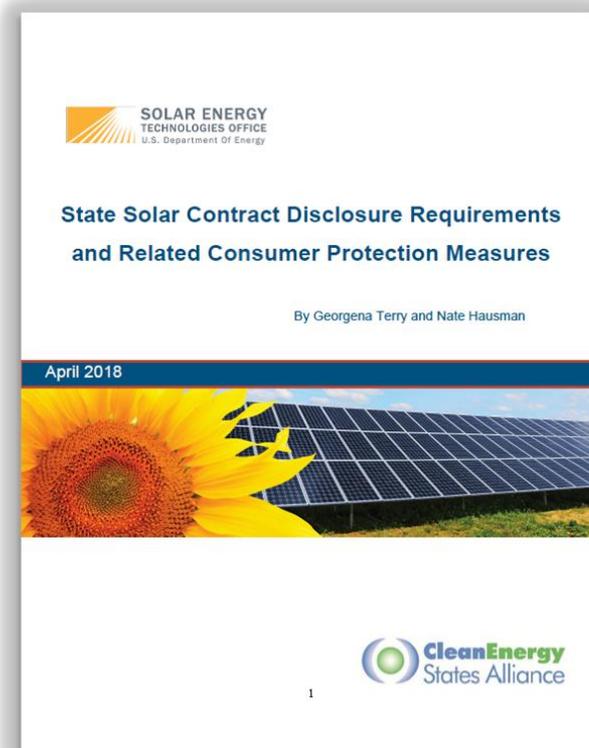


State Solar Contract Disclosure Requirements

Solar Consumer Protection Workshop

May 17, 2018



Solar Contract Disclosures

- Provisions, statements, or information that must be included in all executed solar contracts.
- These requirements may be adopted through legislation or through administrative rulemaking or adjudication.
- States have begun to adopt solar-specific contract disclosure requirements in the last five years.
- Fourteen states have taken action to date.

Photo credit: Bigstock



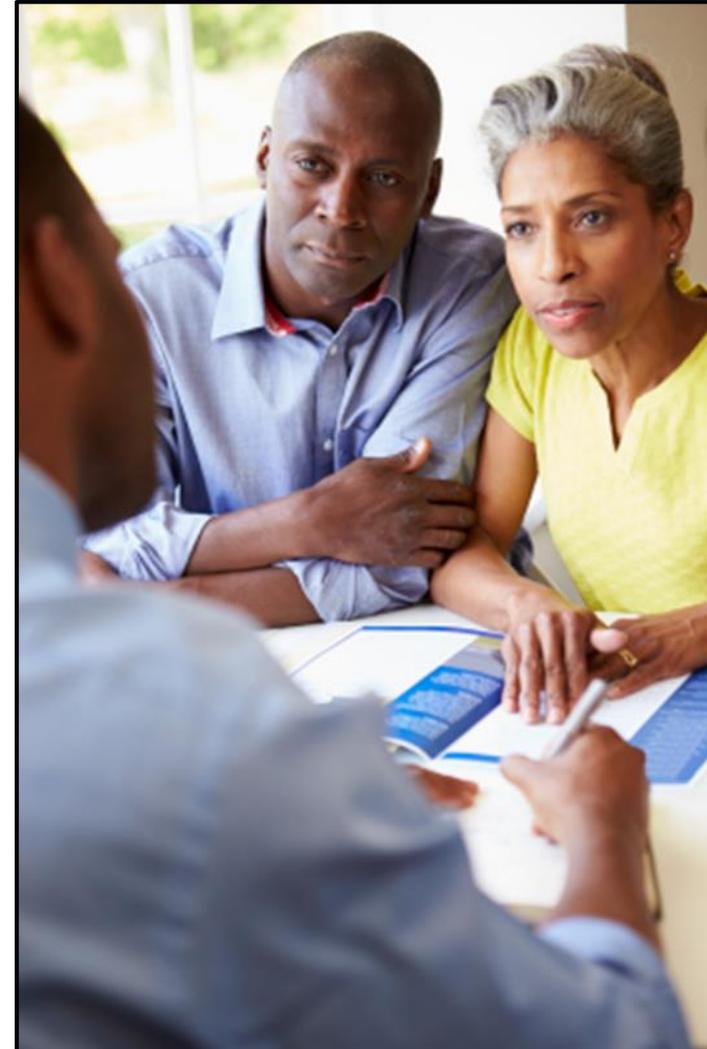
Federal Laws That Apply to Solar Contracting & Financing

CAN-SPAM Act	Electronic marketing
Consumer Leasing Act	Leasing disclosures
Electronic Funds Transfer Act	Consumer rights in electronic fund transfers
Equal Credit Opportunity Act	Discrimination in credit transactions
Fair Credit Reporting Act	Collection and use of consumer information
Federal Trade Commission Act	Unfair and deceptive trade practices
Magnuson-Moss Warranty Act	Consumer product warranties
Right to Financial Privacy Act	Financial privacy from government intrusion
Truth in Lending Act	Lending disclosures and standardization
Telephone Consumer Protection Act	Telemarketing and automated telephone equipment
Unfair Deceptive Practices Act (UDAAP)	Misleading financial products and services
Uniform Commercial Code	Sales and commercial transactions

*All 50 states have their own consumer protection laws prohibiting deceptive trade practices and all have adopted some variation of the Uniform Commercial Code.

Why Solar Contract Disclosures?

Solar installation is a transactive process so the point of sale (or lease or power purchase agreement) offers a place for states to ensure customers have access to key information and to guard against misleading or inaccurate sales representations.



States that Have Adopted Solar Disclosure Policies

- Arizona—Financing, leases, and sales contracts
- California—Financing, leases, and sales contracts
- Florida—Lease and sales contracts
- Hawaii—Community solar
- Illinois—All vendors participating in the state's adjustable block program
- Maryland—Community solar
- Minnesota—Community solar
- Missouri—All Missouri electric IOUs
- New Mexico—Sales and third-party owned system contracts
- New York—Distributed energy resource suppliers
- Nevada—Leases, PPAs, and sales contracts
- North Carolina—Leases
- Utah—Leases, PPAs, and sales contracts
- Washington—Any person who sells or installs a solar module

Disclosure Forms and Checklists

- [Florida](#)—Disclosure forms for leases and sales contracts
- [Minnesota](#)—Community Solar Garden Subscriber Disclosure Checklists for Pay-As-You-Go and Pre-Paid Subscriptions
- [New Mexico](#)—Distributed Generation Disclosure Statement
- [Nevada](#)—Renewable energy contract disclosure requirements fact sheet
- [New York](#)—On-site and community distributed generation customer disclosure statements

Common Disclosure Requirements

- Consumer savings and future utility rates—States have addresses this in different ways. Many require disclosure of savings assumptions.
- Dispute resolution—Some states specify a process for customers to file complaints.
- Incentives—Most states require disclosure of incentives or rebates. Many also address the ownership or transfer of tax credits, rebates, and incentives.
- Interconnection—Some states require providers to tell the consumer which party is responsible for obtaining interconnection approval.
- Production guarantees
- Specified type-size for font
- Three-day rescission periods
- Warranties—may be related to installation, equipment, or roofs

Community Solar Consumer Protection

- Maryland, Minnesota, and Hawaii have adopted solar disclosure requirements specific to their community solar programs
- Compared to rooftop solar, community solar is an abstract product. You will likely never see “your” panels.
- Every community solar project can be different, and customers can be left to figure out for themselves what “community solar” means in each case.
- In different cases, community solar customers are paying for different things:
 - Ownership of panels
 - Lease of panels
 - Electricity from certain panels
 - Portion of electricity from entire array
 - Other?



Industry Response

- Industry has responded differently to different state policies.
- Industry has testified against some state solar contract disclosure bills (e.g., Arizona, New Mexico).
- SEIA applauded Utah's solar consumer protection bill.
- SEIA has noted that four states—Florida, Nevada, New Mexico, and Utah—have enacted legislation based on its solar consumer protection work.

Thank You

Nate Hausman
Project Director, CESA
(802) 223-2554 x206
nate@cleanegroup.org

<https://www.cesa.org/projects/sustainable-solar/>



SOLAR ENERGY
TECHNOLOGIES OFFICE
U.S. Department Of Energy



CleanEnergy
States Alliance