



**Testimony in Support of LD 1964**  
**An Act to Require the Development of a Standard Written Disclosure for Sellers and Installers of**  
**Distributed Generation Resources, to Make Changes to Other Standard Disclosures and to Make**  
**Misrepresentation in the Sale of Electricity Products an**  
**Unfair Trade Practice**  
**May 2025**

Senator Lawrence, Representative Sachs, and members of the committee, my name is James Cote and I am here on behalf of Versant Power to provide testimony in support of LD 1964.

We would like to thank Senator Black for bringing this legislation forward.

Versant Power supports Maine's renewable energy and climate goals. In order to achieve those goals, we strongly believe that energy consumers need a clear understanding of the different players in the energy landscape, transparent explanations of available programs and services, and confidence in their energy service providers.

Over the last few years, Versant Power has seen a dramatic increase in the development and subsequent marketing of solar energy projects, much of it directly attributable to the net energy billing program. Notwithstanding this committee's interest in reforming that specific program, another important market trend has emerged that we believe must be addressed. At a minimum, electricity customers should receive the information necessary to make wise decisions about their energy supply, including rights, obligations, estimated costs and timelines for which all of parties are responsible.

As previously mentioned, in 2024, the State of Rhode Island passed the Solar Consumer Protection and Homeowners Bill of Rights Act which attempts to ensure that Rhode Island residents receive more detailed information about project and financing costs while guaranteeing that their solar installation company adheres to best practice sales tactics. We have attached that legislation for your review. That legislation is much more comprehensive than LD 1964 before you today. However, Versant Power believes that this legislation is worthy of consideration and is an appropriate starting point for discussion.

You might ask why this matters to Versant Power, or any utility for that matter. The answer is quite simple. While thousands of our customers sign up for the delivery of a product or service with renewable energy developers and competitive electricity providers, the truth is that those customers typically go to their utility with questions about the terms and conditions of electricity products and services. Without knowledge of or insight into such programs, we are not always able to help these customers achieve good outcomes.



We also field calls from customers who have been told by their service provider or solar developer that we have made a mistake, we have cost them money, or we have caused undue delay. While we take responsibility for services within our control, it's clear that many customers working with a third party have not been given clear information about their product or service or don't understand who is actually responsible for ensuring specific obligations, costs and timelines are met.

We are mindful that the Public Utilities Commission has consumer protection requirements in place and are supportive of those. We are hopeful that the disclosure requirements, specifically in Sec. 4 of this bill, can be harmonized with and augment those current protections and will be viewed as the minimum standards in terms of communicating with customers.

There may be other ideas and considerations that should be acknowledged as part of this discussion. To that end, we welcome the opportunity to work with the committee and other stakeholders on ways to improve this language and the protections that it will afford Maine customers.

There are important relationships among renewable energy project developers, marketers of electricity products and services, customers who elect to participate in those projects and programs, and utility staff securing interconnection to our infrastructure and providing billing and payment services. Shared understanding of roles and responsibilities will help Maine maximize the impact of its investments in local distributed energy resources and support a transparent, competitive energy landscape.

Thank you for your consideration and we would be pleased to answer questions or provide more information for the work session.



STATE OF RHODE ISLAND

Governor Dan McKee

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## Governor McKee Signs Solar Protections Bill

*Published on Wednesday, August 07, 2024*

**CRANSTON**– At the Department of Business Regulation today, Governor McKee was joined by bill sponsors Representative Ackerman (D-Dist. 45, Cumberland, Lincoln) and Senator Jacob Bissailon (D-Dist. 1, Providence) for a ceremonial signing of new solar protections legislation. Speakers also included Director of the Department of Business Regulation Elizabeth Dwyer and Acting Commissioner of the Office of Energy Resources Christopher Kearns.

The new law requires solar retailers in Rhode Island to register their business and a roster of all representatives soliciting sales, conduct criminal records checks for all sales representatives, and follow municipal restrictions on door-to-door sales and federal telemarketing rules. It also gives the Department of Business Regulation the authority to investigate complaints and impose any administrative penalties.

The legislation, supported by the Department of Business Regulation, was created in response to consumer complaints about questionable sales practices made by a handful of solar companies in this growing industry.

"Every day, we are learning about exciting new technologies that are designed to make our lives better," said **Governor McKee**. "Solar energy is one of those technologies. It reduces our reliance on fossil fuels, and in many cases, it saves families money. By signing these bills into law today, we are making sure that the pitches families are receiving from salespeople in this emerging industry deliver what they promise."

"Residential solar panels are an opportunity for Rhode Islanders to reduce their carbon footprint and save money on their electricity bill. However, the recent explosion of door-to-door solar panel sales has created a customer protection issue that this law addresses by establishing common-sense safeguards for homeowners," said **Representative Ackerman**. "Today, we are taking the first step toward allowing a trustworthy solar industry to flourish in our state."

"Rooftop solar benefits homeowners while also contributing to the clean energy transition that Rhode Island very much needs," said **Senator Jacob Bissailon**. "Our state cannot afford to have a few bad actors destroy the public's trust and slow down solar adoption. This legislation will provide Rhode Islanders confidence in the deal they are being offered and ensure that only those who are being honest with consumers can get a foothold in Rhode Island's solar industry."

"Solar panels are helping our state achieve its clean energy goals, but for too long homeowners have been left unprotected from deceptive sales tactics," said **Department of Business Regulation Director Elizabeth Kelleher Dwyer**. "Thanks to this new legislation, Rhode Islanders now have a series of com-

mon-sense protections that can make them feel more at ease."

"The Office of Energy Resources was pleased to work with the Department of Business Regulation and legislature to help address the concerns customers have when making the important decision to go solar," said **Acting Energy Commissioner Chris Kearns, Rhode Island Office of Energy Resources**. "The Solar Consumer Protection and Homeowners Bill of Rights Act will ensure residents receive more detailed information about project and financing costs while guaranteeing that their solar installation company adheres to best practice sales tactics."

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#### Source

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**CHAPTER 067**  
**2024 -- H 7603 SUBSTITUTE A AS AMENDED**  
**Enacted 06/10/2024**

**A N A C T**  
**RELATING TO PUBLIC UTILITIES AND CARRIERS -- RESIDENTIAL SOLAR ENERGY**  
**DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT**

Introduced By: Representatives Ackerman, Edwards, Solomon, Voas, McNamara, Dawson, Craven, Place, Rea, and Kennedy

Date Introduced: February 15, 2024

It is enacted by the General Assembly as follows:

SECTION 1. Chapter 39-26.8 of the General Laws entitled "Residential Solar Energy Disclosure and Homeowners Bill of Rights Act" is hereby repealed in its entirety.

**CHAPTER 39-26.8**

**Residential Solar Energy Disclosure and Homeowners Bill of Rights Act**

**39-26.8-1. Short title:**

~~This chapter shall be known and may be cited as the "Residential Solar Energy Disclosure and Homeowners Bill of Rights Act."~~

**39-26.8-2. Definitions:**

~~As used in this chapter:~~

- ~~(1) "Customer" means a person who, for primarily personal, family, or household purposes:~~
  - ~~(i) Purchases a residential solar energy system under a system purchase agreement;~~
  - ~~(ii) Leases a residential solar energy system under a system lease agreement; or~~
  - ~~(iii) Purchases electricity under a power purchase agreement.~~
- ~~(2) "Division" means the division of public utilities and carriers.~~
- ~~(3) "Power purchase agreement" means an agreement:~~
  - ~~(i) Between a customer and a solar retailer;~~
  - ~~(ii) For the customer's purchase of electricity generated by a residential solar energy system owned by the solar retailer; and~~
  - ~~(iii) That provides for the customer to make payments over a term of at least five (5) years.~~
- ~~(4) "Residential solar energy system" means a solar energy system that:~~
  - ~~(i) Is installed in the state;~~
  - ~~(ii) Generates electricity primarily for on-site consumption for personal, family, or household purposes;~~
  - ~~(iii) Is situated on no more than four (4) units of residential real property;~~
  - ~~(iv) Has an electricity delivery capacity that exceeds one kilowatt; and~~
  - ~~(v) Does not include a generator that:~~
    - ~~(A) Produces electricity; and~~
    - ~~(B) Is intended for occasional use.~~
- ~~(5) "Solar agreement" means a system purchase agreement, a system lease agreement, or a power purchase agreement.~~
- ~~(6) "Solar energy system" means a system or configuration of solar energy devices that collects and uses solar energy to generate electricity.~~
- ~~(7) "Solar retailer" means a person who:~~
  - ~~(i) Sells or proposes to sell a residential solar energy system to a customer under a system purchase agreement;~~
  - ~~(ii) Owns the residential solar energy system that is the subject of a system lease agreement~~

or proposed system lease agreement; or

(iii) Sells or proposes to sell electricity to a customer under a power purchase agreement.

(8) "System lease agreement" means an agreement:

(i) Under which a customer leases a residential solar energy system from a solar retailer; and

(ii) That provides for the customer to make payments over a term of at least five (5) years for the lease of the residential solar energy system.

(9) "System purchase agreement" means an agreement under which a customer purchases a residential solar energy system from a solar retailer.

**39-26.8-3. Applicability of chapter:**

(a) This chapter applies to solar agreements between solar retailers and customers for residential solar energy systems, including any solar agreement that accompanies the transfer of ownership or lease of real property.

(b) This chapter does not apply to:

(1) The transfer of title or rental of real property on which a residential solar energy system is or is expected to be located, if the presence of the residential solar energy system is incidental to the transfer of title or rental;

(2) A lender, governmental entity, or other third party that enters into an agreement with a customer to finance a residential solar energy system but is not a party to a system purchase agreement, power purchase agreement, or lease agreement;

(3) A sale or lease of, or the purchase of electricity from, a solar energy system that is not a residential solar energy system; or

(4) The lease of a residential solar energy system or the purchase of power from a residential solar energy system under an agreement providing for payments over a term of less than five (5) years.

**39-26.8-4. Disclosure form required:**

(a) Before entering a solar agreement, a solar retailer shall provide to a potential customer the standard disclosure form established pursuant to subsection (b) of this section. This requirement shall apply to contracts entered into beginning forty-five (45) days from the date that the standard disclosure form is published by the office of energy resources.

(b) The office of energy resources shall develop a standard disclosure form. Use of and compliance with the standard disclosure form will satisfy the solar retailer's obligation under this chapter. The standard disclosure form shall be published on the website of the office of energy resources. In developing the standard disclosure form, the office of energy resources may use as a model the renewable energy fund small scale participant consumer disclosure form developed by the Rhode Island commerce corporation. The office of energy resources shall also consult with industry and other stakeholders in the development of the content and format of the form and in regard to any changes to the form. At a minimum, the disclosure form shall:

(1) Be in at least twelve (12) point font;

(2) Contain fields that require providing the following information:

(i) The name, address, telephone number, and any email address of the potential customer;

(ii) The name, address, telephone number, and email address of the solar retailer; and

(iii)(A) The name, address, telephone number, email address, and state contractor license number of the person who is expected to install the system that is the subject of the solar agreement; and

(B) If the solar retailer selected the person who is expected to provide operations or maintenance support to the potential customer or introduced that person to the potential customer, the name, address, telephone number, email address, and state contractor license of the operations or maintenance support person; and

(3) Include applicable information and disclosures as provided in §§ 39-26.8-5, 39-26.8-6, 39-26.8-7, and 39-26.8-8.

**39-26.8-5. Contents of disclosure form for any solar agreement.**

(a) The standard disclosure form shall include:

(1) An indication of whether operations or maintenance services are included as part of the solar agreement;

(2) If the solar retailer provides any written estimate of the savings the potential customer is projected to realize from the system based on similar installations that have the same geographic orientation in similar climates, the solar retailer must complete fields requiring entry of the following information:

(i) The estimated projected savings over the life of the solar agreement; and

(ii) An optional field for the estimated projected savings over any longer period not to exceed the anticipated useful life of the system; and

(3) Fields to disclose material assumptions used to calculate estimated projected savings and the source of those assumptions, including:

(i) If an annual electricity rate increase is assumed, the rate of the increase and the solar retailer's basis for the assumption of the rate increase;

(ii) The potential customer's eligibility for or receipt of tax credits or other governmental or utility incentives;

(iii) System production data, including production degradation;

(iv) The system's eligibility for interconnection under any net metering or similar program;

(v) Electrical usage and the system's designed offset of the electrical usage;

(vi) Historical utility costs paid by the potential customer;

(vii) Any rate escalation affecting a payment between the potential customer and the solar retailer; and

(viii) A field to indicate whether costs of replacing equipment were assumed. If such costs were assumed, the form shall require a field for listing the costs associated with replacing equipment making up part of the system applicable.

(b) The standard disclosure form shall include the following disclosures and notices:

(1) Two (2) separate statements in capital letters in close proximity to any written estimate of projected savings:

(i) "THIS IS AN ESTIMATE. UTILITY RATES MAY GO UP OR DOWN AND ACTUAL SAVINGS, IF ANY, MAY VARY. HISTORICAL DATA ARE NOT NECESSARILY REPRESENTATIVE OF FUTURE RESULTS. FOR FURTHER INFORMATION REGARDING RATES, CONTACT YOUR LOCAL UTILITY OR THE STATE PUBLIC UTILITY COMMISSION"; and

(ii) "TAX AND OTHER FEDERAL, STATE, AND LOCAL INCENTIVES VARY AS TO REFUNDABILITY AND ARE SUBJECT TO CHANGE OR TERMINATION BY LEGISLATIVE OR REGULATORY ACTION, WHICH MAY IMPACT SAVINGS ESTIMATES. CONSULT A TAX PROFESSIONAL FOR MORE INFORMATION."

(2) A notice that: "Legislative or regulatory action may affect or eliminate your ability to sell or get credit for any excess power generated by the system, and may affect the price or value of that power."

(c) The standard disclosure form shall include fields requiring entry of the following information:

(1) A statement describing the system and indicating the system design assumptions, including the make and model of the solar panels and inverters, system size, positioning of the panels on the customer's property, estimated first-year energy production, and estimated annual energy production degradation, including the overall percentage degradation over the term of the

solar agreement or, at the solar retailer's option, over the estimated useful life of the system;

(2) A description of any warranty, representation, or guarantee of energy production of the system; and

(3) The approximate start and completion dates for the installation of the system.

(d) The standard disclosure form shall require an indication of whether any warranty or maintenance obligations related to the system may be transferred by the solar retailer to a third party.

(e) The standard disclosure form shall require the following disclosure: "If this form indicates that the warranty or maintenance obligation may be transferred, then be advised—The maintenance and repair obligations under your contract may be assigned or transferred without your consent to a third party who will be bound to all the terms of the contract. If a transfer occurs, you will be notified of any change to the address, email address, or phone number to use for questions or payments or to request system maintenance or repair."

(f) The standard disclosure form shall require an indication of whether the solar retailer will obtain customer approval to connect the system to the customer's utility. If indicated that the retailer will not obtain said approval, there shall be an additional field requiring a description of what the customer must do to interconnect the system to the utility.

(g) The standard disclosure form shall require an indication of whether the solar retailer provides any warranties. If indicated that the retailer does provide warranties, there shall be an additional field requiring a description of any roof penetration warranty or other warranty that the solar retailer provides the customer.

(h) The standard disclosure form shall require the solar retailer to indicate whether the solar retailer will make a fixture filing or other notice in the city or town real property records covering the system, including a Notice of Independently-Owned Solar Energy System. If indicated that the retailer will make the fixture filing, there shall be an additional field requiring a description of any fees or other costs associated with the filing that may be charged to the customer.

(i) The standard disclosure form shall include the following statement in capital letters that: "NO EMPLOYEE OR REPRESENTATIVE OF [name of solar retailer] IS AUTHORIZED TO MAKE ANY PROMISE TO YOU THAT IS NOT CONTAINED IN THIS DISCLOSURE FORM CONCERNING COST SAVINGS, TAX BENEFITS, OR GOVERNMENT OR UTILITY INCENTIVES. YOU SHOULD NOT RELY UPON ANY PROMISE OR ESTIMATE THAT IS NOT INCLUDED IN THIS DISCLOSURE FORM."

(j) The standard disclosure form shall include the following statement in capital letters: "[name of solar retailer] IS NOT AFFILIATED WITH ANY UTILITY COMPANY OR GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [name of solar retailer] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY COMPANY OR GOVERNMENT AGENCY."

(k) The standard disclosure form shall include a statement that if the customer fails to make installment payments, the solar retailer may place liens for payment on their residence effective only after written notice is provided to the customer.

(l) The office of energy resources may require any additional information and disclosures deemed necessary to inform and protect customers.

(m) The written disclosure form requirement may be satisfied by the electronic delivery of the disclosure form to the potential customer as long as the required disclosures are displayed in a clear and conspicuous manner.

### **39-26.8-6. Standard form addendum for system lease agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a system lease agreement with a potential customer. The system lease addendum shall require the solar retailer to provide a detailed comparison of the cost of leasing the

system as compared to purchasing the system.

**39-26.8-7. Standard form addendum for system purchase agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a system purchase agreement with a potential customer. The system purchase addendum shall include:

- (1) The following statement: "You are entering into an agreement to purchase an energy generation system. You will own the system installed on your property. You may be entitled to federal tax credits because of the purchase. You should consult your tax advisor";
- (2) A field for the price quoted to the potential customer for a cash purchase of the system;
- (3) Fields requiring:
  - (i) The schedule of required and anticipated payments from the customer to the solar retailer and third parties over the term of the system purchase agreement, including application fees, up-front charges, down payment, scheduled payments under the system purchase agreement, payments at the end of the term of the system purchase agreement, payments for any operations or maintenance contract offered by or through the solar retailer in connection with the system purchase agreement, and payments for replacement of system components likely to require replacement before the end of the useful life of the system as a whole; and the total of all payments referred to in this subsection;
  - (4) A statement indicating that the cost of insuring the system is not included within the schedule of payments under subsection (3) of this section;
  - (5) A field to indicate whether the customer is responsible for insurance coverage. The field shall be accompanied by the statement: "If so indicated above, you are responsible for obtaining insurance coverage for any loss or damage to the system. You should consult an insurance professional to understand how to protect against the risk of loss or damage to the system. You should also consult your home insurer about the potential impact of installing a system.";
  - (6) Fields requiring information about whether the system may be transferred to a purchaser of the home or real property where the system is located and any conditions for a transfer; and
  - (7) A field requiring a detailed comparison of the costs of purchasing as compared to leasing the system.

**39-26.8-8. Standard form addendum for power purchase agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a power purchase agreement with a potential customer. The power purchase addendum shall include:

- (1) The following statement: "You are entering into an agreement to purchase power from an energy generation system. You will not own the system installed on your property. You will not be entitled to any federal tax credit associated with the purchase.";
- (2) Fields requiring information about whether the power purchase agreement may be transferred to a purchaser of the home or real property where the system is located and, if so, any conditions for a transfer;
- (3) A field to indicate whether the solar retailer will obtain insurance. The field shall be accompanied by the statement: "If indicated above, the solar retailer will not obtain insurance against damage or loss to the system and the customer is responsible if there is damage or loss to the system."; and
- (4) Fields requiring information about what will happen to the system at the end of the term of the power purchase agreement.

**39-26.8-9. Customer right to cancel solar agreement.**

The customer has the right to cancel or rescind a solar agreement within forty-five (45) days of entering into the solar agreement. The standard disclosure form shall inform the customer of this right.

**39-26.8-10. Good-faith estimate allowed.**

If a solar retailer does not, at the time of providing a disclosure form, have exact cost information required to be included in the disclosure form, pursuant to this chapter, the retailer may make a good-faith estimate of that information, if the solar retailer clearly indicates that the information is an estimate and provides the basis for the estimate. If the solar retailer's final cost assessment differs from previously provided estimates, the retailer shall provide a new and complete disclosure form.

**39-26.8-11. Division enforcement authority — Administrative fine.**

(a) Subject to subsection (b) of this section, the division may enforce the provisions of this chapter by:

- (1) Conducting an investigation into an alleged violation of this chapter;
- (2) Issuing a cease-and-desist order against a further violation of this chapter; and
- (3) Imposing an administrative fine of no more than two thousand five hundred dollars (\$2,500) per solar agreement on a solar retailer that:

- (i) Materially fails to comply with the disclosure requirements of this chapter; or
- (ii) Violates any other provision of this chapter, if the division finds that the violation is a willful or intentional attempt to mislead or deceive a customer.

(b) The division may not commence any enforcement action under this section more than four (4) years after the date of execution of the solar agreement with respect to which a violation is alleged to have occurred.

(c) The division shall distribute an administrative fine collected under subsection (a)(3) of this section to a customer adversely affected by the solar retailer's failure or violation resulting in a fine under subsection (a)(3) of this section, after the division has conducted an administrative proceeding resulting in a determination of the appropriateness and amount of any distribution to a customer.

(d) Nothing in this chapter may be construed to affect a remedy a customer has independent of this chapter, or the division's ability or authority to enforce any other law or regulation.

**39-26.8-12. Rules and regulations.**

The division may promulgate such rules and regulations as are necessary and proper to carry out the provisions of this chapter.

SECTION 2. Title 5 of the General Laws entitled "BUSINESSES AND PROFESSIONS" is hereby amended by adding thereto the following chapter:

**CHAPTER 93**

**RESIDENTIAL SOLAR ENERGY DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT**

**5-93-1. Short title.**

This chapter shall be known and may be cited as the "Residential Solar Energy Disclosure and Homeowners Bill of Rights Act."

**5-93-2. Definitions.**

As used in this chapter:

- (1) "Customer" means a person who, for primarily personal, family, or household purposes:
  - (i) Purchases a residential solar energy system under a system purchase agreement;
  - (ii) Leases a residential solar energy system under a system lease agreement; or
  - (iii) Purchases electricity under a power purchase agreement.
- (2) "Department" means the department of business regulation.
- (3) "Lease" means to transfer the right to possession and use of a residential solar energy system for a term to a customer on behalf of a solar retailer in return for monetary payment or consideration.
- (4) "Power purchase agreement" means an agreement:

(i) Between a customer and a solar retailer;  
(ii) For the customer's purchase of electricity generated by a residential solar energy system owned by the solar retailer; and

(iii) That provides for the customer to make payments over a term of at least five (5) years.

(5) "Residential solar energy system" means a solar energy system that:

(i) Is installed in the state;

(ii) Generates electricity primarily for on-site consumption for personal, family, or household purposes;

(iii) Is situated on no more than four (4) units of residential real property;

(iv) Has an electricity delivery capacity that exceeds one kilowatt; and

(v) Does not include a generator that:

(A) Produces electricity; and

(B) Is intended for occasional use.

(67) "Solar agreement" means a system purchase agreement, a system lease agreement, or a power purchase agreement.

(78) "Solar energy system" means a system or configuration of solar energy devices that collects and uses solar energy to generate electricity.

(89) "Solar retailer" means a person who:

(i) Sells or proposes to sell a residential solar energy system to a customer under a system purchase agreement;

(ii) Owns the residential solar energy system that is the subject of a system lease agreement or proposed system lease agreement; or

(iii) Sells or proposes to sell electricity to a customer under a power purchase agreement.

(911) "System lease agreement" means an agreement:

(i) Under which a customer leases a residential solar energy system from a solar retailer; and

(ii) That provides for the customer to make payments over a term of at least five (5) years for the lease of the residential solar energy system.

(1012) "System purchase agreement" means an agreement under which a customer purchases a residential solar energy system from a solar retailer.

(1110) "Solicit" means offering or attempting to sell or lease a residential solar energy system to a person or requesting, urging, or attempting to persuade a person to purchase, lease, or apply for a particular kind of solar system from a particular solar retailer.

(126) "Sell" means to transfer a residential solar energy system to a customer on behalf of a solar retailer in return for monetary payment or other consideration.

### **5-93-3. Applicability of chapter.**

(a) This chapter applies to solar agreements between solar retailers and customers for residential solar energy systems, including any solar agreement that accompanies the transfer of ownership or lease of real property.

(b) This chapter does not apply to:

(1) The transfer of title or rental of real property on which a residential solar energy system is or is expected to be located, if the presence of the residential solar energy system is incidental to the transfer of title or rental;

(2) A lender, governmental entity, or other third party that enters into an agreement with a customer to finance a residential solar energy system but is not a party to a system purchase agreement, power purchase agreement, or lease agreement;

(3) A sale or lease of, or the purchase of electricity from, a solar energy system that is not a residential solar energy system; or

(4) The lease of a residential solar energy system or the purchase of power from a

residential solar energy system under an agreement providing for payments over a term of less than five (5) years.

#### **5-93-4. Solar retailer registration.**

(a) All solar retailers selling, leasing, and/or soliciting residential solar energy systems for purchase or lease shall register with the department and shall renew such registration annually.

(b) The registration application and any renewal application shall include the following:

(1) The name and address of the applicant and, if the applicant is an entity, the name and address of at least one natural person who is in responsible charge of the operations on behalf of the applicant;

(2) Evidence of:

(i) A current permit to make sales at retail from the Rhode Island division of taxation or confirmation of sales tax exemption, if applicable;

(ii) Financial responsibility that is acceptable to the department; and

(iii) Appointment of an agent located within the state who is authorized to accept service of process on behalf of the applicant;

(3) A list of all representatives soliciting, leasing, and/or selling solar energy systems on behalf of a solar retailer, whether for sale or lease;

(4) Any other information that the department shall require.

(c) The fees for initial registration, renewal, and late renewal shall be determined by the department and established by regulation.

(d) Each owner, member, director, and principal officer of the applicant, and any individual acting as manager or a sales representative of the applicant shall obtain and provide a national criminal records check from the bureau of criminal identification of the department of attorney general, department of public safety division of the state police, or local police department that shall include fingerprints submitted to the Federal Bureau of Investigation. The director will determine by regulation those items of information appearing on a criminal records check that will constitute disqualifying information and, subject to § 28-5.1-14, render the applicant ineligible for registration under this chapter. Each applicant shall be responsible for the cost of obtaining the criminal records check.

(e) All application requirements must be maintained and kept current for the duration of the registration.

#### **5-93-5. Solicitations and sales.**

(a) All solicitations, leases, and sales of a residential solar energy ~~systems~~ system to a customer conducted and consummated by mail, door-to-door sale, telephone, electronic, or other means at the premises of a customer or at a fair, trade or business show, convention, or exposition shall:

(1) For any solicitation, identify the person making such solicitation, lease, or sale and the solar retailer the person represents;

(2) For door-to-door sales to customers, be conducted in accordance with local ordinances, or if there is no local ordinance, between the hours of ten o'clock a.m. (10:00 a.m.) and eight o'clock p.m. (8:00 p.m.) unless the customer schedules an earlier or later appointment, and with both English and Spanish written materials available. Any representative of a solar retailer shall prominently display or wear a photo identification badge including their name, registration number, and the name and registration number of the solar retailer who ~~or that~~ they represent;.

(b) Each solar retailer shall develop and implement standards and qualifications for employees and third-party sales representatives who are engaged in the solicitation, lease, and sale of residential solar energy systems;.

(c) Each solar retailer shall maintain an active roster of any employees and third-party sales representatives who are engaged in the solicitation, lease, and sale of residential solar energy

systems, and keep such roster available for inspection by law enforcement or the department; and.

(d) Each solar retailer and sales or other representative of a solar retailer shall comply with the provisions of the telemarketing rules adopted pursuant to 15 U.S.C. § 6102 and any other applicable federal, state, and local laws.

#### **5-93-6. Standard disclosure form required.**

(a) Before entering a solar agreement, a solar retailer shall provide to a potential customer, in hard copy or via electronic mail with copy attached or downloadable, the standard disclosure form established pursuant to subsection (b) of this section. This requirement shall apply to contracts entered into beginning forty-five (45) days from the date that the standard disclosure form is published by the office of energy resources.

(b) The office of energy resources shall develop a standard disclosure form. Use of and compliance with the standard disclosure form will satisfy the solar retailer's disclosure obligation under this chapter. The standard disclosure form shall be published on the website of the office of energy resources. In developing the standard disclosure form, the office of energy resources may use as a model the renewable energy fund small scale participant consumer standard disclosure form developed by the Rhode Island commerce corporation. The office of energy resources shall also consult with industry and other stakeholders in the development of the content and format of the standard disclosure form and in regard to any changes to the form. At a minimum, the standard disclosure form shall:

(1) Be in at least twelve-(12)point (12) type;

(2) Contain fields that require providing the following information:

(i) The name, address, telephone number, and any email address of the potential customer;

(ii) The name and address of the solar retailer and the name, telephone number, and email address of the natural person who is in responsible charge of solar retailer sales; and

(iii)(A) The name, address, telephone number, email address, and state contractor license number of the person who is expected to install the system that is the subject of the solar agreement; and

(B) If the solar retailer selected the person or company who or that is expected to provide operations or maintenance support to the potential customer or introduced that person or company to the potential customer, the name, address, telephone number, email address, and state contractor license of the operations or maintenance support person or company; and

(C) If the solar retailer selected the person or company who or that is expected to provide financing to the customer for the residential solar energy system or introduced that person or company to the potential customer, the name, address, telephone number, email address, and state lending license;

(3) Include applicable information and disclosures as provided in §§ 5-93-7, 5-93-8, 5-93-9, and 5-93-10.

#### **5-93-7. Contents of the standard disclosure form for any solar agreement.**

(a) The standard disclosure form shall include:

(1) A statement of whether operations or maintenance services are included as part of the solar agreement;

(2) If the solar retailer provides any written estimate of the savings the potential customer is projected to realize from the system based on similar installations that have the same geographic orientation in similar climates, the solar retailer must complete fields requiring entry of the following information:

(i) The estimated projected savings over the life of the solar agreement; and

(ii) An optional field for the estimated projected savings over any longer period not to exceed the anticipated useful life of the system; and

(3) Fields to disclose material assumptions used to calculate estimated projected savings

and the source of those assumptions, including:

- (i) If an annual electricity rate increase is assumed, the rate of the increase and the solar retailer's basis for the assumption of the rate increase;
- (ii) The potential customer's eligibility for or receipt of tax credits or other governmental or utility incentives;
- (iii) System production data, including production degradation;
- (iv) The system's eligibility for interconnection under any net metering or similar program, or lack thereof;
- (v) Electrical usage and the system's designed offset of the electrical usage;
- (vi) Historical utility costs paid by the potential customer;
- (vii) Any rate escalation affecting a payment between the potential customer and the solar retailer; and
- (viii) A field to indicate whether costs of replacing equipment were assumed. If such costs were assumed, the standard disclosure form shall require a field for listing the costs associated with replacing equipment making up part of the system applicable.

(b) The standard disclosure form shall include the following disclosures and notices:

(1) Two (2) separate statements in capital letters in close proximity to any written estimate of projected savings:

(i) "THIS IS AN ESTIMATE. UTILITY RATES MAY GO UP OR DOWN AND ACTUAL SAVINGS, IF ANY, MAY VARY. HISTORICAL DATA ARE NOT NECESSARILY REPRESENTATIVE OF FUTURE RESULTS. FOR FURTHER INFORMATION REGARDING RATES, CONTACT YOUR LOCAL UTILITY OR THE STATE DIVISION OF PUBLIC UTILITIES AND CARRIERS"; AND

(ii) "TAX AND OTHER FEDERAL, STATE, AND LOCAL INCENTIVES VARY AS TO REFUNDABILITY AND ARE SUBJECT TO CHANGE OR TERMINATION BY LEGISLATIVE OR REGULATORY ACTION, WHICH MAY IMPACT SAVINGS ESTIMATES. CONSULT A TAX PROFESSIONAL FOR MORE INFORMATION."

(2) A notice that: "Legislative or regulatory action may affect or eliminate your ability to sell or get credit for any excess power generated by the system, and may affect the price or value of that power."

(c) The standard disclosure form shall include fields requiring entry of the following information:

(1) A statement describing the system and indicating the system design assumptions, including the make and model of the solar panels and inverters, system size, positioning of the panels on the customer's property, estimated first-year energy production, and estimated annual energy production degradation, including the overall percentage degradation over the term of the solar agreement or, at the solar retailer's option, over the estimated useful life of the system;

(2) A description of any warranty, representation, or guarantee of energy production of the system; and

(3) The approximate start and completion dates for the installation of the system.

(d) The standard disclosure form shall require an indication of whether any warranty or maintenance obligations related to the system may be transferred by the solar retailer to a third party.

(e) The standard disclosure form shall require the following disclosure: "If this form indicates that the warranty or maintenance obligation may be transferred, then be advised -- The maintenance and repair obligations under your contract may be assigned or transferred without your consent to a third party who will be bound to all the terms of the contract. If a transfer occurs, you will be notified of any change to the address, email address, or phone number to use for questions or payments or to request system maintenance or repair."

(f) The standard disclosure form shall require an indication of whether the solar retailer will obtain customer approval to connect the system to the customer's utility. If indicated that the retailer will not obtain said approval, there shall be an additional field requiring a description of what the customer must do to interconnect the system to the utility.

(g) The standard disclosure form shall require an indication of whether the solar retailer provides any warranties. If indicated that the retailer does provide warranties, there shall be an additional field requiring a description of any roof penetration warranty or other warranty that the solar retailer provides the customer.

(h) The standard disclosure form shall require the solar retailer to indicate whether the solar retailer will make a fixture filing or other notice in the city or town real property records covering the system, including a notice of independently-owned solar energy system. If indicated that the retailer will make the fixture filing, there shall be an additional field requiring a description of any fees or other costs associated with the filing that may be charged to the customer.

(i) The standard disclosure form shall include the following statement in capital letters that: "NO EMPLOYEE OR REPRESENTATIVE OF [NAME OF SOLAR RETAILER] IS AUTHORIZED TO MAKE ANY PROMISE TO YOU THAT IS NOT CONTAINED IN THIS DISCLOSURE FORM CONCERNING COST SAVINGS, TAX BENEFITS, OR GOVERNMENT OR UTILITY INCENTIVES. YOU SHOULD NOT RELY UPON ANY PROMISE OR ESTIMATE THAT IS NOT INCLUDED IN THIS DISCLOSURE FORM."

(j) The standard disclosure form shall include the following statement in capital letters: "[NAME OF SOLAR RETAILER] IS NOT AFFILIATED WITH ANY UTILITY COMPANY OR GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [NAME OF SOLAR RETAILER] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY COMPANY OR GOVERNMENT AGENCY."

(k) The standard disclosure form shall include a statement that if the customer fails to make installment payments, the solar retailer may place liens for payment on their residence effective only after written notice is provided to the customer.

(l) The office of energy resources may require any additional information and disclosures deemed necessary to inform and protect customers.

(m) The written disclosure form requirement may be satisfied by the electronic mail delivery of the standard disclosure form to the potential customer as long as the required disclosures are displayed in a clear and conspicuous manner and the form is either attached or in a downloadable format.

#### **5-93-8. Standard form addendum for system lease agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a system lease agreement with a potential customer. The standard disclosure form will include details about the lease price and its associated escalator, if any.

#### **5-93-9. Standard disclosure form addendum for system purchase agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a system purchase agreement with a potential customer. The system purchase addendum shall include:

(1) The following statement: "You are entering into an agreement to purchase an energy generation system. You will own the system installed on your property. You may be entitled to federal tax credits because of the purchase. You should consult your tax advisor";

(2) A field for the price quoted to the potential customer for a cash purchase of the system;

(3) Fields requiring:

(i) The schedule of required and anticipated payments from the customer to the solar retailer and third parties over the term of the system purchase agreement, including application fees, up-front charges, down payment, scheduled payments under the system purchase agreement,

payments at the end of the term of the system purchase agreement, payments for any operations or maintenance contract offered by or through the solar retailer in connection with the system purchase agreement, and payments for replacement of system components likely to require replacement before the end of the useful life of the system as a whole; and the total of all payments referred to in this subsection;

(ii) An itemized description of all additional fees or charges;

(4) A statement indicating that the cost of insuring the system is not included within the schedule of payments under subsection (3) of this section;

(5) A field to indicate whether the customer is responsible for insurance coverage. The field shall be accompanied by the statement: "If so indicated above, you are responsible for obtaining insurance coverage for any loss or damage to the system. You should consult an insurance professional to understand how to protect against the risk of loss or damage to the system. You should also consult your home insurer about the potential impact of installing a system.";

(6) Fields requiring information about whether the system may be transferred to a purchaser of the home or real property where the system is located and any conditions for a transfer; and

(7) A field requiring a detailed comparison of the costs of purchasing as compared to leasing the system.

#### **5-93-10. Standard disclosure form addendum for power purchase agreement.**

The standard disclosure form shall include an addendum that applies if a solar retailer is proposing to enter into a power purchase agreement with a potential customer. The power purchase addendum shall include:

(1) The following statement: "You are entering into an agreement to purchase power from an energy generation system. You will not own the system installed on your property. You will not be entitled to any federal tax credit associated with the purchase.";

(2) Fields requiring information about whether the power purchase agreement may be transferred to a purchaser of the home or real property where the system is located and, if so, any conditions for a transfer;

(3) A field to indicate whether the solar retailer will obtain insurance. The field shall be accompanied by the statement: "If indicated above, the solar retailer will not obtain insurance against damage or loss to the system and the customer is responsible if there is damage or loss to the system."; and

(4) Fields requiring information about what will happen to the system at the end of the term of the power purchase agreement.

#### **5-93-11. Customer right to cancel or rescind solar agreement.**

(a) The customer has the right to cancel or rescind a solar agreement within seven (7) days of entering into the solar agreement. The standard disclosure form required under § 5-93-6 may also include the written right of rescission notice required to inform the customer of this right as provided in subsection (b) of this section.

(b) The solar retailer shall, at the time of entry into the contract, lease, or other agreement give a written right of cancellation or rescission notice to the consumer, in hard copy or via electronic mail with copy attached or downloadable, which must substantially comply with this section. The notice must:

(1) Appear in the contract, lease, or other agreement under the conspicuous caption: "NOTICE OF RIGHT TO CANCEL OR RESCIND"; and

(2) Read as follows:

(DATE OF TRANSACTION) "YOU MAY CANCEL AND RESCIND THIS AGREEMENT, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN SEVEN (7) BUSINESS DAYS FROM THE ABOVE DATE. IF YOU CANCEL OR RESCIND, YOUR CANCELLATION OR RESCISSION NOTICE MUST STATE THAT YOU DO NOT WISH TO

BE BOUND BY THE AGREEMENT AND BE MAILED BY REGISTERED OR CERTIFIED MAIL NOT LATER THAN MIDNIGHT SEVEN (7) DAYS FOLLOWING THE CONSUMER'S SIGNING THE AGREEMENT, EXCLUDING SUNDAY AND ANY HOLIDAY ON WHICH REGULAR MAIL DELIVERIES ARE NOT MADE. ALL CANCELLATIONS MUST BE MAILED TO:

(INSERT NAME AND ADDRESS OF THE SELLER)."

(c) Whenever a contract, lease, or other agreement for the sale or lease of a residential solar energy system fails to conform to the provisions of this section and/or if the consumer or the ~~consumers~~ consumer's agent has notified the solar retailer of the consumer's intent to cancel the agreement by registered mail, return receipt requested, the solar retailer shall have five (5) business days to return to the consumer any deposits, fees, costs, or other payments made by the consumer and any note or other evidence of indebtedness, and any security interest arising out of the transaction shall be cancelled or terminated. Failure to return all deposits, fees, costs, and other payments and evidence of indebtedness or to cancel or terminate any security interest shall enable the consumer to recover from the solar retailer treble damages plus reasonable attorneys' fees and costs in any subsequent legal proceeding.

(d) The consumer's right of rescission shall not be waived, sold, or abrogated in any way or manner.

#### **5-93-12. Good-faith estimate allowed.**

If a solar retailer does not, at the time of providing a standard disclosure form, have exact cost information required to be included in the standard disclosure form, pursuant to this chapter, the retailer may make a good-faith estimate of that information, if the solar retailer clearly indicates that the information is an estimate and provides the basis for the estimate. If the solar retailer's final cost assessment differs from previously provided estimates, the retailer shall provide a new and complete standard disclosure form including itemization of cost differences from the previous estimate.

#### **5-93-13. Statement of account; disclosure to purchaser of property.**

(a) Within ten (10) business days of a written request from the lessee under a lease or the debtor under a financing agreement with respect to a residential solar energy system, any solar retailer who ~~or that~~ is the lessor or creditor with respect to such lease or financing, or if the lease or financing is held by or has been assigned to a third party, the third-party lessor or creditor, shall provide a written statement to the lessee/debtor of all amounts then or thereafter due and owing under the lease or financing agreement.

(b) In any purchase and sale agreement or other contract for the sale of residential property that has a residential solar energy system ~~which that~~ is subject to a lease or unpaid financing, the homeowner selling the property shall disclose to the property purchaser the existence and terms of such lease or financing.

(c) This section shall not preempt, alter, or impair any disclosure requirements required under chapter 20.8 of this title 5.

#### **5-93-14. Department enforcement authority -- Administrative fine.**

(a) ~~Subject to subsection (c) of this section,~~ the department may suspend, revoke, or refuse to issue or renew a solar retailer registration or may levy an administrative penalty of no more than five thousand dollars (\$5,000) per violation for:

(1) Providing incorrect, misleading, incomplete, or materially untrue information in the registration application;

(2) Obtaining or attempting to obtain a registration through fraud or misrepresentation;

(3) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or in another place;

(4) Having a registration, or its equivalent, denied, suspended, or revoked in any other state,

province, district, or territory;

(5) Operating as a solar retailer or engaging in solar retailer activities without a current and valid registration;

(6) Operating as a solar retailer and hiring, using, or knowingly assisting a contractor who is not registered under chapter 65 of this title 5 to perform work which that requires registration under said chapter;

(7) Operating as a solar retailer and hiring, using, or knowingly assisting a person who is not licensed under chapter 6 of this title 5 to perform work which that requires a license under said chapter;

(8) Operating as a solar retailer and hiring, using, or knowingly assisting a person or company who or that is not licensed under chapter 14 of title 19 to engage in activities for which a license is required under said chapter;

(9) A solar retailer operator or any principal or sales representative thereof having been convicted of or having pled nolo contendere to an offense involving theft, embezzlement, or mishandling of funds or to a felony that is substantially related to the solar retailer registration consistent with § 28-5.1-14; or

(10) Violating any provisions of this chapter, and/or any applicable federal or state statutes, rules, regulations, or local ordinances.

(b) If the department acts to deny a registration application or renewal thereof or to suspend or revoke a registration, the department will notify the applicant or registrant, in writing, and all notices and any hearing thereon shall be conducted pursuant to chapter 35 of title 42 ("administrative procedures").

(c) The department may not commence any enforcement action under this section more than four (4) years after the date of execution of the solar agreement with respect to which a violation is alleged to have occurred.

(d) The department may investigate the activities of any person engaged in the solar industry to determine compliance with this chapter.

(e) Records required by this chapter, including any other documents or materials presented to a customer prior to their execution of a solar agreement, shall be maintained and preserved for a period of seven (7) years from the date thereof and shall be open for inspection by any authorized representative of the department during regular business hours, by any employee of the office of the attorney general, and by any state or municipal official or police officer.

(f) Nothing in this chapter may be construed to affect a remedy a customer has independent of this chapter; or the department's ability or authority to enforce any other law or regulation.

#### **5-93-15. Order to cease and desist.**

(a) If the department has reason to believe that any person, firm, corporation, or association is conducting any activities requiring registration in this chapter without obtaining a registration, or who after the denial, suspension, or revocation of a registration conducts any activities requiring registration under this chapter, the department may issue its order to that person, firm, corporation, or association commanding them to appear before the department at a hearing to be held no sooner than ten (10) days nor later than twenty (20) days after issuance of that order to show cause why the department should not issue an order to that person or entity to cease and desist from the violation of the provisions of this chapter.

(b) All hearings shall be governed by the chapter 35 of title 42 ("administrative procedures"), and by the department's rules of procedure for administrative hearings.

#### **5-93-16. Private right of action.**

(a) Any person having a claim against a solar retailer under a solar agreement and/or with respect to a residential solar energy system may, in addition to any other common law action or administrative remedy, bring an action under the rules of civil procedure in a state court of

competent jurisdiction. A civil action filed in court under this section may be instituted in lieu of, or as a supplement to, the department's administrative proceedings.

(b) In an action filed under this section in which the plaintiff prevails, the court may, in addition to any judgment awarded to the plaintiff, require treble damages, reasonable attorneys' fees, and the costs of the action to be paid by the defendant.

**5-93-17. Loans and financing.**

No person or company, including a solar retailer, shall provide a loan or otherwise finance or provide financing including retail installment contracts for the purchase and sale of a residential solar energy system or broker or service such loans, directly or indirectly, without first obtaining a license pursuant to chapter 14 of title 19, and no person or company engaging in such activities shall be exempt from licensure under § 19-14.1-10.

**5-93-18. Rules and regulations.**

The department may promulgate such rules and regulations as are necessary and proper to carry out the provisions of this chapter.

SECTION 3. This act shall take effect on March 1, 2025.

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