

New U.S. Wind and Solar Installations Slow



Despite growing demand for alternative sources of energy, the pace of new U.S. wind and solar projects dropped during the third quarter of 2022.

The pace of new wind and solar projects in the U.S. both slowed considerably as 2022 wound down, according to new [Solar Energy Industries Association \(SEIA\)](#) and [S&P Global Market Intelligence](#) research.

Even though 69% of Americans are behind “prioritizing the development of renewable energy sources, such as wind and solar,” and “taking steps toward the country becoming carbon neutral by the year 2050,” according to [Pew Research Center](#), the number of new renewable energy projects has dropped in recent months.

“Despite billions of dollars in federal tax credits up for grabs and investors eager to fund clean energy projects, the pace of development has ground to a crawl and many renewables plans face an uncertain path to completion,” [WSJ](#) reports. It says supply chain disruptions, long waits to connect to the grid and the challenging regulatory and political environments are all contributing to the slowdown.

Double-Digit Drop in Solar Installations

According to [SEIA](#), the U.S. installed 4.6 gigawatts (GWdc) of solar PV capacity during the third quarter of 2022 to reach 135.7 GWdc of total installed capacity, but 17% lower than the total amount of solar PV capacity installed during the same period in 2021. Still, the 135.7 GWdc of capacity was enough to power 24 million American homes, with solar accounting for 45% of all new electricity-generating capacity added in the U.S. through the first three quarters of 2022.

The residential segment had a historic quarter with 1.57 GWdc installed, a 43% increase over 2021’s third-quarter numbers and 16% higher than the previous quarter. The group says utility-scale solar installations reached 2.5 GWdc during the third quarter, or 36% less than the same period in 2021. It blames the ongoing “weather supply chain challenges and trade disruptions,” with driving that double-digit drop.

“Despite these challenges, the passage of the Inflation Reduction Act (IRA) has created significant upside to the long-term solar forecasts,” [SEIA](#) states in the *Solar Market Insight Report*, which is “with 21% average annual growth forecasted for 2023 - 2027.”

Other key solar installation trends revealed in the report include:

- California made up 36% of the total capacity installed as installers continue to push to sell residential solar before changes occur to current net metering rates.
- There were 340 MWdc of commercial solar installed, up 3% year-over-year and down 10% quarter-over-quarter.
- Community solar developers installed 212 MWdc, down 17% both year-over-year and quarter-over-quarter.

When [SEIA](#) releases its next report, the total 2022 solar installations in the U.S. are expected to land at 18.6 GWdc. This represents a slight increase from its previous outlook, but is still a 23% decrease from 2021. Utility-scale solar installations are expected to decline 40% from 2021 with only 10.3 GWdc

installed, the group says. Looking out even further, it says that beginning in 2024, annual installations of solar will consistently reach 30-40 GWdc.

New Wind Projects Hit a Lull

New wind power capacity also flatlined during the third quarter of 2022, with developers adding 501 MW of new capacity, “marking one of the slowest third quarters on record for project completion,” [S&P Global Market Intelligence](#) reports. The industry’s addition of 501 MW of new capacity is 22% lower than the amount that was deployed during the same period in 2021.

“No other third quarter saw lower wind capacity additions since at least 2015, the first year of the dataset,” the company reports. Also, the quarter aligned with what happened the rest of the year. “The [roughly] 4,500 MW of new wind capacity added in the first three quarters of 2022 is less than half of that added by the end of the third quarter [2021], 9,223 MW.”

Some of the projects that came online during the third quarter of 2022 included the Enel Green Power North America Inc.’s 350-MW Azure Sky Wind Project (Vortex Wind) and Leeward Renewable Energy LLC’s 145-MW Panorama Wind Farm in Colorado. Also, S&P says San Francisco-based Foundation Windpower, LLC energized its 5.6-MW Foundation Dole Fresh Vegetables in California.

“Looking ahead, developers have a 72,079-MW project pipeline,” the research firm adds. “That includes 9,009 MW under construction.”