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Production Cost Of Renewable Energy Now 'Lower' Than Fossil Fuels



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I cover commodities, mostly oil & gas, often debunking risk premiums. [FULL BIO](#) ✓

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For the first time in history, the production cost of renewables is lower than that of fossil fuels, an industry asset manager has claimed.

In a recent note to its clients, Hamburg, Germany-based Kaiserwetter Energy Asset Management, wrote that its "internal analysis" – based on data from Bloomberg, The Frankfurt School, Renewable Cost Database of the International Agency for Renewable Energy (IRENA) and UN Environment – puts fossil fuels generated energy costs in the range of \$49 and \$174 per MWh (Megawatt hours) in G20 energy markets in 2017.

Over a comparable period, renewable energy production came in between \$35 and \$54 per MWh. Breaking the data down further, Kaiserwetter said the international average cost for hydroelectric projects were more than \$50 per MWh, wind power was \$51 per MWh, and photovoltaic solar energy was \$54 per MWh on average.