



## Consumer Guide to **Rooftop Solar**



This guide describes benefits & considerations a homeowner may wish to review before selecting a residential rooftop solar system, as well as customer rights and protections.

For more details, scan below using your phone's camera.



visit [www.dps.ny.gov/ask-psc](http://www.dps.ny.gov/ask-psc)  
call **1-800-342-3377**

NYS DPS  
3 Empire State Plaza  
Albany, NY 12223

### **BENEFITS OF ROOFTOP SOLAR**

A rooftop solar power system can provide a variety of benefits for residential homeowners. Installing roof top solar supports sustainable energy and reduced carbon emissions. It can provide homeowners with lower utility costs over time, tax credits and incentives, and backup power potential if paired with battery storage.

### **CONSIDERATIONS BEFORE INSTALLATION**

In deciding whether or how to work with a supplier or contractor providing solar systems for installation on a roof, homeowners should confirm all details of the proposed business transaction (know the “what, where, when, and how”). Consider:

**Costs:** Itemize costs including installation, use, maintenance, and finance

- Materials/solar panels
- Labor and installation of panels and electric service for components (cables/conduit/meter connection)
- Local building permits (and potential “service charge” mark up by contractor)
- Financing, including:
  - length of financing contracts – how long will recurring monthly payments last?
  - total interest charges over life of finance contracts (on top of “actual” baseline costs) – the total “all in” dollar cost of the project over time
  - placement of legal claims (liens) on real property/homes for life of finance contracts (multi-year)
  - consequences of default by homeowner on finance agreement
  - effect of financing legal claims on ability to use property for home equity line of credit
  - determine whether the financing entity and the contractor are connected businesses such as “parents” and “subsidiaries”
- Leased versus purchased system and impact on projected costs
  - purchased systems - total system purchase price, itemized costs of system components, and any other taxes, fees or overheads that are the responsibility of the customer
  - leases or purchased power agreements - total number of payments, amount, and frequency of payments, and due date
- Charges and credits
  - utility basic service charge for meter reading, billing, etc.
  - customer benefit contribution charge
  - value of potential federal, state, local tax credits and rebates

**Supplier/Contractor Information:** Homeowners should take steps to learn about the solar power system provider:

- Check references and public data about potential vendor/contractor/financing entity.
  - Confirm the installation provider is registered with the Department of Public Service on the Power to Choose website: <https://documents.dps.ny.gov/PTC/der>
  - Consider whether the installation provider is an approved NY-SUN contractor on NYSERDA's website: [www.nysenda.ny.gov/All-Programs/NY-Sun/On-site-Solar/Homes](http://www.nysenda.ny.gov/All-Programs/NY-Sun/On-site-Solar/Homes)
- Confirm that the contractor has valid current liability insurance and workers compensation insurance.
  - Obtain insurance certificates from the contractor before signing the contract and approving the start of work.
- Determine if they provide warranty of work and functionality of solar panel/cables/materials/electrical wiring and what actions they will take if the system does not function or needs repair.

When considering sales promotions, remember the “**Buyer Beware**” principle:

- There is no such thing as a “free roof”
- If it looks too good to be true, it may be
- Such promotions could be a sales tactic to lure in potential customers

**Contract:** Customers should confirm all solar installation contracts include, at a minimum, the following:

- **Agreement Terms and Conditions:** a description of the installation location, schedule, price, contract term, and end date, if any, of the agreement; the amount of late payment fees, if applicable; and the provisions, if any, for the renewal of the agreement.
- **System Specifications:** a description of the system, including make and model of major system components; an outline of system specifications and/or production warranties, and whether there are means to provide electric service to one or both units in a 2-unit residential home (duplex).
- **Energy Output:** an estimate of annual energy output including percentage of available solar the system will receive, as well as degradation of the system over time.
- **Savings and Compensation:** if savings are guaranteed, a clear description of the conditions, if any, that must be present for such savings to be provided to the customer. The contract also should specify the rate at which the customer can be compensated for any electricity sold to the utility, as well as the potential value of all tax credits, electric utility rate credits, Renewable Energy Credits, incentives, or rebates that the customer may receive and/or be required to sign over to the rooftop solar provider.
- **Responsibilities:** assignment of responsibilities (e.g., maintenance and repairs, insurance coverage) including whether such maintenance or repairs may be sold or transferred to a third party. Define who is responsible for removal, remediation, and decommissioning of the system. The contract should specify who is responsible if the roof begins leaking after installation of the solar panels and determine how many years any such protection lasts.
- **Property:** disclosure of any restrictions on the customer's ability to transfer/sell the system and/or their property
- **Termination:** Provisions for rescinding or terminating an agreement by the Provider or the customer, including a statement that a residential customer may rescind the agreement within three business days after its receipt without charge or penalty. Contract language should include the amount of any termination fee and the method of calculating the termination fee, if any.

## CONSUMER RIGHTS AND PROTECTIONS

The Commission established oversight framework and a set of protections for consumers participating in the evolving rooftop solar market. Suppliers are required to provide information within their contracts and disclosures about customers' rights under the Home Energy Fair Practices Act, including complaint resolution. In addition, contracts must include:

- Supplier's contact information, including a toll-free or local number from the customer's service location.
- Disclosure of any arbitration clauses or other terms that may attempt to limit the customer's right to enforce the contract or seek damages from the courts.
- Information regarding contacting the Department for dispute resolution. Contact information should include the Department's complaint webpage ([dps.ny.gov/complaints](http://dps.ny.gov/complaints)), mailing address, and telephone number (3 Empire State Plaza, Albany, NY 12223 and 1-800-342-3377).