



# Study: Solar And Wind Generation Makes Electricity More Expensive

The renewable industry will howl and whine about this authoritative study from the University of Chicago, but the facts are in: Renewables drive energy costs UP, not down as claimed. □ TN Editor

Solar panels and wind turbines are making electricity significantly more expensive, a major new study by a team of economists from the University of Chicago [finds](#).

Renewable Portfolio Standards (RPS) “significantly increase average retail electricity prices, with prices increasing by 11% (1.3 cents per kWh) seven years after the policy’s passage into law and 17% (2 cents per kWh) twelve years afterward,” the economists write.

The study, which has yet to go through peer-review, was done by Michael Greenstone, Richard McDowell, and Ishan Nath. It compared states with and without an RPS. It did so using what the economists say

is “the most comprehensive state-level dataset ever compiled” which covered 1990 to 2015.

The cost to consumers has been staggeringly high: “All in all, seven years after passage, consumers in the 29 states had paid \$125.2 billion more for electricity than they would have in the absence of the policy,” they write.

Last year, I was the first journalist to report that solar and wind are [making electricity more expensive](#) in the United States — and [for inherently physical reasons](#).

Solar and wind require that natural gas plants, hydro-electric dams, batteries or some other form of reliable power be ready at a moment’s notice to start churning out electricity when the wind stops blowing and the sun stops shining, I noted.

And unreliability requires solar- and/or wind-heavy places like Germany, California, and Denmark to *pay* neighboring nations or states to take their solar and wind energy when they are producing too much of it.

My reporting was criticized — [sort of](#) — by those who claimed I hadn’t separated correlation from causation, but the new study by a top-notch team of economists, including an advisor to Barack Obama, proves I was right.

Previous studies were misleading, the economists note, because they didn’t “incorporate three key costs,” which are the unreliability of renewables, the large amounts of land they require, and the displacement of cheaper “baseload” energy sources like nuclear plants.

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