

The Real Costs of Fossil Fuels and Renewable Energy Sources

Often, the argument against the adoption of renewable energy as opposed to fossil fuels is made on the assumption and misconception that it 'costs' more to the average household by increasing electricity prices. As the Guardian Australia writer Alexander White pointed out in his article [1] "5 reasons for the new senate to keep the carbon price" while Renewable Energy sources do have an upfront installation cost which may appear costly, ultimately though once the fixed installation costs have been accounted for, electricity prices are pushed to virtually zero. Contrast this with fossil fuels and the amount of investment required for engineering and drilling, before then paying for transportation costs and then needing to refine coal or gas. This also does not include the maintenance fees of old facilities. As more and more companies begin to take into account the monetary costs of carbon emissions [1] (which comes in the form of negative externalities to society) when conducting strategic planning, there is growing recognition that the costs of using fossil fuels are much larger than they seem.

[1] Guardian Australia

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