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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- RESIDENTIAL SOLAR ENERGY
DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT

Introduced By: Senators Bissaillon, DiMario, Gu, and Cano

Date Introduced: March 22, 2024

Referred To: Senate Commerce

(Dept. of Business Regulation)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-26.8 of the General Laws entitled "Residential Solar Energy
2 Disclosure and Homeowners Bill of Rights Act" is hereby repealed in its entirety.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
7 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
18 owned by the solar retailer; and~~

- 1 ~~(iii) That provides for the customer to make payments over a term of at least five (5) years.~~
- 2 ~~(4) "Residential solar energy system" means a solar energy system that:~~
- 3 ~~(i) Is installed in the state;~~
- 4 ~~(ii) Generates electricity primarily for on-site consumption for personal, family, or~~
- 5 ~~household purposes;~~
- 6 ~~(iii) Is situated on no more than four (4) units of residential real property;~~
- 7 ~~(iv) Has an electricity delivery capacity that exceeds one kilowatt; and~~
- 8 ~~(v) Does not include a generator that:~~
- 9 ~~(A) Produces electricity; and~~
- 10 ~~(B) Is intended for occasional use.~~
- 11 ~~(5) "Solar agreement" means a system purchase agreement, a system lease agreement, or a~~
- 12 ~~power purchase agreement.~~
- 13 ~~(6) "Solar energy system" means a system or configuration of solar energy devices that~~
- 14 ~~collects and uses solar energy to generate electricity.~~
- 15 ~~(7) "Solar retailer" means a person who:~~
- 16 ~~(i) Sells or proposes to sell a residential solar energy system to a customer under a system~~
- 17 ~~purchase agreement;~~
- 18 ~~(ii) Owns the residential solar energy system that is the subject of a system lease agreement~~
- 19 ~~or proposed system lease agreement; or~~
- 20 ~~(iii) Sells or proposes to sell electricity to a customer under a power purchase agreement.~~
- 21 ~~(8) "System lease agreement" means an agreement:~~
- 22 ~~(i) Under which a customer leases a residential solar energy system from a solar retailer;~~
- 23 ~~and~~
- 24 ~~(ii) That provides for the customer to make payments over a term of at least five (5) years~~
- 25 ~~for the lease of the residential solar energy system.~~
- 26 ~~(9) "System purchase agreement" means an agreement under which a customer purchases~~
- 27 ~~a residential solar energy system from a solar retailer.~~
- 28 ~~**39-26.8-3. Applicability of chapter.**~~
- 29 ~~(a) This chapter applies to solar agreements between solar retailers and customers for~~
- 30 ~~residential solar energy systems, including any solar agreement that accompanies the transfer of~~
- 31 ~~ownership or lease of real property.~~
- 32 ~~(b) This chapter does not apply to:~~
- 33 ~~(1) The transfer of title or rental of real property on which a residential solar energy system~~
- 34 ~~is or is expected to be located, if the presence of the residential solar energy system is incidental to~~

1 ~~the transfer of title or rental;~~

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

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

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

10 **39-26.8-4. Disclosure form required.**

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

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

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

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

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

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

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

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

34 ~~(3) Include applicable information and disclosures as provided in §§ 39-26.8-5, 39-26.8-6,~~

1 ~~38-26.8-7, and 39-26.8-8.~~

2 ~~**39-26.8-5. Contents of disclosure form for any solar agreement.**~~

3 ~~(a) The standard disclosure form shall include:~~

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

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

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

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

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

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

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

19 ~~(iii) System production data, including production degradation;~~

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

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

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

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

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

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

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

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

1 COMMISSION"; and

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

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

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

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

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

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

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

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

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

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

1 ~~solar retailer provides the customer.~~

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

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

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

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

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

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

26 **39-26.8-6. Standard form addendum for system lease agreement.**

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

31 **39-26.8-7. Standard form addendum for system purchase agreement.**

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

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

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

5 ~~(3) Fields requiring:~~

6 ~~(i) The schedule of required and anticipated payments from the customer to the solar~~
7 ~~retailer and third parties over the term of the system purchase agreement, including application~~
8 ~~fees, up front charges, down payment, scheduled payments under the system purchase agreement,~~
9 ~~payments at the end of the term of the system purchase agreement, payments for any operations or~~
10 ~~maintenance contract offered by or through the solar retailer in connection with the system purchase~~
11 ~~agreement, and payments for replacement of system components likely to require replacement~~
12 ~~before the end of the useful life of the system as a whole; and the total of all payments referred to~~
13 ~~in this subsection;~~

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

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

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

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

25 **39-26.8-8. Standard form addendum for power purchase agreement.**

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

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

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

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

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

7 ~~**39-26.8-9. Customer right to cancel solar agreement.**~~

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

11 ~~**39-26.8-10. Good faith estimate allowed.**~~

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

18 ~~**39-26.8-11. Division enforcement authority — Administrative fine.**~~

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

21 ~~(1) Conducting an investigation into an alleged violation of this chapter;~~

22 ~~(2) Issuing a cease and desist order against a further violation of this chapter; and~~

23 ~~(3) Imposing an administrative fine of no more than two thousand five hundred dollars~~
24 ~~(\$2,500) per solar agreement on a solar retailer that:~~

25 ~~(i) Materially fails to comply with the disclosure requirements of this chapter; or~~

26 ~~(ii) Violates any other provision of this chapter, if the division finds that the violation is a~~
27 ~~willful or intentional attempt to mislead or deceive a customer.~~

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

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

1 ~~customer.~~

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

4 ~~**39-26.8-12. Rules and regulations.**~~

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

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

9 CHAPTER 93

10 RESIDENTIAL SOLAR ENERGY DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS

11 ACT

12 **5-93-1. Short title.**

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

15 **5-93-2. Definitions.**

16 As used in this chapter:

17 (1) "Customer" means a person who, for primarily personal, family, or household purposes:

18 (i) Purchases a residential solar energy system under a system purchase agreement;

19 (ii) Leases a residential solar energy system under a system lease agreement; or

20 (iii) Purchases electricity under a power purchase agreement.

21 (2) "Department" means the department of business regulation.

22 (3) "Lease" means to transfer the right to possession and use of a residential solar energy
23 system for a term to a customer on behalf of a solar retailer in return for monetary payment or
24 consideration.

25 (4) "Power purchase agreement" means an agreement:

26 (i) Between a customer and a solar retailer;

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

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

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

31 (i) Is installed in the state;

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

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

- 1 (iv) Has an electricity delivery capacity that exceeds one kilowatt; and
- 2 (v) Does not include a generator that:
- 3 (A) Produces electricity; and
- 4 (B) Is intended for occasional use.
- 5 (6) "Solar agreement" means a system purchase agreement, a system lease agreement, or a
- 6 power purchase agreement.
- 7 (7) "Solar energy system" means a system or configuration of solar energy devices that
- 8 collects and uses solar energy to generate electricity.
- 9 (8) "Solar retailer" means a person who:
- 10 (i) Sells or proposes to sell a residential solar energy system to a customer under a system
- 11 purchase agreement;
- 12 (ii) Owns the residential solar energy system that is the subject of a system lease agreement
- 13 or proposed system lease agreement; or
- 14 (iii) Sells or proposes to sell electricity to a customer under a power purchase agreement.
- 15 (9) "System lease agreement" means an agreement:
- 16 (i) Under which a customer leases a residential solar energy system from a solar retailer;
- 17 and
- 18 (ii) That provides for the customer to make payments over a term of at least five (5) years
- 19 for the lease of the residential solar energy system.
- 20 (10) "System purchase agreement" means an agreement under which a customer purchases
- 21 a residential solar energy system from a solar retailer.
- 22 (11) "Solicit" means offering or attempting to sell or lease a residential solar energy system
- 23 to a person or requesting, urging, or attempting to persuade a person to purchase, lease or apply for
- 24 a particular kind of solar system from a particular solar retailer.
- 25 (12) "Sell" means to transfer a residential solar energy system to a customer on behalf of a
- 26 solar retailer in return for monetary payment or other consideration.
- 27 **5-93-3. Applicability of chapter.**
- 28 (a) This chapter applies to solar agreements between solar retailers and customers for
- 29 residential solar energy systems, including any solar agreement that accompanies the transfer of
- 30 ownership or lease of real property.
- 31 (b) This chapter does not apply to:
- 32 (1) The transfer of title or rental of real property on which a residential solar energy system
- 33 is or is expected to be located, if the presence of the residential solar energy system is incidental to
- 34 the transfer of title or rental;

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

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

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

9 **5-93-4. Solar retailer registration.**

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

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

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

16 (2) Evidence of:

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

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

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

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

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

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

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

1 criminal records check.

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

4 **5-93-5. Solicitations and sales.**

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

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

10 (2) For door-to-door sales to customers, be conducted in accordance with local ordinances,
11 between the hours of ten o'clock a.m. (10:00 a.m.) and six o'clock p.m. (6:00 p.m.) unless the
12 customer schedules an earlier or later appointment, and with both English and Spanish written
13 materials available. Any representative of a solar retailer shall prominently display or wear a photo
14 identification badge including their name, registration number, and the name and registration
15 number of the solar retailer who they represent;

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

19 (c) Each solar retailer shall maintain an active roster of any employees and third-party sales
20 representatives who are engaged in the solicitation, lease and sale of residential solar energy
21 systems, and keep such roster available for inspection by law enforcement or the department; and

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

25 **5-93-6. Disclosure form required.**

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

31 (b) The office of energy resources shall develop a standard disclosure form. Use of and
32 compliance with the standard disclosure form will satisfy the solar retailer's obligation under this
33 chapter. The standard disclosure form shall be published on the website of the office of energy
34 resources. In developing the standard disclosure form, the office of energy resources may use as a

1 model the renewable energy fund small scale participant consumer disclosure form developed by
2 the Rhode Island commerce corporation. The office of energy resources shall also consult with
3 industry and other stakeholders in the development of the content and format of the form and in
4 regard to any changes to the form. At a minimum, the disclosure form shall:

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

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

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

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

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

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

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

20 (3) Include applicable information and disclosures as provided in §§ 5-93-7, 5-93-8, 5-93-
21 9 and 5-93-10.

22 **5-93-7. Contents of disclosure form for any solar agreement.**

23 (a) The standard disclosure form shall include:

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

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

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

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

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

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

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

5 (iii) System production data, including production degradation;

6 (iv) The system's eligibility for interconnection under any net metering or similar program,
7 or lack thereof;

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

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

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

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

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

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

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

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

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

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

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

1 energy production degradation, including the overall percentage degradation over the term of the
2 solar agreement or, at the solar retailer's option, over the estimated useful life of the system;

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

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

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

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

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

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

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

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

34 (j) The standard disclosure form shall include the following statement in capital letters:

1 "[NAME OF SOLAR RETAILER] IS NOT AFFILIATED WITH ANY UTILITY COMPANY
2 OR GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [NAME OF
3 SOLAR RETAILER] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY
4 COMPANY OR GOVERNMENT AGENCY."

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

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

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

14 **5-93-8. Standard form addendum for system lease agreement.**

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

18 **5-93-9. Standard form addendum for system purchase agreement.**

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

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

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

26 (3) Fields requiring:

27 (i) The schedule of required and anticipated payments from the customer to the solar
28 retailer and third parties over the term of the system purchase agreement, including application
29 fees, up-front charges, down payment, scheduled payments under the system purchase agreement,
30 payments at the end of the term of the system purchase agreement, payments for any operations or
31 maintenance contract offered by or through the solar retailer in connection with the system purchase
32 agreement, and payments for replacement of system components likely to require replacement
33 before the end of the useful life of the system as a whole; and the total of all payments referred to
34 in this subsection;

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

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

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

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

12 **5-93-10. Standard form addendum for power purchase agreement.**

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

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

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

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

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

28 **5-93-11. Customer right to cancel solar agreement.**

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

33 (b) The solar retailer shall, at the time of entry into the contract, lease or other agreement
34 give a written right of rescission notice to the consumer, in hard copy or via electronic mail with

1 copy attached or downloadable, which must substantially comply with this section. The notice
2 must:

3 (1) Appear in the contract, lease, or other agreement under the conspicuous caption:
4 "NOTICE OF CANCELLATION"; and

5 (2) Read as follows:

6 (DATE OF TRANSACTION) "YOU MAY CANCEL AND RESCIND THIS
7 AGREEMENT, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN SEVEN (7)
8 BUSINESS DAYS FROM THE ABOVE DATE. IF YOU CANCEL, YOUR CANCELLATION
9 NOTICE MUST STATE THAT YOU DO NOT WISH TO BE BOUND BY THE AGREEMENT
10 AND MAILED BY REGISTERED OR CERTIFIED MAIL NOT LATER THAN MIDNIGHT
11 SEVEN (7) DAYS FOLLOWING THE CONSUMER'S SIGNING THE AGREEMENT,
12 EXCLUDING SUNDAY AND ANY HOLIDAY ON WHICH REGULAR MAIL DELIVERIES
13 ARE NOT MADE. ALL CANCELLATIONS MUST BE MAILED TO:

14 (INSERT NAME AND ADDRESS OF THE SELLER)."

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

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

27 **5-93-12. Good-faith estimate allowed.**

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

34 **5-93-13. Statement of account; disclosure to purchaser of property.**

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

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

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

13 **5-93-14. Department enforcement authority -- Administrative fine.**

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

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

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

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

22 (4) Having a registration, or its equivalent, denied, suspended, or revoked in any other state,
23 province, district, or territory;

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

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

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

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

34 (9) A solar retailer operator or any principal or sales representative thereof having been

1 convicted of or having pled nolo contendere to an offense involving theft, embezzlement or
2 mishandling of funds or to a felony that is substantially related to the solar retailer registration
3 consistent with § 28-5.1-14; or

4 (10) Violating any applicable federal or state statutes, rules, regulations, or local
5 ordinances.

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

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

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

15 (e) Records required by this chapter shall be maintained and preserved for a period of four
16 (4) years from the date thereof and shall be open for inspection by any authorized representative of
17 the department during regular business hours, and by any state or municipal official or police
18 officer.

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

21 **5-93-15. Order to cease and desist.**

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

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

32 **5-93-16. Private right of action.**

33 (a) Any person having a claim against a solar retailer under a solar agreement and/or with
34 respect to a residential solar energy system may, in addition to any other common law action or

1 administrative remedy, bring an action under the rules of civil procedure in a state court of
2 competent jurisdiction. A civil action filed in court under this section may be instituted in lieu of,
3 or as a supplement to, the department's administrative proceedings.

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

7 **5-93-17. Loans and financing.**

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

13 **5-93-18. Rules and regulations.**

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

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- RESIDENTIAL SOLAR ENERGY
DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT

1 This act would repeal the "Residential Solar Energy Disclosure and Homeowners Bill of
2 Rights Act" in chapter 26.8 of title 39 and amend title 5 entitled "Businesses and Professions" to
3 include chapter 93, an amended "Residential Solar Energy Disclosure and Homeowners Bill of
4 Rights Act."

5 This act would take effect on January 1, 2025.

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