

# COVID-19 & THE U.S. SOLAR INDUSTRY

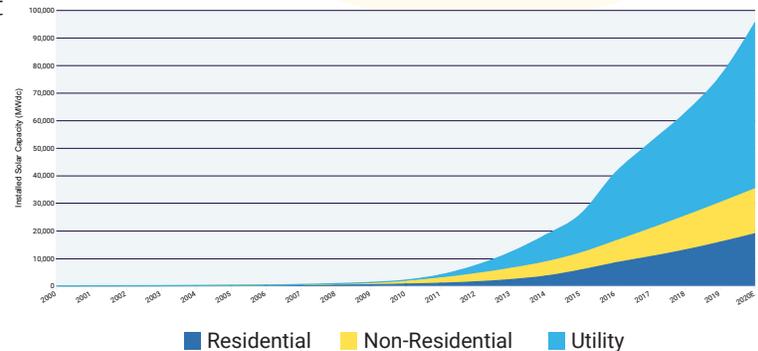
## The COVID-19 Pandemic Has Led to Significant Job Losses, but the Industry Remains Poised to Lead U.S. Economic Recovery

The coronavirus pandemic has caused more than 72,000 solar workers to lose their jobs and economic uncertainty remains. But with the right policies in place, solar companies can help rebuild the American economy faster and stronger than before.

### Quick Facts About the U.S. Solar Industry

- Solar continues to be one of the fastest-growing industries in the U.S. Over the last 5 years, the industry added jobs at a rate **five times higher** than the national average.
- More than **90% of Americans support the expansion of solar energy**, thanks to its environmental, economic and employment opportunities.
- With the right policies in place, the 2020s can be the Solar+ Decade - with **20% of U.S. electricity powered by solar by 2030**, and 50% powered by renewable energy.
- Solar is a job-creating economic engine and clean energy industries can create **hundreds of billions of dollars in investment** and a million American jobs.

Cumulative U.S. Solar Installations, 2000 - 2020



### Challenges, Opportunities and the Post-COVID Future

There is no doubt that COVID-19 has had a serious impact on the U.S. solar industry. More than 72,000 jobs have been lost since February. Congress has a unique opportunity to not only save these solar jobs, but support an industry that can lift up the entire U.S. economy and rebuild our nation's critical infrastructure in the wake of the pandemic.



#### Challenges Facing Solar Companies

- The solar industry has been severely harmed by the pandemic, resulting in **114,000 fewer solar workers by June 2020, when compared to pre-COVID forecasts**.
- The impact of job losses and work stoppages has been greatest in the distributed generation sector, which includes residential and commercial projects. Wood Mackenzie Power & Renewables forecasts that **distributed solar will experience a 31% decline in 2020**.
- While utility-scale solar has not been as heavily impacted, growth projections are now lower than expected and the virus has created significant uncertainty for upcoming projects.
- **Financing for solar projects has become a significant challenge**. The economic downturn is causing tax equity markets to dry up, an important market that solar companies use to finance their projects.
- These challenges have a **disproportionate impact on small businesses and newer companies**, meaning that hardworking solar entrepreneurs will face the brunt of the pandemic's economic impact.

#### The Solar Vision for Economic Recovery

- The COVID-19 crisis has shown that **solar is a resilient industry that continues to build critical infrastructure** and lower electricity bills for American consumers
- Our vision of the **Solar+ Decade includes space for diversity, equity, inclusion and justice**. Deploying more solar energy can create jobs in every community and provide clean, affordable electricity to millions of Americans.
- In order for the U.S. to **meet our long-term climate and economic goals**, the right policies must be in place to reverse current job losses and set a path toward significant growth.

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## Action Needed by Congress to Save Solar Jobs



**Allow solar companies to fully utilize the Investment Tax Credit (ITC) during this economic crisis.**

Establish a temporary 100% direct pay program at least for projects placed in service through 2022, to ensure steady financing in the midst of the crisis. This approach would use the same, existing incentive, but in a different format. This should also include a delay of the phasedown to accommodate delays in 2020.

Remove or push out of the statutory placed-in-service deadline of December 31st, 2023.

**Empower local jurisdictions to conduct solar permitting remotely.**

Permitting reforms, including support for the Department of Energy's Solar Automated Permit Processing (SolarAPP) program, that empower Authorities Having Jurisdiction (AHJs) to conduct permitting electronically and inspect solar

## Action Needed by Congress to Stimulate the Economy with Solar Energy

**Extend the ITC to help the industry stay on track.**

Delay annual deadlines for the Section 48 and Section 25D solar ITC and postpone the corresponding placed-in-service deadlines.

**Invest in programs that build new clean energy infrastructure and create jobs.**

Develop new programs that incentivize new infrastructure development, including clean energy and energy efficiency retrofits for schools, non-profits and public buildings, workforce training programs for careers in clean energy, and investments in electricity transmission and microgrid projects.

**Support U.S. solar manufacturing to create jobs and stimulate the economy.**

Programs that incentivize the creation and expansion of manufacturing facilities on U.S. soil for the solar+ supply chain, including manufacturing tax credits or additional incentives for domestic content in U.S. solar projects.

**As one of the fastest-growing industries in America, the solar industry is poised to lead the U.S. out of the economic crisis caused by COVID-19. With the right policies in place, solar can be a crucial part of the solution to rebuild America's economy and put people back to work.**