

SOLAR INSPECTIONS

FREQUENTLY ASKED QUESTIONS

- **Q: Is the system on this home the right size for my family and our lifestyle?**
A: This question does not impact how the system produces electricity but it will help you to manage your expectations of what the solar will do for your household compared to that of the seller. The answer depends on how the previous homeowner lived in the home and how many people were living in the home.
- **Q: What kind of Net Metering Agreement will I have?**
A: Understanding the relationship between yourself and the utility is an important piece of information to have. It lets you know how the utility is going to buy-back the excess electricity, and at what rate.
- **Q: Is the solar system owned by the homeowner or a third-party?**
A: You need to know if the system is owned by the homeowner or not. While both forms of solar arrangements are tied to solar systems that produce electricity, when buying a home this is the most critical question. The answer determines how much action to take when buying the home. Gathering this critical information is how you will decide if that's the route of ownership you will continue down or shift the way the system is owned.
- **Q: Who is the third-party owner or the name of the lease or PPA company?**
A: You need to know who to contact about the system for any questions or concerns you may have in order to get the precise answers you need. Many of which can be found in the contract signed by the original homeowner that went solar. Be sure you receive their direct contact information as well.
- **Q: Who do you call if the solar system has problems?**
A: Many solar systems are leased through finance companies and they have third-party contractors who take care of their warranty issues. You need to know who to contact if the system is not working to get it up and running again as quickly as possible.
- **Q: Does the monthly payment change month-to-month or stay the same?**
A: A solar lease usually has a monthly payment that doesn't change month-to-month. Oftentimes, though, a PPA changes monthly depending on the solar output. Knowing this ahead of time will prepare you for what kind of charges to expect monthly from the solar company.



➤ **Q: Does the payment go up each year?**

A: Some third-party agreements don't go up each year but a majority of them do. The most common is an annual increase of 2.9%. It's good to know how much of an annual increase you can expect so that you aren't surprised by future bills.

➤ **Q: What kind of production guarantee does it have?**

A: For most leased systems, according to their contracts, if the solar system does not work at some point you will still be expected to pay the monthly bill. They offset this by offering a production guarantee. So, in the event that the system doesn't work or produce as much as they are charging you for, they will refund or credit your solar account by that much. Knowing this helps prepare you for a time when the system doesn't work and you start to get a bill that wasn't there before from the utility company. They will get it fixed because the contract states that they must but you don't want to be double-billed for electricity.

➤ **Q: How much is it to buy out the solar system from a third-party company?**

A: When you buy a solar home you have the option to buy-out the solar contract from a leased solar company. The price of the system is set by the solar company and there are now several that are using third parties to evaluate the value of the system in order to give a fair market value for the solar system. They look at the age and relative value to other used solar systems as they are right at that date and at that point in their life cycle. However, some do not do this and may not give a fair accounting of the system value and may ask for too much to buy the system off of them. In either case, buying out a leased system is typically less monthly added into the mortgage than it would cost monthly to pay the solar company directly.

➤ **Q: Is there a loan against the system?**

A: This is the next most important question, besides asking if the system is owned by the homeowner or a third-party. Knowing whether or not there is a loan against the system will force you to take action and decide how you will continue owning the system. Will you continue to finance it or not? Also, if there is a loan against the system there is also a UCC filing that will need to be lifted during the transaction of the home. Whether you decide to pay off that loan in the purchase of the home is up to you but, as with leased solar, it's usually cheaper to pay off the system. This increases the financed amount and monthly mortgage payments but is usually going to be less overall than continuing to pay the solar loan payments.

➤ **Q: Who installed the system?**

A: All states require that some kind of warranty accompany the solar system. If the homeowner himself installed it, then he is responsible for it. If it was a contractor they have a responsibility to warranty it. Knowing who or what company/contractor installed the solar system will let you know who to contact if there are issues.

➤ **Q: Who do I contact if the system has problems?**

A: This may be the same as the installer and, in most cases, that is the case. But today there are third parties that have additional warranties they can offer for the system that now they become the primary point of contact for any kind of issues going forward. Unfortunately, there have been many companies that have gone out of business and there may be no one to contact for problems. In this case, we recommend going to checklistaz.com to learn more about our solar inspections service and resources.

➤ **Q: What services come with the system?**

A: There isn't much you need to do to a solar system after it's installed. You just need to keep an eye on the production to make sure it's producing properly and keep the panels clean. Most solar systems come with some sort of free monitoring service but it won't do you any good if you don't have access to it. Occasionally, you will find that homeowners have purchased service contracts or prepaid annual cleaning services. Of course, those services can't be utilized unless you know about them.

➤ **Q: What kind of batteries are they?**

A: The kind of batteries matter a great deal in terms of what they do, how they do it, how long they will do it for and how do you best help them do it for as long as possible. The two most common types of batteries are: lead acid and lithium ion. There are a few sub categories within those; some will require maintenance and some won't. This book will not be enough of a guide to tell you how and which. There are good books and material on the batteries for your solar system you can find online through resale sites like Amazon.

➤ **Q: How old are the batteries?**

A: Batteries age and are only good for so long or so many charge and discharge cycles. Depending on what kind of battery they are will depend on what life they have left in them. Many batteries have warranties for 10 years and there are a few now offering warranties of up to 25 years. Knowing the age will give you a good indication of how much life the batteries have left in them.

➤ **Q: Do the batteries require maintenance?**

A: Some lead acid batteries will require maintenance and some won't. Lithium ion batteries typically don't require any maintenance. This usually involves adding distilled water to the batteries and giving them an additional charge. This is not overly complicated; a savvy homeowner can do this themselves with the right instruction.

➤ **Q: What do you have the batteries for?**

A: Asking this question is very important for solar plus battery storage homes because the function those batteries serve will vary depending on why and how the homeowner had them installed. Asking these questions and gathering this information is all about managing expectations. A battery backed-up home is not backing up the entire home but only a refrigerator in the garage.

➤ **Have any other questions? Please feel to contact us:**



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