

Solar Market Dynamics

Suzanne Leta | Global Market Strategy | Ocean Renewable Energy Conference 2018

September 18, 2018

SunPower Corporation

Solar Technology and Energy Services Provider



RESIDENTIAL



COMMERCIAL



POWER PLANTS

- More than 30 years of experience
- More than 7,000 employees worldwide
- 2017 revenue \$2.1 billion (non-GAAP)
- Market diversity: homes to power plants
- Strategic investment by Total SA: 4th largest publicly-listed energy company in the world¹
- Record breaking 24.1% silicon solar panel efficiency²
- More than 9.2 GW solar PV deployed worldwide
- More than 1,000 patents worldwide
- 1,300 dealer partners worldwide

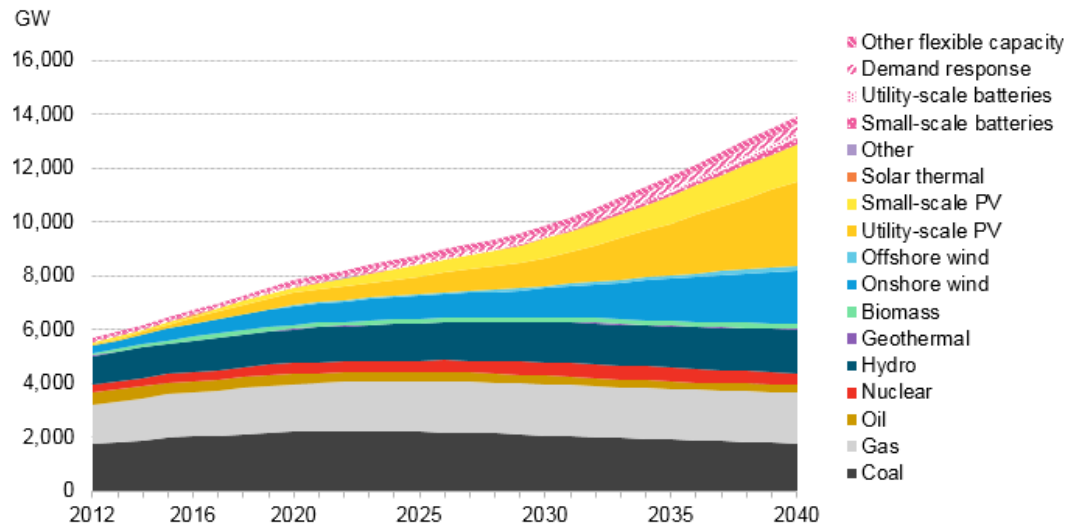
¹ Based on market capitalization in U.S. dollars at December 31, 2016

² NREL PV Report #2K1656A, June 2016.

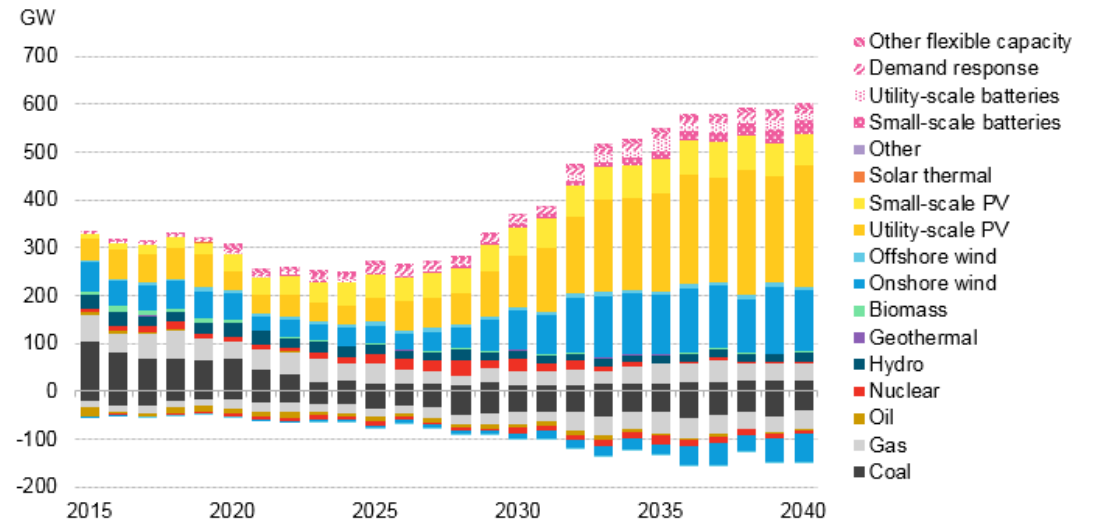
Solar is Expected to Dominate Global Electricity Capacity Additions

Capacity

Cumulative installed capacity (GW)



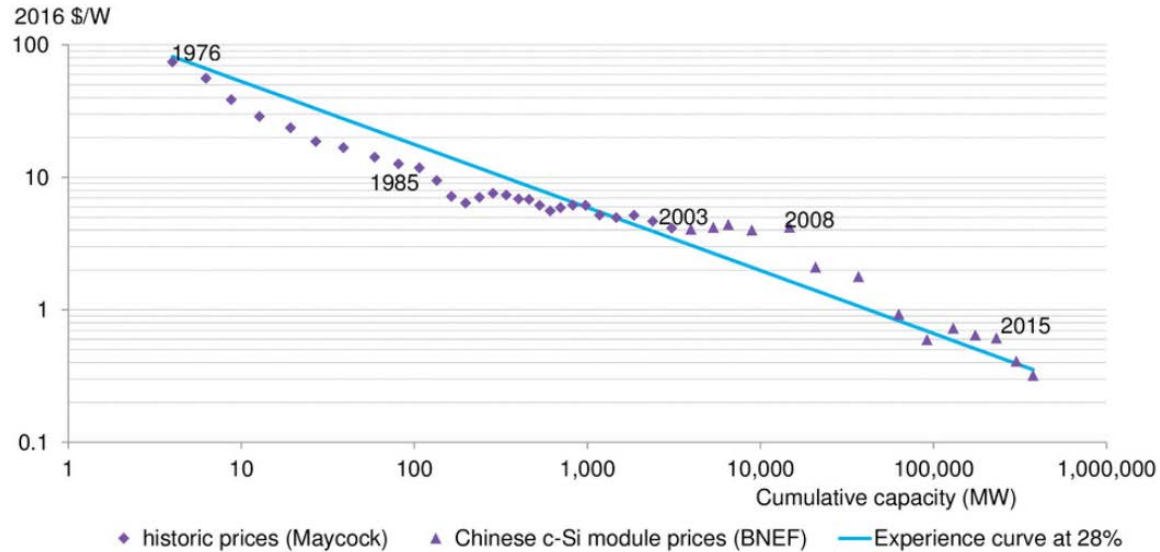
Gross capacity additions & retirements (GW)



Source: Bloomberg New Energy Finance, New Energy Outlook, November 1, 2017

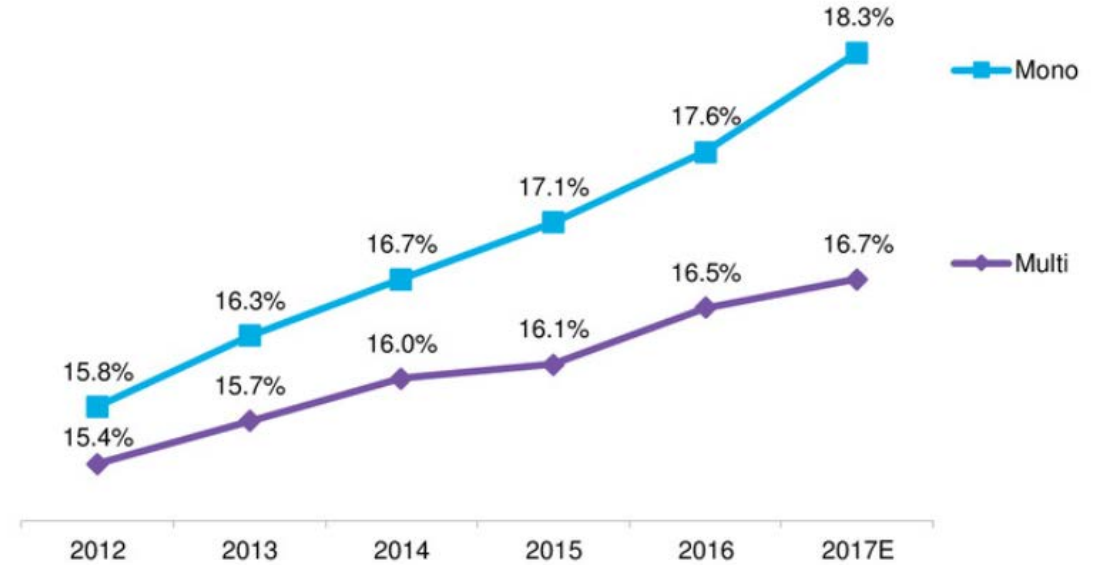
Solar Costs Have Declined Rapidly While Efficiency Has Improved

Figure 15: PV module prices and learning curve calculation



Source: Bloomberg New Energy Finance, Paul Maycock, company filings

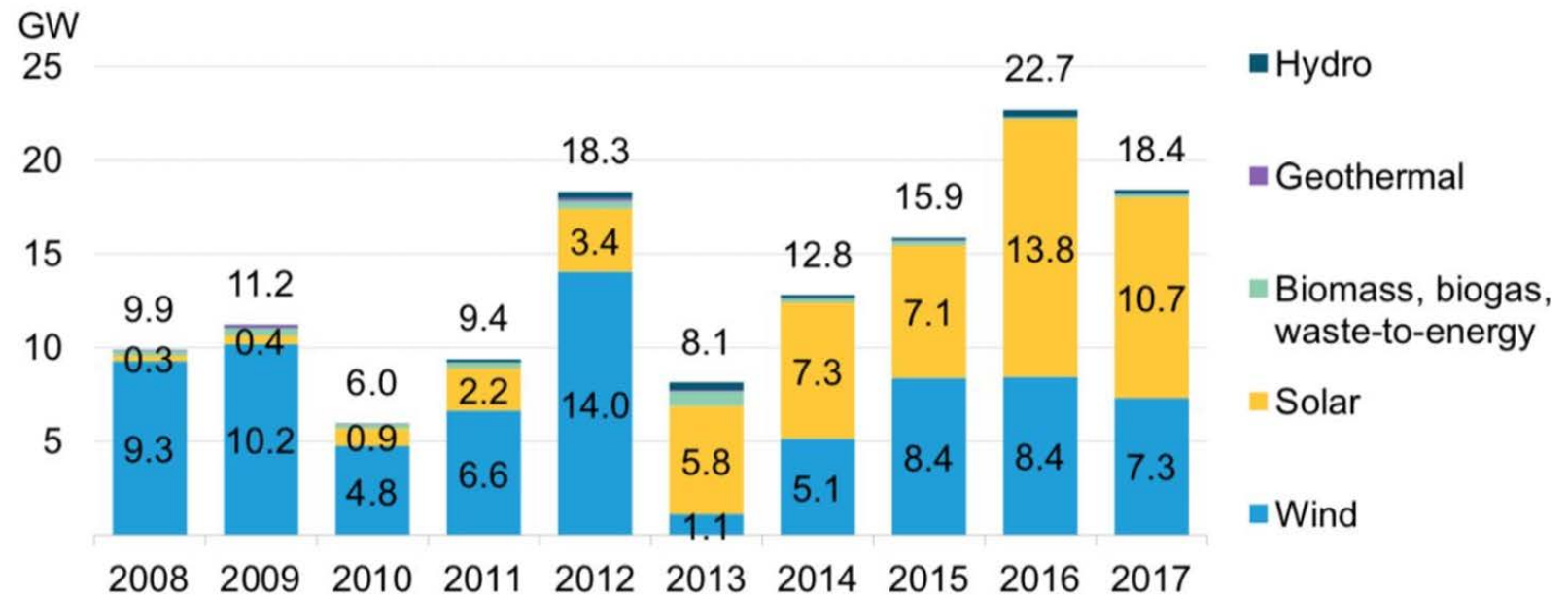
Figure 16: Average module efficiencies of surveyed manufacturers



Source: Bloomberg New Energy Finance Note: The efficiencies refer to year end values.

The Majority of New Renewables Capacity is Now Solar

U.S. energy overview: Renewable energy capacity build by technology

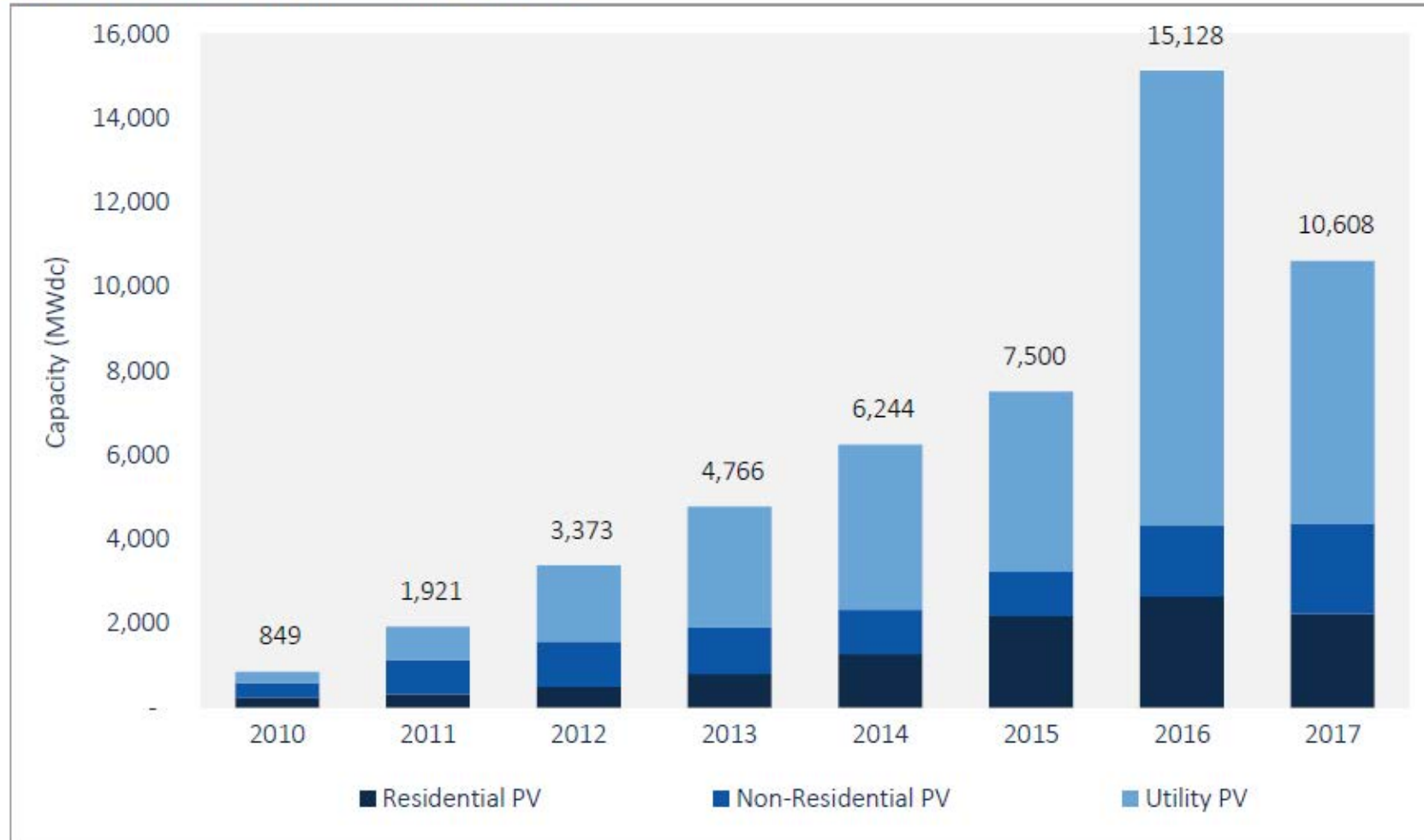


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Source: Bloomberg New Energy Finance

The U.S. Solar Market is Diverse by Market Segment

Figure 1.1 U.S. Annual PV Installations, 2010-2017

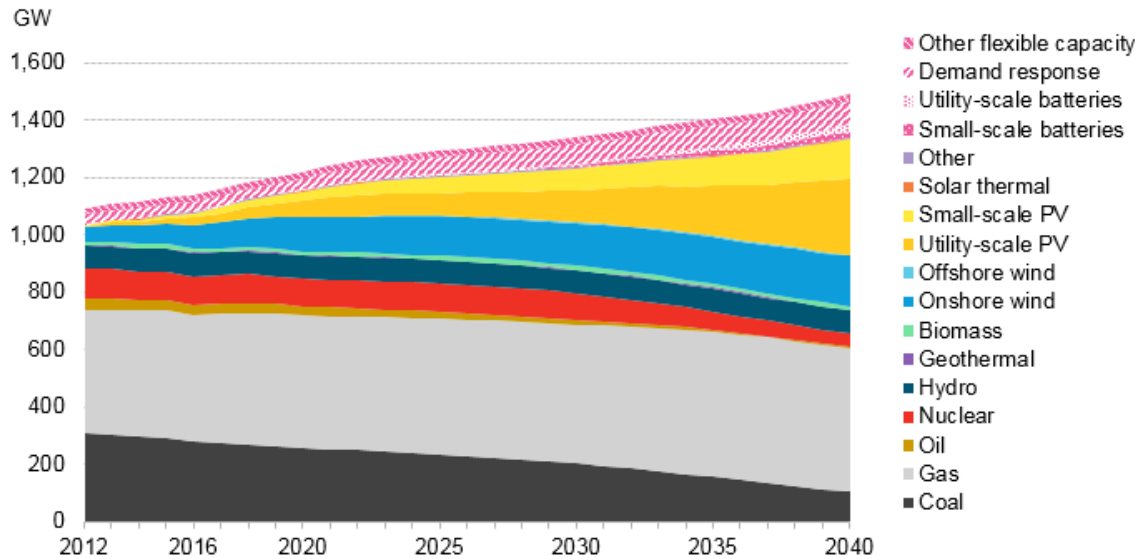


Source: GTM Research

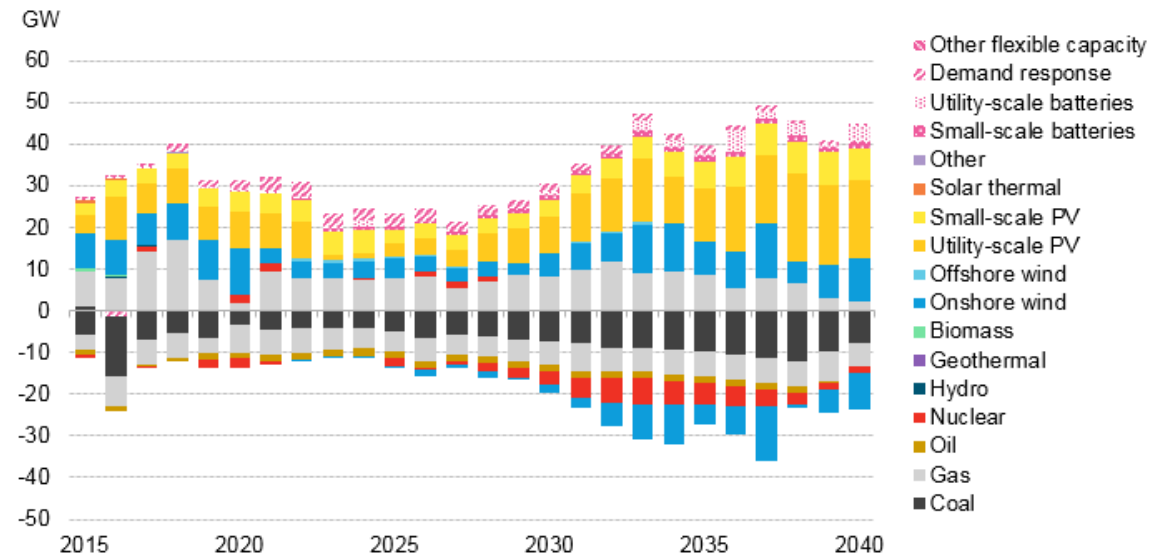
Solar is Expected to Dominate U.S. Electricity Capacity Additions

Capacity

Cumulative installed capacity (GW)

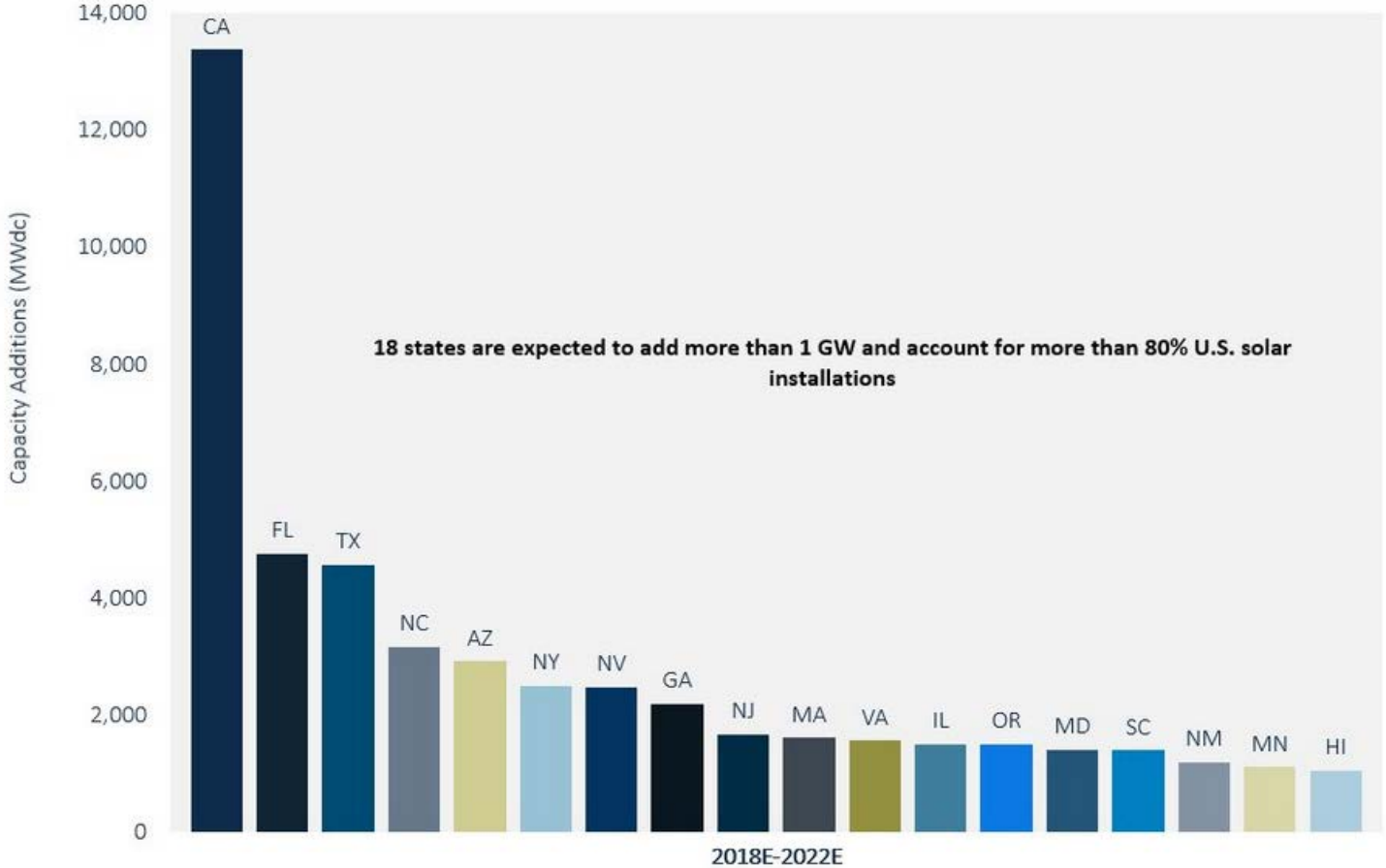


Gross capacity additions & retirements (GW)



Source: Bloomberg New Energy Finance, New Energy Outlook, November 1, 2017

The U.S. Solar Market is Diverse Geographically



Source: GTM Research

U.S. PV System Prices Are Expected to Continue to Decline

From H2 2017 to 2022, Average U.S. PV System Pricing Will Fall by 32%

Historical and Forecasted U.S. PV System Pricing by Market Segment, 2007-2022E (\$/Wdc)



The U.S. PV market is entering a fourth phase of price reduction. The first phase was characterized by major year-over-year cost reduction in modules; the second by balance-of-systems hardware cost reduction; the third by price reductions due to competitive module and BOS markets; and the fourth by slower annual price reductions with an effort to reduce soft costs.

Source: GTM Research

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Thank You

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