

EXPANDED CONSUMER PROTECTION WORKING GROUP AGENDA

Friday, October 6, 2023

Poll Question Series 1:

Which marketplace participant best describes you?	
Approved Vendor	
Designee/Nested Designee	
Consumer	
Government Agency	
Non-Profit Advocacy/Community Group	
Prospective Approved Vendor/Designee	
Other	

TOPIC 1	Market use of referral incentives and sign-up bonuses
BACKGROUND	<p>Approved Vendors and Designees employ a variety of models and incentives to encourage potential customers to sign installation contracts (for distributed generation) and subscription agreements (for community solar) with their company. One such incentive provides Approved Vendors’ or Designees’ customers with a financial incentive for referring that Approved Vendor or Designee to other new customers. Others offer sign-up bonuses when customers enroll with community solar.</p> <p>Over the past few months, the Program Administrator has received a few customer complaints regarding certain registered entities’ use of referral incentives, specifically questioning whether some entities are clearly communicating the requirements, payment structure, and timing of payment related to referral incentives.</p> <p>The Program Administrator is interested in learning more about the market’s use of such incentives and sign-up bonuses, how companies communicate the incentive and bonus offers to customers, what proof is required to take advantage of the incentive or bonus, and what issues customers have raised with such processes.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>How do market participants who offer referral incentives to customers communicate that incentive to its customers?</i> <ul style="list-style-type: none"> • <i>Is the referral incentive included in the customer’s installation contract, a separate contract, or memorialized in some other way?</i> • <i>At what point in the sales process is the referral incentive communicated to the customer?</i> • <i>What are the requirements for taking advantage of the referral incentive?</i> • <i>How are customers paid the referral incentive?</i> <ul style="list-style-type: none"> • <i>Are customers provided with a check for the referral incentive</i>

	<p><i>amount?</i></p> <ul style="list-style-type: none"> • <i>Is the incentive amount deducted instead from any remaining costs owed by the customer to the company?</i> • <i>Are customers provided with a gift debit card?</i> • <i>How long does it take to process a customer’s referral incentive?</i> • <i>What customer concerns have market participants and community groups heard related to referral incentive offers and payments?</i> • <i>Should companies be required to include referral incentives (if they have any) in the customer’s contract?</i>
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Poll Question 2:

Does your company offer customers a referral incentive?	
Yes	
Unsure currently	
No	
N/A	

TOPIC 2	Approved Vendor and Designee processes for ensuring registration of Designees and Nested Designees
BACKGROUND	<p>As relayed in the September 15, 2023, Program announcement, the Program Administrator has seen an increase in the number of unregistered entities conducting marketing, sales, and other work on behalf of registered Approved Vendors and Designees. Every third-party entity that has direct interaction with end-use customers is required to register as a Designee. This includes solar installers, marketing firms, lead generators, and sales organizations.</p> <p>Further Approved Vendors must ensure that both their Designees and Designees of their Designees (“Nested Designees”) register with the Program, prior to working with any Approved Vendor or its Designee.</p> <p>Designees and Nested Designees must clarify in their registration under which Approved Vendor and Designee they are registering.</p> <p>As an additional reminder, per Section 2.G of the Program Guidebook, “Nested Designee[s] may hold only Marketing or Sales Designee or Installer Designee roles. Nested Designees may not hold Disclosure Form Designee or Community Solar Subscriber Agent Designee roles. This requirement exists to prevent a Designee from giving another Designee the ability to generate Disclosure Forms or manage community solar subscribers on behalf of the parent Designee’s Approved Vendor. Only Approved Vendors can add Disclosure Form Designees and Community Solar Subscriber Agent Designees directly beneath their Approved Vendor account.”</p>

	<p>Related to the new requirement for Approved Vendors to create and maintain Designee Management Plans, the Program Administrator is interested in learning about Approved Vendors' and Designees' processes to ensure compliance with the above registration requirements of their Designees and Nested Designees.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none">• <i>What procedures do Approved Vendors and Designees use to ensure that any entity with whom they are working is already registered with the Program?</i>• <i>How do Approved Vendors ensure any Nested Designees are registered with the Program?</i>• <i>How do Approved Vendors and Designees ensure that Nested Designees are only performing roles and functions permitted in the Program Guidebook?</i>• <i>How often do Approved Vendors and Designees review the names of any Designees or Nested Designees registered under them in the Program to ensure that such information is accurate?</i>