Why Long-Term Electricity Demand Still Favors The Solar Industry

Description

By James Schulze

This article discusses the current rise in demand for electricity and the factors contributing to this increase. It also makes the case for buying more opt-in solar leads and what contractors should consider when selecting the right lead provider to help them grow.

The solar industry has experienced a difficult few years. Solar has traditionally been the #1 vertical at The Leads Warehouse, with more solar leads coming through our internal lead generation engine than for any other vertical. In spite of changes like The One Big Beautiful Bill Act, solar lead generation remains very strong.

It is true that higher interest rates, changes to net metering programs, supply chain disruptions, and several high-profile company failures have created legitimate challenges throughout the market. Some solar companies have exited the industry. Others have consolidated or shifted their business models. Yet some things donâ??t change. Consumers still want lower electric bills, and they are increasingly concerned about grid reliability. That demand is likely to remain the foundation of the solar industry for years to come.

Electricity demand is rising

Americaâ??s electricity needs continue to grow. In fact, U.S. electricity demand is *surging*, ending a decade of stagnant growth. Overall demand will jump **25% to 50%** over the next 10 to 15 years, driven by AI data centers, manufacturing, and transportation. Meanwhile, residential demand will remain relatively flat in the near term, even as average electricity prices continue to rise.

Meeting that demand and stemming consumer cost will require an â??all of the aboveâ?• approach that includes natural gas, nuclear, battery storage, and renewable energy. Solar remains a key part of that mix.

Electricity costs continue to increase

Consumers donâ??t purchase solar panels because theyâ??re fascinated by photovoltaic technology. They purchase solar to reduce one of their largest monthly expenses. The surge in demand will increase consumer costs on their monthly electric bill. According to long-term projections by Energy Innovation, national average consumer electricity rates are expected to increase by 9% to 18% **by 2035.**

As electricity rates continue to rise across many parts of the country, homeowners naturally look for ways to lower long-term energy costs. That economic incentive isnâ??t disappearing.

Grid unreliability is coming to the fore as a key driver

American consumers are spoiled with refrigeration, television, and barista-quality home coffee makers. During the recent World Cup, Europeans marveled at the luxury of air conditioning. However, the U.S. electrical grid is facing a dual crisis: a historic surge in power demand coupled with an aging, increasingly fragile infrastructure. According to a Forbes analysis, the modern U.S. grid performs far worse than the grids of many other advanced economies. For perspective, the U.S. distribution system is roughly 55 times less reliable than Japanâ??s and over 20 times worse than Germanyâ??s.

With many modern solar systems coming equipped with battery backup systems, the incentive to â??go solarâ?• extends beyond simple cost savings. American consumers facing grid instability are looking to solar to keep their lights on.

Consumer interest remains strong

The strongest evidence of solar demand comes directly from consumers. A recent Gallup survey found that 66% of Americans believe the U.S. should place greater emphasis on solar energy, making it the most supported domestic energy source measured in the survey.

Separate research from the Smart Energy Consumer Collaborative tells a similar story. Nearly half of U.S. homeowners have already taken some action to explore solar, whether researching systems online or requesting a quote. The biggest motivation wasnâ??t environmental policy. It was saving money on electricity. That distinction matters. Consumers are motivated by economics. And consumers demand a reliable grid. Savings on electric bills plus almost guaranteed power is a winning proposition to the U.S. consumer.

The industry is evolving

The solar industry isnâ??t standing still. Companies continue adapting through:

- Battery storage
- Virtual power plant programs
- Improved financing options
- Better installation technology
- Higher efficiency panels
- Integrated home energy management

Markets evolve, and companies innovate. This is how competitive industries respond when consumer demand remains strong.

The free market finds solutions

Every industry experiences cycles. Mortgage. Automotive. Technology. Healthcare. Solar is no different.

A perfect example of a market that can fix itself was on display during the 2021 shipping crisis. Federal port regulations and labor shifts caused catastrophic maritime bottlenecks while consumer demand hit record highs. Bypassing the broken public system, major retailers like Walmart and Home Depot chartered private cargo ships and leased independent container yards. This entirely private capital investment circumvented the regulatory logjam, stabilized supply chains, and saved the retail economy without government intervention.

Watch for the solar industry to self-correct through the free market. As long as homeowners continue looking for ways to reduce electricity costs, businesses will continue developing products and services to meet that demand. Thatâ??s how markets work.

Why this is important for solar lead buyers

Consumer interest has never completely disappeared, and consumer sentiment in solar remains high. It is true that homeowners are asking more questions, comparing financing options, and evaluating battery storage. But consumers have not stopped looking to save money and maintain power to their home.

For solar companies, that means consistent lead generation remains one of the most important drivers of long-term growth. Understanding the combined consumer demand of both cost savings and reliability, solar salespeople can adjust their script to close deals in the new solar market. There is no reason to trim marketing and stop using solar leads; rather, adjust the script and close.

Why companies choose The Leads Warehouse

The Leads Warehouse provides solar lead solutions for installers, dealers, and marketing organizations nationwide. Whether youâ??re looking for aged solar leads, real-time solar leads, inbound solar calls, or customized lead generating programs, we help connect you with homeowners actively exploring solar solutions.

Conclusion

The solar industry has faced real challenges, and those challenges shouldnâ??t be ignored. But neither should the underlying fundamentals. Electricity demand is increasing. Energy costs remain a concern for homeowners. And consumer interest in solar continues to be strong. Markets change. Companies evolve. Technologies improve. When consumers continue looking for lower electricity costs, businesses will continue finding ways to meet that demand â?? and thatâ??s why the long-term outlook for solar remains compelling. Are you ready to talk about how you can grow your solar sales pipeline?

About the author

James Schulze is the President and CEO of The Leads Warehouse, a marketing data company with over 20 years of experience in bringing lead generation solutions to companies selling into the home, automotive, financial, insurance, health and life, and legal sectors. He works directly with clients to optimize conversion strategies and ROI across multiple verticals.

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If you are serious about improving your solar leads strategy, a strong mix of leads is important. Our team works with solar installers to maximize their ROI on solar sales leads. Call **1-800-884-8371** or visit The Leads Warehouse to get started.

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