

HB 4029 Section 3 Disclosure Checklist

This checklist is for general informational purposes only and does not constitute legal advice. Energy Trust of Oregon does not determine compliance with HB 4029 and is not responsible for how the law is interpreted or applied by third parties. Responsibility for compliance rests solely with parties subject to the statute.

General Disclosure Requirements (Section 3(1))

- Before concluding a sale or lease of a solar energy system to a resident or before entering into a power purchase agreement (PPA) with a resident, a sales agent or solar energy contractor shall provide the resident with the disclosures listed below.
- A disclosure must be written in plain language, may not exceed four pages in length, and must consist of text that is not smaller than the equivalent of a 10-point printed typeface.
- A written disclosure must provide spaces after each required element in which a resident may acknowledge reading and understanding each element by signing the resident's initials or by making or adopting another written acknowledgement.

Utility Submission Requirement (Section 3(5))

A solar energy contractor shall submit to a resident's local electric utility a written disclosure with the resident's signature that is appropriate for the type of transaction in which the resident will engage, along with other materials needed for an application for interconnection with the local electric utility's power grid.

Sale Disclosure Requirements (Section 3(2))

- ☐ State a name, telephone number, business address and any available electronic contact information for the sales agent or solar energy contractor and for the person that will install the solar energy system, if the solar energy contractor will not install the solar energy system.
- ☐ List the name and license number of the limited renewable energy technician or electrician that will install, maintain, replace or repair the solar energy system and the license number of the limited renewable energy contractor or electrical contractor that employs the limited renewable energy technician or electrician.
- ☐ State the purchase price of the solar energy system, including as separate items any and all one-time or recurring applicable fees, taxes, installation charges, surcharges or other costs and expenses.

- ☐ State the exact amount the sales agent or solar energy contractor paid as a dealer fee or other inducement to a lender to obtain financing.
- ☐ State all amounts due upon execution of the contract of sale and at the time installation begins or ends.
- ☐ Estimate the dates on which installation will begin and end.
- ☐ Describe the solar energy system including:
 - All major components.
 - The capacity of the solar energy system in kW.
 - Estimated first-year production.
 - Whether the solar energy system includes an energy storage component and, if so, the capacity of the storage.
 - Expected degradation in electricity generation capacity per year of use.
- ☐ Estimate energy production in the first year of operation in kW and describe the methodology used which must:
 - Use a nationally recognized industry standard tool.
 - Consider site-specific characteristics such as the location, orientation, the angle of the photovoltaic panels, and any shade objects.
 - Account for differences in electric energy production during the month of June and December.
 - Not exceed the optimal performance rating for the inverter
- ☐ Explain the annual accounting for any unused net metering credits or other applicable credits.
- ☐ Estimate in good faith electric energy cost savings for the first 12 months. The estimate must calculate savings using the electric utility's current policy, billing rate and method of valuing excess kilowatt hours that applies to the resident's electricity use. The estimate may use a detailed history of the resident's electricity use for the calculation if the resident agrees
- ☐ State that the system does not provide backup power unless it includes energy storage.
- ☐ State whether and the extent to which the purchase included maintenance or repairs and the annual or pre-incident cost of the maintenance or repairs.
- ☐ State whether and the extent to which the solar energy contractor provides an allowance or warranty for repairs to the resident's property as a consequence of the installation.
- ☐ Describe performance or production guarantees.
- ☐ Describe basis for savings estimates which must include:
 - The current rate at which the resident receives electricity from the resident's electric utility.
 - The assumptions used in estimating any projected increases in the rate.
 - Which fixed costs to the resident will not change in connection with the solar energy system's generation of electricity.

- An estimate of the solar energy system's production of electricity that will exceed the resident's needs and an estimated rate or amount of compensation the resident can expect to receive from the electric utility as compensation for the excess electricity
- ☐ State utility interconnection contact information.
- ☐ State who receives any available renewable energy tax credits, any unused applicable bill credits from on-site generation.

REQUIRED STATEMENTS

☐ If your solar energy system is installed on residential property, your tax liability must be sufficiently large to use any renewable energy tax credits that allow you to offset taxes that you owe to the federal government but do not provide money directly to you. IF YOU ARE PARTICIPATING IN GOVERNMENT ASSISTANCE PROGRAMS OR ARE ON A FIXED INCOME, YOU MIGHT NOT BE ELIGIBLE FOR RENEWABLE ENERGY TAX CREDITS. Related items may not be eligible for a tax credit, including the cost of repairs to your roof and financing fees. You should consult an independent tax professional if you are relying on a tax credit to afford the cost of the solar energy system installation. For more information, contact the Internal Revenue Service.

☐ It is important to understand that electric utility rates and net metering program rates may go up or down and actual savings may vary. Historical data are not necessarily representative of future results. For further information about rates, contact your local electric utility or the Public Utility Commission. Tax incentives and other incentives available from a state government or the federal government are subject to change, expiration or termination, which may affect estimates of savings. Please read your contract carefully for more details

☐ IF YOU INTEND TO GET A LOAN TO PAY FOR ALL OR PART OF AMOUNTS DUE UNDER THIS CONTRACT, YOU SHOULD WAIT UNTIL YOU RECEIVE APPROVAL FOR THE LOAN BEFORE YOU SIGN THIS CONTRACT AND YOU SHOULD VERIFY WHETHER LOAN PAYMENTS WILL BE DUE BEFORE THE SOLAR ENERGY SYSTEM IS OPERATIONAL. THIS CONTRACT WILL NOT ALTER YOUR OBLIGATION TO PAY YOUR ELECTRIC UTILITY FOR AMOUNTS DUE ON YOUR ELECTRICAL BILL.

☐ YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT WITHIN THREE BUSINESS DAYS AFTER YOU SIGN THIS CONTRACT. TO CANCEL, YOU MUST NOTIFY IN WRITING THE PERSON IDENTIFIED FOR THIS PURPOSE IN THIS CONTRACT AND YOU MUST SEND THE NOTICE TO THE PERSON BY E-MAIL OR BY CERTIFIED POSTAL MAIL NO MORE THAN THREE BUSINESS DAYS AFTER SIGNING THE CONTRACT. IF YOU SEND A CANCELLATION NOTICE BY E-MAIL, FOR THE PURPOSE OF DETERMINING YOUR RIGHT TO CANCEL THE

DATE ON WHICH YOU SEND THE E-MAIL IS THE DATE OF YOUR NOTICE OF CANCELLATION.

Customer Initials: _____

Lease Additional Requirements (Section 3(3)) (Note: Energy Trust does not provide incentives for leases of solar energy systems)

- ☐ State the lease term.
- ☐ State the monthly payments due during the first year.
- ☐ State the rate or rates at which monthly payments will increase and the first date on which an increase will occur
- ☐ Estimate the total number of lease payments the resident will make during the entire term of the lease and the total amount the resident will pay under the lease.
- ☐ State payment due dates and invoicing method.
- ☐ List any applicable fees, including recurring fees, such as fees for late payments, automated clearing house (ACH) fees, fees to remove the solar energy system from the resident's property, fees to file or perfect a security interest in the solar energy system, fees to process payments or fees to connect the solar energy system to the Internet.
- ☐ State whether a fixture filing will be recorded.
- ☐ Describe any restrictions or permissions given with respect to an assignment or delegation of the lease or with respect to ownership or retention of the solar energy system if the resident sells the property upon which the solar energy system is installed
- ☐ Describe the extent to which the lease is transferable and state any conditions that affect the transferability of the lease in connection with a sale of the lessee's residential property.

PPA Additional Requirements Section 3(4) (Note: Energy Trust does not provide incentives for PPAs with residents)

- ☐ State the term of the PPA.
- ☐ State the monthly payments due during the first year.
- ☐ State payment escalation rates and timing.
- ☐ Estimate the total number of payments the resident will make during the entire term of the PPA and the total amount the resident will pay under the PPA
- ☐ State payment due dates and invoicing method.
- ☐ List any and all one-time or recurring applicable fees, such as fees for late payments, fees to remove the solar energy system from the resident's property, fees to file or perfect a security interest in the solar energy system, fees to process payments or fees to connect the solar energy system to the Internet.

- ☐ State whether a fixture filing will be recorded.
- ☐ Describe any restrictions or permissions given with respect to an assignment or delegation of the lease or with respect to ownership or retention of the solar energy system if the resident sells the property upon which the solar energy system is installed.