The Novel Coronavirus Pandemic has Caused Significant Economic Damage to U.S. Solar Companies

Like many American industries, the solar industry has been hit hard by COVID-19. Compounding issues, including supply chain delays, tightening of tax equity markets, homeowners’ financial concerns, shelter-in-place orders, and permitting challenges are all placing tremendous pressure on the industry. Without strategic government action, U.S. jobs and economic investment will suffer. With the right policies in place, the solar industry is poised to lead the U.S. out of this economic recession and create jobs for thousands of Americans.

Due to the COVID-19 pandemic, the outlook for solar has changed dramatically. Through June of 2020, the industry will employ 188,000 workers, rather than the 302,000 that was originally forecasted.

38% fewer U.S. solar workers than pre-COVID forecasts

These job losses would negate 5 years of solar industry growth, pushing the workforce back to a level not seen since 2014.

COVID-19 Solar Job Losses by State

- 60% or more
- 40% - 59%
- 30% - 39%
- 10% - 29%

36 states will suffer solar job losses in excess of 30%
The stories behind the data

» A large utility-scale developer has a shovel-ready project in Texas that would employ 550 workers and pump $109 million into the local economy that is on hold because the tax equity market has dried up.

» A solar company in New York furloughed its entire staff in late March. If the shelter-in-place protocols remain in effect for much longer, the company will be forced to lay off most of their workforce.

» A solar supplier says it is extremely worried about sales for the remainder of the year as projects have halted and it is operating at half its normal manufacturing capacity. Cash flow is a major concern and it’s becoming an “hour by hour act to manage it.”

» According to one residential solar installer, potential customers have “stopped entertaining the idea of online or phone sales, because most were unwilling to consider significant purchases amidst the uncertainty surrounding job security.”

» One utility-scale solar developer has more than $1.5 billion worth of projects at risk due to contractions in the tax equity markets. More than 70% of respondents to an industry survey said they were concerned about the availability of tax equity financing.

» A Long Island-based solar company has applied for federal funding but still had to lay off all installation, engineering and process staff and 50% of sales staff. The company projects that it will have to operate with 25% less staff in the long term.

» A residential & commercial installer in Arizona said it was concerned it would be unable to fulfill new contracts due to supply, credit and labor shortages.