

Commentary: Solar is powering the future as Washington subsidizes the past

Guest contributor - August 15, 2025



Credit: American Public Power Association via Unsplash

By Rob Kaercher

Imagine if Detroit had doubled down on horse-drawn carriages instead of embracing the automobile. What if, out of loyalty to farriers and coachbuilders, we halted innovation and dug in our heels? Had that happened, another city would have cemented its position as Motor City. It may sound ridiculous, but this same story is repeating itself in the solar industry. We have the technology of the future, it's benefiting Michiganders, and yet our federal government is digging in its heels and doubling down on longstanding fossil fuel industry subsidies and investments.



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Despite the federal pushback that aims to stall necessary progress, our team at Absolute Solar is building the future one solar system installation at a time. We're building a clean energy economy that's affordable, accessible, and rooted in American innovation. We've installed and overseen nearly 20 megawatts of solar development, employ 25 people, and design systems that boost property values and deliver savings for homeowners, farmers, businesses, and nonprofits alike. Our work addresses kitchen table issues like energy independence, job creation, grid reliability, and severe weather. We are building resilient communities and safeguarding natural resources for future generations.



Furthermore, solar systems produce their most power during peak demand, precisely when our electrical grids need it most. This helps flatten the demand curve, providing grid resilience and lowering demand-related rates for everyone.

Solar demand is booming. In fact, in 2024 solar and storage accounted for **84%** of all new electric generating capacity added to the grid. Despite this, the federal government is intentionally stalling our momentum. Just last month, the feds stripped funding for solar tax credits and a few days later they halted Rural Energy for America Program (REAP) grants. These were opportunities that directly brought down energy costs for consumers in rural communities, who often face the **highest energy bills**. They were popular programs. In fact, since 2014, Michigan was one of the top 10 states to receive REAP grants. They were also bipartisan. 75% of the grants were awarded to districts represented by Republicans.

Yet instead of evening the playing field, the government is picking winners and favoring an already entrenched, heavily subsidized fossil fuel industry. Temporary, and now rescinded, tax incentives for solar from the Inflation Reduction Act pale in comparison to the **\$10 billion-40 billion in annual subsidies** that the federal government has given to the oil and gas industry each year for decades. If renewable energy didn't make strong economic sense, the oil industry wouldn't be working so hard to stop it. But we won't stop.

We will continue to expand consumer choice, drive down electricity prices, create good paying jobs, grow energy independence, and help build the resilient grid needed for the future. We will continue to educate the public on solar and build strategic solar systems that put money back in the pockets of everyday people.

Rolling back solar incentives hits small business owners, farmers, and rural communities hardest. These are the same people often touted by politicians as "the backbone of America." Now they're being left behind, unable to pass down family farms or reduce energy bills because policymakers caved to pressure from the fossil fuel industry.

Taking away the tools that make solar accessible for all hurts working-class Americans. We're not asking for special treatment. We're asking for a level playing field. Just as Detroit put the world on wheels, America has the chance to lead the world in harnessing the sun.

Rob Kaercher is the CEO and Co-Founder of Absolute Solar and a Member of the Great Lakes Business Network.

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