

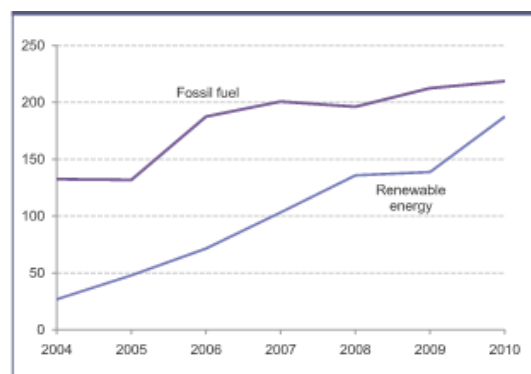
Investments levels in renewables versus fossil fuel energy

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Many renewable sources produce intermittent rather than base load power. To make a comparison, the capacity factors must therefore be taken into account. Wind farms have a capacity factor of 20-35% and solar PV parks 15-25% compared to large hydropower, coal and gas-fired plants which have almost 100% availability.

A lot of the investments in fossil fuel plants go to replacement and upgrading of older out dated plants. Based on added (net) energy capacity investments in renewable investments (except hydropower) exceeded the investments in fossil fuel plants in 2008, 2009 and 2010. Including hydropower the investments in renewables also exceed gross investments in fossil fuel plants (Bloomberg).

Compared to the total investments in fossil energy, like upstream oil and gas (\$470 BN/2010 IEA figures), investment in coal mines, conventional gas reserves and shale gas, it is estimated that renewables makes up 1/6th of all investments in energy in 2010. (\$ 1.2 trillion in 2010 IMF World Economic Outlook 2011).



Fossil Fuel investment is calculated from EIA & IEA data. Clean energy investment includes asset finance and small scale projects, but excludes large hydro.

Source: EIA, IEA, Bloomberg New Energy Finance

Figure 1: Investment in clean energy (ex. Hydro) versus conventional capacity 2004 -2010, \$BN