

March 19, 2009, 10:03 am

## Solar Industry Posts Strong Growth in 2008

By [Kate Galbraith](#)



Getty Images

Installing solar panels in Colorado.

The solar industry grew dramatically in 2008 — but the recession is hitting it hard.

Solar energy capacity in the United States grew by 17 percent in 2008, according to a preliminary report released today by the [Solar Energy Industries Association](#).

But Rhone Resch, the president of the solar group, warned that the financial crisis has [hit the industry hard](#), since financing for projects has largely dried up.

“We’re not immune to the recession at all,” he said at a briefing for journalists this morning in Washington. “This first quarter has been brutal.”

Of the four types of solar power surveyed, photovoltaic capacity grew especially quickly, at 44 percent over total installed capacity through 2007. Solar hot water installations also showed strong growth.

Solar pool heating, already the largest solar sector, added slightly less capacity last year than in 2007, and no new concentrating solar power projects – large, utility-scale projects that use mirrors to harness the sun’s energy – came online last year.

The report is expected to be available late Thursday on the Solar Energy Industries Association’s [Web site](#).

The industry got an enormous boost from provisions in last year’s bailout bill and also this year’s stimulus, which, according to Mr. Resch, contained 19 different provisions for aiding solar power. But Mr. Resch also said that solar developers and manufacturers were hoping that Congress would soon pass more policies to help the industry.

At the top of the wish-list: a [national renewable electricity standard](#), which would require the country to get a certain percentage of its electricity from renewable power, and set a deadline for doing so.

[The industry is lobbying hard for a “solar carve-out”](#) in the policy, which would require a certain amount of those renewables to come from solar. Already about a dozen states ([Delaware](#), for example) have this kind of carve-out in their state-level renewable standard policies, Mr. Resch said.

The solar industry hopes for this carve-out because their product remains one of the most expensive forms of renewable energy. Producing power from photovoltaic panels can cost three times as much as producing electricity from the wind.