

# Consumer Protections in the Renewable Energy Bill of Rights

The rights of Nevada's electric customers regarding self-generation and storage of renewable energy are codified in Assembly Bill 405 (AB 405) of the 79th (2017) Session of the Nevada Legislature at Sections 23 - 25. (The information below was taken directly from AB 405.)

# THE RENEWABLE ENERGY BILL OF RIGHTS CONTAINS THE FOLLOWING CONSUMER PROTECTIONS:

# **LEASE AGREEMENTS**

## **LEASE COVER PAGE REQUIREMENTS**

**Sec. 9.** An agreement for the lease of a distributed generation system must include a cover page that provides the following information in at least 10-point font.

- The amounts due at the signing for and at the completion of the installation or any inspection of the distributed generation system.
- 2. An estimated timeline for the installation of the distributed generation system.
- The estimated amount of the monthly payments due under the lease in the first year of operation of the distributed generation system.
- 4. The length of the term of the lease.
- 5. A description of any warranties.
- 6. The rate of any payment increases.
- 7. The identification of any state or federal tax incentives that are included in calculating the amount of the monthly payments due under the lease.
- 8. The estimated production of the distributed generation system in the first year of operation.
- 9. A description of the terms for renewal or any other options available at the end of the term of the lease.
- 10. A description of any option to purchase the distributed generation system before the end of the term of the lease.
- 11. Notice of the existence of the Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470.
- Notice that a person financially damaged by a licensed contractor who performs work on a residence may be eligible to recover certain financial damages from the Recovery Fund.
- 13. Notice that a host customer may file a complaint with the Public Utilities Commission of Nevada.
- 14. Contact information for the State Contractors' Board and the Public Utilities Commission of Nevada, including, without limitation, a telephone number.

#### LEASE AGREEMENT REQUIREMENTS

**Sec. 10.** An agreement for the lease of a distributed generation system must include, without limitation, the following information in at least 10-point font.

- 1. The name, mailing address, telephone number and number of the contractor's license of the solar installation company.
- The name, mailing address and telephone number of:

   (a) The lessor of the distributed generation system; and
   (b) The name, mailing address and telephone number of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company.
- 3. An estimated timeline for the installation of the distributed generation system.
- 4. The length of the term of the lease.
- 5. A general description of the distributed generation system.
- 6. The amounts due at the signing for and at the completion of the installation or any inspection of the distributed generation system.
- 7. A description of any warranties.
- 8. The amount of the:
  - (a) Monthly payments due under the lease; and
  - (b) Total payments due under the lease, excluding taxes.
- 9. A description of any other one-time or recurring charges, including, without limitation, a description of the circumstances that trigger any late fees.
- A description of any obligation the lessor has regarding the installation, repair or removal of the distributed generation system.
- A description of any obligation the lessor has regarding construction of and insurance for the distributed generation system.
- 12. A description of any:
  - (a) Taxes due at the commencement of the lease; and
  - (b) Estimation of taxes known to be applicable during the term of the lease, subject to any change in the state or local tax rate or tax structure.
- 13. A copy of the warranty for the distributed generation system.
- 14. A disclosure notifying the lessee of the transferability of the obligations under the warranty to a subsequent lessee.
- 15. The identification of any state or federal tax incentives that are included in calculating the amount of the monthly payments due under the lease.
- 16. A description of the ownership of any tax credits, tax rebates, tax incentives or portfolio energy credits in

- connection with the distributed generation system.
- 17. Any terms for renewal of the lease.
- 18. A description of any option to purchase the distributed generation system before the end of the term of the lease.
- 19. A description of all options available to the host customer in connection with the continuation, termination or transfer of the lease in the event of the:
  - (a) Sale of the property to which the distributed generation system is affixed; or
  - (b) Death of the lessee.
- 20. A description of any restrictions that the lease imposes on the modification or transfer of the property to which the distributed generation system is affixed.
- 21. The granting to the lessee of the right to rescind the lease for a period ending not less than 3 business days after the lease is signed.
- 22. An estimate of the amount of electricity that could be generated by the distributed generation system in the first year of operation.
- 23. A signature block that is signed and dated by the lessor and the lessee of the distributed generation system.

## LEASE AGREEMENT DISCLOSURE REQUIREMENTS

**Sec. 11.** 1. An agreement for the lease of a distributed generation system must include a disclosure that is not more than 3 pages in length and is in at least 10-point font.

- The disclosure described in subsection 1 must be separate from the cover page and agreement described in sections 9 and 10 of AB 405.
- The disclosure described in subsection 1 must include, without limitation:
  - (a) The name, mailing address, telephone number and electronic mail address of the lessor;
  - (b) The name, mailing address, telephone number, electronic mail address and number of the contractor's license of the person who installed the distributed generation system, if different from the solar installation company;
  - (c) The name, mailing address, telephone number, electronic mail address and the number of the contractor's license of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company;
  - (d) The length of the term of the lease;
  - (e) The amount of the monthly payments due under the lease in the first year of operation;
  - (f) The amounts due at the signing for and at the completion of the installation of the distributed generation system;
  - (g) The estimated amount of the total payments due under the lease, including, without limitation, any incentives that are included in the estimated lease payments;
  - (h) A description of any one-time or recurring fees, including, without limitation, a description of the circumstances that trigger:
    - (1) Any late fees;
    - (2) Estimated fees for the removal of the distributed generation system;
    - (3) Fees for a notice of removal and refiling pursuant to the Uniform Commercial Code;
    - (4) Fees for connecting to the Internet; and

- (5) Fees for not enrolling in a program in which payments are made through an electronic transfer of money cleared through an automated clearinghouse;
- (i) The total number of payments to be made under the lease;
- The due date of any payment and the manner in which the consumer will receive an invoice for such payments;
- (k) The rate of any payment increases and the date on which the first increase in the rate may occur, if applicable;
- (I) Assumptions concerning the design of the distributed generation system, including, without limitation:
  - (1) The size of the distributed generation system;
  - (2) The estimated amount of production for the distributed generation system in the first year of operation;
  - (3) The estimated annual degradation to the distributed generation system; and
  - (4) As specified by the lease at the time of installation, whether or not an electric utility must credit a customer of the electric utility for any excess energy that is generated by the distributed generation system;
- (m A disclosure notifying the lessee of the intent of the lessor to file a fixture filing, as defined in NRS 104A.2309, on the distributed generation system;
- (n) A disclosure notifying the lessee if maintenance and repairs of the distributed generation system are included in the lease;
- (o) A disclosure describing any warranty for the repair of any damage to the roof of the property owned by the lessee in connection with the installation or removal of the distributed generation system;
- (p) A disclosure describing:
  - (1) The transferability of the lease; and
  - Any conditions on transferring the lease in connection with the lessee selling his or her property;
- (q) A description of any guarantees of the performance of the distributed generation system;
- (r) A description of the basis for any estimates of savings that were provided to the lessee, if applicable; and
- (s) A disclosure concerning the retention of any portfolio energy credits, if applicable.

# **PURCHASE AGREEMENTS**

# PURCHASE AGREEMENT COVER PAGE REQUIREMENTS

**Sec. 12.** An agreement for the purchase of a distributed generation system must include a cover page that provides the following information in at least 10-point font.

- 1. The size of the distributed generation system.
- The length of the term of the warranty for the distributed generation system.
- An estimated timeline for the installation of the distributed generation system.
- 4. A description of any warranties.
- 5. The total cost of the distributed generation system.
- The estimated value of any portfolio energy credits and rebates of any incentives included in the calculation of the total cost of the distributed generation system.
- 7. The amounts due at the signing for and at the completion of the installation of the distributed generation system.
- 8. The estimated production of the distributed generation system in the first year of operation.
- 9. Notice of the existence of the Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470.
- Notice that a person financially damaged by a licensed contractor who performs work on a residence may be eligible to recover certain financial damages from the Recovery Fund.
- 11. Notice that a host customer may file a complaint with the Public Utilities Commission of Nevada.
- 12. Contact information for the State Contractors' Board and Public Utilities Commission of Nevada, including, without limitation, a telephone number.

# **PURCHASE AGREEMENT REQUIREMENTS**

**Sec. 13.** An agreement for the purchase of a distributed generation system must include, without limitation, the following information in at least 10-point font.

- The name, mailing address, telephone number, electronic mail address and number of the contractor's license of the solar installation company.
- The name, mailing address, telephone number and electronic mail address of:
  - (a) The purchaser of the distributed generation system; and
  - (b) The name, mailing address, telephone number and electronic mail address of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company.
- A description, which includes, without limitation, any assumptions, concerning the design and installation of the distributed generation system. Such a description must include, without limitation:
  - (a) The size of the distributed generation system;
  - (b) The estimated amount of production for the distributed generation system in the first year of operation; and
  - (c) The estimated annual degradation to the distributed generation system.
- The total cost of the distributed generation system.
- 5. An estimated timeline for the installation of the distributed generation system.
- 6. A payment schedule, including, without limitation:

- (a) The due dates for any deposit; and
- (b) Any subsequent payments that are not to exceed the total system cost stated on the cover page pursuant to section 12 of this act.
- 7. The granting to the purchaser the right to rescind the agreement for a period ending not less than 3 business days after the agreement is signed.
- 8. A copy of the warranty for the distributed generation system.
- A disclosure notifying the purchaser of the transferability of the obligations under the warranty to a subsequent purchaser.
- The identification of any incentives included in the calculation of the total cost of the distributed generation system.
- 11. A description of any guarantee of the performance of the distributed generation system.
- A signature block that is signed and dated by the purchaser of the distributed generation system and the solar installation company.
- 13. A description of the basis for any estimates of savings that were provided to the purchaser, if applicable.
- 14. A disclosure concerning the retention of any portfolio energy credits, if applicable.

#### **PURCHASE AGREEMENT DISCLOSURE LANGUAGE**

**Sec. 14.** 1. An agreement for the purchase of a distributed generation system must include a disclosure that is not more than 3 pages in length and is in at least 10-point font.

- 2. The disclosure described in subsection 1 must be separate from the cover page and agreement described in sections 12 and 13 of this act.
- 3. The disclosure described in subsection 1 must include, without limitation:
  - (a) The name, mailing address, telephone number and electronic mail address of the solar installation company;
  - (b) The name, mailing address, telephone number, electronic mail address and number of the contractor's license of the person who installed the distributed generation system, if different from the solar installation company;
  - (c) The name, mailing address, telephone number, electronic mail address and the number of the contractor's license of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company;
  - (d) The purchase price of the distributed generation system;
  - (e) The payment schedule for the distributed generation system:
  - (f) The approximate start and completion dates for the installation of the distributed generation system;
  - (g) A disclosure notifying the purchaser of the responsible party for obtaining approval for connecting the distributed generation system to the electricity meter on the host customer's side;
  - (h) Assumptions concerning the design of the distributed generation system, including, without limitation:
    - (1) The size of the distributed generation system;
    - (2) The estimated amount of production for the distributed generation system in the first year of operation;

- (3) The estimated annual degradation to the distributed generation system; and
- (4) As specified by the agreement at the time of installation, whether or not an electric utility must credit a customer of the electric utility for any excess energy that is generated by the distributed generation system;
- (i) A disclosure notifying the purchaser if maintenance and repairs of the distributed generation system are included in the purchase;
- (j) A disclosure describing any warranty for the repair of

- any damage to the roof of the property owned by the purchaser in connection with the installation or removal of the distributed generation system;
- (k) A description of any guarantees of the performance of the distributed generation system;
- (I) A description of the basis for any estimates of savings that were provided to the purchaser, if applicable; and
- (m) A disclosure concerning the retention of any portfolio energy credits, if applicable.

# **POWER PURCHASE AGREEMENT**

# POWER PURCHSE AGREEMENT COVER PAGE REQUIREMENTS

**Sec. 15.** A power purchase agreement for the sale of the output of a distributed generation system must include a cover page that provides the following information in at least 10-point font.

- 1. The rate of any increase in the payments to be made during the term of the agreement and, if applicable, the date of the first such increase.
- 2. An estimated timeline for the installation of the distributed generation system.
- 3. The rate of electricity per kilowatt-hour of electricity for the first year of the agreement.
- 4. The length of the term of the agreement.
- The amounts due at the signing for and at the completion of the installation or any inspection of the distributed generation system.
- 6. The estimated production of the distributed generation system in the first year of operation.
- 7. A description of the options available at the end of the term of the agreement.
- A description of any option to purchase the distributed generation system before the end of the term of the agreement.
- 9. Notice of the existence of the Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470.
- Notice that a person financially damaged by a licensed contractor who performs work on a residence may be eligible to recover certain financial damages from the Recovery Fund.
- 11. Notice that a host customer may file a complaint with the Public Utilities Commission of Nevada.
- 12. Contact information for the State Contractors' Board and the Public Utilities Commission of Nevada, including, without limitation, a telephone number.

# **POWER PURCHASE AGREEMENT REQUIREMENTS**

**Sec. 16.** A power purchase agreement for the sale of the output of a distributed generation system must include, without limitation, the following information in at least 10-point font.

- 1. The name, mailing address, telephone number, electronic mail address and number of the contractor's license of the solar installation company.
- 2. The name, mailing address, telephone number and electronic mail address of:
  - (a) The provider of the distributed generation system; and

- (b) The name, mailing address, telephone number and electronic mail address of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company.
- 3. The length of the term of the agreement.
- 4. An estimated timeline for the installation of the distributed generation system.
- 5. The payments made during the first year of the agreement for the price of electricity, which includes, without limitation, the price per kilowatt-hour of electricity and the price per monthly system electrical output.
- 6. The estimated annual electrical output of the distributed generation system.
- The rate of any increase in the payments to be made during the term of the agreement and, if applicable, the date of the first such increase.
- 8. A description of any obligation the solar installation company has regarding construction and repair of and insurance for the distributed generation system.
- 9. A description of any one-time or recurring fees, including, without limitation, a description of the circumstances that trigger any late fees.
- 10. A description of any:
  - (a) Taxes due at the commencement of the agreement; and
  - (b) Estimation of taxes known to be applicable during the term of the agreement, subject to a change in the state or local tax rate or tax structure.
- 11. A copy of the warranty for the distributed generation system.
- 12. A description of the ownership of any tax credits, tax rebates, tax incentives or portfolio energy credits in connection with the distributed generation system.
- 13. Any terms for renewal of the agreement.
- 14. A description of any option to purchase the distributed generation system before the end of the term of the agreement.
- 15. A description of all options available to the host customer in connection with the continuation, termination or transfer of the agreement in the event of the:
  - (a) Sale of the property to which the distributed generation system is affixed; or
  - (b) Death of the purchaser.
- 16. The granting to the purchaser of the right to rescind the agreement for a period ending not less than 3 business days after the agreement is signed.
- 17. A description of any restrictions that the agreement imposes on the modification or transfer of the property to which the distributed generation system is affixed.
- 18. A description of any guarantees of the performance of the

- distributed generation system.
- A disclosure notifying the host customer of the transferability of the obligations under the warranty to a subsequent purchaser.
- 20. A signature block that is signed and dated by the purchaser and the solar installation company.
- 21. A statement describing the due dates of any payments.

# POWER PURCHASE AGREEMENT DISCLOSURE REQUIREMENTS

**Sec. 17.** 1. A power purchase agreement for the sale of output of a distributed generation system must include a disclosure that is not more than 3 pages in length and is in at least 10-point font.

- The disclosure described in subsection 1 must be separate from the cover page and agreement described in sections 15 and 16 of this act.
- 3. The disclosure described in subsection 1 must include, without limitation:
  - (a) The name, mailing address, telephone number and electronic mail address of the solar installation company;
  - (b) The name, mailing address, telephone number, electronic mail address and number of the contractor's license of the person who installed the distributed generation system, if different from the solar installation company;
  - (c) The name, mailing address, telephone number, electronic mail address and the number of the contractor's license of the person responsible for all maintenance of the distributed generation system if different from the solar installation company;
  - (d) The payment schedule for the distributed generation system, including, without limitation, any payments that are due, if applicable, at:
    - (1) Signing for the distributed generation system;
    - (2) Commencement of installation of the distributed generation system; and
    - (3) Completion of installation of the distributed generation system;
  - (e) A description of any one-time or recurring fees, including, without limitation, a description of the circumstances that trigger:
    - (1) Any late fees;
    - (2) Estimated fees for the removal of the distributed generation system;
    - (3) Fees for a notice of removal and refiling pursuant to the Uniform Commercial Code;
    - (4) Fees for connecting to the Internet; and
    - (5) Fees for not enrolling in a program in which payments are made through an electronic transfer of money cleared through an automated clearinghouse;

- (f) A statement that describes when payments are due;
- (g) The rate of any payment increases and the date on which the first increase in the rate may occur, if applicable;
- (h) Assumptions concerning the design of the distributed generation system, including, without limitation:
  - (1) The size of the distributed generation system;
  - (2) The estimated amount of production for the distributed generation system in the first year of operation;
  - (3) The estimated annual degradation to the distributed generation system; and
  - (4) As specified by the agreement at the time of installation, whether or not an electric utility must credit a customer of the electric utility for any excess energy that is generated by the distributed generation system;
- (i) A disclosure notifying the purchaser of the intent of the owner of the distributed generation system to file a fixture filing, as defined in NRS 104A.2309, on the distributed generation system;
- (j) A disclosure notifying the purchaser if maintenance and repairs of the distributed generation system are included in the agreement;
- (k) A disclosure describing any warranty for the repair of any damage to the roof of the property owned by the purchaser in connection with the installation or removal of the distributed generation system;
- A disclosure describing the transferability of the distributed generation system in connection with the purchaser selling his or her property;
- (m) A description of any guarantees of the performance of the distributed generation system;
- (n) A description of the basis for any estimates of savings that were provided to the purchaser, if applicable; and
- (o) A disclosure concerning the retention of any portfolio energy credits, if applicable.

# REFERENCE TO PRICE OF ELECTRICITY IN AGREEMENT

**Sec. 18.** If an agreement for the lease or purchase of a distributed generation system or if a power purchase agreement makes a written reference to the price of electricity that is provided by an electric utility, the agreement or power purchase agreement, as applicable, must also provide, in 12-point font, a disclosure in substantially the following form:

Actual utility rates may go up or down and actual savings may vary. For further information regarding rates, you may contact your local utility or the Public Utilities Commission of Nevada.

# **EXPRESS WARRANTIES IN AGREEMENT**

- **Sec. 19.** 1. An agreement for the lease or purchase of a distributed generation system and a power purchase agreement must include an express warranty for the installation of the distributed generation system and the penetration into the roof by the distributed generation system. Such warranties must:
  - (a) Be express and in writing; and
  - (b) Expire not earlier than 10 years after the installation of the distributed generation system.
- 2. An agreement for the lease of a distributed generation system and a power purchase agreement must include an express warranty that:
  - (a) Is in writing; and
  - (b) Does not expire earlier than 10 years after the installation of the distributed generation system.
- 3. An agreement for the purchase of a distributed generation system must include the following express warranties in writing for the component parts, including parts and labor, of the distributed generation system, either directly from the solar installation company or passed through from the manufacturer of the component parts:
  - (a) For collectors and storage units, not less than a 10-year warranty; and
  - (b) For inverters, not less than a 7-year warranty.
- 4. The provisions of this section that relate to a person who installs a distributed generation system do not apply to a person who installs a system on his or her own property.

# FILING A COMPLAINT

- **Sec. 20.** 1. A host customer may file a complaint concerning a solar installation company with the Public Utilities Commission of Nevada. Upon receipt of a complaint, the Commission may direct the host customer to the appropriate agency or person to resolve the complaint.
- 2. The failure of a person to comply with sections 2 to 20, inclusive, of this act constitutes a deceptive trade practice for the purposes of NRS 598.0903 to 598.0999, inclusive.
- 3. A violation of any provision of sections 2 to 20, inclusive, of this act constitutes consumer fraud for the purposes of NRS 41.600.
- 4. Any document described in sections 9 to 19, inclusive, of this act must be provided in:
  - (a) English; or
  - (b) Spanish, if any person so requests.

## **MORE INFORMATION**

If you believe that you are being denied a right covered by the Renewable Energy Bill of Rights, contact the PUCN's Consumer Complaint Resolution Division at (775) 684-6100 or (702) 486-2600.