

7 Solar Scams in California And How To Avoid Them



January 20, 2020

As the popularity and necessity of solar panels in California rises, so do the scams and dishonest sales tactics. Sketchy solar companies are preying on the homeowners in our communities, taking advantage of people excited about improving their home's efficiency.

Don't let this happen to you!

We want to help homeowners just like you understand how to identify these shady and aggressive companies. Keep reading to learn about California's most common solar scams. We'll also give you some tips for identifying a trustworthy and legitimate solar system installation company.

1. High Pressure Tactics

If a solar salesperson offers a limited-time offer or another tactic meant to force you into a quick decision, beware. This is a common strategy among scam artists who want to get as much money out of you, as quickly as possible.

A pushy contractor may also ask for instant payment, requiring you to pay a hefty cash deposit before they leave your house or get off the phone. This "sign at all costs" mentality often feels like harassment and many homeowners will give in just to get these salespeople off their back.

Solar panels are a big decision. You have the right to fully understand your options and do some research before committing. A trusted solar contractor will never pressure you into a sale, and they'll also be more than happy to answer [all your questions and help](#) you understand your purchase.

2. Posing as a Government or Utility Representative

Recently, California has seen an uptick in telemarketing calls from solar scammers posing as government or utility workers. The goal of these fake phone calls is to schedule a free energy audit of your home.

Many feel pressured to go through with the audit since it's being suggested (at times demanded) from a so-called trusted authority. Once the sales team gets to your home, they'll try to sell you solar panels, still under the guise of something mandated by the state.

Learn some background information on the company to ensure they're trustworthy and legitimate.



3. Promising Huge Tax Credits

Another sneaky tactic these scammers use is throwing around promises of big federal tax credits. While it's true you may receive tax breaks as a result of installing solar panels in your home, these companies typically promise huge amounts of money. The current federal tax credit for 2020 is 26% of the contract value of the solar energy system.

These shady sales people may even try to reel you in with the promise of cash grants. They'll throw around big numbers and confusing terminology. This type of solar company often leaves homeowners feeling stressed and confused. There are no California grants, rebates, or other incentives for residential solar in California at this time.

Before you get caught up in the promise of massive tax credits, take a moment to do some research.

4. Failing to Deliver

Another issue California homeowners experience is hiring solar companies who either don't do the work they promised, or do it poorly. The homeowners pay the deposit or even the full amount...and that's when things take a turn for the worse.

Some companies will completely disappear and never show up to install the solar panels. Others install the panels, but use poor quality products that start falling apart after a few months. Another tactic they'll use is to never turn the solar panels on or delay city inspections for months on end.

The best way to make sure this doesn't happen to you is to research the company beforehand. Never sign a contract or pay a deposit without first looking at [customer reviews](#). You should also look into the type of solar panels the company uses. Check out where their offices are, if any. How long have they been in business? Are they licensed?

5. Offering Unrealistically Low Prices

Dishonest solar companies will try to hook you with incredibly low prices. This is especially typical of door-to-door canvassers. The goal of these salespeople is to get you interested as quickly as possible, and they know people are more likely to be interested in something affordable.

The problem is, the final amount you end up paying is almost always more than what is originally promised by these sketchy sales teams. An unrealistically cheap solar panel installation can also be the sign of using cheap products. At the worse, your panels won't be approved by a city inspection.

To avoid getting caught in this sales trap, get a feel for how much solar panel installations cost in your city. Just remember, even though solar panels are an investment, they don't have to break the bank. Finding the right solar company is key to getting the best price and quality for your money.

6. Getting Started without a Signed Contract

A trusted solar company will always provide you with a free estimate. This quote will outline how much you can expect to pay after all is said and done. However, this estimate is NOT a contract!

Some sketchy solar companies in California will try to begin working before all contract papers are signed. This can lead to a higher bill than expected. Always make sure you've signed a contract that outlines both the cost and the work you are paying the contractor to perform.

If a contractor attempts to get on your roof and begin working without your permission, call the police.

7. Promoting Leasing Instead of Buying

Leasing solar panels rather than buying them is only good for one person– the owner of the solar company. If any solar company tells you differently or pressures you to choose a leasing option, beware.

[Buying your solar panels](#) instead of leasing not only reduces your average kilowatt per hour cost, it also offers a number of other long-term benefits, including:

- The ability to receive state and federal tax credits
- Increases your property value
- The ability to lock in flat monthly payments

What to Look for in a Solar Installation Company

It's unfortunate that so many shady solar companies exist. These shady contractors give the whole industry a bad name and often discourage homeowners from moving forward with solar panels at all.

The truth is, there are honest, trustworthy solar companies out there. Don't let the bad apples discourage you from reaping the many benefits of solar energy.

As you're researching solar companies, look for these qualities:

- Experience in the local community
- Solar Experience, and the more the better.
An electrician with a few years of solar experience is hardly an ideal situation to get yourself into.
- More positive than negative online reviews
- High quality product with a manufacturer's warranty
- A service department available
- Accessible via phone, email, office visit if necessary
- Referrals and Recommendations
- Financing options
- Truthful and transparent, easy to understand contracts
- No pressure. They answer all of your questions.