



June 7, 2016

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue N.W.
Suite CC-5610 (Annex B)
Washington, DC 20580

RE: Solar Electricity Project No. P161200

Dear Chairwoman and Commissioners:

The solar industry prides itself on its record of consumer protection. We view the protection of our customers as essential to our very existence. As the number of rooftop solar installations reaches 1 million, it is imperative that residential customers are protected, educated and armed with the best information possible so that they can make choices that are right for them and their families.

To that end, we wanted to make several points in this filing:

- The solar industry takes consumer protection seriously.
- The industry has undertaken its own consumer protection effort and shown strong leadership.
- Solar is already governed by strong federal and state consumer protection laws and regulations.
- Creating new mandates would be counterproductive.

Consumers choose distributed generation (DG) solar for many reasons ranging from financial savings to a desire to choose how their homes will be powered. As consumers realize the benefits, they are increasingly transitioning to solar and telling family, friends, and neighbors about their experiences. The results are self-evident. The total number of solar installations has grown from under 100,000 before 2010 to more than one million in 2016, and that number is forecasted to reach two million in only two more years.

If you think about it, with that many solar installations, solar projects are now penetrating every neighborhood in some states. Their neighbors are asking who did you use? How much did you pay? What is the lease like? What are your energy bills? Did they do a good job? Was it a good experience? A negative response to any of those questions can literally make or break the industry's ability to thrive in a community. In that context, the notion that we would systematically or regularly deceive our customers defies logic.

We have taken a number of steps to ensure that customers are well-informed. We published the *SEIA Residential Consumer Guide to Solar Power* that gives consumers the tools they need when considering

whether to enter into a DG solar agreement. The guide goes over how solar works, options for solar, questions consumers should ask of themselves and solar companies and tips for resolving disputes.

In January, we released the *SEIA Solar Lease Disclosure Form* which gives a snapshot of key terms in a lease agreement. The disclosure form allows consumers to easily compare lease offers and start a conversation with their solar provider about what is included in the offer. SEIA will release shortly similar versions of the disclosure form for PPAs and purchases.

At the heart of SEIA's consumer protection work is the *SEIA Solar Business Code*, a national code of conduct for the industry. All SEIA members must follow the Code. The Code is a comprehensive rule book that reminds companies about the broad range of state and federal law and regulations they need to follow. It provides rules on advertising, marketing & consumer interactions, and contracting.

To give "teeth" to the Code, SEIA established a complaint resolution process which any consumer can submit a complaint to SEIA for review and action. The Code and complaint process is meant to supplement government regulation, not supplant it.

Finally, the solar industry is working with government regulators, consumer groups, and industry to educate consumers about solar technology and transactions.

Under the FTC Act, it is unlawful to engage in "unfair or deceptive acts or practices in or affecting commerce."¹ A company cannot make false or misleading claims about a product or service, or misrepresent a contract's material terms. For example, a company cannot misrepresent potential energy savings,² or product costs.³ The FTC provides further guidance on renewable energy marketing through the *FTC Green Guides* which includes the FTC's views on proper marketing around renewable energy certificates (RECs).

As the FTC recognized, competition works best when consumers have accurate information about products and services. A strong set of federal, state, and local laws are in place to help consumers make informed decisions. Consumer protection laws ban false and misleading advertising and marketing practices, impose stringent requirements on telemarketing, mandate full disclosure of key contract terms, and require DG solar systems to be installed properly before becoming operational. Additional regulations would improperly single out the solar industry for scrutiny and would impose redundant, confusing, and inefficient layers of additional mandates.

All fifty-plus states and territories have their own false advertising and deceptive trade laws which cover the same issues as the Federal Trade Act. Companies that violate these laws face heavy fines or injunctions from doing business. Together, strong state and federal laws forbid false and misleading advertising of DG solar.

¹ 15 U.S.C. § 45(a)

² See, e.g., *United States v. Sumpolec*, 811 F. Supp. 2d 1349

³ See, e.g., *FTC v. NHS Sys.*, 936 F. Supp. 2d 520 (E.D. Pa. 2013), *FTC v. Figgie Int'l, Inc.*, 994 F.2d 595, 608 (9th Cir. 1993)

State and local laws regulate both installers and installations. On the front end, an installer needs a license from his or her state contractor licensing board before being allowed to install DG solar. Once a system is installed by a licensed contractor, local inspectors examine the installation to make sure it complies with state and local installation codes. For example, installation codes ensure that electrical wiring is done safely and that a roof's structure remains stable. If an installation does not comply with installation codes, the system cannot connect to the electric grid. As a result, installer licenses and installation inspections help keep out shoddy DG solar installation.

Despite the existence of robust consumer safeguards, some entities contend that DG solar is somehow different from other consumer products, and therefore needs additional oversight and regulations. However, these claims wither under scrutiny. Federal regulators have received few complaints about DG solar, and the number of complaints at the state level are miniscule compared to other industries and the size of the solar industry. For example, in Arizona, solar didn't make it to the Arizona AG's list of top consumer complaints. The average number of complaints/year comes out to less than 100 out of 16,000+ complaints.

In conclusion, we are committed to consumer protection. Unethical installers are not welcome in our industry. It is in our interest to protect the consumer. And as if that is not enough, we are heavily regulated by federal, state and local agencies. And now it is time to harness the power of the sun, bringing jobs and clean energy to communities across this country, while ensuring that consumers have the protections and information they need to invest in solar with confidence. We look forward to working with the Commission to make that vision a reality.

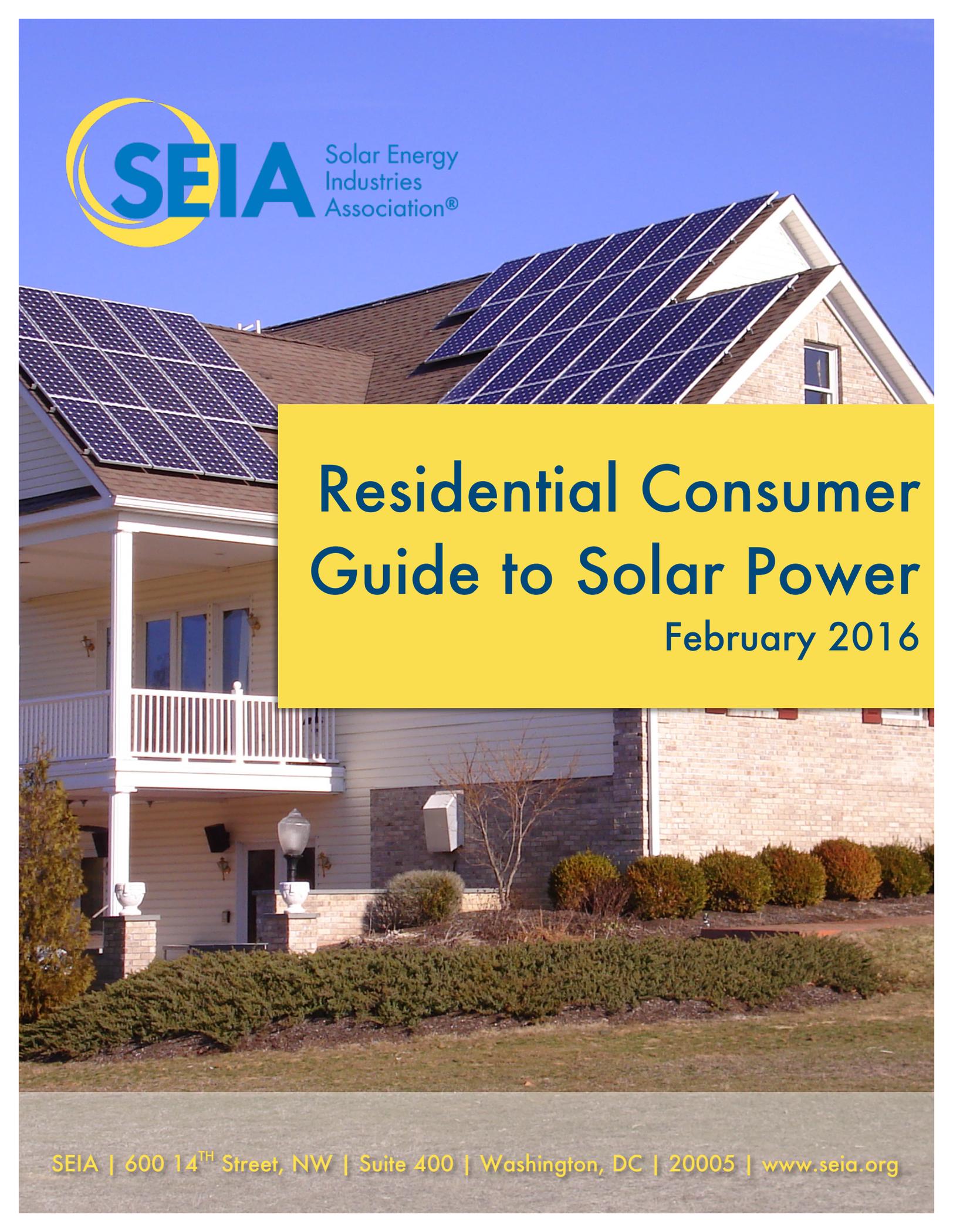
Respectfully Submitted,



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Attachments

- *SEIA Residential Consumer Guide to Solar Power (Feb. 2016)*
- *SEIA Solar Business Code (Sept. 2015)*
- *SEIA Solar Business Code Complaint Form (Jan. 2016)*
- *SEIA Solar Leasing Disclosure Statement (Jan. 2016)*

The background of the entire page is a photograph of a two-story residential house with a brown shingled roof. The roof is covered with several rows of dark blue solar panels. The house has white siding on the upper level and a brick base on the lower level. A white balcony with a railing is visible on the left side. The sky is clear and blue.

Residential Consumer Guide to Solar Power

February 2016

Introduction

Deployment of solar energy systems in the U.S. has grown rapidly over the past decade. Costs have dropped, and new ownership and financing models allow more Americans than ever to choose solar. Solar is now available as a power choice in all fifty states. Going solar is a significant decision, similar in scope to getting a car. You should understand the basics of solar energy, your options to go solar, and what questions to ask solar professionals. You are more likely to be satisfied if you are an informed consumer.

How Solar Works

Today, most residential solar systems are photovoltaic ("PV") systems. PV systems generate electricity through two main components:

- Panels (or modules) that convert sunlight to electricity; and
- Inverter(s) that convert(s) direct current (DC) to alternating current (AC) for use in your home

Generating Electricity

The amount of electricity (measured in kilowatt-hours, or kWh) produced by any solar system depends on two factors:

- The power rating of the system (measured in kilowatts, or kW); and
- The amount of sunlight that the system receives. Calculating the amount of sunlight a solar system receives depends on several factors:
 - The location of your home (for example, homes in Phoenix receive more sunlight on average than Seattle)
 - The orientation of the planned system (the roof angle/pitch, and compass direction impact how much of the sunlight in your area hits the panels)
 - Shading from nearby objects (such as chimneys, trees or neighboring buildings)

Your Ownership Options

Today, Americans have ownership options for solar similar to those for cars. It's important to understand the differences and choose the one that's right for you. The main options available today are listed and explained below:

- Purchase a system with cash or a loan and own both the system and all the power it produces
- Lease a system and own only the power it produces home
- Enter a "power purchase agreement" (PPA) to buy power from a system owned by a solar company at an agreed-upon rate

PURCHASE

Like buying a car, you can purchase a solar system outright with cash or with a loan. When you buy the solar system, you are the owner and benefit from all electricity the system produces. You are usually responsible for system upkeep, although some providers offer maintenance services on purchased systems. In most jurisdictions, you also are the beneficiary of any tax credits or other incentives that promote solar energy.

LEASE

You can lease a solar system for a certain period of time. The solar company owns the system and leases it to you to use it and benefit from the electricity it produces. The solar company is responsible for upkeep. You make monthly payments to the solar company at the agreed upon rate specified in the lease for use of the system. Some solar companies will allow you to lease with no initial costs (“no money down”). Some companies also give you an option to purchase the system after a certain amount of time.

POWER PURCHASE AGREEMENTS (PPA)

Some consumers prefer just to pay for the electricity generated from the system rather than entering into a lease for the system itself. In a power purchase agreement, you agree (i) to allow the solar company to install and own a solar system on your property, and (ii) to purchase the electricity produced by that system for a set rate and agreed-upon terms specified in a contract. Some companies give you an option to purchase the system after a certain amount of time.

Moving Forward

When evaluating your options to go solar, you should always do your homework, talk to friends and neighbors who have chosen solar, use common sense, and be active and engaged in dealing with solar companies. Below are some suggestions on how to become an informed consumer.

KNOW YOUR SITUATION

- *Know your electricity usage.* You should understand how much electricity your home uses. Your utility bill will show your electricity usage in kilowatt-hours (kWh) and the amount you pay for that electricity. Are you planning any changes that will affect your electricity use (such as buying an electric vehicle, planning an addition to your home, or improving your home’s energy efficiency)? Discuss your usage with the solar companies you interview to get a system sized for your needs.
- *Know your roof.* Is your roof appropriate for solar? Look at its physical features and discuss with a solar professional. A solar professional can calculate the amount of sunlight expected to reach a planned system over the course of a year. Does it receive a good amount of sunlight or is it mostly shaded? What about the age of the roof? If you plan on replacing it soon, you may want to replace it prior to a rooftop solar installation. In America, roofs facing due north are not good candidates for solar because they don’t receive direct sunlight.
- *Know your finances.* Like any major decision for your home, it’s wise to understand your finances when shopping for solar systems. Although sunlight is free, buying or leasing solar systems, or paying for electricity under a PPA, are not.

DO YOUR HOMEWORK

- *Get the best deal.* As with any major purchase, make sure to get multiple bids for your solar system. Many Americans will find the market quite competitive, with multiple solar companies competing for your business. Use this guide and other resources, and compare costs and terms from different firms.
- *Research your solar company.* Before entering an agreement with a solar company, do your homework. Ask for references of solar installations in your area and call them. Ask for proof of licensure, and check with your county or state to ensure the firm is in good standing. Ask if they are a member of the Solar Energy Industries Association (SEIA), the national trade association for

solar that requires all its members to abide by a Code of Ethics. You can also check with the local Better Business Bureau and other consumer guides.

- *Understand any tax credits or other incentives.* There is a 30 percent federal tax credit available through 2019, on the total cost of the solar system, but only if you own the system. (The federal credit drops to 26 percent for 2020, and 22 percent for 2021) Other state and local incentives may be available, as well as programs from your local utility. Many can be found on the Database of State Incentives for Renewable Energy (see *Additional Resources*, below).
- *Understand any potential tax implications of credits or incentives.* Remember, only a CPA can give tax advice and only an attorney can give legal advice. When consulting such professionals, choose ones who are experienced with solar.
- *Understand Renewable Energy Certificates (RECs).* RECs or “Green Tags” are tradeable tags representing the renewable qualities of the electricity your solar system generates. RECs were created to encourage and expand the overall growth of renewable energy. In some states, if you own RECs, you can claim you use “green” or “solar” power. Selling or transferring your RECs can help lower the cost of your system, but you may lose the ability to make “green” or similar claims when marketing your home. It’s a complicated topic and solar companies should explain RECs and REC ownership to you if they apply in your state.

UNDERSTAND THE AGREEMENT

- *Understand the terms.* Contracts are legally binding and should be read carefully. Make sure you understand what you are receiving from the solar company and how much you are paying for it. Remember: make sure terms that are important to you are included in the official signed contract documents.
- *Don’t hesitate to ask questions.* The best transactions are ones where the consumer and the contractor both fully understand the deal. Asking questions upfront can avoid misunderstandings later in the process. Below are some of the top questions that consumers ask when entering into a solar transaction.
- *Separate estimates from guarantees.* Many Americans can save money by choosing solar, but savings depend on the cost of the electricity from your solar system compared to cost of electricity from your utility. If a solar company promises savings, or states that electricity costs from your utility will increase in the future by a certain amount, ask them to explain. According to the U.S. Department of Energy, national residential electricity rates increased on average by 3.4 percent annually between 2004 and 2014. Rates in your area may have increased more or less, and may increase more or less going forward. Check with your utility or State utility regulatory office for any planned increases.
- *Fully understand warranties.* Like any other major residential product or service, a solar system typically includes warranties covering parts and labor. There may be separate warranties for major system components, as well as how the system interacts with your roof and its warranty. Ask your solar company to explain what your warranties protect, for how long, and who stands behind them.

Key Questions to Ask Before Entering into an Agreement

For all solar systems:

- What is the total cost of the solar system?
- What is your timeline for this investment? Do you want a short term arrangement or a long-term asset?
- How much do I pay up front, and how much over time, for how long?
- What is the system size?
- How much electricity will the system generate each year? Do you guarantee a minimum amount (a production guarantee)?
- Do system output calculations consider actual installation details of the system?
- Can I expect to save money with this system? If so, how much? Based on what assumptions?
- Is the installation company licensed and insured?
- What will the system look like once installed? Will I receive a system design for my review and approval before installation?
- Will I be required to make any changes to my home (e.g., roofing upgrades)?
- Are there separate warranties for parts and labor?
- What do the warranties cover and what are their durations?
- What type of maintenance or cleaning is required? Are any maintenance services included?
- Who should I contact if I have a question about the system following the installation?
- In many states, laws prevent homeowner associations (HOAs) from restricting rights to install a solar system. What are the rules in my state and can you help me work with my HOA?
- Does your company follow the *SEIA Solar Business Code*? Do you agree to abide by SEIA's Complaint Resolution Process?

For leases and PPAs only:

- Do you use the *SEIA Residential Lease Disclosure Form*?
- What is the length of the lease or PPA?
- Who receives solar tax incentives and how are they factored into the cost?
- Will my payments increase over time? How does the rate of increase compare to the expected/historic utility rate increases?
- What happens if I wish to end the lease or PPA early?
- Can I purchase the system, either during the agreement or once it ends?
- What are my options when I sell my home?
- Am I free to sell my home or do I need the system owner's permission?
- Are there fees to transfer the PPA or lease agreement to the new homeowner?
- Do I have to pay off the lease when my home is sold?
- Who is responsible for repairs and maintenance on the system?
- Do RECs apply to my transaction? If so, can you explain how RECs work in my situation?
- If I want to sell my home and don't own the RECs, how can I describe my home to potential buyers?

Working Out Differences

As with any other service or product, consumers may encounter issues in dealing with a solar company. In general, solar companies want satisfied customers and are willing to resolve any problems that arise. SEIA and the solar industry are strongly committed to consumer satisfaction and protection.

- First, try to resolve problems directly with your solar company.
- Your contract or lease may have a dispute resolution section and process.
- If you choose a SEIA solar company to work with, SEIA may be able to assist you in resolving your issue.
- If you are still having issues, note that SEIA member companies are bound by the *SEIA Solar Business Code*. If you believe a company has violated the *SEIA Solar Business Code*, you may submit a complaint to SEIA, which can help resolve certain issues.
- You can contact private consumer organizations (e.g., your local Better Business Bureau) about your issue.
- In addition, state and local governments have resources to promote consumer protection. See below for more information.

Additional Resources

- SEIA Consumer Protection Portal – www.seia.org/consumers
- Official SEIA State Chapters – www.seia.org/about/seia/official-state-chapters
- Better Business Bureau (BBB) – www.bbb.org
- Database of State Incentives for Renewable Energy (DSIRE) – www.dsireusa.org
- Interstate Renewable Energy Council – www.irecusa.org
- National Renewable Energy Laboratory (NREL) – www.nrel.gov
- U.S. Department of Energy (DOE) – www.energy.gov
- Your state or local consumer agency – www.usa.gov/directory/stateconsumer/
- Your state attorney general – www.naag.org

Email SEIA with any questions at consumer@seia.org

SEIA® SOLAR LEASING DISCLOSURE STATEMENT

This streamlined statement is designed to help you understand the terms and costs of your solar lease.
 This statement is not a substitute for reading the contract, lease and other documents associated with this transaction.
 All information presented below is subject to the terms of your contract.

LESSOR: Address: Tel.: License # (if applicable): Email:	INSTALLER: Address: Tel.: State/County Contractor License #: Email:	WARRANTY/MAINTENANCE PROVIDER: Address: Tel.: License # (if applicable): Email:
---	--	--

LESSEE:
 Customer ID:
 System Installation Address:
 Lessee Mailing Address:
 Email:
 Contract Date:

Amount & Term (A)	Amount Due Up-Front (B)	Total Estimated Lease Payments (C)	Other Possible Charges (D)
Your monthly payment during the first year of the lease: \$ _____ The length of your solar lease: <input type="checkbox"/> ___ Years <input type="checkbox"/> ___ Months *NOTE: See Box G : "Lease Payment Escalator" for factors that may affect the amount of future monthly payments.	Amount you owe Lessor at solar lease signing: \$ _____ Amount you owe Lessor at the completion of installation: \$ _____ Total up-front payments you owe Lessor: \$ _____	Total of all your monthly payments and estimated taxes over the course of the lease: Your estimated total lease payments excluding taxes are \$ _____ Your estimated total tax payments are \$ _____ based on estimated average monthly tax payment of \$ _____ Incentives Included In Your Estimated Lease Payments: <input type="checkbox"/> None <input type="checkbox"/> _____ _____ _____	Other charges you may have to pay under your solar lease: Late Charge: If a payment is more than _____ days late, you will be charged \$ _____. Estimated System Removal Fee: \$ _____ UCC Notice Removal and Re-filing Fee: If you refinance your mortgage, you may have to pay \$ _____. Non-Connection to Internet: If you do not maintain a high-speed internet connection, you will be charged a monthly fee of \$ _____ and/or as a result your monthly payments may be based upon estimates Automatic Bank Withdrawals (ACH): [\$ _____ per month fee for not paying your lease using automatic bank withdrawals] [\$ _____ per month discount if you pay your lease using automatic bank withdrawals]

Number of Lease Payments (E)	When Payments Are Due (F)	Lease Payment Escalator (G)
<p>_____</p>	<p>The first payment on your solar lease is due on the _____ day of the first calendar month after your leased solar system is connected.</p> <p>Lessor will provide you with:</p> <p><input type="checkbox"/> Electronic Invoices (sent to your email address above)</p> <p><input type="checkbox"/> Paper Invoices (sent to your U.S. mail address above)</p>	<p>The amount of your solar lease payment will increase:</p> <p><input type="checkbox"/> Never</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Your solar lease payment amount will increase by the following amount _____%</p> <p>The first increase will occur in _____, 20____ or with your 13th payment, whichever comes later.</p>

Site & Design Assumptions for your Leased System (H)

- Estimated leased system size, in kilowatts (kW): _____
- Estimated gross annual electricity production in kilowatt-hours (kWh) from your leased system: _____
- Estimated annual system production decrease due to natural aging of system: _____%
- System location: _____
- Connectivity: Your leased solar system **WILL** **WILL NOT** be connected to the electric grid.
- Net metering: At the time of installation, your system **WILL** **WILL NOT** be net metered. Net metering rules are set by the jurisdiction you live in. Any benefits of net metering accrue to the Lessor unless specified here: _____

Security Filings (I)

Lessor **WILL** **WILL NOT** take a security interest in your real property by terms of the lease (e.g. a lien on your home)

Lessor **WILL** **WILL NOT** file a fixture filing or a UCC-1 on the system (a public filing informing others that Lessor owns the system)

Repair & Maintenance (J)

System maintenance **IS** **IS NOT** included for the term of the lease from lessor or a third party (such as an installer or equipment manufacturer). You are required to perform the following system maintenance: _____

System repairs **ARE** **ARE NOT** included for the term of the lease from lessor or a third party (such as an installer or equipment manufacturer). If all system repairs are not included, you are required to perform the following system repairs: _____

Roof Warranty (K)

Your roof **IS** **IS NOT** warranted against leaks from the system installation for _____ years.

Your roof **IS** **IS NOT** warranted against leaks caused by removal of the system for a period of _____ years following system removal. Any portions of your roof impacted by the system **WILL** **WILL NOT** be substantially returned to their original condition following the removal of the system (ordinary wear and tear excepted).

Transferring Your Lease and Selling Your Home (L)

If you sell your home, you **MAY** **MAY NOT** transfer this solar lease to the purchaser(s) of your home.

If you may transfer the lease, the transfer will be subject to the following conditions:

- Credit check on the purchaser(s)
- Minimum FICO score requirement: _____
- Transfer fee. If Yes insert amount \$ _____
- Assumption of contract by purchaser(s)
- Other _____

If you sell your home, you **ARE** **ARE NOT** permitted to move the solar system to a new home.

You may also have the options to purchase the system or prepay some or all of the lease balance as part of a transfer.



SEIA SOLAR BUSINESS CODE



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www.seia.org

September 2015

SEIA Solar Business Code

1 GUIDING PRINCIPLES

- 1.1 The Solar Energy Industries Association (“SEIA”) has created this pro-competitive business code (“Code”) to promote transparency, good faith, and understanding in the U.S. solar energy industry.
- 1.2 Members of the greater solar industry (“Company” or “Companies”) are expected to abide by this Code in their regular business practices.
 - 1.2.1 SEIA recognizes that the Code cannot cover every circumstance and expects Companies to follow both its letter and spirit.
 - 1.2.2 In addition to the Code, Companies shall abide by the law (e.g., common law as to contracts), and all applicable ethical business guidelines set forth by the Council of Better Business Bureaus (BBB), Federal Trade Commission (FTC), Consumer Financial Protection Bureau (CFPB), relevant state consumer protection bureaus, and other regulatory bodies with jurisdiction.
- 1.3 As part of their membership in the association, SEIA member Companies expressly agree to follow the Code, cooperate with SEIA and any designated third party during any investigations into alleged violations of the Code, and comply with any authorized actions by SEIA or third parties to enforce findings made with due process.
- 1.4 SEIA endorses the BBB Business Partner Code of Conduct and incorporates its terms as part of the Code.
- 1.5 Companies should always act in full compliance with federal, state, and local laws regarding truth in advertising, consumer protection, contract law and other relevant regulations.
 - 1.5.1 Where a Company uses contractors, service providers or agents to perform activities covered by this Code, Company shall take commercially reasonable measures to require such contractors, service providers or agents to abide by this Code. In such instances, references to “Company” in this Code shall be read to include a reference to such contractors, service providers or agents.
 - 1.5.2 Where compliance with a Code provision would cause non-compliance with a relevant law or regulation in a specific jurisdiction, a Company should act in full compliance with the relevant law or regulation for that jurisdiction instead of the Code provision.
- 1.6 SEIA will cooperate with federal, state, and local law enforcement and partner business organizations regarding violations of the Code and any related laws.
- 1.7 Companies shall provide a copy of this Code to all employees and representatives who have contact with consumers (“Consumers”) or consumer interests as part of their job responsibilities.

2 UNFAIR, DECEPTIVE, OR ABUSIVE ACTS OR PRACTICES

No acts or practices shall be unfair, deceptive or abusive.

- 2.1 As a guiding principle, each Company shall conduct all aspects of its business that touch on Consumers or their interests without any unfair, deceptive, or abusive acts or practices (“UDAAP”).
- 2.2 Each Company shall regularly examine and consider the possibility of UDAAP violations in all aspects of its business that touch on Consumers or their interests, including but not limited to marketing, sales, origination, contract terms, contract options, installation, servicing, and loss mitigation.

- 2.3 Each Company shall regularly remind and train each employee, from sales to senior management, to always consider consumer interests and to avoid UDAAP violations.
- 2.4 This Code must be followed with an understanding that UDAAP rules also apply to each provision below.

3 ADVERTISING

Claims should be accurate, easily understandable and based on facts.

- 3.1 No advertising claim by any Company should be deceptive or misleading, whether by affirmative statement, implication or omission, including claims:
 - 3.1.1 About products or services.
 - 3.1.2 About pricing, quality and performance.
 - 3.1.3 Made in print, electronic, verbal, and any other medium.
- 3.2 All claims must be supported by factual, verifiable sources.
- 3.3 Companies should be familiar with all advertising laws, rules, regulations and guidance, including the FTC guidance on advertising and marketing.
- 3.4 Companies should avoid referring to a solar system as “free” in oral or written marketing or sales discussions unless the Consumer will not pay anything for the solar system or the energy it generates.
 - 3.4.1 Any other use of “free” in sales or marketing must present to the Consumer precisely what is being offered with and without any current or future cost in a clear and obvious manner.
- 3.5 Prices quoted must be accurate and complete, covering all products or services offered or requested, with prices for optional or additional products or services clearly identified as such, with payment terms clearly stated, and with the period of availability of the quoted prices specified.
- 3.6 If advertised prices include incentives, such as from a government or utility program, that have eligibility requirements or qualifications, the Company shall fully disclose the incentives and appropriate details regarding the eligibility requirements and qualifications or otherwise provide resources that are reasonably necessary for Consumer to make an informed decision, subject to limitations and disclosures regarding providing tax advice.
- 3.7 If estimated prices, whether denominated as “estimated,” “suggested,” “prospective,” or other similar term, are presented to a Consumer, must be reasonably based on the information the Company possesses. Additionally, they should be clearly disclosed or labeled as estimates or similar terms.
- 3.8 Comparisons of current pricing, contract terms, products or services must not be misleading, and must include all relevant facts to fully understand the pricing, terms, products or services being compared.
- 3.9 If advertised prices include initial pricing reductions, such as teaser rates, or future increases, all material terms of such initial reductions or future increases shall be disclosed when such prices are marketed or otherwise communicated to Consumers.

System production calculations must take into account material factors.

- 3.10 Depending on the installation, material factors (“Material Factors”) for production calculations of the system should include:
 - o Hardware specifications,
 - o Tilt,
 - o Azimuth,

- o Size,
 - o Roof layout,
 - o Geographic location,
 - o Shading, and
 - o Any other reasonably evident or anticipated factors impacting system performance.
- 3.11 In the event a performance calculation is unable to include the Material Factors stated above, production projections should clearly identify the omitted factors and the reason for any such omission.

Projections of future utility prices must be based on accepted sources and methods.

- 3.12 Utility electricity price projections must be clearly identified, verifiable, and be based upon one or more of the following sources (“Sources”):
- o Energy Information Agency (“EIA”) data from Annual Energy Review, Annual Energy Forecast, Monthly Energy Forecast, or similar official EIA publications for the state in which the system is located;
 - o State utility commission, energy office or commission, or similar official agency publications from the state in which the system is located;
 - o Retail utility or electricity generation source servicing the system location;
 - o Official rate case filings or forecasts from the state’s PUC/PSC;
 - o Historical utility price data for the system location;
 - o Industry experts or other qualified consultants; or
 - o Other similar reliable sources qualified by SEIA.
- 3.13 Accepted methods for utility electricity price projections include:
- 3.13.1 If based on historical data for the utility serving the installation site, combined average growth rate using no less than five years of data ending with the most recent year for which data is publicly available;
- 3.13.2 If based on projections of third-party Sources,
- 3.13.2.1 Accurate representation of any data within the timeframe of the Source;
- 3.13.2.2 When projecting beyond the timeframe of the Source data, combined average growth rate projection using a time period that is the greater of:
- Source data timeframe, or
 - Five years.

Endorsements must be genuine and authorized by the endorser.

- 3.14 Endorsements of Company or its products or services by individuals used in any media format either owned by the Company or initiated or sponsored by the Company through media owned by a third-party (such as social networking sites) must be:
- 3.14.1 Authorized by the endorser;
- 3.14.2 Accurate, genuine and in proper context;
- 3.14.3 Without misrepresentation by affirmative statement or omission;
- 3.14.4 Clear as to whether the endorser is providing an opinion as a consumer with true firsthand experience, solar expert, or well-known spokesperson; and
- 3.14.5 Transparent as to whether any connections exist between the endorser and the Company beyond that which a Consumer would ordinarily expect.

4 SALES AND MARKETING INTERACTIONS

Companies must respect consumer privacy.

- 4.1 Companies shall comply with, and shall ensure that all of its employees, agents and contractors comply with, any and all federal, state, and local laws regarding restrictions on contacting its Consumers, including but not limited to the federal Do Not Call Registry, the CAN-SPAM Act of 2003, the Telemarketing Sales Rule, the Telephone Consumer Protection Act of 1991, Direct Marketing Association's Business Code Article 47, 48, and any analogous state or local laws.
- 4.2 Companies must respect the wishes of Consumers who do not want to be contacted by maintaining accurate and current "do-not-contact" lists of such Consumers, and/or requiring their contractors, service providers and agents to maintain such lists.
- 4.2.1 Companies that receive Consumer "do-not-contact" requests through an employee, agent or contractor must add the Consumer to their "do-not-contact" lists.
- 4.2.2 Companies must ensure that employees, agents and contractors (e.g., solar lead generators) have access to up-to-date "do-not-contact" lists, and that all comply with this Code section.
- 4.2.3 Companies must have reasonable protocols to ensure that employees, agents and contractors do not initiate contact with Consumers on their "do-not-contact" lists.
- 4.3 Companies, their agents and contractors may contact Consumers previously listed on a "do-not-contact" list who later initiate contact with Companies, their agents or contractors, but subject to all applicable local, state and federal limitations on the breadth of such contact.
- 4.4 Companies, their agents and contractors shall also comply with all other aspects of the foregoing laws, including the following aspects:
- o Prohibitions against manually dialed calls to wireless numbers;
 - o Call time restrictions;
 - o Call curfews and banning calls to consumers on statutory holidays or during a declared state of emergency;
 - o No autodial or text wireless numbers without prior express written consent;
 - o Limitations on the length of time callers may allow phones may ring;
 - o If using automated or prerecorded messages, ensuring compliant opt-out mechanisms are available, including a toll-free number to allow Consumers to easily opt-out of future calls;
 - o All applicable email requirements, including properly identifying the type of email and opt out provisions.
- 4.5 For additional information on consumer privacy, see:
- o Telephone Consumer Protection Act (FCC enforcement).
 - o CAN-SPAM Act (FTC enforcement).
 - o Direct Marketing Association's Business Code Article 47, 48.

Company representatives should treat Consumers fairly and honestly.

- 4.6 Representatives must clearly and truthfully identify the Company they represent. Each Company is responsible for ensuring that its contractors, subcontractors, and any other agents who interact with Consumers on the Company's behalf comply with this identification requirement.

- 4.7 Companies shall not harass, threaten, or badger Consumers.
- 4.8 Companies should avoid high-pressure sales techniques.
- 4.9 Companies should seek openness and transparency and not seek to take advantage of a Consumer's lack of knowledge. If a Company becomes aware that a Consumer clearly misunderstands a material issue in a solar transaction or that the system will not work as intended to be used by the Consumer, the Company should correct that misunderstanding.
- 4.10 Companies should consider a Consumer's capacity to understand the terms and ramifications of a contract before entering into such contract.
- 4.11 Companies should not misrepresent the reason for any contact with a Consumer.
- 4.12 Companies should not market products or services they know will not work as expected.
- 4.13 Consumer questions must be answered honestly. If a Company representative or agent does not know an answer to a Consumer question, he or she must:
 - o Tell the Consumer he or she doesn't know the answer;
 - o Find and report on the answer within a reasonable period of time; and/or
 - o Direct the Consumer to someone who can answer the question.
- 4.14 Companies may not make statements that are false or without reasonable basis in fact.
- 4.15 Companies must not omit material information when interacting with Consumers if the omission makes any statement or other communication with consumer misleading.

5 CONTRACTS

Contract terms should reflect verbal representations.

- 5.1 Companies shall ensure that written contract terms and verbal representations do not conflict.
- 5.2 Company representatives shall not make promises or guaranties about system performance, results, or services to a Consumer that exceed the promises or guaranties that will be in the Company's agreements with that Consumer.

Contracts should be clear and understandable to Consumers.

- 5.3 Contracts must be written in legible font and in clear language, be structured in a way that is easy to understand, and avoid unclear or deceptive spacing or layout.
- 5.4 Material terms should be prominently placed in the contract and not hidden in non-obvious portions of the contract.
- 5.5 Companies must list any applicable costs or the method for calculating applicable costs.
- 5.6 Proper headings should be assigned to sections.

Contracts should contain all material terms.

- 5.7 Companies must include all material terms ("Material Terms") in their contracts.
- 5.8 Material Terms are those important to a knowledgeable understanding of an agreement between Company and Consumer including, but not limited to:
 - o Costs,
 - o Ownership terms,
 - o Financing terms,
 - o Warranties,
 - o Consumer options in the event of a home sale,
 - o Termination and system removal options and costs, and
 - o Consumer rights regarding damage to property from installation.

- 5.9 Material Terms must be part of a contract; it's recommended they be placed above the Consumer's signature. Separate documents containing or referencing Material Terms should only be used in agreements that are reasonably and customarily contained in separate stand-alone documents, such as service agreements, promissory notes, security agreements, warranties and guarantees.

Companies should allow Consumers the ability to rescind contracts.

- 5.10 Except in the case of solar systems included as part of a new home sale transaction, Company must provide each Consumer at least three business days from either the time of final contract execution or the time that a SEIA-approved solar disclosure form was provided for the Consumer to rescind a contract, and clear written notice of that right with reasonably convenient means of exercising such rescission.

Renewable energy certificates

- 5.11 "Clean energy," as used below, includes use of the terms "solar energy," "green energy," "renewable energy," and any other synonyms commonly used in trade.
- 5.12 Renewable Energy Certificate ("REC") ownership is a Material Term in a solar contract, regardless of ownership structure (e.g., purchase, lease, power purchase agreement).
- 5.13 RECs may not be double counted. If a Company sells a REC, after the sale, it may no longer count the sold REC towards any REC or "clean energy" requirements, renewable portfolio standard requirements, greenhouse gas emission requirements, or similar government, utility or voluntary compliance, incentive or similar program.
- 5.14 Many Consumers are unfamiliar with RECs and their characteristics. In a solar transaction
- o in a state in which a REC market exists;
 - o in a state in which a Company mentions RECs or implies their value in calculations in any advertisement or promotional material;
 - o where RECs are included in the contract, sales materials, calculations of cost or value;
 - o in which Company discusses RECs with Consumer; or
 - o in which Consumer asks about RECs;
- The Company must take steps to educate its Consumer about RECs, including providing the Consumer with a copy of or link to the following publication or a similarly informative publication:
- o [Guidelines for Renewable Energy Claims: Guidance for Consumers and Electricity Providers, Center for Resource Solutions](#) (Feb. 26, 2015),
- 5.15 If an agreement assigns RECs to a Company instead of a Consumer, the Company should explain to the Consumer that:
- 5.15.1 The Consumer does not have the right to trade or sell RECs from the solar system.
 - 5.15.2 The Consumer is hosting a solar system that generates "clean energy," but a third-party, not the Consumer, owns the right to claim the "clean energy" attributes for such energy.
 - 5.15.3 The Company may state to the Consumer that sells its RECs that, by purchasing, leasing or hosting a solar system, the Consumer is helping advance solar energy in the United States, or similar broad policy or market statements.



For more information about SEIA's efforts to protect consumers and develop best practices, visit www.seia.org/consumerprotection or contact SEIA at consumer@seia.org.

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RESOLUTION

- Identify the specific resolution you seek to satisfy this Complaint, with the understanding that such determination of resolution falls exclusively under the authority of SEIA.

AUTHORIZATION – ALL BOXES MUST BE CHECKED BEFORE SEIA CAN PROCESS COMPLAINTS

- By checking this box, I certify that to the best of my knowledge there is no *ongoing* litigation, arbitration, investigation or similar actions by a government entity regarding the subject of this Complaint or a substantially-related matter.
- By checking this box, I certify that I have read and fully understand the *SEIA Solar Business Code* (“Code”) and the *SEIA Process for Addressing Consumer Protection Complaints Under the SEIA Solar Business Code* (“Process”) and agree to abide by their terms in submission and processing of this Complaint, including full cooperation as the Complainant throughout the SEIA Process and maintaining the confidentiality of the Process and all information arising in the Process until the Process is concluded
- By checking this box, I certify that I understand SEIA is a nonprofit trade association and is not a legal body recognized within any jurisdiction. SEIA has authority only over those companies that are members or were members at the time of the alleged violation of the Code. SEIA cannot and will not provide you with legal advice and that your action taken through the Process does not prevent you from seeking other legal remedies available to you. I also understand that SEIA has the right not to pursue action under any complaint at its sole judgment. I understand that the Process is not an arbitration process.
- By checking this box, I certify that all of the information, statements, and allegations made in connection with this Complaint are true and correct to the best of my knowledge. I authorize the release to SEIA, SEIA Ethics Committee, SEIA Executive Committee, SEIA General Counsel, SEIA Officers, and the Respondent of all information relating to this Complaint and which is in the care, control, or possession of the Respondent or related parties for the purpose of processing this Complaint.
- By checking this box, I authorize SEIA or its representatives to communicate with me regarding this Complaint or the Process by letter, overnight delivery, e-mail or telephone using the contact information I have provided or any additional contact information I provide to SEIA during the complaint resolution process.
- By checking this box, I hereby release and discharge SEIA and its representatives from any claims in any way related to the Complaint and this Process.
- * **OPTIONAL - If this box is checked**, I request to remain **anonymous** as Complainant to extent feasible by SEIA because of the risk of retribution against me if my identification is released to the Respondent or elsewhere. **To support this request I am attaching an explanation and documents demonstrating the validity of this request.** I understand that granting anonymity is within the sole discretion of SEIA, that it is possible that remaining anonymous may make resolution of the issue more difficult, and that I will be informed of SEIA’s decision before SEIA begins the Process.

Signature of Complainant
(must match the name of Complainant stated above)

Date

January 6, 2016