

MEMORANDUM

To: Yochi Zakai
Cc: Ann Rendahl
From: Lauren McCloy
Date: July 21, 2014
Re: Consumer Complaints Against Third-Party Owners of Net Metering Systems

In order to better understand customer complaints regarding the third-party solar business model, I reviewed complaints filed with the Better Business Bureau (BBB) against members of the Alliance for Solar Choice (TASC) from January 1, 2013, to June 1, 2014.¹ The Alliance for Solar Choice is a trade group that represents third-party owners of rooftop solar energy systems. Its members, Demeter Power Group, SolarCity, Solar Universe, Sungevity, Sunrun, and Verengo Solar, represent the majority of the nation's rooftop solar market.² I also examined several court actions pending against third-party owners.

My review focused on those complaints which are the most common, or that identify actions or behavior which could result in serious harm to consumers. This memo summarizes a representative selection of consumer complaints pertaining to customer service, work quality and installation, deceptive sales practices, inflated performance claims, contract obligations, and property transfer. The complete text of the complaints, as filed with the BBB, are included in the attachments to this memo.

1. Customer Service Issues

Attachment A contains three complaints filed against SolarCity and Sunrun concerning customer service issues. Complaints in this category include allegations of the failure of companies to respond to customer complaints and inquiries, issue refunds or bill credits, and complete installations and repairs in a timely manner. Some customers report experiencing wait times of up to eight months after paying a deposit before their solar energy systems are commissioned. In some cases, customers may be confused about which party to contact to address a particular issue. Some of these complaints therefore implicate other parties, such as subcontractors, utilities, or companies recently acquired by the third-party owner.

¹ The Better Business Bureau is a non-governmental organization that sets standards for business accreditation, and provides a forum for informal dispute resolution between consumers and businesses. www.bbb.org

² According to comments filed in Docket UE-131883, TASC represents "the majority of the nation's rooftop solar market."

2. *Work Quality and Installation Issues*

Attachment B contains four complaints filed against SolarCity and Sunrun. These complaints relate to installation issues and faulty equipment. A common complaint in this category describes building and/or electrical code violations by the company or a subcontractor which cause systems to fail inspection, and delay interconnection. In some cases, customers allege safety hazards caused by poor workmanship.

3. *Deceptive Sales Practices*

Other complaints filed with the BBB concern companies' sales practices, including allegations of fraud. Attachment C includes three complaints filed by customers against SolarCity alleging that company sales associates induced them to sign a document on an iPad for the purported purpose of authorizing the company to evaluate whether a solar energy system is appropriate for the homeowner's property. Shortly after signing the iPad document, the customers report receiving an email stating that they signed a 20-year contract for the installation and lease of a solar energy system.

Another customer filed a complaint against SolarCity alleging that he signed a contract with the understanding that he may need to prune trees on his property to prevent shading on the panels. After he signed the contract, the company informed him that the two trees would need to be completely removed.

4. *Inflated Performance Claims*

Another accusation of deceit involves marketing claims regarding solar production and increases in utility rates. Attachment D includes four complaints in which customers allege that companies inflated system performance and savings claims. In these cases, customers report that the economics of the contracts are structured under the assumption that electric rates will increase at a set rate annually. Others report that they were led to believe they would save money by avoiding higher rates under a tiered rate structure. Companies respond that they cannot guarantee savings, which are dependent on customer electricity usage. Nevertheless, customers report feeling misled by sales associates when their actual savings are lower than expected. In these cases, customers may have to contact both the utility and the third-party owner in order to reach a resolution. Similar claims are currently the subject of pending class action lawsuits against a solar company in Louisiana and against Sunrun in California.³

³ Class Action Complaint, *Twyla Torregano v. Sader Power, LLC*, Docket No. 2:14-cv-00293 (E.D. La.) (filed Feb. 7, 2014); Class Action Complaint, *Shawn Reed v. Sunrun, Inc.*, Docket No. BC498002 (L.A. Co. Cal. Super.) (filed Jan. 4, 2014).

5. *Other Contract Obligations*

Companies typically include in their contracts a warranty against damage to system components and the customer's roof. Attachment E includes four complaints filed against SolarCity related to warranty obligations. Some customers report experiencing long delays in equipment replacement and roof repairs. One customer discovered that keeping his panels clean and free from shading, as required in the contract, may require additional payments.

6. *Property Transfer Issues*

A solar lease or power purchase agreement (PPA) obligation can complicate home sales on both sides of a transaction. SolarCity's lease and PPA contracts include the options available to customers when they sell their home, depending on whether the buyer meets the company's credit requirements.⁴ If the buyer meets the company's credit requirements, the seller may transfer the lease or PPA obligation. If the buyer does not meet the company's credit requirements, the seller is advised to prepay the remaining lease payments, and add the cost to the sale price of the home. Attachment F includes three complaints regarding the sale of a home under an existing solar contract. Two home buyers were dismayed to find that they must take over a lease or PPA obligation, claiming that they were led to believe that the solar energy system was included in the price of the home.

If the customer is moving to a new home within the same utility service territory, the lease contract allows her to move the system to her new home, at her own cost. One SolarCity customer found that the cost of moving the system to his new home was more expensive than he expected. In this case, the company proposed installing a new system on the customer's new home.

Conclusion

This memorandum provides a summary of the types of issues that customers may encounter when entering into a solar lease or PPA agreement, based on complaints filed with the BBB. While any business with a significant customer base can be the subject of customer complaints, this assessment reveals an array of consumer protection issues associated with this business model. In jurisdictions where the third-party ownership business model has proliferated, consumers have alleged that third-party owners of solar energy systems engage in unfair and

⁴ SolarCity published its standard contracts on February 5, 2013. Its SolarLease is available at http://www.solarcity.com/downloads/SolarCity_Residential%20Solar-Lease%20Contract_sample.pdf; its SolarPPA is available at http://www.solarcity.com/downloads/SolarCity_Residential-Solar-PPA-Contract_sample.pdf.

deceptive business practices. Allegations similar to those published by the BBB form the basis of class action lawsuits filed in California and Louisiana.⁵

However, this review is not comprehensive. While many complaints are resolved through the BBB's non-binding process, consumers could also file complaints with state Attorney General's offices, state contractor licensing boards, utilities, utility commissions, or other entities. Consumers may also be confused about who to contact in the event of a dispute, or which regulatory agency has jurisdiction to help resolve a particular issue.

⁵ Class Action Complaint, *Twyla Torregano v. Sader Power, LLC*, Docket No. 2:14-cv-00293 (E.D. La.) (filed Feb. 7, 2014); Class Action Complaint, *Shawn Reed v. Sunrun, Inc.*, Docket No. BC498002 (L.A. Co. Cal. Super.) (filed Jan. 4, 2014.)

Table 1: Customer Complaints by Company

	Sunrun	SolarCity	Verengo Solar	Sungevity
BBB Rating	A+	A+	A	A+
<i>Advertising / Sales Issues:</i> Sales person obtained signature without disclosing contract terms, aggressive sales tactics, customer service issues related to sales	11	14	1	4
<i>Billing / Collection Issues:</i> Misunderstanding regarding treatment of incentives and fees, difficulty obtaining bill credits and / or refunds	7	5	1	0
<i>Delivery Issues:</i> Delay between down payment and system commissioning, system failing inspection, no timeline for repairs, incompatible equipment, improper installation	1	3	0	0
<i>Guarantee / Warranty Issues:</i> System does not perform as advertised, confusion over liability for roof damage and other repairs	4	4	0	0
<i>Problems with Product / Service:</i> All of the above, and: confusion about transfer of obligations or relocation of system upon sale of home	33	50	8	7
Total Closed Complaints	56	76	10	11
Total closed complaints in last 12 months	25	46	10	4
Unresolved⁶	18	15		

Source: www.bbb.org. (Accessed on June 10, 2014). Categories provided by the BBB.

⁶ BBB found that the business made a good faith effort to resolve the complaint, but the customer was not satisfied with the response.

Attachment A – Customer Service Issues

This attachment includes a selection of customer service complaints against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 9/19/13

Complaint Category: Delayed completion of service

Complaint: We bought & paid for 55 solar panels for solar energy. SolarCity has not notified our power company to switch out the service for the panels to work. We started negotiations with SolarCity's *****, Senior Energy Consultant on September 11, 2012. We decided to pay for the solar panels out of pocket and the amount of \$21,440.00 was agreed upon. We signed the contract on March 12, 2013 which stated this agreed amount and no other monies were due. SolarCity started putting the panels on around or before June 3, 2013. We sent our first payment which was 1/2 of the total amount due of \$10,720.00. The check was cashed shortly thereafter. The rest of the solar panels were in place. They were supposed to install the panels symmetrical on the roof per the contract, which they did not. The second check was sent in at that point and cashed as well. The electrician came to inspect the system on June 21, 2013 and said that the system was already to start. We called SolarCity to find out the next step and to see if they notified the power company to switch out the service. They said that we would have to wait because they didn't have any investors to pay for the other half of our panels and that it would be a little longer. The contract nor anyone else ever indicated that there would be other investors involved to finance any panels. This was the first time we had heard anything like that. We were surprised and scared at the same time because we had given them \$21,440.00 of our money. At that point they said they would start a file on reimbursing us. They made no indication as to how or go into any detail on the subject. A week had gone by and every time we called we would get a different person/department and a different time frame. The last they said was July 31, 2013 would be the day we could start using solar power. July 31st came and went and we called again and they said now it is going to be August 7, 2013. Now we are just sitting and waiting for August 7, 2013 to come and we are extremely afraid that they will tell us not yet again. We used our hard earned money to pay for the solar panels and made sure that the money was available to SolarCity to cash so that there would be no delays in starting our solar power. We did everything that we were supposed to do and then some. We have been very patient about this but now the time has come to say something. The weather is changing and winter will be upon us shortly so therefore we will not make much power. This is completely unfair that we are just waiting and have been put on the back burner when we were told that the checks had to be written and cleared before we would be able to make solar [sic] power. We are sick and tired of all the excuses this company is giving us. Their business etiquette is horrible! Please use our names and address when contacting SolarCity. I'm sure they will know who we are.

Initial Business Response BBB response for ***** and ***** and ***** Thank you for sending us our customer's feedback in ***** Case # ***** . Our goal is to exceed expectations with all SolarCity products and services. Customer feedback helps us identify where we need to improve. We carefully reviewed all information pertaining to this matter and contacted the customer via phone. We are currently working with ***** and ***** to resolve all issues and come to a mutually agreeable solution. The customer will be receiving compensation for the delays and this amount has already been agreed upon. Customer care is one of our top priorities. If you have any questions, please call us at *****

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

2. Date: 11/20/13

Complaint Category: Failure to provide promised assistance or support for products or services.

Complaint: Company has not provided complete installation and service of contracted services and continually fail to return phone calls or follow up on promises. Installation of solar system contracted for 1st week of Sept 2013 was supposed to take 2 days - 7 weeks later system installation is still not complete. Installation was poorly started and never finished as promised with sub-par local contract personnel work and possible roof damage with "promises" of roofing expert inspection that has still never been done. Have called mngt weekly to get system installation and roofing inspection completed with no firm date or action to complete project.

Initial Business Response: Thank you for forwarding the valuable feedback from ***** regarding BBB Case # *****. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via phone and email. We have finished installing and testing the system. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

3. Date: 3/27/14

Complaint Category: Failure to honor a contract or agreement

Complaint: I have completed my commitment with Sunrun, but still do not have a working system after 8 months. Since being contacted by reps from Sunrun, I agreed to and completed my part of the contract (paid \$21,777). Over last 8 months I have experienced nothing but trouble with getting Sunrun's to complete their responsibilities. Paperwork was never acted on, requests were not filed, a fight between companies represented Sunrun, falsification of contracts, payment of deposit (\$500) which was for nothing, incorrect contracts, \$3208.48 in charges to HECO (Hawaii Electric) for electricity due to solar system not being completed in 5-8 weeks as was told by Sunrun Reps, and finally disapproval of system by HECO. The following timeline outlines the last 8 months with Sunrun and their reps Islandwide Solar, Solar Universe and Mundus Power: 19 May 13-Initial contact with Sunrun; stated 5-8 week install time 30 May-Contracted by ***** for mo. payments on system; system would be creating energy in 5 wks 3 Jun-Contacted by ***** about changing contract to a 20 yr prepay; agreed to change was told again 5 wks for install 24 Jun-Paid \$500 deposit to Sunrun through Mundus Power (***** Islandwide Solar was contacted to install system 23 Jul-Contacted by Islandwide Solar stating Mundus Power no longer represented Sunrun and that they were redoing my contract; NO progress on system-no plans, paperwork requesting permission to install with HOA or HECO, or equipment purchased, nothing done in over 2 months 31 Jul-Reps from Islandwide Solar and Mundus Power came to my home to explain why nothing had been done, each blamed the other. After meeting it was evident Islandwide Solar had not done anything to fulfill project; Mundus Power had proposal from Solar Universe stated they could have system installed in 3 wks/would receive top priority 26 Aug-Received design from Mundus Power; was different from initially agreed upon design; questioned rep about difference 27 Aug-Mundus Power apologized, stated he overlooked showing new guarantee; differences between systems was 14,406 vs 14,716, difference of 310 kWhs (6,200 kWhs over 20 yrs) Reason for lower rate was lowered expected efficiency of panels 29 Aug-Questioned final price as it was the same for both plans; was being overcharged \$496 30 Aug-Received agreement from Sunrun with incorrect numbers and initialed by me; I contacted Mundus Power and questioned how my initials got on contract I had not signed 31 Aug-Mundus Power (***** rep apologized for cut/pasting initials on contract, stated Solar Universe ***** agreed to pay the \$496 difference (payment never sent) still no system on roof 18 Sep-Notice from Sunrun that design approved; I believed system approved by both my HOA and HECO 9 Nov-Received bill from Sunrun \$21,277 14 Nov-System finally on roof, but no net meter 15 Nov-Questioned Sunrun on why \$500 deposit was not subtracted from bill 22 Nov-Received response from ***** w/Sunrun customer care; stated it was nonrefundable but did not address what it was for Last of Nov - Net meter placed on system; Solar Universe conducted final install 1 Dec-System on 11 Dec-Paid \$21,277 to Sunrun 20 Dec-Notice from HECO requesting solar project, wrong amount (<10,000 kWhs); I believed this was already done 10 *** 2014-\$165 HECO electric bill for Dec not \$30 as Sunrun rep had stated; questioned amount, still no \$496 check 14 ***- Solar Universe requested Dec HECO bill 23 ***-Received notice dated 14 *** from HECO DENYING solar project; contacted Mundus Power and Solar Universe 24 ***-Solar Universe employee shuts off system; Contacted Mundus Power/Solar Universe reps to find out what was to be done; Mundus Power rep apologized for what was going on and that he was trying to contact the Sunrun rep here in Hawaii (Blake?) but could not really do anything, has not contacted me since 25 ***-Requested meeting through Mundus Power rep with Sunrun and Solar Universe rep to answer questions about what was going on; as of 28 *** I have received no response from anyone

Initial Business Response: Thank you for taking the time to express your concerns to Sunrun. We apologize for the inconvenience caused by the delays in receiving permission to operate the solar system installed on your home. In the light of the situation, Sunrun is more than happy to help subsidize your HECO bills until the solar system is given permission to operate by the utility. This amounts to \$400 for each month that your activation has been delayed to date and a subsequent \$400 for each month thereafter until the system is activated. Additionally, we will

provide you with \$500 to cover the difference in the original upfront price offered to and the final price you were ultimately invoiced for. Once again, we apologize for the inconvenience you have experienced due to these delays and are dedicated to making sure you receive the full benefit from your solar power service. Thank you for choosing to go solar with Sunrun and we look forward to servicing your needs going forward.

Business Response: I have been made aware of Sunrun's response to my complaint and am completely satisfied with their actions. Sunrun and its representatives have made an effort to address all my issues and have worked hard to resolve them in a fair manner. I have no further issues at this time with Sunrun and am very pleased at the actions they took to not only fix the problem, but also in the efforts to make me feel like a valued customer. Thanks to all at the BBB and with the Sunrun team.

Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

Attachment B – Work Quality and Service Issues

This attachment includes a selection of complaints related to work quality and service issues against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 7/15/13

Complaint Category: Non-delivery of products

Complaint: Found 50 days ago that inverter installed by SolarCity is incompatible with local utility grid. SolarCity gives me no timeline for the replacement. My new rooftop solar system was installed last February. In early May Xcel Energy (the local utility) performed their final inspection and installed their monitor. After unsuccessfully trying to turn on the system, SolarCity did an audit and found out an incompatibility between the inverter they had installed and the local utility's system. The audit took place between May 8 and May 14. At first, SolarCity told me that in a matter of a couple of weeks they would find a replacement inverter suitable for the system and be ready to turn the system on. When I called after about three weeks (around June 3rd), I was told that they were still searching for the product and couldn't tell me when the problem would be solved. I have been inquiring regularly since then and to this day (more than 50 days after the audit that exposed the problem) SolarCity refuses to give me a timeline for the repair, although they tell me that they have identified the right product (inverter model Fronius IG4000). They only give me vague answers along the lines of: "We are doing our best and are committed to fixing your system ASAP".

Business' Initial Response Thank you for bringing this matter to our attention. Unfortunately the inverter that was originally designed and installed for Mr. ***** solar system was a Power-one inverter and this manufacturer stopped shipping replacements due to a firmware issue. We have apologized to Mr. ***** for the delays and have purchased a new inverter from a different manufacturer, and successfully replaced the inverter as well. We have been in contact Mr. ***** and understand this issue to be resolved.

Consumer's Final Response (The consumer indicated he/she ACCEPTED the response from the business.)The problem is resolved. Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

2. Date: 11/12/13

Complaint Category: Defective, damaged, or incorrect product received

Complaint: Sunrun charged me for a service that I did not receive. I am requesting a refund.

Account number *****. In 2012 solar panels were installed on my home Verengo Solar. I paid a monthly fee of \$156.78 per month to Sunrun for the service from July 2012 to July 2013. After a year, I received my electric bill, which showed that the panels produced almost no power, and my bill was the same as every year (without solar.) I contacted Sunrun about the issue in July, and after several weeks, a technician finally came out. It was discovered that about half of the panels were never plugged in during installation. Sunrun ensured me that my production was guaranteed and I would get a refund. However, after almost 4 months --it is now the middle of October--they still have done nothing about the issue. They are now telling me that they lost 6 months of my data, and they only estimate to owe me about \$250. Since I paid them over \$1,800 for a product that was not even plugged in, this is obviously unacceptable.

Initial Business Response Thank you for taking the time to express your concerns to Sunrun. Our Customer Care Specialist team has been working to make sure that you are compensated for this issue. As you know, we were unable to collect production data for the solar system from the activation date of 6/20/2012 through 11/24/2012. Although this does not mean that the system was not producing power during this period, we will of course refund your payments. From that date through July of 2013, the system did not reach our production estimates. We will therefore credit your account for that period of underproduction as part of your performance guarantee. In total, you will receive an account credit of \$806.65 for the underproduction as well as a check for \$547.19 for the lack of meter communication. This amounts to a total refund of \$1353.84. We hope that this is a fair solution to this complaint and please let us know if you have any additional concerns.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

3. Date: 4/1/14

Complaint: Starting in November of 2013, I have been dealing with a poor installation of the solar panels by Solar City. There was damage done to the roofing material and it took almost a month for partial resolution including no return phone calls from a manager. I called Solar City on 1/13/14 to get a status check on the progress and the management had to ask me where "Solar City" was at in the process. I told them and they said they would call me back. When they called back I was told by two different people on two different calls that they wanted to schedule my installation. I told them both that the installation was already done. On 1/27 a inspector came by and inspected the installation and said he would not be approving the installation because there wasn't a correctly spaced fire break at the peak of the roof. On 2/28/14 I received a call from ***** at Solar City, he needed to come and redesign the solar panel installation. The redesign was completed on 3/8/14 and on 3/10/14 the inspector came by and once again denied approval. I was also told that the system that was installed is a type that T.E.P. does not accept any longer and that the original 200 amp breaker in my original power box was removed and replaced with a 175 amp breaker to accommodate the system. Due to the length of time of installation and poor response to my concerns including my job disappearing from their list, I want out of my contract. I have paid the first down payment but since the job has not completed yet the second payment has not been made. I was told by Solar City that I could not cancel my contract but I feel that after all that has happened and what has not happened I have the right. These facts are but the few I have on record since the installation on 11/7/13. The complete list of what has happened can be forwarded for review if needed. Product_Or_Service: Solar Power Lease

Initial Business Response Thank you for forwarding the valuable feedback from **** * regarding BBB Case # XXXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We will be reviewing all the information in this matter with **** and have contacted him via phone and email. We will be working with **** to come to a fair resolution. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****

Initial Consumer Rebuttal (The consumer indicated he/she ACCEPTED the response from the business.) After speaking with the Customer Relations Manager, both Solar City And I have reached a suitable resolution

Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

4. Date: 4/16/14

Complaint Category: None of the Above - Product Quality Complaint Issue

Complaint: Improper installation causing electrical problems in home and possible fire hazard. Damage to home from installation, No electricity cost savings. Sunrun installed a solar electrical system on my home in May of 2011. We were told by the salesman (**** * that their company would maintain a 20 year warranty for all electrical problems. In *** 2013, I contacted Sunrun about an electrical failure in my home caused by their electrical wiring during installation of solar panels. They failed to respond to the issue. I had to hire an electrician to diagnose the problem. I have letter from the electrician stating bad installation technique in breaker panel from solar company's breaker installation. Neutral wire insulation was melting from overloading circuit with too many lines done to make room for solar company's breakers. This is a FIRE HAZARD and could cause DEATH to my Family/pets and DESTROY EVERYTHING I OWN. Sent this electrician's letter to Sunrun and was ignored. House wiring still like they left it. Told Sunrun of electrical issue, damage to roof tile from installation, terrible attention of details to my home and no savings at all from solar electrical production. First year analysis showed a \$20 increase in my cost from the previous year even after lower power usage between the two years. Sunrun has been rude, unconcerned and inattentive. I was misrepresented by their salesman who said we would save hundreds of dollars per year and repair all issues with system for free. Salesman also said someone would come to clean the panels when electrical output was low due to dirty panels. No one here in almost three years to clean them. I am concerned about the possibility of a FIRE in my home and DEATH/DESTRUCTION due to this main issue. I want Sunrun to remove this system from my home and repair all damage they have caused. Again, I have not saved any money from their system and it has actually cost me and my family more annually. They refuse to do a cost analysis still to disprove this. I would not believe any analysis from them now anyway due to their behavior. I have had much grief during the time of having this system. I have been gone from military duty for much of this time and have not had time to pursue this issue until now. Product safety, breach of warranty, breach of contract and misrepresentation are at issue here.

Initial Business Response Thank you for taking the time to bring this issue to our attention. We at Sunrun are dedicated to making sure we hold our installation partners to the highest possible standards and will take whatever steps are necessary to ensure that the system installed on your home is perfectly safe for you and your family. Additionally, we will repair any damages caused to your home during the installation. We have dispatched the solar company Helio Power to inspect the system to ensure its safety and conduct any necessary repairs to the equipment and/or your property. We apologize for any inconvenience these issues have caused you and thank you again for the opportunity to address these concerns. We greatly appreciate that you chose to go solar with Sunrun.

Initial Consumer Rebuttal (The consumer indicated he/she DID NOT accept the response from the business.)The system is still on my home. I want it removed due to all the problems and misrepresentation of the product that my Wife and I have endured. We have not ever realized ANY cost savings and have had almost 3 years of emotional distress. I am currently not satisfied with the progress needed to make this happen as there are still unresolved issues that are stated in my initial complaint. Unless all done, I will can not remove this complaint.

Complaint Resolution: BBB determined that despite the company's reasonable effort to address complaint issues, the consumer remained dissatisfied.

Attachment C – Fraudulent Sales Practices

This attachment includes a selection of complaints related to fraudulent sales practices against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 11/26/2013

Problems with Product / Service

Complaint Category: Failure to honor a contract or agreement

Complaint: I was told by Solar city at the time of the first inspection /Meeting that my house met specifications and they backed out citing tree removal.

When I first had my house inspected by Solar city for Solar at my home they gave me an estimate of power etc it would provide and mentioned I may need to prune my trees on the property. After signing contracts and moving forward they did a final site audit to make the plans. A week later they called me back and informed me that if I did not remove the two very large maple trees I have they could not install. I suspect they looked at my older home 1923 and found that installing in my home would not be cost effective and they used the tree removal as a scape goat to nullify the contract. They have not given me hard data to back up their claims at this point.

Initial Business Response: Thank you for sending us our customer's feedback in BBB Case # XXXXXXXX. Our goal is to exceed expectations with all SolarCity products and services. Customer feedback helps us identify where we need to improve.

We carefully reviewed all information pertaining to this matter and contacted the customer via phone and email.

We have apologized to the customer for not being able to complete an installation on his home. We have forwarded a copy of his contract and pointed out the area that explains why we are not able to install. There is too much shading from two trees that would make solar not financially viable.

SolarCity considers the matter resolved.

Customer care is one of our top priorities. If you have any questions, please call us at *****

Final Consumer Response

(The consumer indicated he/she DID NOT accept the response from the business.)

ill have not shown me the readings they got during the site survey or shown me how they would not qualify for their rebates. No written proof has been given only a phone call.

Final Business Response

Thank you for forwarding the valuable feedback from ***** regarding BBB Case #XXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve.

We reviewed all the information in this matter with ***** and made prompt contact via phone and email.

Through careful consideration to their needs, we have explained the reason we cannot install on his property. We did try to come up with a solution, however it is not financially viable for *****. We in no way meant to mislead ***** in the initial meeting. It was found after doing a site visit that there is simply too much shade to make solar work for ***** at this time.

We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****

Complaint Resolution: BBB determined that despite the company's reasonable effort to address complaint issues, the consumer remained dissatisfied.

2. Date: 2/27/14

Complaint Category: Sales presentation used dishonest sales practices

Complaint: Signed an Agreement under False Pretenses....A SolarCity Salesman came to my home @ approx. 6:15 pm, while we were trying to eat dinner. Gives me a spiel about free solar. Then, asked for my signature on an IPAD to agree to let them come back to evaluate. After signing, the salesman left. Minutes later, my daughter received an email with an 18 page attachment, saying that I agreed to a 20 year contract. I NEVER AGREED to a 20 yr. Contract, nor did I agree to have my Credit Checked, etc.... I ONLY AGREED to an EVALUATION. I signed my signature under False Pretenses of a Service by SolarCity. This was a DIRTY TRICK on the part of the Salesman to secure a Sale on a Product. As a Senior Citizen, I feel that I was targeted by slick marketing and dishonest sales practice.

Initial Business Response Thank you for forwarding the valuable feedback from ***** regarding BBB Case # XXXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via email. We have cancelled *****'s contract and provided a written letter of apology. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at*****.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

3. Date: 5/20/14

Complaint: Two sales guys from Solar City walk up to me in the front yard. I figure I would start asking questions and seeing if it would work for me. I have a very high end roof so we were not interested in having the system put on the roof of the house. We look at an unpermitted out building that has been on the property since the 50's. They say the structure has to be permitted and they could possibly cover the costs to permit the structure. I tell them I would have to think about it as it would change my property taxes. Another alternative was for Solar City to rebuild a covered parking on the side of the house and put the system on top of that or place the system on racks in the back yard (which I wasn't interested in). Within the hour discussion I asked for more information and I gave my name and e-mail address. Later the salesman tells me he will enter my information preliminary into an account so after the assessment by their technician, if we decide to move forward, it will already be done. The whole time the salesman is entering things on iPad. At the end the salesman says we really need a technician to come out and evaluate if we can even set up a system with these unique issues. I agree and decide to set up an appointment for a technician to come out and assess. He calls their appointment people, verifies my name, address and e-mail and that the technician will come out the next day. The salesman says I have to sign a box on his iPad to give authorization for the Solar City technician to come out and assess. Once I sign I will get a confirmation e-mail. So I sign on the iPad - nothing on the screen except a signature box. It wasn't a confirmation e-mail it was a 20 year service contract with my signature on it! So I have to print the contract, sign all the cancellation documents and overnight the documents by certified mail to their offices in northern California just to make it within the 3 day cancellation window to cancel a contract I didn't know I was signing. I was never told anything about a service agreement, it wasn't mentioned at all!

Initial Business Response: Thank you for forwarding the valuable feedback from ***** regarding BBB Case # XXXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via phone and email. It is never SolarCity's intent to be deceptive in any way. We sincerely apologize if this is how ***** felt. The contract is not executable until the site survey has been performed and the design has been completed. This information should have been relayed to *****. We are working closely with our sales department to make sure each customer understands exactly what they are being asked to sign. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****.

Initial Consumer Rebuttal: (The consumer indicated he/she ACCEPTED the response from the business.) I did receive confirmation that the contract had been cancelled and a phone message was left for me by a Vice President of Customer Care. So my exact issue has been resolved. The statement in the response that "the contract is not executable until the site visit" is not backed up in writing within the contract and the salesman never discussed a contract with me so it is still unclear to me what steps they are taking to ensure that the salesman are clear and up front with the potential customers. Because of the value of the contract (20 years X approximately \$150 per month = \$36,000) and the implications to the real estate that has the contracted system on it, I do not believe that Solar City takes this issue of fraud by their sales people as seriously as they should. The fact that they apologized for how I

"felt" is an indication of this. The fact of the matter is, their salesmen executed a 20 contract with me under false pretenses, using deceitful tactics and being dishonest. I really want other potential customers to be aware of this so they are not put in the same situation which could lead to financial hardship for some.

Complaint Resolution: Company resolved the complaint issues.

4. Date: 5/26/14

Complaint Category: Invalid or false contract

Complaint: Misleading information given to acquire signature. Full contract not disclosed before signature. We were approached at our front door by a salesman from Solar City. He asked for a few moments to explain how their lease process works and determine if solar was an option for us. He asked for 3 things, internet connection, south facing roof with minimal shading, and credit score of 650 or above. He explained the system and went through a few places who have solar installed, explained a no money down finance option, Solar City responsible for installation, maintenance, insurance, roofing, wiring, etc for a monthly fee. There was no final price discussed, monthly payment amounts, only "estimated" costs and savings. The man suggested a site audit to evaluate our roof, sun exposure, and measure and design a system to meet our solar needs which he stated required a signature for the permission of Solar City to come to the property and inform above inspection/design. Signed an iPad on the line which only read owner's name, signature and date; only to receive in my email 1 hour later an 18-page document outlining terms of a power purchase agreement at a rate of 11.20/kWh for 20 years. Enclosed was also a sheet requesting bank information to deduct automatic payments. Thankfully, there was also a notice of cancellation document which I quickly signed and faxed to them. I was NEVER informed during this meeting I was making a purchase agreement. I WAS told it was an information session. There were no terms discussed, only "estimates" of savings on solar usage versus electric utility costs. If I was to sign into a monthly contract I would expect to know how much my total costs would be, a monthly payment, terms of the payments, etc and CERTAINLY did not give them my signature for a power purchase agreement. This is very misleading and fraudulent practice that needs to be amended by Solar City. If they seek signature for allowance of property inspection it should be a paper document spread out before each consumer to thoroughly read and then sign if terms are agreeable. Shady business practice to gain a signature under false pretense.

Initial Business Response: It is never SolarCity's practice to be misleading to customers in any way. We have received *****'s complaint and we are looking into what happened. We are looking at ways to improve our customer's experience. Thank you for bringing this to our attention.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

Attachment D – Inflated Performance Claims

This attachment includes a selection of complaints related to inflated performance claims against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 8/2/13

Complaint Category: Sales presentation misrepresented the product

Complaint: Sunrun told me they would lower my electrical bill and save thousands of dollars by having them be my new power company. This did not happen. Well, let's start from the beginning, a year ago. *****, Sales Rep from *****, told us we would lower our electric bill and save \$1,000's of dollars. He performed an audit on our electrical bills with *****(*****). Our average monthly bill was \$250. He stated "that Sunrun would be our new power company". He further stated that *****rates would go up 5-7% annually and Sunrun would only go up 2-3% annually. I asked about electrical usage costs and he stated we were locked in at \$144 per month with Sunrun. He also stated due to tax issues, we would have to pay tax to *****, no more than \$30 per year. Everything was going great, telling all of our friends what a great deal this was for them to go with Sunrun. Fast forward to last week, we received a bill from ***** for the amount of \$2,200 for 11 months of service. This was a shock to me and my wife. I called ***** and they said I owed this money due to our electrical usage. I informed them of my contract with Sunrun and the rep was very quiet. I asked if they had other complaints and she said yes...the same story I had. Now, based on the \$144 per month to Sunrun and the \$200 to *****, we are at \$350 a month for electricity costs. It went up \$100 per month. another issue: We sold our home and were contracted to close on June 28, 2013. We moved out of the home on June 29, 2013. The buyers of our home (who had assumed the Sunrun contract) had some issues on their side and couldn't close until July 3rd. Furthermore of insult to injury, I was informed by Sunrun that we now owe the full month of July, \$144, due to the fact that Sunrun doesn't prorate. So, I have to pay the \$144 for July, even though I moved out on June 29, 2013.

Business' Initial Response: Thank for taking the time to contact Sunrun regarding your concerns and we would be happy to address these issues with you. By going solar with Sunrun, we guarantee a set amount of electricity at a locked in rate. Sunrun's agreement does not guarantee how much a customer will save, as this is entirely contingent on how much electricity the homeowner uses, which we cannot control. Since your electricity rate with Sunrun was 2 cents below what you paid ***** on average, your bill would have actually been higher if you were using the same amount of electricity without solar. We would be happy to collect your bills and determine how much you saved over the course of your agreement with Sunrun and how much you would have paid to SCE without solar. Since you are responsible for paying the utility for any electricity use above what the system produces, Sunrun cannot be held responsible for the \$2,200 electric bill from ***** that you have accumulated. We do understand your frustration with paying for your last bill with Sunrun, and we would be happy to refund you the \$144 you requested. Thank you for taking the time to express your concerns with Sunrun.

Consumer's Final Response (The consumer indicated he/she DID NOT accept the response from the business.) It is interesting Sunrun states, "in no way encourages or endorses false or misleading sales practices". Yet, that is exactly the practices of the company in California. That is also why there is a class action lawsuit against Sunrun for their misleading and unethical business practices. The position Sunrun takes that the agreement hold me responsible for the ***** bill is illogical. That is like a car dealership, knowingly, selling me a vehicle with faulty brakes. I get in an accident due to the fact I could not stop; ruin my car and have injury to myself and a pedestrian. When it is discovered the vehicle had a faulty brake system, the car company then says, we are not responsible for your driving skills and subsequently your accident. I am trying very hard to resolve this fraud issue through the BBB without perusing legal action. If however, this back and forth continues with Sunrun dodging their responsibility in this matter, I will be forced to take legal action. I truly hope we can resolve this before it escalates into a costly lawsuit or joining a class action lawsuit. *****and *****, both reps of Sunrun, should be ashamed of their behavior and misleading sales tactics.

Business' Final Response: Dear *****, I have reached a settlement with Sunrun and wish to withdraw my complaint. Thank you for your time and help on this issue. Sincerely, *****
Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

2. Date: 8/8/13

Complaint Category: Sales presentation did not disclose complete pricing information

Complaint: It has been a year I have called them with problems with the equipment and was ignored, I called they said they would review and call me back no call I was told of great savings and was shown charts of how Pg&e was going to be raising prices and how I could lock in my price now and save all this money. I has been one year I am paying out monthly more than I paid before. right now I'm in doubt with pg&e they are going to shut my power off if I can't pay them \$120 on top on the current bill in full witch this month is \$153 and sunrun took theirs right off the top \$160.please add that up I did pay over \$300 before. They finally did an analyzes as they called it. for 1 year they said I save a grand total of \$176.08. Not what I was promised. They also promised maintenance I'm still waiting for the panels to be washed. they have lied from the representative to their costumer service personal. One tells one thing when I call then something totally different when I follow up cause they have never had the courtesy to return my calls or address my issues. I husband had to be hospitalized for dehydration because we can't afford the air conditioner on. That put us owning hospital bills plus the power bills.

Business' Initial Response: Thank you for contacting Sunrun regarding your concerns. We take issues like this extremely seriously and are happy to work with you to alleviate any problems you have with your solar power service. We can report that the issues with system production have been alleviated, and the system is currently performing as expected. You are of course protected by the Sunrun performance guarantee, which ensures that a portion of your upfront payment will be refunded for any system underperformance. As you stated, the first performance guarantee refund is paid out on the second anniversary of system activation and each subsequent year thereafter. Given the nature of your situation, Sunrun would be happy to discuss expediting the payout of this refund if the scheduled timeframe is causing duress in your household. The savings projections provided to you by your representative from Acro Energy are estimates which depend on the usage in your household remaining constant. We can therefore not guarantee how much money you will save on electricity. Since your Sunrun rate is priced below your PG&E rates, you would have been paying even more if you were not using Sunrun. While Sunrun does not guarantee how much utility rates will rise, your Sunrun rate is locked in with a zero % annual increase, meaning your savings over your utility bill are designed to increase over time. The solar system on your home is on our list for panel washing this year. Panels will be washed by October of 2013. Our local panel washing contractor will contact you when it is your turn to receive this service. Sunrun will continue to service your needs by providing the guaranteed amount of power you are promised in the contract as well as refunding you for any underproduction that you may experience. If you would like to discuss expediting the underproduction refund, please let us know what time frame is suitable. Thank you for taking the time to address your concerns to Sunrun.

Consumer's Final Response: (The consumer indicated he/she DID NOT accept the response from the business.)You are not helping me in any way everything you do and say is to help yourself. 1st the \$409 I want in my pocket not yours. And I have had several friends and neighbors ask me about going solar. I have defiantly told them to NEVER consider sunrun because they are thee the biggest fraud company you lie and mimupate the true and they would be sorry going business with you. Since then neighbors used another company and they are happy. So I guess it is you. So in answer to your question No! There is nothing in it for ne. I want my money in my hand and want the savings I was promised.

Business' Final Response: Thank you for your response. We are sorry that you are not satisfied with your solar power service and are dedicated to making sure we meet our obligations to you as our customer. As we stated earlier, we would be more than happy to expedite the pay-out of your \$409.76 performance guarantee in light of your concerns. This refund can be issued to you as a credit on your Sunrun account. Please let us know if this would be acceptable. While Sunrun's yearly panel washing campaign begins in July, it may take until October for all of the system to be washed depending on the location of your home. We apologize for any inconvenience this time-frame may cause you. Keep in mind that panel washing is not required maintenance for solar systems nor part of the Sunrun agreement and is provided as a courtesy to our customers. The number of panels installed on your home was based on your previous usage. Our proposal tool collects the usage information from you previous utility bills and calculates the number of panels you would need to maximize your savings. These savings projections are estimates and not guarantees, and are contingent on your usage remaining constant. We have collected your bills for your first year as a solar customer and determined that your usage has increased by 7.4% since going solar. Sunrun did in fact design a solar system that could meet your needs before going solar but we could not predict that your electricity needs would increase by 7.4% going forward. Therefore any lack of savings would be due to increased usage rather than improper design of the solar system. Thank you for taking the time to contact us regarding these issues and we guarantee that we will wash your panels as soon as possible and will refund you for any underproduction that you

may experience with the solar system. We truly appreciate the opportunity to make sure you are satisfied as a customer.

Complaint Resolution: BBB determined that despite the company's reasonable effort to address complaint issues, the consumer remained dissatisfied.

3. Date: 10/30/13

Complaint Category: Sales presentation misrepresented the product

Complaint: When the solar product was being described to my husband and I, we were told how we would save on our electric bills, however that is not the case. The Verengo/SunRun Solar sales people told us how we would save money on our future electric bills with their solar panels. We were told that if we continue to use the same amount of electricity as we had in the past we would never see our billing from SCE go into tier 3 or 4 or above. Even when we do not use our a/c, our bills are showing tier 3 and tier 4 and we are not saving money on our electric bills and in fact we are spending more monthly paying electric and HERO account then we were spending prior to getting solar panels. I called and spoke to ** ***** and he asked me to send him copies of all our elec. bills for one year. I did that within 3 days and more than 2 weeks later I had to contact him to find out why we hadn't heard back. He then said we were missing 2 bills he needed. I got them and emailed them to him and then again I had to be the one who called him because I had not heard back from anyone. Very frustrating when a consumer gets treated this way. It shows that once they make the sale they really don't care about you anymore. So when I finally got in contact with SUNRUN they said they ran an analysis and my panels are actually producing more than expected which doesn't answer my question. Why do I owe SCE \$1400 on top of my yearly HERO bill of \$2000? Why did we go into tier 3, 4 and 5? Did we get scammed? I feel we did. Either resolve this issue by helping us pay some of the SCE bill or put up more panels to accommodate our usage to lower our monthly bills. To date: No resolution per many phone calls.

Initial Business Response: Thank you for bringing this issue to our attention. We at Sunrun want to make sure that all of our customers are getting the most out of going solar with us. As you stated in your complaint, the Sunrun system is performing above expectations and the concerns you have presented are regarding your SCE and HERO bills. Sunrun does not partner or work directly with the HERO program, which is a third-party program offered in conjunction with Riverside County. If you have concerns regarding your HERO bills, we would encourage you to contact them directly at ***.***.**** for details regarding your financing plan. As for your SCE billing, we have conducted a thorough analysis of your electrical bills and have determined that your usage increased by 15% since going solar, which would explain why you remain in the higher billing tiers even with solar panels installed. If you have any concerns regarding production, monitoring, performance guarantees or other aspects of your Sunrun solar power service, we are standing by to be of service. For concerns with your HERO bills, we would encourage you to contact them directly. In the meantime, Sunrun will continue to uphold our obligation to provide you a reliable source of clean, renewable electricity through the solar panels we have installed on your home. Thank you once again for the opportunity to address these concerns.

Final Consumer Response (The consumer indicated he/she ACCEPTED the response from the business.)Overall it is not saving me money. I understand that having solar reduces my bill however the bill to hero which is a county run organization that fronts the funds for the panels is a lease not an actual purchase along with my reduced electric bills Iam Not saving money. Just saying. Would have been better off not doing this at all.

Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

4. Date: 4/16/14

Complaint Category: Advertisement misrepresented a service

Complaint: The sales representative said that Solar would lower my electricity costs and they have since more than trippled and they refuse to acknowledge this .A Solar City sales representative said that their product, Solar Panels, would lower my electricity costs. The phone recordings and website also adverstises lower elecricity costs for people who use their solar. They viewed my past electrcticity usage which was from \$80-110 a month and designed a system that they stated would more than cover my electricity needs. They explained that my bil from National Grid would be about \$3 a month unless I did not use enough elecricity in which case national grid would buy back elecricity for a cost that I would have to pay for. They promised that they do the work themselves and never use 3rd party contractors, however a third party contractor put the system up and solar city had little to no involvement. The first month they turned the system on the billing was correct for the months of November, For the month of

December my bill went to \$200 then for January my bill has gone to \$269 plus the \$91 solar fee. National Grid has come and evaluated the meter and advised that either the solar system does not work or my usage had gone up. I have changed nothing in my home, so I believe the system does not work. I have contacted Solar City several times and they are offering no resolution and say the system is working fine according to what they see on their end. I requested a copy of much my electricity my home is consuming and they can not provide it.

Initial Business Response Thank you for forwarding the valuable feedback from ***** regarding BBB Case # XXXXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via phone and email. We have gone over *****'s utility bills in detail with ***** . She now understands her usage has gone up considerably. Her system is producing very well. We explained an email from her utility company proves her solar is turning the meter backward and is working. . We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****

Initial Consumer Rebuttal (The consumer indicated he/she DID NOT accept the response from the business.)They have not responded

Complaint Resolution: BBB determined that despite the company's reasonable effort to address complaint issues, the consumer remained dissatisfied.

Attachment E –Other Contract Obligations

This attachment includes a selection of complaints related to contract obligations against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 10/22/13

Complaint Category: Delayed completion of repair

Complaint: Solar City management did not respond to leaks caused by solar installation for two weeks and then only after we hired a roofer to make repairs. Many problems - delayed payments to vendors - solar city hauled our furniture to the landfill without paying us or negotiating a settlement - Solar City management does not answer phone calls or respond to emails. Much work to be completed to fix the water damage. Management is either on imaginary vacations or imaginary hospital stays where imaginary doctors have taken away their cell phones and laptops and nothing can be done. After calling **** office at Tesla Motors, payment for partial roof repairs, reimbursement for the money we paid up front for the roof was made within four hours. Another call to **** office at Tesla Motors got us reimbursed for our hotel bills within two hours with a check delivered to the hotel we were staying at, but no one at Solar City responds without a call to **** office at Tesla Motors. To be completed is the epoxy on the garage floor, the chicken wire on the roof, the reimbursement for the furniture, and the payment for living in a home for two weeks in water with the smell of wet sheetrock and a view of the sky from open holes in the ceilings. Note: after two weeks of storms with more damage after every storm and water running down our walls, Solar City came by in a truck and dropped off five plastic buckets to collect water. The top manager (we are told) **** who has been on an imaginary vacation for a week and has not been available and he is the only one at Solar City that can address these problems per *** ****. At one point we had made a verbal agreement for reimbursement for three items that had been damaged, but the attorneys at Solar City prepared an agreement for us to sign that was so involved that I doubt that even the attorneys understood it. When we rejected that they sent another agreement that was even worse. They could not just pay us and let us release them for the items agreed upon. **** told us that he has no control over the attorneys.

Final Consumer Response Agreeable settlement reached and it all ended well.

Complaint Resolution: Company resolved the complaint issues. The consumer acknowledged acceptance to BBB.

2. Date: 12/2/13

Complaint Category: Defective, damaged, or incorrect product received

Complaint: ***** ** My system was to be done in August 2013. It is November and still not working. They continue to demand payment.No response to my calls/email I signed a contract for lease of a solar system. The system was to be installed with care at the end of August.First, when they installed the panels on my roof, they made at least 13 unnecessary punctures in my roof to the inside of my house. I say at least 13 because these are the holes that I could see from my living room sofa. They also installed panels over attic area, so who knows how many extra holes are there. Solar City drilled and missed 13 times (a simple snap of the chalk line could have avoided this). Further, my installation occurred mid August 2013 and it is now almost November - my service still doesn't work. The first inverter needed replacement and apparently the second inverter also has problems. I don't know what those problems are though because Solar City has not responded to my last 2 emails or my last two phone calls. My system was up for a very short period (under 2 weeks) and now it has been down for over 2 months. Although my system doesn't work, Solar City took my full down payment out of my account (\$3000). This was to be paid in two installments. They sent me an invoice for the first installment to be paid prior to the system installation. I remitted a timely payment in the form of a personal check. The second installation was automatically deducted from my account after the system installation. Please note - the system was not working and they were well aware of that fact - yet they took my money anyhow. Solar City has also sent me a past due notice for September and October payment. **ep in mind my system hasn't worked at all during these months. To add insult to injury, I have an email from customer service representative ****, saying they would postpone the billing start date until October 10th. This is just one, of the many examples of how Solar City has not followed through with what they have told me.The customer service representatives sound sympathetic and helpful, but I have been told information that is contrary to the Contract. For instance, I was told by at least two different representatives that Solar City would not put a system on an old roof. After the careless installation of my system, I had my roof inspected by a third party. He believes there is 10 years max left on my roof. I complained to Solar City that they never informed me of this. I requested that if I do need to reroof within the first 10 years of my contract, will Solar City pick up the portion of the

bill associated with the removal and re-intallation of the panels ONLY. Obviously I would pay the costs associated with the new roof. Solar City suddenly back tracked their earlier verbal assurances and now claim when their engineers inspect the quality of your roof, that means, their engineers are merely confirming that your roof will support the system (i.e. the roof won't cave in) and that is it. If I need a new roof in 5 years that is my financial responsibility to take down and replace the system. Solar City claims they have no duty to tell me prior to installation if my roof looks like it won't last the 20 years of the contract. It is clear they just want to put the panels on and let me deal with it later.

Initial Business Response: Thank you for forwarding the valuable feedback from ***** regarding BBB Case # *****. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and ***** , made prompt contact via phone and email. Through careful consideration to their needs, we resolved the issue and have come to a mutually agreeable compensation for the misunderstanding. We will make all efforts to ensure that this will not occur again. ***** will be receiving compensation within two to three weeks. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

3. Date: 12/4/13

Complaint Category: Failure to provide promised assistance or support for products or services

Complaint: Installed panels are causing damage to the roof, the system still is not working, and they do not respond when attempting to contact . We have a couple of complaints. First, Solar City's site inspector came out and inspected our property to determine the best place for the solar panels. We were told by the salesman that if there was any problems with the area THEY chose, they would make repairs to ensure that all would be ok, prior to installation. When the panels were being installed we told the workers that the panels were not level, and looked like they were causing problems with the roof. The completed the installation and we discovered that we cannot open the garage door without it now hitting along the roof trusses. I have contacted Solar City by e-mail, and even spoke to the manager who came out to see how the system was working. Nothing has been done. Second, we were told that our meter wasn't the correct meter and that it needed to be changed before they could hook-up the system. PG&E (electric company) came out and installed a new meter. Solar City came out, hooked up the wiring, and then told us that the meter was not correct and that a meter that could "run backwards" needed to be installed. That was three weeks ago. We have not heard anything from them. Nothing has been done since. We started the whole process to purchase these panels 5 months ago. Now we have a solar system that is putting undue strain on our roof, and it isn't hooked up. The company does not respond to e-mails, nor to in person conversations with their managers/representatives.

Initial Business Response Thank you for forwarding the valuable feedback from ***** regarding BBB Case # *****. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via phone, email and in person. Through careful consideration to their needs, we are resolving the issue and will make repairs expeditiously. We will make all efforts to ensure that this will not occur again. We will stay in contact with ***** and closely monitor the progression of their project. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****.Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

4. Date: 4/11/14

Complaint Category: Disputed warranty coverage and/or terms

Complaint: Pigeons Under the panels are destroying the roof. After SolarCity installed the panels we began to get pigeons making a home under the panels now there are many and they are starting to destroy the roof and we are afraid the poop will get into or addict and affect the air quality. I contacted SolarCity to see if they could assist me in cleaning under the panels and putting up a wire mesh to fix the problem I was told there is a \$750 fee for the service. I called another company that would perform the work for \$350 but was told by solarcity they are the only ones allowed to remove the panels for the cleaning. The issue with the Pigeons was never brought up pre sale even

though after reading on the internet it is a common issue with having solar panels. I fill they are hiding the information intentionally and charging a over blown price after the fact because the customer has no choice. Pre sale we had the concern of the roof leaking under the panels and were told that SolarCity covers the roof that is under the panels but now they are saying that the roof is my responsibility and I would have to pay them to remove the panels. If I have the panels taken down I will be in breach of my contract they are telling me, so I fill stuck with the issue unless we pay them \$750.

Initial Business Response: Thank you for forwarding the valuable feedback from **** * regarding BBB Case # XXXXXXXX. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with **** and made prompt contact via phone and email. We will be working with **** to come to a fair resolution. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

Attachment F – Property Transfer

This attachment includes a selection of complaints related to property transfer against members of the Alliance for Solar Choice published by the Better Business Bureau from January 1, 2013 to June 1, 2014.

1. Date: 9/16/13

Complaint: Very high cost to move the system

I bought pre-paid lease of solar panels for 15 years in 2010 for 4000\$. Now I am buying a house 5 miles from my existing house and want to get an accurate estimate for moving the panels, but they want 500\$ cash deposit for that. Please note that for designing new system they just do it over the web by looking at your roof and give you exact money to get new system (and old system they already know as they/their contractor company installed it), but to move they want 500\$ deposit and are giving very high estimates.

Business' Initial Response: Thank you for bringing this matter to our attention. We have contacted the customer and explained that his contract states: " If you are moving to a new home in the same utility district, the system can be moved to your new home pursuant to the Limited Warranty. You will need to pay all costs associated with relocating the system, execute and deliver to SolarCity an easement for the replacement premises and provide third party consents or releases required by SolarCity in connection with substitute premises." We have also explained there is a five hundred dollar mandatory site audit and design fee. This fee does get applied to the total cost of moving the system if the customer chooses to proceed. We are in contact with the customer to propose a new system for his new home and to come to a mutually agreeable resolution.

Consumer's Final Response: (The consumer indicated he/she DID NOT accept the response from the business.)The contract doesn't mention about 500\$ mandatory site audit fee and for new system they don't charge the same fee. This is still in progress and not resolved yet. I am waiting to hear back from Solarcity on proposed mutually agreeable resolution. Please don't mark this resolved yet.

Business' Final Response: Thank you for sending us our customer's feedback in BBB Case #***** . Our goal is to exceed expectations with all SolarCity products and services. Customer feedback helps us identify where we need to improve. We carefully reviewed all information pertaining to this matter and contacted the customer via phone. We have contacted the customer and offered amicable compensation. He said he is satisfied with the outcome Customer care is one of our top priorities. If you have any questions, please call us at *****

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

2. Date: 9/26/13

Complaint Category: None of the Above - Credit, Billing or Collection Complaint Issue

Complaint: bought a home with solar panels installed, sunrun now wants to remove the panels when all objects bought in home panels were included. Bought my home(*****.)with Chase banking on November 12, 2012 included in the home were solar panels, the purchased turned out fine until Dec. 12th, 2012, when I received a letter from SunRun explaining to me that their service was going to be turned down. I later then contacted the company, spoke with Neal from SUNRUN, he then later explained that the panels were going to be removed. We then tried to figure out a reasonable pricing for the panels, he mentioned that he wanted \$17,000.00 for the panels, excluding services. I and my husband *****also asked why were we going to pay for the panels, he answered that those panels were not ours, they were the companies property, when we had clearly purchased the home (*****). He also then affirmed that if did not pay he was going to remove both the panels. On the date of Jan. 16th ,2013 a service man from SUNRUN was sent unwaringly to the location at (*****) when no one was home, the panel meter was removed on this date. Just recently on August 21st, 2013 I was called by the company SUNRUN, and was told to pay the \$17,000.00 dollars. I then reasoned to maybe set a deal at \$8,000.00 dollars but was neglected. I was also asked to sign a contract with them when I have no existing contract with them and pay the \$17,000.00 dollars. I strongly feel SUNRUN's intend to taking my solar panles away should be hugly apprehended. thank you

Initial Business Response: Thank you for taking the time to express your concerns to Sunrun and we are happy to clear up the confusion. We understand that you purchased the home located at *****. Sunrun owns and operates a

solar system that was installed on that home in early 2010. The equipment which comprises this solar system is not a permanent fixture of the home and is the property of Sunrun Inc. Your purchase of the home did not include the purchase of the solar system as this system was not at any time the property of the previous homeowner. We have previously provided to you documentation from the Recorder's Office of ***** which establishes that this solar equipment is the sole property of Sunrun Inc. and the previous homeowner had entered an agreement to purchase electricity generated by this equipment. As the new homeowner, you have the option to continue the solar power agreement between Sunrun and the previous homeowner, prepay the previous agreement or purchase the equipment owned by Sunrun and installed on the home. Since you have not elected to agree to the terms of purchasing the equipment or continuing the agreement, Sunrun is beginning the process of reclaiming our property from the premises. In conclusion, the solar equipment located at your new home is the property of Sunrun Inc. This equipment was never the property of the previous homeowner and was not included in the purchase of the home. Sunrun is therefore exercising its right to reclaim this property. Please let us know if you would like another copy of the documentation that establishes Sunrun's ownership of this equipment. Thank you once again for taking the time to express your concerns to us and Sunrun is always available to answer any questions you may have.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.

3. Date: 12/18/2013

Complaint: ON AUGUST 13 , 2012,I WAS IN ESCROW TO BUY A SHORT SALE HOUSE. SOLAR CITY PUT LIEN ON THE PROPERTY AND FORCED ME TO SIGN THE CONTRACT AND CARRY OVER A LEASE OF \$33,000 THAT IS WELL EXPENSIVE FOR THE PROJECT BECAUSE IT COVERS ONLY 50% OF THE HOUSE ENERGY CONSUMPTION. I REFUSED AND ASKED THEM TO REMOVE THEIR EQUIPMENTS BEFORE SIGNING BUT THEY DENIED MY REQUEST AND STALLED THE SHORT SALE TRANSACTION. THE HOUSE WAS THEN GOING FORECLOSURE IF I DO NOT SIGN THEIR LEASE. I SIGNED IT UNDER COHERSION WHICH MAKES IT INVALID . NOW, I NEED THEM TO CANCEL THAT LEASE BECAUSE CONTRACT IS NOT VALID BUT THEY REFUSED.

Initial Business Response: Thank you for forwarding the valuable feedback from ***** regarding BBB Case # *****. It's always been our goal to exceed our customer's expectations. Direct feedback, positive and negative, is key to identifying areas where we can improve. We reviewed all the information in this matter with ***** and made prompt contact via Phone and email. Through careful consideration to their needs, we are resolving the issue. We will make all efforts to ensure that this will not occur again. ***** will be keeping the solar system and we have come to a mutual agreement regarding price. We value the trusted relationship we maintain with each of our customers. Their continued satisfaction is one of our top priorities. If you have any questions, please call our Customer Care team at *****.

Complaint Resolution: Company addressed the complaint issues. The consumer failed to acknowledge acceptance to BBB.