Tesla’s SolarCity lost ground to Sunrun in 2018

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The first three quarters of 2018 show that Sunrun’s residential solar panel sales have outpaced SolarCity’s residential solar panel sales, according to data from analysis firm Wood Mackenzie. Though Tesla, the owner of SolarCity, has been losing ground in the solar panel market-share game for years now, Sunrun’s new upset shows just how far Tesla has pulled SolarCity back.

This appears to be at least partially by Tesla’s design: the company has repeatedly moved to scale back its solar panel business, ending door-to-door sales, closing a number of locations, and ending affiliate sales at establishments like Home Depot. As a result, SolarCity has gone from cornering 33.5 percent of the US’ residential solar panel market share to holding on to just 9.1 percent of the same market, according to Wood Mackenzie’s numbers.

This may be fine with Tesla. The company recently discounted its solar panels, and, in a recent interview with Bloomberg, Tesla Senior Vice President of Energy Sanjay Shah said that cutting marketing reduced the cost of Tesla’s systems by 10 to 15 percent.

Sunrun has pursued none of the same cutbacks that Tesla has

imposed on SolarCity. As a result, Sunrun's market share rose in the first three quarters of 2018 to 9.5 percent. The company said in its third quarter financial report that it "added 13,000 customers and 100 megawatts of deployments," which represents record volume for Sunrun.

The Wood Mackenzie numbers show that Sunrun installed 163 megawatts (MW) of residential solar panels in the first three quarters of 2018. SolarCity installed just 156 MW. An analyst said that, as SolarCity's sales have faltered, large regional solar installers have picked up the bulk of the slack.

Even if Tesla's SolarCity retreat is planned, the company has been slow to get its promised solar roof line up and running at its Buffalo, New York, Gigafactory. The company appears to be battling with assembly line issues in that factory, according to Reuters reports from August.

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