

Solar water-heating systems use the sun to directly heat water that you can use. Solar electric (or “photovoltaic” or “PV”), systems, convert the sun’s light into electricity that you can use. The Regulated Industries Complaints Office (RICO) offers the following tips for consumers considering photovoltaic systems:

1. **Do your homework.** Even though a company may tell you they’ll “take care of everything,” as the homeowner, you may be on the hook if no permits are pulled or if no agreement with the utility provider is reached, so *do your homework!* And, before you sign...

- **Check with your utility provider.** Because photovoltaic systems generate electricity, you need to check with your utility provider first to find out exactly what you need to do to interconnect a system into your neighborhood’s electrical grid. If your area is saturated, there may be additional steps (and costs!) required in order for you to connect a system. Contact your utility provider for information **before** you sign any agreement to purchase, lease, or install a photovoltaic system!

**If you’re considering a battery back up....** you should know a battery may require separate approval by your utility provider. Again, *check with your utility provider first* if you’re considering adding a battery to an existing system, or including a battery in your plans for a new system.

- **Find out if a building permit is required.** A building permit may be required to install a solar electric (photovoltaic or PV) system (or a solar water heating system), so contact your local building permit office to ask if a building permit is required where you live. If a permit is required, you’ll need to have it before work starts!

- **Research state and federal incentive programs first.** Depending on your location, there may be rebates or tax breaks available for installing either a solar water heating or solar electric system. Familiarize yourself with the terms or conditions of any programs you may be interested in. (For example, a licensed contractor may be required to sign-off on your project for you to apply for certain tax credits.)

- **Contact your homeowners insurance.** Ask if additional insurance is required for your photovoltaic system.

2. **Do the Math.** Sunshine is free, but the initial cost to buy and install solar panels is not. Make sure you understand how much the system is supposed to cost, and balance it against how much you are projected to save.

3. **Shop around.** Get at least 3 bids or estimates. Make sure the bids are all based on the same work and the same materials. Solar panels, for example, vary, and different materials may produce different results. If bid amounts vary significantly, ask why. Again, make sure all of the bids are based on the same materials and specifications.

4. **Hire a licensed contractor.** Depending on the type of system, you may need to hire a licensed contractor to install it. A licensed contractor will bring in any licensed electricians or plumbers required to complete the work. **Don’t get burned....** Some people/companies that sell solar systems aren’t licensed to install them, so when it comes time to doing the work, make sure there’s a licensed professional on your project.

Contact the Contractors License Board at 586-2700, or the Board of Electricians and Plumbers at 586-2705, to find out what license(s) may be required for your job, then

check with the company you’re dealing with to make sure the people installing your system have the appropriate licenses.

5. **Get it in writing.** You should insist on a written contract that includes the license numbers, price, start and stop date, the work to be performed and the materials to be used. Get any promises, guarantees or warranties in writing!

6. **Understand your warranties.** If a warranty is being offered, know who is offering the warranty and what it covers. Some warranties cover materials (for example, the solar panels). Some warranties cover workmanship (i.e. installation). Other warranties may protect against power loss over time. An installer may offer their own warranties. Be sure you understand who is offering what, and, remember, a warranty is only as good as the company that covers it.

7. **Make sure you understand the financing.** Some companies offer financing options, but remember, nothing in life is free. Be cautious of anyone who asks for payment up front and suggests the system will cost you nothing because you’ll get all of your costs back in credits or rebates.

8. **Make sure your roof is ready.** According to Tim Lyons of the Roofing Contractors Association of Hawaii, the time to check and replace your roof is before you install a solar system, not after. Even though a properly installed solar system won’t damage your roof, you want to make sure your roof is in good condition before you start. And remember, most photovoltaic racking systems require roof penetrations, so if your roof is under warranty, work with your roofing contractor and/or manufacturer, so the installation of your new photovoltaic system doesn’t void any warranties you may have.

## RESOURCES

### **How do I know a contractor is licensed?**

The Department of Commerce and Consumer Affairs (DCCA) and its Regulated Industries Complaints Office (RICO) offer the following tools, tips and services you can use to check out an individual or business:

#### **Professional and Vocational license search:**

Search for information about professionals licensed by DCCA, including contractors, electricians, plumbers, and the companies they work for.

#### **RICO complaint history search:**

Search Regulated Industries Complaints Office complaints information for information about complaints filed against licensees and for information about unlicensed activity investigations.

#### **Office of Consumer Protection complaint history search:**

Search Office of Consumer Protection information for complaints about unfair and deceptive trade practices.

#### **Business Registration name search:**

Search for information about businesses registered with the Business Registration Division. Look at: 1) when the business was established, 2) the names of the people involved in the business, and 3) any previous names of the business. Names gathered from this search can be used to search for licensing and complaints history information.

Go to: [cca.hawaii.gov/rico/business\\_online/](http://cca.hawaii.gov/rico/business_online/)  
Checking out a licensee or business on these sites isn't a guarantee, but it's a good step to take that can help you to determine if the licensee or business is qualified to handle your particular job. It's also one of several steps you can take to protect yourself against unscrupulous or unqualified people.

The Department of Commerce and Consumer Affairs (DCCA), and its Regulated Industries Complaints Office (RICO), offer tools, tips, and services you can use to check out an individual or business. Information is available by calling **(808) 587-4272** or online at [cca.hawaii.gov/rico/business\\_online/](http://cca.hawaii.gov/rico/business_online/).

For information about filing a complaint or to report unlicensed activity, call RICO's Consumer Resource Center at **(808) 587-4272** or visit us online at [cca.hawaii.gov/rico/](http://cca.hawaii.gov/rico/).

Neighbor island residents can dial the following numbers then 7-4272 and the # sign:

Kauai.....	274-3141
Maui.....	984-2400
Hawaii.....	974-4000
Lanai & Molokai.	1-800-468-4644

RICO is the enforcement arm for over forty-five professional boards, commissions, and programs that are administratively attached to the Department of Commerce and Consumer Affairs. RICO receives complaints, conducts investigations, and prosecutes licensing law violations. RICO also prosecutes unlicensed activity through the issuance of citations and by filing civil lawsuits in the Circuit Courts. RICO works to resolve consumer complaints where appropriate and provides consumer education about various issues relating to licensing and consumer protection. RICO also administers the State Certified Arbitration Program (SCAP) for "lemon" motor vehicle claims.

*This brochure is for informational purposes only and not intended for the purposes of providing legal advice. Information provided is subject to change. Printed material can be made available for individuals with special needs in Braille, large print or audio tape. Submit requests to the RICO Complaints and Enforcement Officer at 586-2666.*

# INFORMATION FOR CONSUMERS ABOUT GOING SOLAR



## Regulated Industries Complaints Office

**235 S. Beretania Street, Ninth Floor  
Honolulu, Hawaii 96813  
[cca.hawaii.gov/rico/](http://cca.hawaii.gov/rico/)**

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