AARP® Real Possibilities
South Carolina

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Mr. Bateman and Ms. Rainsford:

I am submitting these comments regarding proposed regulations to provide consumer protection parameters applicable to the sale or lease of renewable energy generation facilities, including disclosure requirements, pursuant to Section 58-27-2660 on behalf of AARP South Carolina.

In choosing to require ORS and DCA to develop regulations rather than adopt new, detailed statutory consumer protections with respect to solar leases and sales, the General Assembly was tasking these state agencies with a broad mandate to protect consumers.

The regulations should focus on protecting consumers from the kinds of practices which lead consumers to enter into agreements which are not fully considered because of marketing, including the use of presentations about costs and potential savings which are inaccurate and/or not comparable to other potential lessors or sellers, or not in their best interests. Clear requirements are especially necessary to protect vulnerable consumers, including low-income and elderly residents.

We would urge that those regulations:

1. Provide an explicit requirement prohibiting contracts for sale or lease if the seller or lessor knew or should have known that the consumer, given their current income and obligations, is unable to meet the payments required under the lease or would be unable to benefit from the sale or lease. Such contracts are unconscionable.

   AARP would not favor language that tied inability to benefit from a sale or lease to the consumer's age. Older people are not unable to make sound judgements simply because of their age.

2. The regulations should prohibit misleading marketing practices, including:
    a. pressure to sign a contract or agreement on the same day by solar salespersons,
    b. incomplete or incorrect information about the costs and benefits of rooftop solar and
    c. predatory financing.

3. Marketing and disclosures which tout nonrefundable tax credits as reducing system costs should be required to disclose that those tax credits are only available insofar as the consumer owes income taxes.

4. All disclosures should be in Plain Language, in the language of the customer. We would additionally suggest a minimum font size (12 pt for older persons) and a prohibition on using in disclosures, contracts or lease agreements text in all capital letters. "All Caps" disclosures are both less likely to be read and harder to comprehend.

5. Sellers and lessors should be required to disclose the methodology and provide the calculation for any estimated savings or benefits to the consumer for the proposed equipment. AARP recommends that ORS establish a standard methodology and, where appropriate, input values.

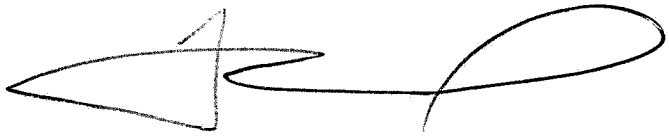
6. Disclosures for sales should include a good faith estimate of the annual and lifetime costs of maintenance, including reasonably anticipated replacement of costly inverters.

7. Disclosures for leases should be required accurately and plainly to explain to lessees costs of removal of the system, the ability of future homeowners to assume the lease and costs of buying out the lease. Those disclosures should include whether any modification or transfer is subject to review or approval by a third party and include the contact information of the entity responsible for approving or modifying the transfer.

8. Contract terms and disclosures should be required to match.

9. The regulations should provide an explicit right of rescission. That right of rescission should apply when an HOA refuses permission to place panels on a property as well as when the utility declines to make the connection.

Respectfully submitted,



Teresa Arnold