

Soligent's Thankful Look at the Solar Industry

As Thanksgiving approaches, the solar industry enters a period defined by both transition and opportunity. Despite the scheduled sunset of the federal residential Investment Tax Credit and the introduction of new U.S. domestic-content and supply-chain requirements, installers across the country are positioned for a strong year ahead. Soligent is positioned to team with our installers to benefit from what we see as a new bounty. Industry data shows that solar remains one of the largest contributors to new electricity generation, providing a solid foundation for continued expansion. For many installers, this momentum reinforces long-term optimism even as policy frameworks evolve.

A major driver for the remainder of 2025 will be the final year of eligibility for the Section 25D residential tax credit. Homeowners seeking to qualify for the incentive have begun accelerating purchase and installation timelines, and that urgency is expected to elevate project volume through the end of 2025. At the same time, commercial developers can continue to access tax benefits through safe-harbor provisions by initiating procurement or construction steps before upcoming deadlines. This creates a pipeline likely to keep crews busy and equipment demand strong well into 2026. Making this pivot will ensure continued prosperity.

Another factor contributing to a positive outlook is the expected expansion of third-party ownership (TPO) in the residential market. Everything old is new again. As the ability for homeowners to directly claim the federal credit phases out, leases and power-purchase agreements are expected to grow. These models shift tax-credit eligibility from the homeowner to the system owner, creating new opportunities for installers that already work with — or are ready to adopt — TPO partners. Analysts anticipate that TPO adoption will increase significantly once the current incentives expire, offering installers a stable avenue for residential market continuity.

Domestic manufacturing and supply-chain restructuring are also reshaping the landscape in constructive ways. Although new foreign-entity restrictions and domestic-content rules introduce additional compliance requirements, they also reflect a broader national shift toward American-made solar components. For installers, this trend may reduce supply-chain volatility, shorten shipping timelines, and provide stronger marketing value as customers increasingly prioritize U.S.-sourced products. Companies that establish domestic procurement channels early may find themselves well-positioned as these requirements take effect.

The industry's transition is also prompting installers to broaden their service offerings. Commercial solar, community solar, and battery storage are seeing growing interest as businesses, utilities, and homeowners look for ways to reduce energy costs and increase resilience. Installers who expand into these markets can capture larger projects, diversify revenue streams, and reduce reliance on any single customer segment. Energy storage is expected to play a significant role in grid-stability initiatives, giving installers an additional growth area beyond traditional rooftop systems.

While the approaching policy changes pose challenges, they are manageable for those who

adapt early. Documentation requirements, supply-chain alignment, and new project structures present opportunities to strengthen operations, streamline procurement, and stand out in an increasingly competitive environment.

As the industry pauses during Thanksgiving to reflect on the year, we all have substantial reasons for optimism — and gratitude. Demand remains steady, long-term market fundamentals are strong, and new business models and technologies continue to emerge. Even as incentives change, the solar sector maintains momentum driven by customer interest, economic benefits, and technological progress. For installers, the year ahead represents not a downturn, but a turning point — one that offers significant opportunity for those prepared to navigate the transition.

Sources:

[Reuters](#)

[Greenlancer](#)

[Paradise Solar Energy](#)

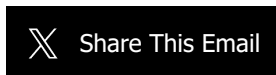
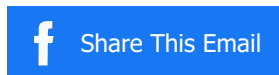
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