



## BEFORE YOU SIGN A COMMUNITY SOLAR SUBSCRIPTION CONTRACT

### HOW A COMMUNITY SOLAR SUBSCRIPTION WORKS

A subscription to a solar energy system is a contract to allocate a share or portion of power generated by an energy system located at a location different from your property. This is typically in the form of a monthly subscription fee. By entering into a subscription agreement for a community solar energy system, you will receive a credit on your utility bill. Electricity from a community solar system could be more expensive than energy purchased from your regular utility provider. Community solar subscriptions may result in net savings or net additional costs to you. Your subscription agreement should disclose the subscription fee and the expected bill credit rate, which can be compared on a cost per kilowatt-hour basis. Also check descriptions of how the cost can change in the future.

By signing a community solar subscription contract, you are entering into a binding legal agreement. These can be complex contracts. If you have questions about the terms in your agreement, consult a lawyer before signing if you can. You may also have [other options available](#) to save money on utility bills.

- You can consider ways to save money on utilities and make energy-efficient improvements on your own before you sign up with a business or salesperson who makes money from signing you up for their program.
- You might be eligible for year-round help with utility bills through [your local Low Income Home Energy Assistance Program \(LIHEAP\) office](#) or the National Energy Assistance Referral Hotline at [\(866\)-674-6327](#).
- You can hire an independent, unbiased energy assessor to come to your home and make recommendations based on your situation. [Look up an assessor near you.](#)



## How to spot scams and bad business practices

High-pressure sales tactics and exaggerated promises of bill savings are major red flags.

- Don't believe anyone who says the federal government pays for your solar power. That's a scam. And before you believe the claims, check whether your state or government agency has a program to help.
- Be wary of statements that utility costs will skyrocket in the future, implying that future energy costs are unaffordable.
- Don't believe anyone who says that the lease is guaranteed to lead to energy savings or eliminate your energy bills.
- Get it in writing – information related to your transaction and a paper copy of your signed contract. If you don't get either, it's probably a scam.

### Before you sign your contract, consider:

- How long does the contract last?
- What is my monthly payment? What are all the costs and fees? Are there exit fees or early termination fees, sign-up fees, prepayment fees, or other fees?
- Will I get a community solar bill along with a utility bill, or will I just get one bill?
- Will the monthly subscription price stay the same during the contract term? If the monthly price might change, when and by how much will my prices increase?
- Am I ensured a bill credit or monthly electric bill savings?
- How can I exercise my rights to cancel this financing? Can I cancel the contract early? Are there cancellation fees or other charges? What happens to my contract if I move to a new address?
- Is there a complaint process if I experience problems with my subscription?

### Get it in writing:

- Make sure you receive all documents (signed contracts, disclosures, etc.) in a form that you can keep.
- Be careful when you sign anything on the seller's computer or tablet. That's what scammers ask you to do when they're hiding the details.

### If you have lost money to a clean energy scam involving fraud, discrimination, or other unfair, deceptive, or abusive practices, federal and state agencies can help.

- If a business doesn't make good on its promises or cheats you out of your money, the FTC wants to know: [ReportFraud.FTC.gov](https://www.ftc.gov/whats-new/2018/05/report-fraud-ftc).
- Having trouble with a financial product or service? [Submit a complaint online](https://www.consumerfinance.gov/complaint/) with the Consumer Financial Protection Bureau (CFPB) or call 1-855-411-CFPB (2372).
- Some states have their own consumer protection offices. Check what resources are available in your state: [usa.gov/state-consumer](https://www.usa.gov/state-consumer). Find your state's utility consumer advocate at [nasuca.org/members](https://www.nasuca.org/members).
- Nonprofit legal services can help you stand up for your rights in cases of fraud, abuse, or deception: [lsc.gov/about-lsc/what-legal-aid/i-need-legal-help](https://www.lsc.gov/about-lsc/what-legal-aid/i-need-legal-help) or [lawhelp.org](https://www.lawhelp.org).

### Additional Resources

- [US Department of Energy, Community Solar](https://www.energy.gov/eere/energy-efficiency/community-solar)
- [Better Buildings Solution Center, Community Solar](https://www.betterbuildingsolutioncenter.org/)

