

# CALIFORNIA SOLAR CONSUMER PROTECTION GUIDE

PUTTING SOLAR ON YOUR HOME IS AN IMPORTANT FINANCIAL DECISION.  
DON'T SIGN A CONTRACT UNTIL YOU READ THIS DOCUMENT!

In many areas of California, you cannot connect a residential solar system to the electric grid until you read and sign this document.

**TAKE YOUR TIME.**



**WATCH OUT FOR FALSE CLAIMS!**



**MAKE SURE THE SOLAR PROVIDER HAS A VALID CONTRACTOR LICENSE.**



**ALAMEDA  
MUNICIPAL POWER**

A Department of the City of Alameda

2000 Grand St. | Alameda, CA 94501

For questions about interconnecting your solar system, call  
AMP at **510-748-3900** or email [solar@alamedamp.com](mailto:solar@alamedamp.com)

# MAKE SURE TO READ AT LEAST THE NEXT 3 PAGES

If you are considering signing a contract for a residential solar system.

Most solar providers are honest and fair. However, there are still some false claims you need to watch out for. Do not do business with a salesperson that makes one of these false claims.



## False claims to watch out for



## The Truth



**FALSE**

You can get free solar energy at no cost to you.



**TRUE**

Solar energy is rarely free. An honest company will be upfront about all the costs you will pay over time.

- There is one exception: a few government-funded solar programs offer free or low-cost solar to low-income households. Go directly to page 6 to see what government-approved organizations run these programs.



**FALSE**

You will never pay an electricity bill ever again after a solar system is installed.



**TRUE**

After going solar, you will be billed by Alameda Municipal Power (AMP) for the electricity delivered to you by AMP and you will be credited for the excess electricity you send to the electric grid. For more information, see page 17.

- Customers who take out a solar loan or sign a lease or power purchase agreement will also receive a monthly bill from a loan company or solar provider.
- If you use PACE (Property Assessed Clean Energy) financing, you will also make a payment once or twice a year with your property taxes or monthly with your mortgage payment.



**FALSE**

Time is running out and you must quickly sign an electronic tablet to get solar.



**TRUE**

An honest salesperson would never rush you to sign anything without giving you time to review what you are signing.

- California law requires that a salesperson show you the contract terms before you sign.

*\*If you think you have been a victim of solar fraud, report the incident to the Contractors State License Board (CSLB) at 800-321-CSLB (2752) or [www.cslb.ca.gov/consumers](http://www.cslb.ca.gov/consumers)*



# Know Your Rights

## **YOU HAVE THE RIGHT...**

to a copy of a solar contract and financing agreement in the language in which the salesperson spoke to you.

If a solar provider comes to your home to sell you solar panels and speaks to you in a language other than English (such as Spanish), you have the right to a copy of the contract in that language.

## **YOU HAVE THE RIGHT...**

to read this entire 22-page guide before signing a contract.

It's recommended that you review this guide before you sign a contract for solar. If a solar installer doesn't provide you with enough time to review this guide and ask questions, they shouldn't be allowed to interconnect your solar system to the electric grid.

## **YOU HAVE THE RIGHT...**

to a Solar Disclosure Document from your solar provider.

By law, a solar provider must provide you with a completed Solar Energy System Disclosure Document created by the Contractors State License Board (CSLB). This one page document shows you the total costs for the solar energy system. A blank version of this document is available at [www.cslb.ca.gov/contractors/SolarSheet.aspx](http://www.cslb.ca.gov/contractors/SolarSheet.aspx).

## **YOU HAVE THE RIGHT...**

to a 3-day cancellation period after signing a contract.

You have at least three business days to cancel your contract for any reason. You may cancel the contract by emailing, mailing, faxing, or delivering a notice to your solar provider by midnight of the third business day after you received a signed, dated copy of the contract. Note that different rules may apply for contracts negotiated by a company's place of business.

**If your solar provider refuses to cancel the contract, report them to the Contractors State License Board at 800-321-CSLB(2751) or [www.cslb.ca.gov/consumers](http://www.cslb.ca.gov/consumers).**

# Ask a Solar Provider These Initial Questions Before You Sign a Contract

## ? What is your Contractors State License Board (CSLB) license number?

Ask for a proof of the license. Then check the license to make sure it is valid by going to [www.cslb.ca.gov/consumers](http://www.cslb.ca.gov/consumers) or calling 800-321-CSLB (2752).

- The license must be active and in classification A (General Engineering Contractor), c-46 (Solar Contractor), C-10 (Electrical Contractor), or B (General Building Contractor) in order to be valid.
- CSLB License Number is: \_\_\_\_\_

If your solar provider does not have a valid contractor license, do not sign a contract with them and report them to the CSLB.

## ? What is the total cost of the solar energy system?

If you are considering a solar loan, lease, or power purchase agreement, also ask:

- Is there a down payment?
- How much will I pay per month? When will these payments increase and by how much?

If you are considering PACE financing, also ask:

- How much will I pay once or twice a year with my property taxes or monthly with my mortgage?

## ? If I sell my home, what are my options and what do I need to do?

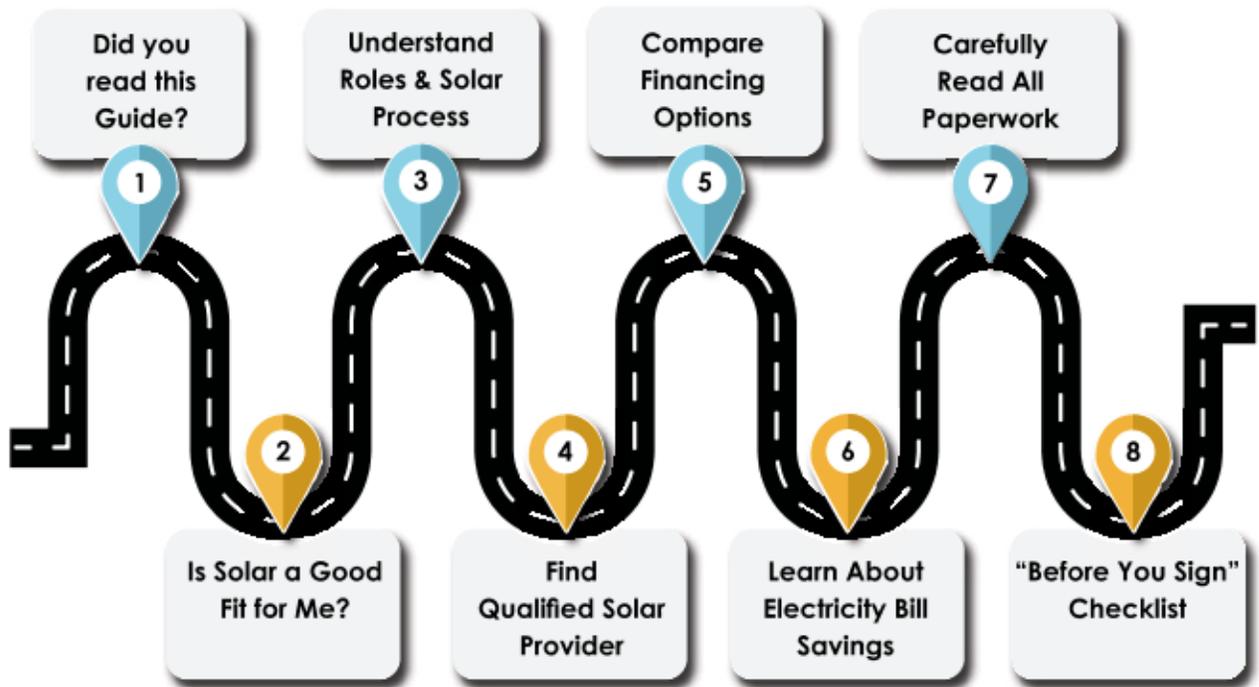
Ask your solar provider, lender, or PACE administrator to show you where in the contract it describes what happens when you sell your home.

**For other important questions to ask a solar provider before you sign a contract, go to page 10 of this guide.**

### Ok, I read these 3 pages. Now What?

- For a step-by-step guide for how to go solar, proceed to the next page. This is recommended, even if you've already started the solar process!
- If you are getting ready to sign a contract, skip to the "Before You Sign" checklist, on page 22 of this guide.

Make sure to get **3 bids** from different solar providers before you sign a contract. See page 9 of this guide for more details.



**STEP 1: Did you read this Guide?** \_\_\_\_\_

This consumer protection guide contains important information to help you make an educated decision on going solar in the city of Alameda.



**STEP 2: Is Solar a Good Fit for Me?** \_\_\_\_\_

Solar photo-voltaic panels can capture sunlight on your roof or property and convert it into electricity. This electricity powers the needs of your home, such as lights, electric vehicles, and appliances.

**Before you consider getting solar at your home, ask yourself:**



How much is your electric bill?

Are you paying an average of \$120 or more for your electricity each month? Knowing how much you pay for electricity is the first step in deciding whether you are a good candidate for solar. The more you currently spend on electricity, the faster the payback will be on a solar system. You can decide to get a PV system that matches some or all of your load.

You might be thinking of increasing your electric load, which will make you a better candidate for solar. Are you thinking of adding one or more electric vehicles? Are you considering replacing gas appliances, such as dryers, stoves or ovens, with electric ones?

This increase in your electric load can put you in a higher bill bracket, making solar a more attractive alternative.

**Step 2 continues on page 6**

...continued from page 5



Am I a good candidate for rooftop solar?

Does my roof receive a good amount of sunlight or is it mostly shaded? What direction does the roof face? Roofs that are mostly shaded or face due north are not good candidates for solar. If you plan to replace your roof soon, you should replace it before installing a rooftop solar system.



Have I made my home energy efficient first?

Making your home energy efficient before going solar can decrease your overall energy use and reduce the size of the solar system you need, potentially saving you thousands of dollars. AMP offers a free in-home energy assessment to help you identify cost-effective actions that can save you energy and money. You can also get up to \$1,500 in AMP rebates for LEDs, EV chargers, electric clothes washers & dryers, heat pump water heaters and more. Check [www.alamedamp.com](http://www.alamedamp.com) to learn more.



Do you have other reasons to install solar that are less tied to economics?

For example, you might want to do your part to reduce greenhouse gas emissions into the atmosphere. Alameda Municipal Power is already providing you with 100% clean energy so you might want to take advantage of other ways to do your part for the planet.



Step 3 begins on page 7

### Solar Providers

Solar providers are the companies that sell you solar and send installers to your home. Sometimes they provide financing. They must be licensed. See page 4.

### Installers

Installers are sent by Solar Providers to your home to check roof, ground and electric conditions and to install the solar system. They must be licensed like a Solar Provider. See page 4.

### Salespeople

Salespeople work for Solar Providers and may call you or knock on your door. They must be registered, with some limited exceptions. Ask for their "Home Improvement Salesperson (HIS) registration" and check it at 800-321-CSLB (2752) or [www.cslb.ca.gov](http://www.cslb.ca.gov).

### Lenders

Lenders provide you with financing if you have a solar loan or PACE financing.

### PACE Administrators

PACE administrators manage PACE financing programs. They must be licensed. Check their license at <https://docqnet.dbo.ca.gov/licensesearch>.

### Electricity Providers

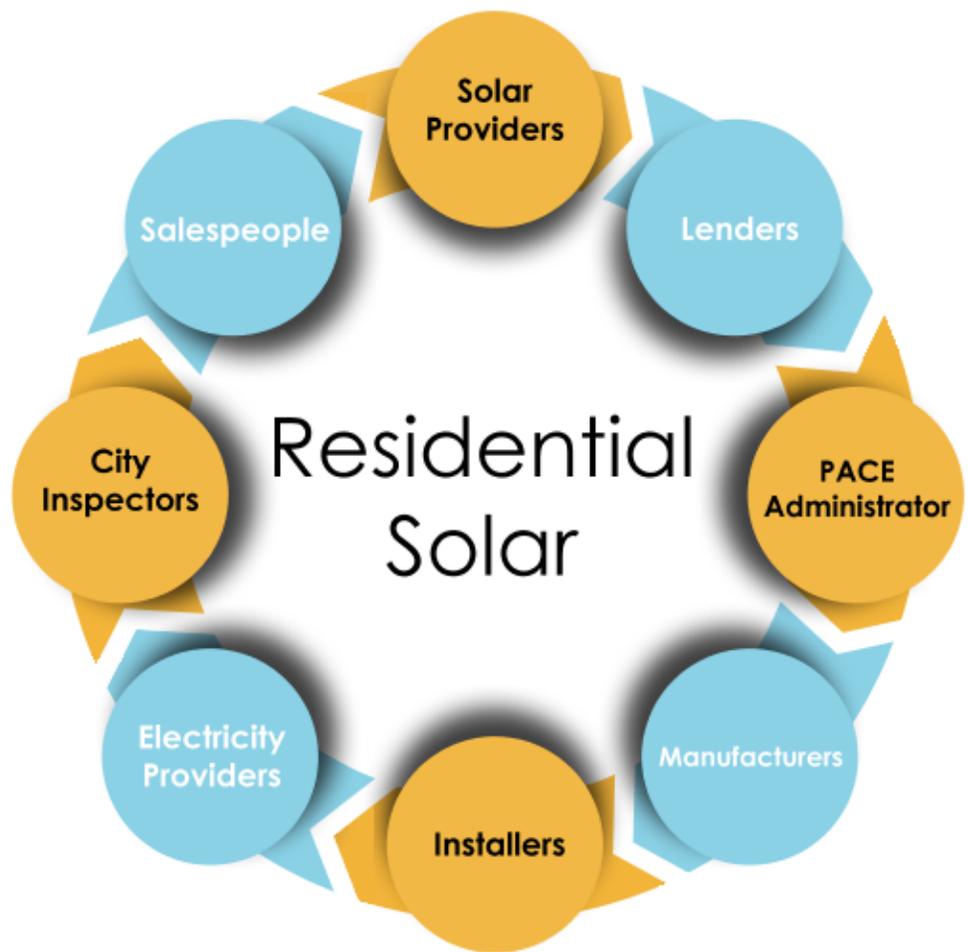
Electricity providers interconnect your solar system to the electric grid and send you electricity bills. Alameda Municipal Power (AMP) is your electricity provider in the city of Alameda.

### Manufacturers

Manufacturers are the companies that make solar equipment. They provide most solar warranties for purchased systems.

### City/Utility Inspectors

City inspectors come to your home to make sure the system is up to code to ensure your health and safety.





# Overview of a Typical Rooftop Solar Process

## BEFORE YOU SIGN A CONTRACT

- You** ..... decide if rooftop solar is a good fit for you (see page 5)
- You** ..... get a home energy assessment to make your home more energy efficient (see page 8)
- You** ..... research Solar Providers and compare at least 3 bids (see page 9)
- Solar Provider...** provides you with solar contract and Solar Disclosure Document
- You** ..... qualify for financing (if needed)
- Lender.....** writes up financing agreement (if needed)
- You** ..... review solar contract, Solar Disclosure Document, and any financing agreement (see page 19)
- You** ..... go through checklist on page 22 of this Solar Consumer Guide
- You** ..... sign the solar contract and financing agreement

## AFTER YOU SIGN A CONTRACT

- Installer** ..... performs a home site visit to confirm assumptions and check roof, ground, and electric conditions
- Solar Provider** ..... finalizes system design and applies for building permit with city of Alameda
- Installer** ..... installs the solar system (only after receiving city/county permit)
- Solar Provider** ..... submits signed Eligible Renewable Generation (ERG) application and fee, signed interconnection agreement and current copy of the declarations page(s) of your homeowner's insurance policy to AMP
- City Inspector** ..... inspects system for building permit compliance
- Solar Provider** ..... submits city inspection approval to AMP
- You** ..... turn on system *after* receiving written approval from electricity provider
- Electricity Provider** ..... sends you your first electricity bill (see page 17)
- Lender/Solar Provider ...** sends you first bill for solar system or solar energy\*

### **\*IF YOU USE PACE FINANCING,**

you will not receive a bill from a Lender or Solar Provider (the last step above). Instead your payments will be due once or twice a year with your property taxes or monthly with your mortgage payment.



It typically takes 1 to 3 months after you sign a contract for the solar system to be installed at your home.



After the solar system is installed, it typically takes 2-3 weeks to receive approval from your electricity provider to turn your system on. It could take longer depending on your circumstances.



## STEP 4: Find a Qualified Solar Provider

### Find Solar Providers that Serve Your Neighborhood

#### FIND PROVIDER

Go to [www.cslb.ca.gov](http://www.cslb.ca.gov), a government website, and click on the “Find My Licensed Contractor” search on the right-hand side of the page. Enter your city and one of the following license classifications: C-46 (Solar Contractor), C-10 (Electrical Contractor), or B (General Building Contractor).

Go to [www.CaliforniaDGStats.ca.gov](http://www.CaliforniaDGStats.ca.gov), a government-funded website, to enter your zip code and see a list of Solar Providers and recent installation costs. Note that these costs are not verified by the government.

Go to [www.energysage.com](http://www.energysage.com) to research and shop for solar, financing, and energy efficiency options.

Ask friends and neighbors who had solar installed at least a year ago if they recommended a Solar Provider and why.

### Narrow Down the List to Qualified Solar Providers

#### NARROW DOWN

First, make sure Solar Providers you consider have a valid license from the CSLB. It is illegal for Solar Providers and their Installers to conduct business without a license.

- Go to the Contractors State License Board (CSLB) website at [www.cslb.ca.gov/consumers](http://www.cslb.ca.gov/consumers) or call 800-321-CLSB (2752) to see if the Solar Provider and Installer licenses are active and valid. The licenses must be in the classifications: C-46 (Solar Contractor), C-10 (Electrical Contractor), B (General Building Contractor), or A (General Engineering Contractor).

Find out how long the company has been in business and how many installations they have done.

Check out trusted customer review websites online. Since some websites may not be neutral, check a few different websites to make sure reviews are consistent.

It's a good sign if companies employ installers certified by the North American Board of Certified Energy Practitioners (NABCEP), a high standard in the industry.

### Get Bids From At Least 3 Qualified Solar Providers and Ask Questions

#### GET BIDS

After you narrow down the list of Solar Providers, separately ask each of them for a bid or price quote.

- Note that the best option for you is not necessarily the cheapest bid. A very low bid may indicate that a Solar Provider is trying to cut corners.

Don't hesitate to ask Solar Providers a lot of questions up front. A qualified company will be happy to answer all of them. A sample list of questions is on the next page.



# Questions to Ask a Solar Provider Before You Sign a Contract

## COMPANY BACKGROUND



What is your company's contractor license number from the Contractors State License Board (CSLB)? What is your Installer's contractor license number?

Will you subcontract with another company to install the solar system? If so, what is their CSLB contractor license number?

How long have you been in business and how many systems have you installed?

Can you provide me with three customer references to call or visit? These customers should have solar installed for at least a year.

## DESIGN & ROOF



Is my roof a good candidate for solar? Why?

Does my roof need to be replaced before installing solar panels?

- If yes, how much will that cost, who will do it, what is their license number, and is there a roof warranty?

Why did you choose this specific design and size for the solar system you are recommending to me?

- Note that a system sized to cover all of your electricity needs isn't necessarily the best investment. Typically, a system is sized to around 80-85 percent of your electricity use from the previous year.

What steps will you take to ensure my roof won't leak?

Roughly how much will it cost to remove and re-install the panels if I need to replace my roof in the future, including inspection fees?

## WARRANTIES & PERFORMANCE OF SOLAR SYSTEM



Are there warranties for the panels and inverters?

- If yes, how long do they last and who do I contact to replace these components?
- If equipment such as the inverter fails after the warranty period, how much will it cost to replace?

Are there warranties for labor/construction?

Are repairs and maintenance included in the contract? If yes, who should I contact for repairs?

Will I be able to monitor the performance of the system once it's installed? If so, how?

Does the solar provider offer a minimum energy guarantee (common with leases and power purchase agreements)?

- If yes, how will I be paid if the system does not produce as much energy as promised in the contract?

Is there an insurance policy that comes with the solar system, or do I need to take out additional homeowner's insurance? Note that this is especially important if you live in fire-prone areas.

What are my obligations in the contract if my solar system stops working due to a disaster like an earthquake or a fire?

Who has the right to claim the environmental benefits of the power generated by my system? (See "Getting Environmental Credit for Going Green" on page 18).

## ELECTRICITY BILL SAVINGS ESTIMATE (see page 17)



*Please beware of a solar provider who tells you solar is free - it is not. See page 2 for more information on false claims.*

Explain to me why an electricity bill savings estimate is not a guarantee.

AMP no longer offers net energy metering (NEM) to its customers. How is AMP's eligible renewable generation (ERG) compensation plan different from NEM?

How does AMP's ERG compensation plan work? What will my credits look like for the excess generation I send to the grid?

Based on my electricity usage and AMP's compensation plan, what will be the solar payback period for my solar system?

Will my solar system be sized so that I receive the maximum benefits from AMP's ERG compensation plan?

What is AMP's current compensation rate?

## IMPACTS ON FUTURE SALE OF YOUR HOME



Will a solar system make it more difficult for me to sell my home or refinance?

For leases, power purchase agreements (PPAs), and PACE financed systems:

- What happens if the home buyer doesn't want the solar system or doesn't qualify to take on my lease, PPA, or PACE financed system?
- Are there fees if I need to terminate the contract early to sell my house?
- Are there fees for transferring the lease, PPA, or PACE financing to a new homeowner?

## TIMELINE (see page 8)



When do you propose to start and finish installing solar on my roof?

After installation is complete, roughly how long will it take for my electricity provider to send me written approval to turn my system on?

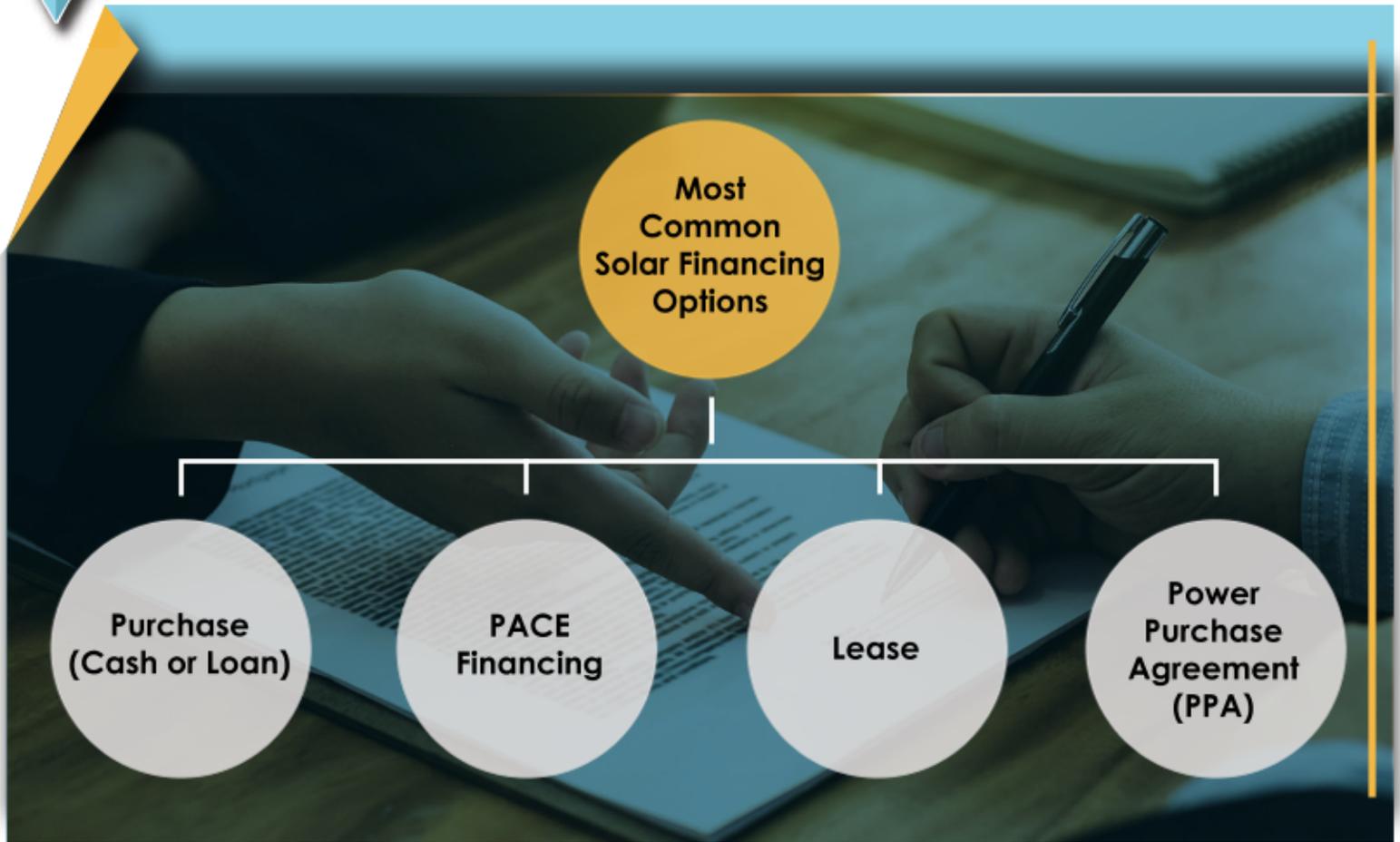
What situations would allow me to be released from a contract?

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Do you want to know questions to ask about loans or financing?  
Keep reading because those are in the next sections!

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## 5 STEP 5: Compare Your Financing Options



### Side-By-Side Quick Financial Comparison

	<b>+ PROS</b>	<b>- CONS</b>
<b>Purchase with Cash or Loan</b>	<ul style="list-style-type: none"><li>• Typically greater return on investment.</li><li>• If you use a loan, little or no upfront costs.</li><li>• May increase value of home.</li><li>• You can directly receive tax credits and deductions. Consult tax professional to see if you qualify.</li></ul>	<ul style="list-style-type: none"><li>• You are typically responsible for repairs and maintenance. This may involve contacting different manufacturers, who could go out of business during the 10-20 year component life cycles.</li><li>• Some solar loans place a lien on your property. In those cases, if you do not make your payments, this could result in foreclosure or make it more difficult to sell your home or refinance your mortgage.</li></ul>

	 PROS	 CONS
<b>PACE Financing</b>	<ul style="list-style-type: none"> <li>• Little or no upfront costs.</li> <li>• May have a longer repayment period than typical home improvement loan, which may be preferable.</li> <li>• You may be able to receive tax credits and deductions. Consult tax professional to see if you qualify.</li> </ul>	<ul style="list-style-type: none"> <li>• PACE financing results in first-priority lien on your property. Your bank may require you to pay off the PACE assessment prior to refinancing.</li> <li>• If you do not make your PACE payments, this could result in foreclosure or make it more difficult to sell your home or refinance your mortgage.</li> <li>• You are typically responsible for repairs and maintenance. This may involve contacting different manufacturers, who could go out of business during the 10-20 year component life cycles.</li> </ul>
<b>Lease and PPA</b>	<ul style="list-style-type: none"> <li>• Little or no upfront costs.</li> <li>• Solar Provider is responsible for all monitoring, maintenance, and repairs.</li> <li>• Minimum energy production often guaranteed.</li> </ul>	<ul style="list-style-type: none"> <li>• Selling home may be more complicated than with a purchase system. Options typically are: the new owner must agree to take on the lease/agreement, you continue making payments, or you buy out the lease/agreement, which could be thousands of dollars.</li> <li>• Solar Provider could go out of business during the contract period.</li> </ul>



## A Closer Look at Purchase (with cash or loan)

### PURCHASE

You can purchase a solar system from a Solar Provider or Manufacturer with a solar loan or cash. In this approach, you own the installed system. Types of loans include:

- **Secured loans:** these require an asset that will serve as collateral for the loan - often that asset is your solar system.
- **Unsecured loans:** these do not require any collateral, similar to a credit card.

A secured loan is often preferred because it typically has lower interest rates.

Many Solar Providers work with lenders that offer solar loans, but you should check with banks and credit unions as well. Compare offers to make sure you are being offered a reasonable interest rate.

## PURCHASE

If you install and own a solar system by the end of 2020, there is a 26 percent federal tax credit available (also referred to as the “ITC”). The federal tax credit is expected to drop to 22 percent for systems installed in 2021, and then drop to 0 percent for systems installed after 2021. If you have questions about the ITC please contact the Internal Revenue Service at <https://www.irs.gov/>. For any other questions, including whether a loan is tax deductible, please speak to a Certified Public Accountant (CPA) for personal tax advice.

Unless you purchase a maintenance plan or your system comes with one, you will be responsible for any maintenance and repairs. Make sure you save the equipment warranties, particularly for the inverter, which may need to be replaced sooner than other equipment. If you sell your home, look for real estate agents and appraisers with experience selling homes with solar. You may include the system in the house sale just like any other major home component.



### Questions to Ask a Lender About the Purchase of a Solar System with a Loan:

- ? What is the total cost of the loan over the entire course of the contract?
- ? How much will I pay up front, how much over time, and for how long?
- ? What is my interest rate? What is my annual percentage rate (“APR”)?
- ? Who do I contact if I have questions about my loan payments?
- ? Will a solar loan make it more difficult for me to sell or refinance my home? Will I need to buy out my loan? Who do I contact?



## A Closer Look at PACE (Property Assessed Clean Energy)

### PACE (Property Assessed Clean Energy)

PACE is a financing option that is available in some areas of California. In a PACE financing arrangement, a PACE Program Administrator finances the upfront costs of a solar system, which you then pay through an assessment on your property tax bill. With PACE financing, you own the solar system.

PACE financing lasts for a fixed term, typically around 10-30 years, and it is attached to your house. If you sell your house before you have fully paid the PACE assessment, a buyer may require you to pay off the assessment, which will be what is remaining in the balance, which could be thousands of dollars. Some mortgage lenders will not loan money to buyers to purchase properties with PACE liens unless the full assessment is paid.

Unlike Leases and Power Purchase Agreements that require monthly payments, PACE assessments are typically due once or twice a year, in larger lump sums, with your property taxes. Given this unique arrangement, it’s important to understand how much you will owe and when, so that you can set aside enough money throughout the year to cover the amount.

If your house is mortgaged and you typically pay your taxes with an escrow or impound account, your mortgage company may increase the amount you pay monthly to *(continued on next page)*

cover the anticipated increase to your property tax bill. Discuss how PACE will affect your monthly mortgage payment before you sign an agreement.

**Be aware that if you fail to make your PACE payments included with your property taxes or mortgage, your home could be put in foreclosure.**



### Questions to Ask a PACE Program Administrator About a PACE Financed System:

- ? What is the total cost of the financing over the entire course of the contract?
- ? How much will I owe for PACE financing when I pay my mortgage or property taxes?
- ? How many times a year will I owe this PACE payment?
- ? What happens if I want to sell or refinance my home? Will selling or refinancing be more difficult with PACE? Is there anything I have to do with the mortgage company?
- ? What are the penalties for failing to pay the assessment on time?
- ? Who do I contact if I have problems making my PACE payments?



## A Closer Look at Lease and PPA (Power Purchase Agreement)

With a **Lease**, the Solar Provider owns the system on your property and “rents” it to you for a set period of time. A Solar Provider will install the solar system on your home, and you will make scheduled monthly payments in exchange for all the electricity the system produces. A typical Lease contract period is 20-25 years.

In a **Power Purchase Agreement (PPA)**, the Solar Provider owns the system on your property and sells you the electricity it generates. PPAs are similar to Leases, except that instead of making a fixed monthly payment for the system, you typically pay for all the power the solar system generates (a fixed per-kilowatt-hour rate). The contract will specify the kilowatt-hour rate you pay in the first year and every year after that. This rate should generally be lower than your current electricity rate. A typical PPA contract period is 20-25 years.

- If you sell your house before the Lease or PPA contract is over, you will have to pay the Solar Provider the remainder of the value of the Lease or PPA or transfer the contract to the new property owner. Make sure you understand the specific contract terms, since buying out a Lease or PPA can cost thousands of dollars.
- Payments for Leases or PPAs will typically increase by a specified amount every year based on an “escalation clause” or “escalator.” Escalators are typically in the range of a 1 percent to 3 percent increase above the rate you paid in the previous year. Be cautious of entering into a contract with an escalator higher than that.
- There may be different ways to arrange Leases and PPAs, such as paying more up front to reduce your monthly payments.



## Questions to Ask a Lender or Solar Provider About a Lease or PPA

- ? What is the total cost of the solar system or solar energy over the entire course of the contract?
- ? How much will I pay up front, how much over time, and for how long?
- ? Will my payments increase over time? How much will they increase, and how frequently?
- ? Is there an option to make a down payment to reduce my monthly payments (for a Lease) or kilowatt-hour rate (for a PPA)?
- ? What happens if I wish to end the Lease or PPA early?
- ? If I end my agreement early, will I owe a balloon payment and/or an early termination fee? If so, how much will I owe?
- ? Will a Lease or PPA make it more difficult for me to sell or refinance my home?



## STEP 6: Learn About Electricity Bill Savings



An electricity bill savings estimate is an educated guess about how much you could save with rooftop solar. Here are some reasons why it's possible that your savings could be lower than the estimate:

Electricity bill savings estimates are based on several uncertain factors, such as your future energy use. For example, if your family grows, you buy an electric vehicle, or you decide to turn up your air conditioning in the summer, your energy use will go up along with your electricity bill.

Electricity prices and rates can change over time. Your electricity provider may require you to switch to a different rate in the future, which could change how much you save.

If you sell your home, you could incur additional costs. For example, if a buyer doesn't want to take on a Lease or Power Purchase Agreement, you might have to buy out the contract, which could be thousands of dollars.

**Before you sign a contract, ask yourself:** if the savings end up being lower than the estimated monthly or yearly savings, does getting rooftop solar still make sense to me?

# UNDERSTANDING SOLAR AND YOUR ELECTRIC BILL

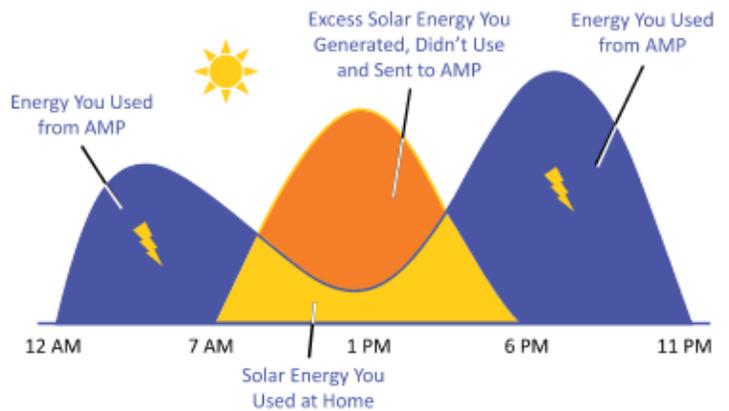
Alameda Municipal Power (AMP) customers who install solar systems are enrolled in the Eligible Renewable Generation (ERG) compensation plan upon approved interconnection to AMP's electric grid. ERG is the successor to the Net Energy Metering (NEM) compensation plan, which closed to new customers in August 2017.

## Solar Compensation

Since the sun isn't always shining, solar customers in Alameda also rely on electricity from their community-owned electric utility, Alameda Municipal Power. The good news is that the electricity you use from AMP is also 100% clean energy, just like your solar system.

*Typical Profile of a Solar Customer in Alameda*

After your solar system is interconnected to the grid, your monthly electric bill will look a little different. Under AMP's ERG compensation plan, you will be paid monthly with a credit for the excess energy you deliver to AMP's grid and you'll be billed monthly for the energy you use from AMP.



The energy you use from AMP will be billed to you at AMP's regular retail rates. The excess energy (kWh) that your solar system generated but you did not use at home will be credited to you. Known as the ERG credit, it is calculated each year for the following fiscal year. To learn more about how the ERG credit is calculated, visit [www.alamedamp.com/DocumentCenter/View/187/Rider-ERG-Eligible-Renewable-Generation-PDF](http://www.alamedamp.com/DocumentCenter/View/187/Rider-ERG-Eligible-Renewable-Generation-PDF)

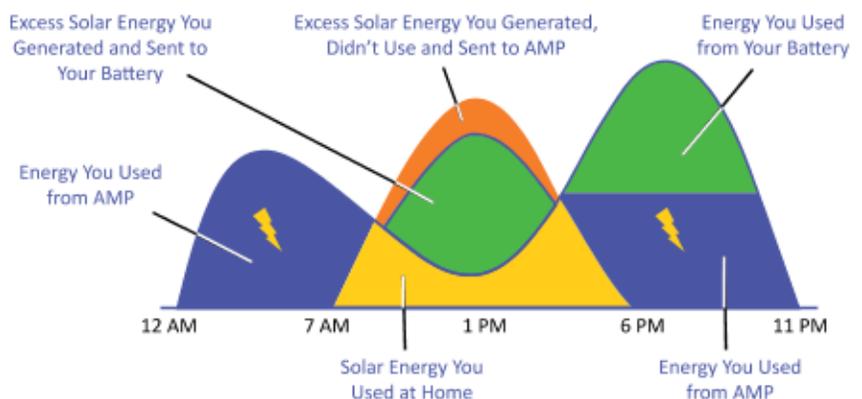
Your monthly bill will include your energy charges and credits, along with applicable customer charges, taxes and fees. The energy generated and used onsite is neither charged nor credited.

To receive the most benefit from your solar, you should use solar energy as it is produced, typically between 9 a.m. and 5 p.m. Shifting activities, such as doing laundry, running dishwashers and ovens, heating/cooling, EV charging, etc., from nighttime to daytime can lower the amount of energy you have to use from AMP, which can significantly reduce your overall energy charges.

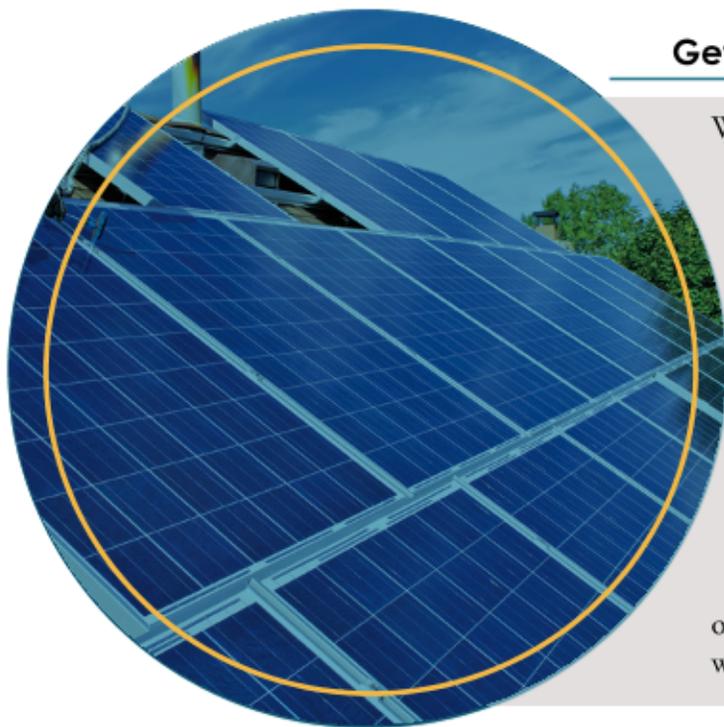
## Solar + Battery Storage

Pairing solar with battery storage allows you to store excess energy during the day to use in the evenings, giving you more control of your energy use. In addition, battery storage can be customized to feed your whole home or essential/critical load (e.g. medical equipment, certain lights or appliances) during an outage.

*Typical Profile of a Solar + Battery Customer in Alameda*



## Getting Environmental Credit for Going Green



When a residential solar system produces electricity, the system is eligible to receive Renewable Energy Certificates, or “RECs,” which are certificates that represent the renewable energy that is generated. If you purchase a solar system, you own the rights to these RECs and can make the claim that you’re producing clean energy and avoiding emissions of greenhouse gases by going solar. However, if you enter a Lease or PPA, the contract may state that the Solar Provider or someone else owns the RECs. If you do not own the RECs, they can be sold without your knowledge to other customers who use them to make environmental claims or comply with clean energy requirements. And with PACE financing, a local jurisdiction may own the RECs. If owning the RECs is important to you, ask your solar provider who will own the RECs, and check the contract fine print.

## Combining Solar with Storage

When you install battery storage with your solar system, you can store excess solar electricity produced by your panels for use in the evening when the sun goes down. The software that comes with battery storage automatically determines whether to store the extra energy or export it to the grid to maximize cost savings. Battery storage can also provide limited back-up power.

The state-funded Self-Generation Incentive Program (SGIP) provides financial incentive to install storage. See [www.cpuc.ca.gov/sgip](http://www.cpuc.ca.gov/sgip) for details on the SGIP program.





## STEP 7: Carefully Read All Paperwork

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### THE SOLAR ENERGY SYSTEM DISCLOSURE DOCUMENT

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This one-page document from the Contractors State License Board shows you the total costs for the proposed solar energy system. It also has information about your three-day right to cancel a contract. A Solar Provider is required to fill out this document. It may be placed as the cover page to the contract. See a blank version at [www.cslb.ca.gov/contractors/SolarSheet.aspx](http://www.cslb.ca.gov/contractors/SolarSheet.aspx).



### CONTRACT

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- The solar contract is the legally binding document between you and the Solar Provider. Make sure to read it carefully.
- Make sure everything you were promised is written in the contract. For example, many answers to the questions on pages 10 and 11 of this guide should be referenced in the contract.
- By law any contract for solar installation must include:
  - Contractor information, including business address and license numbers
  - Description of the project, including equipment installed and materials used
  - Contract price, plus finance charge and/or down payment if applicable
  - Approximate start and end date of the contract term
  - Notice of a 3-day right to cancel the contract (with limited exceptions)
- Ask the Solar Provider what situations would allow you to be released from the contract. For example, if your Solar Provider discovers a site visit that your roof is shaded in a way that wasn't expected, that could cancel the contract.



### FINANCIAL PAPERWORK

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- If you are purchasing a system with a solar loan, you will be asked to sign a separate financing agreement. The Lender will provide you with this separate agreement.
- If you are purchasing a system with PACE financing, you must sign: (1) a Financing Application and, (2) a Financing Agreement.
  - Before you sign the Financing Application, read it carefully to make sure all the information is correct, including your contact information, your income, and the cost of the solar energy system.
  - The separate Financing Agreement may be provided by the Solar Provider, the PACE administrator, or a financing institution.
- Make sure everything you were promised is written into any financial agreements. For example, many answers to the questions on pages 14-16 of this guide should be referenced in the contract.



## ADDITIONAL RESOURCES

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### Contractors State License Board (CSLB)

- **CSLB 24-Hour Licensing and Consumer Information:**  
800-321-CSLB (2752)
- **Check a Contractor License or Home Improvement Salesperson Registration:**  
<http://www.cslb.ca.gov/OnlineServices/CheckLicenseII/CheckLicense.aspx>
- **CSLB Solar Smart:**  
[www.cslb.ca.gov/Consumers/Solar\\_Smart](http://www.cslb.ca.gov/Consumers/Solar_Smart)
- **CSLB Solar Energy System Disclosure Document:**  
[www.cslb.ca.gov/contractors/SolarSheet.aspx](http://www.cslb.ca.gov/contractors/SolarSheet.aspx)

### Department of Business of Oversight (DBO)

- **PACE Administrator License Check:**  
<https://docqnet.dbo.ca.gov/>
- **Filing a Complaint against PACE provider:**  
[www.dbo.ca.gov](http://www.dbo.ca.gov)

### Solar Financing Guides

- **CESA Homeowner's Guide to Solar Financing:** search here:  
<http://cesa.org/resource-library>
- **CESA/George Washington University Rooftop Solar Financing 101:**  
<http://cesa.org/projects/sustainable-solar/videos>

### Other Solar Guides

- **Solar Energy Industries Association (SEIA) Residential Consumer Guide to Solar Power:**  
<http://www.seia.org/research-resources/residential-consumer-guide-solar-power>
- **Interstate Renewable Energy Council (IREC) Be Solar Smart Consumer Checklist:**  
<https://irecusa.org/consumer-protection/consumer-checklist/>
- **CESA/George Washington University Choosing a Solar Installer:**  
<http://cesa.org/projects/sustainable-solar/videos>
- **EnergySage Solar 101:**  
<http://www.energysage.com/solar/101>



## ADDITIONAL RESOURCES *(cont.)*



**ALAMEDA  
MUNICIPAL POWER**

*A Department of the City of Alameda*

### Alameda Municipal Power Resources

- **Request a free in-home energy visit by an AMP specialist who will identify cost-effective actions that can save you time and money.**  
<https://www.alamedamp.com/204/Home-Energy-Review>
- **AMP offers rebates up to \$1,500 on lighting and appliances.**  
<https://www.alamedamp.com/164/Rebates-Incentives>
- **Learn more about AMP's and the city of Alameda's solar installation process**  
<https://www.alamedamp.com/181/Solar>
- **AMP's solar compensation & billing**  
<https://www.alamedamp.com/195/Solar-Compensation-Billing>
- **Learn more about AMP's commitment to providing you with 100% clean energy**  
<https://www.alamedamp.com/337/Clean-Energy-in-2020>

### Questions about installing solar in the city of Alameda?

- **Call Alameda Municipal Power at 510-748-3900**
- **Email [solar@alamedamp.com](mailto:solar@alamedamp.com)**
- **Visit [www.alamedamp.com](http://www.alamedamp.com)**

## STEP 8: "Before You Sign" Checklist

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Before you sign any documents, make sure you have completed these items!

Remember, take your time and don't feel pressured to sign a contract. If you feel you need more time to think about your decision or to do more research, do not sign anything until you do.

- Consider making your home more energy efficient before getting solar. This could save you money. **See page 5.**
- Get at least 3 bids for solar at your home. **See page 9.**
- Check to make sure the Solar Provider's license is current and valid with the Contractors State License Board. **See page 4.**
- Ask the Solar Provider for 3 customer references and call or visit them.
- Ask the Solar Provider the contract questions on **page 4, 10, and 11** so you understand the terms of the solar contract.
- If you are financing your system, ask the lender, Solar Provider, or PACE Program Administrator the finance questions on **page 14, 15, and 16**, so you understand the terms of your financing arrangement.
- Read the critical information about electricity bill savings estimate on **page 16 and 17.**
- Carefully read all the documents that the Solar Provider is asking you to sign. These usually include: 1) Solar Energy System Disclosure Document, 2) Contract, and 3) Financial Paperwork. **See page 19.**
- Understand what happens after you sign a contract for solar. **See page 7.**
- Save copies of all the documents you sign. The information will be useful if you sell your home, need to replace your roof, or have any repair or maintenance issues.