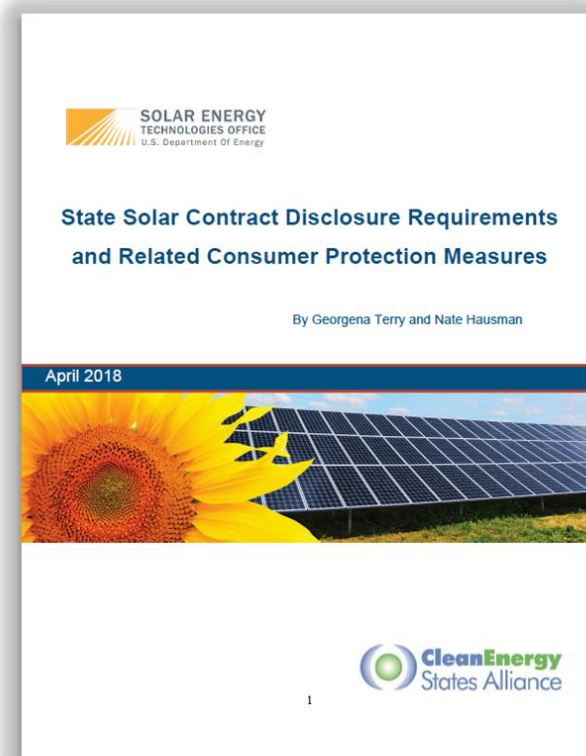


# State Solar Contract Disclosure Requirements

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



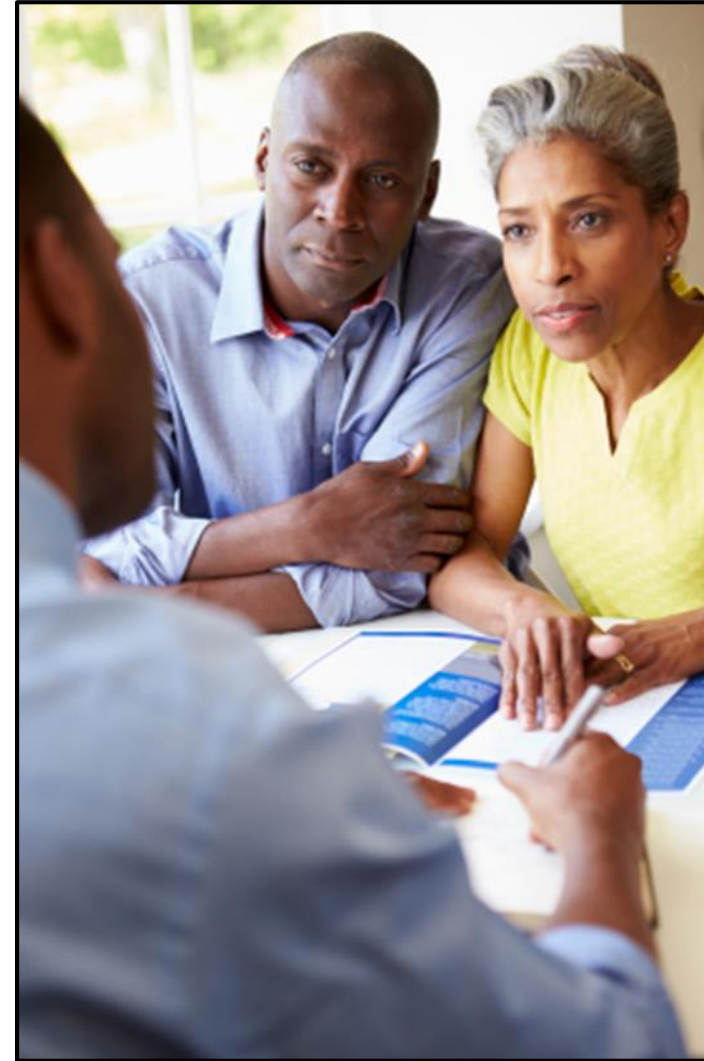
# Federal Laws That Apply to Solar Contracting & Financing

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

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