**ENACTS:** 

13-52-207, as Utah Code Annotated 1953

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## HOME SOLAR ENERGY AMENDMENTS

## 2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Colin W. Jack

Senate Sponsor: Scott D. Sandall 2 3 **LONG TITLE** 4 **General Description:** 5 This bill modifies provisions related to the Residential Solar Energy Disclosure Act. 6 **Highlighted Provisions:** 7 This bill: 8 requires a solar retailer to provide a copy of the signed agreement in electronic form, and 9 offer the customer a paper form; 10 prohibits beginning installation until four business days after providing the signed copy 11 of the solar agreement to the customer; 12 provides the customer with a four business day cancellation period after receiving the 13 agreement; 14 adds enforcement authority for the Division of Consumer Protection, including court 15 action; and 16 makes technical changes. 17 Money Appropriated in this Bill: 18 None 19 **Other Special Clauses:** 20 None 21 **Utah Code Sections Affected:** 22 AMENDS: 23 **13-52-201**, as enacted by Laws of Utah 2018, Chapter 290 24 13-52-202, as enacted by Laws of Utah 2018, Chapter 290 25 **13-52-301**, as enacted by Laws of Utah 2018, Chapter 290

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Be it enacted by the Legislature of the state of Utah:
Section 1. Section 13-52-201 is amended to read:
13-52-201 . Disclosure statement required.
(1) [(a) Before] At the time of entering a solar agreement, a solar retailer shall provide to
a potential customer a separate, written disclosure statement as provided in this
section and, as applicable, Sections 13-52-202, 13-52-203, 13-52-204, and 13-52-205.
[(b) (i) The requirement under Subsection (1)(a) may be satisfied by the electronic
delivery of a disclosure statement to the potential customer.]
[(ii) An electronic document under Subsection (1)(a) satisfies the font-size standard
under Subsection (2)(a) if the required disclosures are displayed in a clear and
conspicuous manner.]
(2) A disclosure statement under Subsection (1) shall:
(a) be in paper form;
(b) be in at least 12-point font;
[ <del>(b)</del> ] <u>(c)</u> contain:
(i) the name, address, telephone number, and any email address of the potential
customer;
(ii) the name, address, telephone number, and email address of the solar retailer; and
(iii) (A) the name, address, telephone number, email address, and state contractor
license number of the person who is expected to install the system that is the
subject of the solar agreement; and
(B) if the solar retailer selected the person who is expected to provide operations
or maintenance support to the potential customer or introduced that person to
the potential customer, the name, address, telephone number, email address,
and state contractor license of the operations or maintenance support person;
and
[(e)] (d) include applicable information and disclosures as provided in Sections 13-52-202,
13-52-203, 13-52-204, and 13-52-205.
Section 2. Section 13-52-202 is amended to read:
13-52-202. Contents of disclosure statement for any solar agreement.
If a solar retailer is proposing to enter any solar agreement with a potential customer,
the disclosure statement required in Subsection 13-52-201(1) shall include:
(1) a statement indicating that operations or maintenance services are not included as part

62	of the solar agreement, if those services are not included as part of the solar agreement;
63	(2) if the solar retailer provides any written estimate of the savings the potential customer is
64	projected to realize from the system:
65	(a) (i) the estimated projected savings over the life of the solar agreement; and
66	(ii) at the discretion of the solar retailer, the estimated projected savings over any
67	longer period not to exceed the anticipated useful life of the system;
68	(b) any material assumptions used to calculate estimated projected savings and the
69	source of those assumptions, including:
70	(i) if an annual electricity rate increase is assumed, the rate of the increase and the
71	solar retailer's basis for the assumption of the rate increase;
72	(ii) the potential customer's eligibility for or receipt of tax credits or other
73	governmental or utility incentives;
74	(iii) system production data, including production degradation;
75	(iv) the system's eligibility for interconnection under any net metering or similar
76	program;
77	(v) electrical usage and the system's designed offset of the electrical usage;
78	(vi) historical utility costs paid by the potential customer;
79	(vii) any rate escalation affecting a payment between the potential customer and the
80	solar retailer; and
81	(viii) the costs associated with replacing equipment making up part of the system or,
82	if those costs are not assumed, a statement indicating that those costs are not
83	assumed; and
84	(c) two separate statements in capital letters in close proximity to any written estimate of
85	projected savings, with substantially the following form and content:
86	(i) "THIS IS AN ESTIMATE. UTILITY RATES MAY GO UP OR DOWN AND
87	ACTUAL SAVINGS, IF ANY, MAY VARY. HISTORICAL DATA ARE NOT
88	NECESSARILY REPRESENTATIVE OF FUTURE RESULTS. FOR
89	FURTHER INFORMATION REGARDING RATES, CONTACT YOUR
90	LOCAL UTILITY OR THE STATE PUBLIC SERVICE COMMISSION."; and
91	(ii) "TAX AND OTHER FEDERAL, STATE, AND LOCAL INCENTIVES VARY
92	AS TO REFUNDABILITY AND ARE SUBJECT TO CHANGE OR
93	TERMINATION BY LEGISLATIVE OR REGULATORY ACTION, WHICH
94	MAY IMPACT SAVINGS ESTIMATES. CONSULT A TAX PROFESSIONAL
95	FOR MORE INFORMATION.";

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96	(3) a notice with substantially the following form and content: "Legislative or regulatory
97	action may affect or eliminate your ability to sell or get credit for any excess power
98	generated by the system, and may affect the price or value of that power.";
99	(4) a notice describing any right a customer has under Section 13-52-207, and any other
100	applicable law to cancel or rescind a solar agreement;
101	(5) a statement describing the system and indicating the system design assumptions,
102	including the make and model of the solar panels and inverters, system size, positioning
103	of the panels on the customer's property, estimated first-year energy production, and
104	estimated annual energy production degradation, including the overall percentage
105	degradation over the term of the solar agreement or, at the solar retailer's option, over
106	the estimated useful life of the system;
107	(6) a description of any warranty, representation, or guarantee of energy production of the
108	system;
109	(7) the approximate start and completion dates for the installation of the system;
110	(8) a statement that the solar retailer may not begin installation of the system until at least
111	four business days after the day on which the solar retailer and customer enter into a
112	contract;
113	[(8)] (9) a statement indicating whether any warranty or maintenance obligations related to
114	the system may be transferred by the solar retailer to a third party and, if so, a statement
115	with substantially the following form and content: "The maintenance and repair
116	obligations under your contract may be assigned or transferred without your consent to a
117	third party who will be bound to all the terms of the contract. If a transfer occurs, you
118	will be notified of any change to the address, email address, or phone number to use for
119	questions or payments or to request system maintenance or repair.";
120	[(9)] (10) if the solar retailer will not obtain customer approval to connect the system to the
121	customer's utility, a statement to that effect and a description of what the customer must
122	do to interconnect the system to the utility;
123	[(10)] (11) a description of any roof penetration warranty or other warranty that the solar
124	retailer provides the customer or a statement, in bold capital letters, that the solar retailer
125	does not provide any warranty;
126	[(11)] (12) a statement indicating whether the solar retailer will make a fixture filing or
127	other notice in the county real property records covering the system, including a Notice
128	of Independently Owned Solar Energy System, and any fees or other costs associated

with the filing that may be charged to the customer;

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130	[(12)] (13) a statement in capital letters with substantially the following form and content:
131	"NO EMPLOYEE OR REPRESENTATIVE OF [name of solar retailer] IS
132	AUTHORIZED TO MAKE ANY PROMISE TO YOU THAT IS NOT CONTAINED
133	IN THIS DISCLOSURE STATEMENT CONCERNING COST SAVINGS, TAX
134	BENEFITS, OR GOVERNMENT OR UTILITY INCENTIVES. YOU SHOULD NOT
135	RELY UPON ANY PROMISE OR ESTIMATE THAT IS NOT INCLUDED IN THIS
136	DISCLOSURE STATEMENT.";
137	[(13)] (14) a statement in capital letters with substantially the following form and content:
138	"[name of solar retailer] IS NOT AFFILIATED WITH ANY UTILITY COMPANY OR
139	GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [name of
140	solar retailer] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY
141	COMPANY OR GOVERNMENT AGENCY."; and
142	[(14)] (15) any additional information, statement, or disclosure the solar retailer considers
143	appropriate, as long as the additional information, statement, or disclosure does not have
144	the purpose or effect of obscuring the disclosures required under this part.
145	Section 3. Section 13-52-207 is enacted to read:
146	13-52-207. Customer ability to cancel solar agreement.
147	(1) A solar retailer shall provide to the customer a copy of the signed solar agreement,
148	including any disclosures required under this chapter:
149	(a) in electronic and in paper form, unless the customer declines the paper copy in
150	writing; and
151	(b) if the solar retailer marketed services for residential solar energy systems to the
152	customer in a language other than English, in that language.
153	(2) A solar agreement is not enforceable against the customer unless the requirements in
154	Subsection (1) are met.
155	(3) A solar retailer may not begin installation of any solar equipment until four business
156	days after the day on which the solar retailer provides the customer the solar agreement
157	described in Subsection (1).
158	(4) If a customer cancels a solar agreement under Subsection 13-11-4(2)(m) or Subsection
159	13-26-5(2)(a), the solar retailer shall within 10 days:
160	(a) return any check signed by the customer as payment under the terms of the solar
161	agreement; and
162	(b) refund any money provided by the customer under the terms of the solar agreement.
163	(5) A solar agreement described in Subsection (1) shall clearly:

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164	(a) state the customer's right to cancel the solar agreement under this section; and
165	(b) provide an email address and a mailing address where the customer can send the
166	solar retailer a notice of cancellation of the solar agreement.
167	(6) Subsection (1)(a) only applies to sales where the customer has a right to cancel the
168	purchase as described in Subsection 13-11-4(2)(m) or Subsection 13-26-5(2)(a).
169	Section 4. Section 13-52-301 is amended to read:
170	13-52-301 . Division enforcement authority Administrative fine.
171	(1) Subject to Subsection (2), the division may enforce the provisions of this chapter by:
172	(a) conducting an investigation into an alleged violation of this chapter;
173	(b) issuing a cease and desist order against a further violation of this chapter; [and]
174	(c) imposing an administrative fine of up to \$2,500 for each violation of this chapter; and
175	(d) the division may bring an action in a court of competent jurisdiction to enforce a
176	provision of this chapter.
177	[(c) imposing an administrative fine of no more than \$2,500 per solar agreement on a
178	solar retailer that:]
179	[(i) materially fails to comply with the disclosure requirements of this chapter; or]
180	[(ii) violates any other provision of this chapter, if the division finds that the violation is
181	a willful or intentional attempt to mislead or deceive a customer.]
182	(2) [The division may not commence any enforcement action under this section more than
183	four years after the date of execution of the solar agreement with respect to which a
184	violation is alleged to have occurred.] In a court action by the division to enforce a
185	provision of this chapter, the court may:
186	(a) declare that an act or practice violates a provision of this chapter;
187	(b) issue an injunction for a violation of this chapter;
188	(c) order disgorgement of any money received in violation of this chapter;
189	(d) order payment of disgorged money to an injured purchaser or consumer;
190	(e) impose a fine of up to \$2,500 for each violation of this chapter; or
191	(f) award any other relief that the court deems reasonable and necessary.
192	(3) The division shall, in its discretion:
193	(a) deposit an administrative fine collected under Subsection (1)(c) in the Consumer
194	Protection Education and Training Fund created in Section 13-2-8; or
195	(b) distribute an administrative fine collected under Subsection (1)(c) to a customer
196	adversely affected by the solar retailer's failure or violation resulting in a fine under
197	Subsection (1)(c) if the division has conducted an administrative proceeding

198	resulting in a determination of the appropriateness and amount of any distribution to
199	a customer.
200	(4) Nothing in this chapter may be construed to affect:
201	(a) a remedy a customer has independent of this chapter; or
202	(b) the division's ability or authority to enforce any other law or regulation.
203	Section 5. Effective date.
204	This bill takes effect on May 1, 2024.