases
  - Investor Relations experience significantly enhances my understanding of how analysts and investors consume corporate data driving tailored creation of financial statement and related financial information
- Prepare quarterly financial and investor relations presentations for the Board of Directors meetings
- Plan and coordinate the Company's participation at investor conferences and investor road shows / marketing
- Prepare and coordinate the issuance of all press releases including coordinating any related SEC filings (~8-Ks)
- Coordinate with Accounting on special projects (equity offerings, large debt offering, incl. first high yield, and other significant transactions incl. acquisitions and divestitures)
- Review banking agreements and assist with compliance reporting to our multi-bank lending group

## **Addendum to Resume**

### **Description of Other Employment**

As an employee of the parent corporation, Sunnova Energy International Inc., I also have a role at each of the entities below, which are wholly owned subsidiaries. The job description and title for my role at each subsidiary is the same as listed for the parent company.

### **Physical address as to all:**

20 Greenway Plaza  
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**Sunnova Loan Distribution, LLC**

# PAUL S. MATHEWS

5020 Mill Creek Avenue Alpharetta, GA 30022 | 305.336.3567 | paulsmathews@gmail.com

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## Executive Summary

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As an engineering executive, operations strategist, and transformational business leader, I bring a record of success and expertise in consistently achieving record growth for UPS around the world. I excel at driving global operational efficiencies and reducing costs, working effectively across borders and diverse cultures to solve complex problems, and delivering innovation that has helped redefine the future state of business at UPS and across the industry. Beyond expertise, I've worked my way up in a leading global organization and developed a calm approach to complex challenges—a key in my ability to inspire my teams forward, around a shared vision for change, to achieve extraordinary results.

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## Core Competencies

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Engineering Leadership	Integrated Freight & Logistics	International Operations
Strategic Planning	Package Delivery	Customer Service
Turnarounds & Transformation	Quality Assurance	Vendor/Supplier Management
Revenue & Profit Growth	Safety Initiatives	Best Practices
Operations Efficiency	Planning & Forecasting	Mentoring & Team Building
Cost Control	Work Measurement	Leadership Development
Solution Innovation	KPI Performance Management	Employee Engagement
Technology Implementation	P&L, Budget Responsibility	Diversity & Inclusion

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## Professional Experience

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### Multiple Leadership Roles | (2005 -- Present)

UPS – Atlanta, GA

The world's largest package delivery company, United Parcel Service (NYSE: UPS) provides specialized transportation solutions and logistics services across 220 countries to generate \$74.2B in annual revenue.

### President of Engineering – Strategy and Planning | Atlanta, GA (2020 – Present)

- Lead mid-term and long-term strategic planning for the UPS industrial engineering and global engineering transformation. Optimize multi-modal networks and operations supporting \$74.4B in revenue across 220 countries, 1,800 facilities, 11.5 million customers, and 5.5 billion package and document deliveries annually.
- Manage four Vice President of Engineering direct reports, 177 indirect resources, 1,674 Engineers located across the United States, and industrial engineering budget of \$200M supporting operations company-wide.
- Planned and executed global engineering and operations strategies to reduce expenses by a projection of 30%, rationalized products and the network to improve total shareholder return, enabled double-digit margins by 2021 and a doubling of the market cap by 2024, and achieved record-breaking profits during peak season 2020.

### Americas Region Vice President of Engineering | Atlanta, GA (2019 – 2020)

- Led small package, transportation, freight forwarding, contract logistics engineering, and operations across the Americas. Established engineering best practices utilized by 235 engineers working in 21 countries in the Americas region. Managed 3 direct reports, a team of 130 Engineers, and an annual P&L responsibility of \$3.5B.
- Developed operating plans for Canada and Latin America to manage unprecedented peak volumes from the COVID-19 pandemic. Led the operating team in Canada to the most profitable peak season in the history of the organization and achieved a double-digit margin improvement.

### **Asia Pacific Director of Engineering | Singapore (2015 – 2019)**

- Developed, coordinated, and executed core engineering strategies across 13 UPS operating countries and 29 agent countries in the APAC region. Served as the regional owner for the Customer Experience Committee, managed 6 direct reports, a team of 13 indirect resources, and an annual operating budget of \$15.2M.
- Created the engineering mission and framework in Southeast Asia, achieved 12 consecutive quarters of profit growth with double-digit margins, delivered record customer service improvements (107% - 213%) for two consecutive years, and received recognition as the #1 Engineering Department in the World in Q4 of 2018.
- Co-developed and tested the groundbreaking Last Mile Delivery model in Singapore. Today, this innovation in final mile logistics optimization is a key strategy in meeting the margin and customer service challenges of E-commerce. The program has been rolled out by UPS worldwide and is now a key priority for competing carriers.

### **West PA Package Division Manager | Pittsburgh, PA (2015)**

- Led package delivery and pickup operations across Western Pennsylvania with full responsibility for safety, service, labor management, and efficiency optimization. Managed 8 direct reports and a budget of \$90M.
- Consistently surpassed performance objectives in role, delivered record YoY improvements in safety, 100% of plan for service, exceed performance goals by +9%, and achieved the #1 operating division ranking in the US.
- Implemented the UPS developed On-Road Integrated Optimization and Navigation (ORION) technology to reduce miles, fuel expenses, and idle time, improve sustainability, and realize a cost savings of \$350M across the US.

### **Operations Business Manager | Zelienople, PA (2013 – 2015)**

- Maintained full responsibility for two delivery and pickup depots in Pennsylvania. Implemented comprehensive safety processes and procedures, drove efficiencies to reduce costs, and implemented ground-breaking technologies to accelerate productivity. Managed 8 direct reports and an annual operations budget of \$18M.
- Achieved all KPIs for safety, service, and performance to earn a #1 position on the corporate balanced scorecard. Achieved record-breaking results for service and delivered a 5.97% YoY increase in productivity.

### **Industrial Engineering and Operations Excellence Manager | Pittsburgh, PA (2011 – 2013)**

### **Industrial Engineering and Operations Excellence Supervisor | Pittsburgh, PA (2009 – 2011)**

### **On Road Supervisor | Pittsburgh, PA (2008 – 2009)**

### **Industrial Engineering Supervisor | New Stanton, PA (2005 – 2008)**

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## **Education**

### **Master of Business Administration (MBA)**

UNC Kenan-Flagler Business School – Chapel Hill, NC

### **Bachelor of Arts, Social Sciences**

University of Pittsburgh – Pittsburgh, PA

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## **Training & Professional Development**

**Senior Leadership Development Program | University of Navarra, IESE Graduate Business School (2020)**

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## **Awards & Professional Recognition**

**Horizon Award | UPS (2020)**

**#1 Engineering Department in the World | UPS (2018)**

**#1 Operating Division in the United States | UPS (2015)**

**Customer Service Award of the Year | UPS (2013)**

**Best Non-Operations Manager – Mid-Atlantic District | UPS (2012)**

**DAVID C. SEARLE**  
(713) 823-9109  
[david.scarle@sunnova.com](mailto:david.scarle@sunnova.com)

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## EXPERIENCE

### **SUNNOVA ENERGY CORPORATION, Houston, Texas**

**Executive Vice President, General Counsel and Chief Compliance Officer** February 2023 to Present

- As a direct report to the Chief Executive Officer, advise executive members on new laws, existing laws and legal rights that would impact functionality of the business
- Oversee the legal matters of the business as a whole, including acting as the business' legal representative
- Maintain knowledge of the company's operations
- Craft and review legal strategy in response to any litigation or complaints
- Oversee policies and procedures
- Communicate with outside counsel
- Primary responsibility for oversight of the legal, licensing and compliance teams

### **TESLA, INC., Austin, Texas**

**Acting Head of Legal & Corporate Secretary** Oct 2021 – December 2022

- As a direct report to CEO Elon Musk, responsible for Tesla's legal affairs across all subject matters: corporate governance and securities, commercial, litigation, M&A, real estate, IP, regulatory, ethics & compliance, and labor & employment
- Lead team of 170 lawyers and other professionals (including the Employee Relations team) located in North America, Asia Pacific, and Europe, with an annual outside legal spend budget of around \$80 million
- Over the past year have supported the business in furtherance of several key initiatives, including the ramp-up of the Austin and Berlin Gigafactories, the roll-out of Tesla Insurance, and the streamlining of consumer terms and conditions for the Energy business
- Regularly advise the Tesla Board of Directors on matters that have included the formation of a cell captive to partially fund D&O insurance coverage

### **Deputy General Counsel & Senior Director, Compliance**

Feb 2021 – Oct 2021

- Hired to oversee Tesla's ethics & compliance program, managing a team of 11 lawyers with programmatic focus on data privacy, internal investigations, anti-corruption, EHS, and other code of business ethics issues
- Accomplishments included enhanced visibility of compliance within Tesla through the development of new third-party due diligence procedures, simplified internal investigative procedures, and a redesigned code of business ethics

### **WALMART INC., Bentonville, Arkansas**

May 2019 – Feb 2021

#### **Vice President, Chief Ethics and Compliance Officer - International**

- As member of the International Leadership Team, oversaw the ethics and compliance programs within 26 countries outside of the United States, leading an organization of approximately 1200 associates
- Subject matter areas of responsibility included: consumer protection, antitrust, environmental, financial services, anti-corruption, food safety, health & safety, health & wellness, labor & employment, licenses & permits, product safety, responsible sourcing, trade, and trust & safety

## **DAVID C. SEARLE (continued)**

- Operationalized compliance through the embedding of controls in existing business processes, while using data-driven metrics to assess effectiveness
- Led international market remediation efforts in response to findings of the DOJ Monitor, appointed in June 2019, following Walmart's resolution of FCPA violations in Mexico, India, Brazil, and China
- Ethics teams oversaw the resolution of approximately 20,000 integrity line contacts per year, relying primarily upon internal resources for investigation
- Execution of organizational redesign during FY2021 achieved enhanced risk mitigation across all compliance subject matter areas, while resulting in savings of \$5.2M

**BRISTOW GROUP INC.**, Houston, Texas

December 2014 – May 2019

**Chief Compliance Officer & Associate General Counsel**

**Interim General Counsel & Corporate Secretary**

- Head of compliance and ethics for a NYSE traded company that, at the time, was the world's largest provider of offshore industrial aviation services, and subject to a SEC cease and desist order entered in 2007 as a result of FCPA violations in Nigeria
- Partnered with internal clients from operations, finance, risk, security, business development, IT and HR in order to maximize value for the organization consistent with governing laws and Bristow's core values
- Responsible for implementing and overseeing compliance programs related to anticorruption, export/import (ITAR, EAR, sanctions), antitrust, data privacy, insider trading, conflicts of interest, and U.S. Government contracts compliance
- Responsible for overseeing all internal investigations and responses to regulatory and civil litigation subpoenas, as well as civil employment litigation in the United States
- Accomplishments included implementation of program enhancements recommended by an independent third-party review, instituting risk-based anticorruption auditing, automated export classifications and sanctions screening, improved investigative case management, and development of role-based compliance training
- Interim General Counsel and Corporate Secretary between June 2017 and September 2017

**NEXEO SOLUTIONS, LLC**, The Woodlands, Texas

September 2013-December 2014

**Director of Compliance**

- Head of ethics and compliance for a private equity owned company that, at the time, was the world's fourth largest independent distributor of chemicals and plastics
- Reported to the Chief Legal Officer and regularly appeared before the Audit Committee of the Board of Directors
- Designed and implemented the core building blocks of the compliance program, following the company's spin-off from Ashland
- Led compliance related due diligence and integration efforts in connection with M&A
- Managed affirmative and defensive claims and litigation

**BAKER HUGHES, INC.**, Houston, Texas

May 2012-September 2013

**Audits & Investigations Counsel**

- Managed internal investigations involving alleged violations of the FCPA, trade restrictions, import regulations, fraud, and environmental regulations
- Conducted anti-corruption audits of Baker Hughes' internal operations, commercial sales representatives, and joint ventures in high risk markets
- Led efforts to develop anti-corruption audit procedures and compliance priorities for joint venture relationships based upon the audit program developed by DOJ Monitor
- Managed a docket of personal injury cases
- Responsible for responding to federal grand jury subpoenas and whistleblower matters

## **DAVID C. SEARLE (continued)**

### **U.S. DEPARTMENT OF JUSTICE**

August 2008-May 2012

#### **Assistant United States Attorney U.S. Attorney's Office, Houston, Texas**

- Prosecuted persons and organizations charged with fraud, money laundering, extortion, export violations, worksite violations, and human trafficking
- Duties included directing grand jury investigations of individuals and organizations
- Applied the DOJ's Principles of Prosecution of Business Organizations and, as part of evaluating whether to bring criminal charges against corporate targets, the review of compliance programs for effectiveness
- Tried eight federal cases to jury and argued four cases before the U.S. Court of Appeals for the Fifth Circuit
- Received multiple awards from the U.S. Department of Homeland Security for prosecutorial excellence

### **BAKER BOTTS L.L.P., Houston, Texas**

September 2003-August 2008

- Member of the firm's Litigation and Appellate and Supreme Court practice groups
- Litigated cases alleging securities fraud, oil and gas, ERISA preemption, breach of contract, and employment discrimination disputes
- Took over 50 depositions and argued numerous motions before trial courts, including motions for summary judgment and motions for emergency relief
- From 2005 to 2008, tried seven cases to verdict, including six as first chair
- Named a "Texas Rising Star" by *Texas Monthly and Law and Politics*, 2007-2009

## **EDUCATION**

### **DUKE UNIVERSITY SCHOOL OF LAW, J.D., 2002, with Honors**

*Duke Law Journal*, Notes Editor; Moot Court Board

### **STANFORD UNIVERSITY, A.B., Economics, 1999**

NCAA Men's Golf Team; Pac-10 Conference All Academic, First Team (1999)

**CLERKSHIP** Law Clerk to the Honorable Jerry E. Smith, U.S. Court of Appeals for the Fifth Circuit (2002-03)

## **Addendum to Resume**

### **Description of Other Employment**

As an employee of the parent corporation, Sunnova Energy International Inc., I also have a role at each of the entities below, which are wholly owned subsidiaries. The job description and title for my role at each subsidiary is the same as listed for the parent company.

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

**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023  
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission File Number: 001-38995

**Sunnova Energy International Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

30-1192746

(I.R.S. Employer  
Identification Number)

20 East Greenway Plaza, Suite 540  
Houston, Texas 77046  
(Address, including zip code, of principal executive offices)

(281) 892-1588  
(Registrant's telephone number, including area code)

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	NOVA	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the common stock held by non-affiliates of the Registrant, based on the closing price of such shares of common stock of \$18.31 as reported on the New York Stock Exchange on June 30, 2023 (the last business day of the Registrant's most recently completed second fiscal quarter), was approximately \$2.1 billion.

The registrant had 122,484,286 shares of common stock outstanding as of February 19, 2024.

Portions of the information called for by Part III of this Form 10-K are hereby incorporated by reference from either the definitive Proxy Statement for our annual meeting of stockholders or an amendment to this Form 10-K, either of which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2023.

## Table of Contents

	<u>Page</u>
<b>PART I</b>	
Item 1. Business	6
Item 1A. Risk Factors	21
Item 1B. Unresolved Staff Comments	61
Item 1C. Cybersecurity	61
Item 2. Properties	63
Item 3. Legal Proceedings	63
Item 4. Mine Safety Disclosures	63
<b>PART II</b>	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	63
Item 6. [Reserved]	64
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	65
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	91
Item 8. Financial Statements and Supplementary Data	92
Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	153
Item 9A. Controls and Procedures	153
Item 9B. Other Information	154
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	154
<b>PART III</b>	
Item 10. Directors, Executive Officers and Corporate Governance	155
Item 11. Executive Compensation	155
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	155
Item 13. Certain Relationships and Related Transactions, and Director Independence	155
Item 14. Principal Accounting Fees and Services	155
<b>PART IV</b>	
Item 15. Exhibits	156
Signatures	164

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Unless the context otherwise requires, the terms "Sunnova," "the Company," "we," "us" and "our" refer to Sunnova Energy International Inc. ("SEI") and its consolidated subsidiaries. Forward-looking statements generally relate to future events or Sunnova's future financial or operating performance. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. In some cases, you can identify these statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "future," "goal," "intend," "likely," "may," "plan," "potential," "predict," "project," "seek," "should," "target," "will" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this report include, but are not limited to, statements about:

- federal, state and local statutes, regulations and policies;
- determinations of the Internal Revenue Service ("IRS") of the fair market value of our solar energy systems;
- the price of centralized utility-generated electricity and electricity from other sources and technologies;
- technical and capacity limitations imposed by operators of the power grid;
- the availability of tax rebates, credits and incentives, including changes to the rates of, or expiration of, federal tax credits and the availability of related safe harbors;
- our need and ability to raise capital to finance the installation and acquisition of distributed solar energy systems, refinance existing debt or otherwise meet our liquidity needs;
- our expectations concerning relationships with third parties, including the attraction, retention, performance and continued existence of our dealers;
- our ability to manage our supply chains and distribution channels and the impact of natural disasters and other events beyond our control;
- our ability to retain or upgrade current customers, further penetrate existing markets or expand into new markets;
- our investment in our platform and new product offerings and the demand for and expected benefits of our platform and product offerings;
- the ability of our solar energy systems, energy storage systems or other product offerings to operate or deliver energy for any reason, including if interconnection or transmission facilities on which we rely become unavailable;
- our ability to maintain our brand and protect our intellectual property and customer data;
- our ability to manage the cost of solar energy systems, energy storage systems and our service offerings;
- the willingness of and ability of our dealers and suppliers to fulfill their respective warranty and other contractual obligations;
- our expectations regarding litigation and administrative proceedings; and
- our ability to renew or replace expiring, canceled or terminated customer agreements at favorable rates or on a long-term basis.

Our actual results and timing of these events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to those discussed under "*Risk Factors*" and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Annual Report on Form 10-K to conform these statements to actual results or to changes in our expectations, except as required by law.

## Summary of Risk Factors

The risk factors detailed in Item 1A entitled "*Risk Factors*" in this Annual Report on Form 10-K, are the risks we believe are material to our investors and a reader should carefully consider them. The following is a summary listing certain of the risk factors detailed in Item 1A:

### Risks Related to Our Business

- Historically, we have incurred operating and net losses and we may be unable to achieve or sustain profitability in the future.
- Our growth and operations strategy depends on the continued origination of customer agreements by us and our dealers.
- Our growth and operations are dependent on our dealer network and our failure to retain or replace existing dealers or to grow our dealer network could adversely impact our business.
- We do not directly control certain costs related to our business, which could put us at a disadvantage relative to companies who have a vertically integrated business model.
- We may be unsuccessful in introducing new service and product offerings, including our distributed energy storage services and energy storage management systems.
- Our business is concentrated in certain markets, putting us at risk of region-specific disruptions.
- Certain of our solar energy systems are located in, and we conduct business in, Puerto Rico. Weakness in the fiscal health of the government and the Puerto Rico Electric Power Authority ("PREPA"), the damage caused by hurricanes, a series of earthquakes that affected the island in December 2019 and early 2020 and potential tax increases that may increase our cost of conducting business in Puerto Rico, create uncertainty that may adversely impact us. In addition, we are subject to administrative proceedings instituted by the Puerto Rico Energy Bureau ("PREB").
- The ongoing COVID-19 pandemic and future pandemics could adversely affect our business, financial condition and results of operations.
- Our operating results and our ability to grow may fluctuate from quarter to quarter and year to year, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.
- If our allowance for credit losses is not enough to cover actual credit losses from our customer notes receivable portfolio, our results of operations and financial condition could be negatively affected.
- Certain of our key operational metrics, including estimated gross contracted customer value, are based on various assumptions and estimates we make that cover an extended period of time. Actual experience may vary materially from these estimates and assumptions and therefore undue reliance should not be placed on these metrics.

### Risks Related to the Solar Industry

- If sufficient additional demand for solar energy systems does not develop or takes longer to develop than we anticipate, our origination of solar service agreements may decrease.
- A material reduction in the retail price of electricity charged by electric utilities or other retail electricity providers would harm our business, financial condition and results of operations.
- Our business has benefited from the declining cost of solar energy system and energy storage system components and may be harmed to the extent the cost of such components stabilizes or increases in the future.
- We and our dealers depend on a limited number of suppliers of solar energy system components and technologies to adequately meet demand for our solar energy systems. Due to the limited number of suppliers in our industry, the acquisition of any of these suppliers by a competitor or any shortage, delay, price change, imposition of tariffs or duties or other limitation in our or our dealers' ability to obtain components or technologies we use could result in sales and installation delays, cancellations and loss of customers.
- Increases in the cost or reduction in supply of solar energy system and energy storage system components due to tariffs or trade restrictions imposed by the U.S. government could have an adverse effect on our business, financial condition and results of operations.
- Terrorist or cyberattacks against centralized utilities could adversely affect our business.
- We face competition from centralized electric utilities, retail electric providers, independent power producers and renewable energy companies.
- Developments in technology or improvements in distributed solar energy generation and related technologies or components may materially adversely affect demand for our offerings.

### Risks Related to our Financing Activities

- We need to obtain substantial additional financing arrangements to provide working capital and growth capital. If financing is not available to us on acceptable terms when needed, our ability to continue to grow our business would be materially adversely impacted.
- Servicing our existing debt requires a significant amount of cash. We may not have sufficient cash flow from our business to

- timely pay our interest and principal obligations and may be forced to take other actions to satisfy our payment obligations.
- Volatility and continued increases in interest rates would raise our cost of capital and may adversely impact our business.

### **Risks Related to Regulations**

- We are not currently regulated as an electric public utility under applicable law but may be subject to regulation as an electric utility in the future.
- Electric utility policies and regulations, including those affecting electric rates, may present regulatory and economic barriers to the purchase and use of solar energy systems that may significantly reduce demand for electricity from our solar energy systems and adversely impact our ability to originate new solar service agreements.
- We rely on net metering and related policies to offer competitive pricing to our customers in most of our current markets and changes to net metering policies may significantly reduce demand for electricity from solar energy systems.
- Our business currently depends in part on the availability of rebates, tax credits and other financial incentives. The expiration, elimination or reduction of these rebates, credits or incentives or our ability to monetize them could adversely impact our business.
- Our business depends in part on the regulatory treatment of third-party owned solar energy systems.
- Technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid may significantly reduce our ability to sell electricity from our solar energy systems in certain markets or delay interconnections and customer in-service dates, harming our growth rate, operations and customer satisfaction.
- Our business is subject to complex and evolving privacy and data protection laws. Many of these laws and regulations are subject to change and uncertain interpretation and could result in claims, increased cost of operations or otherwise harm our business.
- Our business is subject to consumer protection laws. Such laws and regulatory enforcement policies and priorities are subject to change that may negatively impact our business.
- The highly regulated environment in which our capital providers operate could have an adverse effect on our business.

### **Risks Related to Taxation**

- Our ability to use net operating loss carryforwards ("NOLs") and tax credit carryforwards to offset future income taxes is subject to limitation and the amount of such carryforwards may be subject to challenge or reduction.
- Changes in tax law could adversely affect our business.
- If the IRS or the U.S. Treasury Department makes a determination that the fair market value of our solar energy systems is materially lower than what we have reported in our tax equity vehicles' tax returns, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors, tax credit buyers and/or the U.S. government. Such determinations could have a material adverse effect on our business and financial condition.
- If our solar energy systems either cease to be qualifying property or undergo certain changes in ownership within five years of the applicable placed in service date, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors, tax credit buyers and/or the U.S. government. Such recapture could have a material adverse effect on our business and financial condition.

### **Risks Related to Our Common Stock**

- We do not intend to pay, and our credit facilities currently prohibit us from paying, cash dividends on our common stock and, consequently, your only opportunity to achieve a return on your investment is if the price of our common stock appreciates.
- Ownership of our common stock by current stockholders is expected to remain significant.
- The price of our common stock is volatile and may decline in value.
- Provisions of our charter documents and Delaware law may inhibit a takeover, which could limit the price investors might be willing to pay in the future for our common stock.

### **General Risk Factors**

- We are exposed to the credit risk of our customers and payment delinquencies on our accounts receivable.
- Our actual financial results may differ materially from any guidance we may publish from time to time.
- If we are unable to make acquisitions on economically acceptable terms, our future growth and operations could be limited, and any acquisitions we may make may reduce, rather than increase, our cash flows.
- Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely impact our business, financial condition and results of operations.

## PART I

### Item 1. Business.

#### Mission

To power energy independence.

#### Overview

We are an industry-leading energy services company focused on making clean energy more accessible, reliable and affordable for homeowners and businesses, serving over 419,000 customers in more than 45 United States ("U.S.") states and territories. Through our adaptive energy platform, we provide a better energy service at a better price to deliver our mission of powering energy independence. Through our energy service offerings, we are disrupting the traditional energy landscape and the way the 21st century customer generates and consumes electricity. Additionally, we believe the renewable energy market in which we operate, and investment in climate solutions more broadly, will continue to grow as the impact of climate change increases. While our core business model seeks to help accelerate a global transition to renewable energy, there are inherent climate-related risks to our business operations including, but not limited to, those discussed under "*Risk Factors*" and elsewhere in this Annual Report on Form 10-K.

We partner with local dealers and contractors who originate, design and install our customers' solar energy systems, energy storage systems and related products and services on our behalf, as well as other sustainable home solutions, such as home security and monitoring, smart home devices, modern heating, ventilation and air conditioning ("HVAC"), generators, upgraded roofing, water systems, water heaters, main panel upgrades and electric vehicle chargers. Our focus on our dealer and contractor model enables us to leverage our dealers' and contractors' specialized knowledge, connections and experience in local markets to drive customer origination while providing our dealers and contractors with access to high quality products at competitive prices, as well as technical oversight and expertise. We believe this structure provides operational flexibility, reduces exposure to labor shortages and lowers fixed costs relative to true vertically integrated models.

We offer customers products to power and improve the energy efficiency and sustainability of their homes and businesses with affordable solar energy and related products and services. We are able to offer energy generation savings compared to utility-based retail rates with little to no up-front expense to the customer in conjunction with solar and solar plus energy storage products, and, in the case of the latter, are able to also provide energy resiliency. Our customer agreements typically take the form of a lease, power purchase agreement ("PPA"), loan or cash purchase; however, we also offer service plans for systems we did not originate. We make it possible in some states for a customer to obtain a new roof and/or other sustainable home products as part of their solar loan agreement or as an accessory loan to their lease or PPA. Customers who are not interested in a new solar energy system or energy storage system may also finance a new roof and other sustainable home products via a stand-alone loan from us. We also allow customers originated through our homebuilder channel the option of purchasing the products when the customer closes on the purchase of a new home. Service is an integral part of our agreements and includes operations and maintenance, monitoring, repairs and replacements, equipment upgrades, on-site power optimization for the customer (for both supply and demand), the ability to efficiently switch power sources between the solar energy system and/or energy storage system, and the grid, as appropriate, and also the solar energy system and energy storage system diagnostics. During the life of the contract, we have the opportunity to integrate related and evolving servicing and monitoring technologies and other sustainable home products to upgrade the flexibility and reduce the cost of our customers' energy supply.

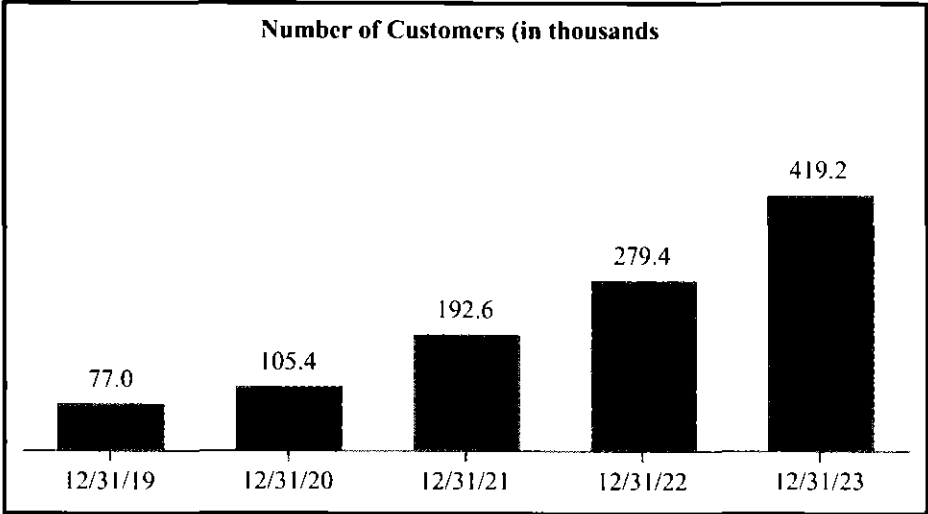
In the case of leases and PPAs, we also currently receive tax benefits and other incentives from federal, state and local governments, a portion of which we finance through tax equity, tax credit sales, non-recourse debt structures and hedging arrangements in order to fund our upfront costs, overhead and growth investments.

In addition to providing ongoing service as a standard component of our customer agreements, we also offer ongoing energy services to customers who purchased their solar energy system through third parties. Under these arrangements, we agree to provide monitoring, maintenance and/or repair services to these customers for the life of the service contract they sign with us. In addition, we offer one-time repair services to customers who purchased their solar energy systems or sustainable home products through third parties that are not otherwise covered by warranty. We also offer complementary products as well as non-solar financing. Specifically, our offerings include a non-solar loan program enabling customers to finance the purchase of products independent of a solar energy system or energy storage system. We believe the quality and scope of our comprehensive energy service offerings, whether to customers that obtained their solar energy system through us or through another party, is a key differentiator between us and our competitors.

We continue to expand our offerings to include additional sustainable home products to our agreements, including non-solar financing. Specifically, we have expanded our offerings to include a non-solar loan program enabling customers to finance the purchase of products independent of a solar energy system or energy storage system. We believe the quality and scope of our expanding sustainable home product offerings, whether to customers that obtained their solar energy system or energy storage system through us or through a third party, is a key differentiator between us and our competitors.

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 solar renewable energy certificates ("SRECs")) under those agreements, in exchange for a lease payment, whether upfront or over time, to the third-party owner, which may be made in the form of cash or shares of our common stock. We believe such arrangements enhance our long-term contracted cash flows and are complementary to our overall business model.

We commenced operations in January 2013 and began providing solar energy services under our first solar energy system in April 2013. Since then, our brand, innovation and focused execution have driven significant, rapid growth in our market share and in the number of customers on our platform. We operate one of the largest residential fleets of solar energy systems in the U.S., comprising more than 2,292 megawatts of generation capacity and our diversified offerings of sustainable home solutions serve over 419,000 customers as of December 31, 2023. For a discussion of how we define number of customers, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operational Metrics". The following chart illustrates the growth in our number of customers from December 31, 2019 through December 31, 2023.



**Our Network Model**

While many of our competitors maintain a large, geographically diverse base of employees in local markets, including a direct sales force comprised of home improvement installers, we limit the cost associated with that structure by primarily utilizing a network of local, independent dealers and contractors to market, sell and install solar energy systems, energy storage systems, home generators and certain other products and services on our behalf. Our dealers and contractors typically reside and work within the markets they serve and provide a localized, customer-focused marketing, installation and servicing process. These dealers and contractors are often leading local solar installation companies, electrical services companies or companies that serve customers who are actively searching for solar power, backup power or complementary home services.

**Origination, Installation, Monitoring and Servicing Processes**

Through our network model, we provide a streamlined approach for the origination of customer agreements and the installation of solar energy systems, energy storage systems and other sustainable home products. The principal elements of our origination, installation, monitoring and servicing processes are described below:

- *Customer Origination and Consultation.* Our dealers and contractors serve as a local, direct-to-home sales force providing in-person and virtual consultations to source potential customers in each geographic market where we

operate. Our dealers and contractors reach potential customers through various means, including online, telemarketing, in-store sales, cross-marketing with complementary products and door-to-door canvassing. Using our technology platform and proprietary pricing tool, the dealer/contractor and the customer select one of our standard-form agreements for the relevant market and product.

- *Design and Engineering.* We and the dealers work together to design the applicable equipment, such as the solar energy system and energy storage system, if applicable, prior to the dealer's purchase and installation. All of our solar energy systems and energy storage systems are designed with equipment from a pre-approved list of manufacturers. We utilize our extensive tools and services platform, standardized procedures and existing databases to help our dealers comply with our pricing requirements, solar best practices, contract terms, and state, territorial and local regulations. For each solar service agreement, an individualized power production estimate is created by analyzing geographic, solar and weather data with the design's proposed orientation, components and shading. We continue to pursue technological innovation to streamline our review of design and engineering, to expedite installation and to lower costs for our dealers.
- *Installation, Commissioning, Quality Assurance and Interconnection.* The installation phase requires the dealer to obtain all necessary permits for installation. For systems requiring commissioning, the dealer must complete our commissioning process for the solar energy system and energy storage system (as applicable), which entails submitting supporting documentation and photographs illustrating the installation of the solar energy system and energy storage system (as applicable) to our quality assurance team for review. Following completion of these steps and our approval of these materials, the dealer submits required paperwork to the applicable electric distribution utility to obtain permission to operate the equipment, schedule required regulatory inspections and arrange for interconnection of the solar energy system to the electrical grid. In some markets where either permission is not required and/or interconnection is not feasible or practical, we may place the system in service without interconnecting to the electrical grid and thereby place the system in service without seeking permission to operate from the applicable electric distribution utility.
- *Customer Billing Dates.* How soon we will begin billing the customer after the solar energy system or applicable sustainable home product system has been placed in service will vary by product offering. Lease agreements will begin billing on the first cycle date after the solar energy system or applicable sustainable home product system has been placed in service, generally within 30 days. PPAs will begin billing on the first cycle date in the next calendar month after the solar energy system has been placed in service, generally between 15 and 60 days after the solar energy system has been placed in service. Loan agreements require the solar energy system or applicable sustainable home product system must be in service at least 30 days or, where permitted by law, installed for 60 days prior to the date when billing can begin. As a result, billing on loan agreements generally begins with the aligned cycle date in the next calendar month after the solar energy system or applicable sustainable home product system has been installed or placed in service.
- *Monitoring and Servicing.* Our monitoring systems utilize cellular or internet connections that allow us to confirm the continuing operation of the solar energy system and energy storage system (if applicable) and with that information, solve maintenance issues through our dealers, third-party service providers or our own personnel. We also collect performance data to improve our pricing, generation estimates and services for our customers.

### ***Our Relationships With Our Dealers and Contractors***

We carefully recruit our dealers and contractors, who must meet and maintain our standards to be approved. Qualifications to be a dealer/contractor include: experience in the solar industry or success in an applicable sustainable home product industry such as home security, roofing, gas generators, heating, ventilation and air-conditioning, electrical services or water systems, experienced and appropriately certified employees (including multiple installation teams) and possession of applicable licenses. We also perform a review of the prospects' financial condition as part of our recruitment process, a background check on the principal owners of the organization and a careful review of the businesses online and local reputation. Upon engagement, the dealer/contractor enters into an agreement with us that sets ongoing standards for operations and payment obligations based on different milestones for each project. We provide training, field support and continuing education to help our dealers/contractors operate efficiently. This includes training related to our processes, standards and services platform, sales training and compliance education regarding applicable rules and regulations. We actively review our dealers'/contractors' performance and compliance with our requirements to determine whether to terminate our relationship with any dealer/contractor that is unable to meet our performance standards.

For the years ended December 31, 2023 and 2022, Trinity Solar, Inc. ("Trinity") accounted for approximately 10% and 19% of our net originations, respectively. In October 2022, we amended our agreement with Trinity pursuant to which Trinity has agreed to perform services or work exclusively for us for sixty-six months to March 31, 2028 (the "Exclusivity Period"), with certain exceptions, including (a) the sale of solar energy systems, energy storage systems, generators or electric vehicle chargers ("Agreed Products") to individuals on a "cash" basis that do not involve private financing marketed by Trinity, (b) the sale of Agreed Products to individuals who, based on their credit score(s) and other relevant attributes, Trinity reasonably determines do not qualify under our credit and underwriting standards then in effect and (c) the sale of Agreed Products pursuant to customer agreements executed prior to the date of the amendment to the dealer agreement. The amendment permits immaterial failures to comply with the foregoing exclusivity obligations provided that such failures are inadvertent, made without knowledge and/or intent of Trinity's management, and provided that such failures do not account for more than 2% of Trinity's installations in any single year during the Exclusivity Period. In addition, Trinity may install Agreed Products for our competitors in instances in which Trinity has available installation capacity, and, following notice to us that such capacity is available, we can either indicate that we do not intend to use such installation capacity or fail to timely respond to the notice. Trinity's exclusivity obligations do not apply to new roofs or roof replacements, or to Agreed Products sold for commercial applications. Under this arrangement, we have agreed to provide bonuses to Trinity in the amount of \$12.9 million during the six month period ended March 31, 2023 and \$30.0 million for each of the five subsequent year-long periods. The bonus payments are subject to a true-up payable by (a) us if Trinity exceeds 120% of its annual target or (b) Trinity if it does not meet at least 80% of its annual target, though we will not owe Trinity a true-up for its first year performance under any circumstances. The annual installation targets increase by approximately 2.3% to 7.1% each year. Unlike most of our dealer agreements, the arrangement with Trinity does not permit the parties to terminate for convenience and only permits termination in specified circumstances including material breach (subject to applicable cure periods), prolonged force majeure events, a change of control, certain insolvency events or mutual agreement. For purposes of the Trinity agreement, "change of control" means (a) the sale of all or substantially all of the assets of a party or (b) any merger, acquisition or other transaction or series of transactions that results in any "person" becoming the "beneficial owner" (as those terms are used in Section 13(d), Rule 13d-3 and Rule 13d-5 of the Exchange Act) of more than fifty percent of the voting securities of a party (subject to certain exclusions). Additionally, the arrangement provides for a liquidated damages payment of the greater of \$50.0 million or the sum of all remaining annual bonus payments at the time of the termination by the applicable party in the event of termination for material breach, certain insolvency events or wrongful termination by the other party.

We have similar contractual arrangements with several other key dealers and third parties. For certain other dealers and third parties, substantially all of the customer agreements originated by such dealers and third parties are Sunnova agreements, although they are under no exclusivity arrangement. During the year ended December 31, 2023, Monitronics International Inc. dba Brinks Home ("Brinks Home") and Lennar accounted for 30% and 10%, respectively, of our net originations. During the year ended December 31, 2022, Lennar and Windmar PV Energy, Inc ("Windmar Energy") accounted for 15% and 13%, respectively, of our net originations. No dealer or third party other than Brinks Home, Trinity, Lennar and Windmar Energy accounted for more than 10% of our net originations during 2023 or 2022.

### **Direct Sales**

We have established a direct to market team to sell and install our products and services in limited markets. This sales team is primarily focused on selling solutions, such as Sunnova Protect Services, Sunnova +SunSafe and financing for electric vehicle chargers, generators and other supplements as requested by consumers. In many cases, these services will be directed to a third-party installer in our network, as required, for the installation of equipment.

### **Commercial Sector**

We have established a division to serve commercial, industrial, agricultural, not-for-profit and public sector customers. This division is primarily focused on offering solutions, such as solar energy systems, energy storage systems and electric vehicle chargers as requested by customers, through a lease agreement, loan agreement or cash purchase.

### **Grid Services**

We have developed relationships with various independent system operators, utilities, community choice aggregators and others, seeking to provide them with specialized grid services so these grid participants can more efficiently conduct their operations. Examples of these services include demand response as well as grid capacity. These grid programs can make use of the solar energy systems, energy storage systems and other technologies installed in customer homes and businesses and managed by us via a centralized platform and internally developed software. By providing grid services, we seek to earn additional revenue, improve grid resiliency and operations where our customers are located, and lower the cost of power to our customers.

## Software Platforms

We have created sophisticated cloud-based technology platforms, streamlining the origination, installation, administration, orchestration and servicing of our energy solutions. Our proprietary dealer, customer and energy management software supports customers, dealers and internal users in the sale, installation and management of our products and services. The platforms leverage cloud-based infrastructure and software capabilities using multiple third-party providers, including Salesforce, Amazon Web Services, Heroku and FinancialForce. The platforms are compatible with multiple end-user device types, including smartphone, tablet and desktop/laptop interfaces.

Our key software platforms include:

- ***Sunnova Catalyst™ Dealer Platform:*** Sunnova Catalyst enables dealers to manage leads, design systems, generate quotes and contracts, and create plan sets and commissioning packages through a combination of web, tablet and mobile device interfaces. As part of the quoting feature set, customer pricing is delivered by a combination of cloud-based technologies including Genability, PV Watts (a service of the National Renewable Energy Laboratory) and proprietary applications running on Amazon Web Services and Heroku. We enable dealers to generate customer agreements and proposal documents on demand for presentation to prospective customers. Each completed quote is transferred into Salesforce for agreement generation, customer access and reporting. Sunnova Catalyst also includes features to streamline the approval process for the design and installation of solar energy systems, track install progress and establish a standard process for ongoing service and warranty management.
- ***Sunnova App and Portal:*** Sunnova App and Portal are our mobile and web experiences for customers. The mobile and web apps enable customers to interact with the Sunnova Adaptive Home. Customers can view their energy systems' production history, manage devices, pay bills, manage account and contact information, generate referrals and contact our customer service team. Sunnova App is available for both Android and iOS.
- ***Sunnova Sentient™:*** Sunnova Sentient is our proprietary platform for energy awareness, intelligence and control. Sunnova Sentient powers Sunnova Adaptive solutions for homes, businesses and communities. We are incorporating Sunnova Sentient into our dealer and customer platforms to recommend customer-specific energy solutions and optimize energy products and services. Sunnova Sentient powers our advanced grid services and carbon reduction programs.
- ***Salesforce:*** Salesforce is our central repository and system of record for all contracts, process documentation, customer account information, maintenance information and payment tracking for the life of the customer agreement. This single system allows for integrated and comprehensive reporting for the life cycle of the customer, from quote to end of the customer agreement term. Many of our other systems interact with the Salesforce platform.
- ***FinancialForce:*** FinancialForce is a cloud-based accounting system built on the Salesforce platform.

## Appendix C

Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.

### Example CERTIFICATE OF SERVICE

On this the \_\_\_\_\_ day of March 2025, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all **NON-CONFIDENTIAL** attachments have been served, as either a hardcopy or a searchable PDF version on a cd-rom or a USB flash drive, upon the following:

Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2 West  
Harrisburg, PA 17120

Office of the Attorney General  
Bureau of Consumer Protection  
Strawberry Square, 14th Floor  
Harrisburg, PA 17120

Office of Consumer Advocate  
5th Floor, Forum Place  
555 Walnut Street  
Harrisburg, PA 17120

Department of Revenue  
Bureau of Compliance  
PO Box 281230  
Harrisburg, PA 17128-1230

Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1st Floor  
Harrisburg, PA 17101

Vice President – Energy Supply  
Corning Natural Gas Holding Corporation  
330 West William Street  
Corning, NY 14830

Legal Department  
West Penn Power d/b/a Allegheny Power  
800 Cabin Hill Drive  
Greensburg, PA 15601-1689

Manager Energy Acquisition  
PECO Energy Company  
2301 Market Street  
Philadelphia, PA 19101-8699

Regulatory Affairs  
Duquesne Light Company  
411 Seventh Street, MD 16-4  
Pittsburgh, PA 15219

Office of General Counsel  
Attn: Kimberly A. Klock  
PPL  
Two North Ninth Street (GENTW3)  
Allentown, PA 18101-1179

Legal Department  
First Energy  
2800 Pottsville Pike  
Reading PA, 19612

UGI Utilities, Inc.  
Attn: Rates Dept. – Choice Coordinator  
1 UGI Drive  
Denver, PA 17517

Citizens' Electric Company  
Attn: EGS Coordination  
1775 Industrial Boulevard  
Lewisburg, PA 17837

Wellsboro Electric Company  
Attn: EGS Coordination  
33 Austin Street  
P. O. Box 138  
Wellsboro, PA 16901

RECEIVED

APR 16 2025

  
S. David Smith, Assistant Secretary

### View/Print Label

1. Ensure there are no other shipping or tracking labels attached to your package. Select the Print button on the print dialogue box that appears. Note: If your browser does not support this function, select Print from the File menu to print the label.

2. Fold the printed label at the solid line below. Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

### 3. GETTING YOUR SHIPMENT TO UPS Customers with a scheduled Pickup

- Your driver will pickup your shipment(s) as usual.

#### Customers without a scheduled Pickup

- Schedule a Pickup on ups.com to have a UPS driver pickup all of your packages.
- Take your package to any location of The UPS Store®, UPS Access Point(TM) location, UPS Drop Box, UPS Customer Center, Staples® or Authorized Shipping Outlet near you. To find the location nearest you, please visit the Locations Quick link at ups.com.

UPS Access Point™  
MICHAEL'S STORE # 9444  
3904 BISSONNET ST  
HOUSTON TX 77005-1143

UPS Access Point™  
THE UPS STORE  
3262 WESTHEIMER RD  
HOUSTON TX 77098-1002

UPS Access Point™  
CVS STORE # 7126  
2910 WESTHEIMER RD  
HOUSTON TX 77098-1112

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YOLANDA RODRIGUEZ 7864176301 SUNNOVA ENERGY CORPORATION 20 GREENWAY PLZ HOUSTON TX 77046	<b>1 LBS</b> DWT: 11,11,8	<b>1 OF 1</b>	
<b>SHIP TO:</b> JEREMY HARING 7864176301 PENNSYLVANIA PUBLIC UTILITY COMMS KEYSTONE BUILDING 400 NORTH STREET <b>HARRISBURG PA 17120</b>			
	<b>PA 171 9-20</b> 		
<b>UPS 2ND DAY AIR</b> TRACKING #: 1Z 10V 73T 02 9233 1895		<b>2</b>	
			
BILLING: P/P			
			
XOL 25.03.15    NV45 15.0A 04/2025			