‘Smart’ PV Inverter Shipments to Grow to 27 GW by 2015

Wellingborough, UK – 26th July 2011: ‘Smart’ PV inverter shipments are forecast to grow to 27 GW in 2015, accounting for almost 60% of the market compared to just 20% in 2010 according to the latest report from IMS Research. This is being driven by utility concerns over grid imbalances, the growing proportion of PV connected to the grid, as well as the need for energy storage to take advantage of self-consumption tariffs and further incorporate PV into the ‘smart grid’.

According to the new report “The World Market for PV Inverters”, features such as reactive power, smart grid interaction and energy storage are transforming inverters from a simple power conversion unit into an essential component of grid infrastructure and will radically change the PV inverter market over the next five years. Tom Haddon a PV Research Analyst at IMS Research explains that “Utilities, especially in Europe, are increasingly pushing for inverters to assist in grid stabilization and conform to stricter technical requirements.” Because of this, IMS Research forecasts that smart inverters will account for 80% of the EMEA market in 2015. Haddon commented, “Despite this, most inverter shipments will still not be “fully smart” and will only have reactive power capabilities, rather than full smart grid interaction or energy storage.”

The research found that Germany is leading the integration of PV into the grid with the newly implemented Low and Medium Voltage Directives, and other European countries are likely to follow suit. Due to this, ‘standard’ inverters are forecast to fall to just 42% of global shipments by 2015 as the directives are fully enforced. “Reactive power is an essential feature for inverters to carry if PV is to be a substantial part of the energy mix to provide local grid control which is why the German authorities have acted first to implement such codes.” Haddon added.

Another new trend identified in the report is inverters incorporating energy storage and IMS Research forecasts that close to 5% of all PV inverters shipped in 2015 will be equipped with storage such as batteries to help power loads continuously throughout the day. However, in order for this to happen these products will have to quickly reduce in cost, and improve in efficiency and reliability before gaining widespread acceptance. “Demand for PV inverters with energy storage will most likely be driven by incentives favouring ‘self-consumption’; however, current solutions, relying on lithium ion batteries, are currently too expensive and need to be reduced considerably before they will be deployed more widely.” Haddon concluded.

The report from IMS Research shows a very positive long-term outlook for the PV inverter industry with ‘smart inverters’ forming the majority by 2014 and the more mature markets located in Europe providing the bulk of demand.

Detailed analysis of global PV inverter market is available from IMS Research’s 4th edition of The World Market for Photovoltaic Inverters which covers more than 100 suppliers and features 50,000 data points on the industry.

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