



# DRAFT Consumer Protection Policy for Residential Solar in Maryland

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**Note:** The MEA is utilizing existing federal and state guidelines, including the Brighter Tomorrow Act<sup>1</sup> to implement effective and efficient consumer protections for the Maryland Solar Access Program.

MEA has a dedicated Solar Program Manager supported by the Clean Energy and Resiliency Division to focus on program development, including creating and implementing a Participating Contractor List.

The list will be established through an internal verification process created by MEA. MEA will rely on industry partners and various stakeholders to address the comments and concerns related to consumer protections, consumer disclosure forms, and participating contractors to create a transparent and effective program in developing the Participating Contractor List. MEA utilized existing publications from the Solar Energy Industries Association<sup>2</sup>, Clean Energy States Alliance<sup>3</sup>, National Renewable Energy Lab<sup>4</sup>, Interstate Renewable Energy Council<sup>5</sup>, California Public Utilities Commission<sup>6</sup> and the Maryland Public Service Commission<sup>7</sup> to construct the Consumer Protections Clauses, Solar Purchase Disclosure Form, and the Participating Contractor List.

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<sup>1</sup> <https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/sb0783>

<sup>2</sup> <https://seia.org/>

<sup>3</sup> <https://www.cesa.org/>

<sup>4</sup> <https://www.nrel.gov/>

<sup>5</sup> <https://irecusa.org/>

<sup>6</sup> <https://www.cpuc.ca.gov/>

<sup>7</sup> <https://www.psc.state.md.us/>

# Introduction

This Consumer Protection Policy aims to ensure that consumers participating in MEA’s Maryland Solar Access Program are treated fairly, informed about their rights, and protected against deceptive practices. This policy outlines the responsibilities of solar providers, consumers’ rights, and the regulatory framework supporting these protections.

Participating Contractors:

Contractors that participate in the MEA Customer Sited Solar Grant Program (“Participating Contractors”) agree to comply with this policy. MEA may remove a contractor from the Participating Contractor list if MEA determines the contractor has not complied with the Policy.

## 1. Contract Rights

### 1.1 Right to Choose

Consumers have the right to choose their solar provider without undue pressure or coercion. This includes the right to:

- Obtain multiple quotes from different providers.
- Compare products and services.

### 1.2 Right to Information

Consumers have the right to receive clear, accurate, and comprehensive information regarding solar energy systems.

- Contracts and contract terms shall be transparent, easy to understand, and prominent.
- All prices and costs shall be transparent throughout the life of the transaction.
- Contracts shall avoid underestimating costs and overestimating performance.
- Ownership terms shall be clearly defined.
- Contracts shall clearly describe the duration, nature, and potential impacts to the buyer of any restrictions, liens, fixture filings, or other security interests that may encumber the consumer’s ability to transfer or modify his property or gain access to credit as a result of such terms.
- Termination and removal terms shall be clear, especially in cases of third-party ownership.
- Contracts shall include a discussion of who is responsible for the proper disposal of the product at the end of its life.
- Performance calculations shall specify and include all relevant factors.

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- If installation and/or equipment will be monitored, the consumer shall be told what kind of data is being collected, who has ownership and access to the data, and if the data will be sold to others.
- Contracts shall include a reasonable period for rescinding contracts.
- Contracts shall include remediation terms regarding damage to property from work.
- Contracts shall include start and end dates if applicable.

### **1.3 Right to Cancel**

Consumers have the right to cancel any solar energy contract up to 30 days after signing the contract without incurring penalties. This right must be clearly stated in all contracts with consumers. Consumers may waive the 30-day cancellation session for expedited contract execution.

## **2. Responsibilities of Solar Providers**

### **2.1 Transparency**

Solar providers must ensure that all marketing materials and communications are transparent, including:

- Disclosing all fees, costs, and potential risks associated with the solar system.
- Providing a full breakdown of savings projections based on realistic and verifiable data.
- Engage in Participating Vendor List sponsored by the Maryland Energy Administration
- Renewable Energy Certificates or Renewable Energy Credits (RECs):
  - Providers must educate their clean energy customers about RECs.
  - Providers must be clear and transparent in the role of RECs and their disposition in the clean energy offering, and communicate the customer's rights to make clean energy claims.
  - All statements or claims about renewable energy use must be supported by appropriate REC ownership.

### **2.2 Licensing and Certification**

All solar providers must be licensed and certified according to Maryland state law. This includes:

- Compliance with the Maryland Public Service Commission requirements.
- Maintain active license with the Maryland Home Improvement Commission (MHIC)<sup>8</sup>.
- Any business or non-profit organization operating in Maryland with which the solar provider contracts or partners to carry out the purposes of the Grant shall be registered

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<sup>8</sup> <https://labor.maryland.gov/license/mhic/>

and in good standing with the Maryland State Department of Assessments and Taxation, if applicable.

- All installed panels meet UL 1703 and IEC 61730 standards
- A NABCEP Certified Professional Inspection for each project
- Industry-recognized credentials in good standing shall be explained and displayed.
- Fully insured, including commercial general liability insurance, excess or umbrella insurance, professional liability insurance, and worker's compensation insurance.
- Have no history of violating any federal or state wage and hour laws, non-discrimination and equal employment opportunity laws, local building codes, or health and safety standards within the last 5 years.

### **2.3 Minimum Benefits to the Consumer**

- For solar power purchase agreements, the maximum offer must be at least 10% below the standard offer service at the time the solar contract is signed.
- For a solar power lease agreement, solar power loan agreement, or solar system purchase agreement, the grant application must demonstrate that the total costs for the first full year do not exceed the equivalent maximum offer.
- Solar power purchase agreements and Solar Power lease agreements may include an annual escalator of less than 3% and the duration of the contract must be less than 20 years.
- The equipment installed is intended to be in place for the duration of its useful life. Only permanently installed systems are eligible for incentives. This means that the solar system must demonstrate adequate assurances of both physical and contractual permanence prior to receiving an incentive. Physical permanence is to be demonstrated in accordance with industry practice for permanently installed equipment. Equipment must be secured to a permanent surface. Any indication of portability, including but not limited to temporary structures, quick disconnects, unsecured equipment, wheels, carrying handles, dolly, trailer, or platform, will deem the system ineligible.

## **3. Installation and Quality Standards**

### **3.1 Compliance with Regulations**

All installations must comply with publicly published local, state, and federal regulations, including:

- Building and electrical codes and safety standards for the local authority having jurisdiction.

- Environmental regulations and permitting requirements for the local authority having jurisdiction.
- A Maryland Interconnection Agreement upon project completion

### **3.2 Warranty and Maintenance**

Solar providers must offer transparent warranties on equipment and installation, clearly stating coverage duration, conditions, maintenance obligations, and support options.

- Equipment and labor warranties shall be clearly defined and easily understood, with responsible parties identified.
- Any performance labels shall be clear and verifiable.
- Contact information for follow-up shall be provided and kept updated including if the company or product manufacturer ceases operations.
- Any long-term maintenance plan shall be made available in writing and explained.
- A minimum warranty period for labor must be 10 years
- A minimum manufacturer material warranty period for Solar PV modules must be 25 years
- A minimum manufacturer material warranty period for inverters must be 10 years
- All systems must be installed in conformance with the manufacturers' specifications
- Self-installations (without a licensed solar provider) will not be permitted

## **4. Dispute Resolution**

### **4.1 Complaint Mechanism**

Consumers should have access to a straightforward mechanism for filing complaints regarding solar providers. This includes an established process for addressing grievances and contact information for the Maryland Public Service Commission for unresolved issues.

- An adequate dispute resolution process shall be available in writing and explained

### **4.2 Mediation and Arbitration**

In cases of disputes, consumers and providers should engage in mediation or arbitration before resorting to legal action. This process should be fair, impartial, and transparent, with clear guidelines and procedures.

- Consumers shall be treated fairly and honestly.
- Confidentiality of consumer personal information must be maintained unless a consumer has actively consented to having that information shared, as permitted by relevant laws.
- Customers should have to give express written permission to have any information shared.
- Consumer data shall be secure and handled responsibly.

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- Any conflict of interest or an appearance of impropriety by the provider shall be disclosed.
- The price paid for customer resources shall reflect the full and fair market value of those resources.
- Consumers using and/or owning distributed resources connected to the grid shall only be responsible for costs directly attributable to their connection and shall not be burdened with unfair or unreasonable charges.
- Consumers shall have access to their own consumption and generation data and be able to share it with third parties.
- Consumers shall know which other entities have access to their data, how the data will be used and if any personal information will be identified with the data.
- Individual consumer energy information provided to third parties for commercial purposes not related to the services provided by the utility shall be prohibited (or fully disclosed with an opt-out clause).

## Conclusion

This Consumer Protection Policy aims to foster a fair and transparent marketplace for residential solar energy in Maryland. By protecting consumers and ensuring responsible practices among solar providers, we can promote the growth of renewable energy while safeguarding the interests of Maryland residents.

For questions or more information, consumers can contact the Maryland Public Service Commission or visit their website.

**Note:** MEA reserves the right to audit Contractors' compliance with the published Consumer Protection Policy. If at any time the contractor is found in violation of MEA, state, or federal solar consumer protections the contractor forfeits the right to participate in the Maryland Solar Access Program for the remainder of the fiscal year and will be subject to further prohibitive restrictions regarding future MEA programs.

**Disclaimer:** The Maryland Energy Administration has not investigated, and MEA expressly disclaims any duty to investigate any company, product, service, process procedure, design, or other matter regarding the installation of the clean energy technology by the installers presented on this website. The entire risk of use of any installer, equipment vendor, company, product, service, process, procedure, or design is assumed by the homeowner.