Solar Energy and Environmental Sustainability: Cost Benefit Analysis and Ecological Impact Assessment

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Abstract. Energy is one of the most significant research topics in today’s world. Solar energy, as a sustainable renewable energy source, has always been at the forefront of development and application, but it's still facing challenges. This paper researches the sustainability of solar energy technology through three assessment methods, including its lifecycle, the environmental and economic impact, and analyzes and proposes optimization suggestions for the special situation of the Chinese. Studies have indicated that solar energy technology has shown positive influences in both aspects of economy and ecology, and has immeasurable value in achieving global energy transformation and environmental protection. However, at the same time, in the future, promoting conversion efficiency and reducing the costs of installation and maintenance are the key breakthroughs needed for further development and application of solar energy technology. With these efforts, solar energy will play a more significant role in the global energy structure and make a greater contribution to achieving carbon neutrality goals.

Keywords: Lifecycle; environmental externality; solar energy technology; sustainable development.

1. Introduction

During a critical period of responding to the global energy crisis and environmental challenges, solar energy technology has become at the forefront of alternative energy due to its sustainability [1].

This paper aims to assess the lifecycle cost and environmental externalities of solar energy technology and to explore its development potential and challenges in China. Through comprehensively analyzing the economic and ecological benefits, this report not only illustrates the practical application value of solar energy technology but also provides a reference basis for future policy formulation and technological progress. On this basis, we discuss how to promote the wider application and sustainable development of this technology.

With the transformation of the global energy structure, solar energy as a clean and renewable energy source, plays an increasingly significant role in replacing traditional fossil fuels [2]. However, it is a complicated process to conduct a comprehensive assessment of solar energy technology, so that is necessary not only to consider its economic costs but also to measure its environmental externalities. Especially in China, the rapid development and application of solar energy technology have brought remarkable ecological and social benefits, but at the same time, there are the double challenges of technology and economy [3].

This paper aims to evaluate the lifecycle costs and environmental externalities of solar energy technology, emphasizing the environmental and economic impacts throughout the entire cycle from raw material procurement to waste disposal [4]. Through the comprehensive utilization of lifecycle assessment and environmental impact evaluation method, we will explore the sustainability of solar energy technology and propose optimization strategies for China’s specific situation. The research results will provide a theoretical basis and policy guidance for promoting the healthy development of solar energy technology in China and even globally.
This research adopts several methods to evaluate the lifecycle costs and environmental externalities of solar energy technology:

Life Cycle Assessment Method (LCA): Analyze the environmental impacts of solar energy technology throughout the entire cycle from raw material extraction to waste disposal and quantify the consumption of the resources and energy at each phase.

Environment Impact Assessment Method (EIA): Evaluate the direct and indirect impacts on the environment during the implementation of specific solar energy technology, predict potential negative effects, and propose mitigating measures.

Economic Assessment Method: Monetizing estimates of environmental externalities and incorporating the environmental costs into the total costs of solar energy technology to ensure that economic decisions consider environmental factors.

The comprehensive application of these three methods aims to gain a deeper understanding of the performances in the aspects of economy and environment, to support more scientific policy-making and technological optimization.

2. Economic and Environmental Impacts of Solar Energy Development

The advancement of energy technology has not just made it easier to change our energy system, but it has also had a big impact on the economy and the environment. From a standpoint, solar energy being a renewable source helps decrease our dependence on fossil fuels. Since solar energy doesn't produce any greenhouse gas emissions its use can greatly reduce our reliance, on fuels and effectively lower greenhouse gas emissions [5]. In the efforts to combat climate change, the extensive use of energy will be crucial. It will help us achieve our emission reduction goals and mitigate the impacts of warming. Additionally, solar technology has the added benefit of reducing energy expenses. Compared to energy sources solar power is more affordable lasts longer and requires maintenance [6]. As technology continues to advance solar energy is becoming increasingly efficient effectively meeting the needs of people. Although the initial investment may be substantial the benefits of energy gradually become apparent over time. Moreover, the development of technology opens up job opportunities. Within the sectors of the solar photovoltaic industry, numerous emerging industries will emerge. These encompass everything from producing cells and components to researching, developing, and manufacturing associated equipment and materials. Additionally, there is a demand, for professionals and technical support in areas such as constructing and maintaining power stations. This paves the way for employment prospects, for individuals and seasoned professionals alike. From a standpoint harnessing technology can significantly reduce greenhouse gas emissions and air pollutants—playing a pivotal role in combatting climate change [6]. However, the production and installation processes of solar energy also have certain environmental impacts that need to be considered.

![Comparison of Real and Forecasted Sunny Hours in Jiangxi (Hours)](image)

**Figure 1.** Comparison of Real and Forecasted Sunny Hours in Jiangxi (Hours)
Comparison chart of actual and predicted sunshine hours for solar energy systems: This chart shows the actual sunshine hours per month in Jiangxi Province compared to the predicted sunshine hours. It can be seen that the predicted sunshine hours have decreased in most months.

Figure 2. Comparison of Real and Predicted Solar Radiation in Jan and Feb

Comparison chart of actual and predicted solar radiation for solar energy systems: This chart shows the solar radiation values for January and February, including both actual and predicted values. The predicted values indicate an increase in solar radiation in the future.


The development and functioning of energy systems have both indirect effects, on ecosystems. To begin with, one of the concerns is land utilization, in environmentally vulnerable regions where solar projects are undertaken. Generating power necessitates the use of land resources and the establishment of large-scale solar power stations can consume significant areas of land. Constructing stations has the potential to alter land usage patterns converting agricultural or forestry land into industrialized zones [7]. This may have certain impacts on the local ecological environment and economic development [8]. Additionally, water resource management for solar power stations also needs attention, especially in arid regions [9]. When building and running power stations it's important to be mindful of water usage. This includes the need, for water in cleaning panels and operating cooling systems. To protect our water resources during the construction and operation of these stations we must take measures to prevent pollution and damage to water sources. For example, treating wastewater before releasing it can help prevent impacts, on aquatic environments. It's equally crucial to prioritize biodiversity protection. To achieve this solar power station projects should carefully choose locations that won't harm the ecological balance. Avoiding reserves vulnerable areas and other sensitive regions can minimize disturbances to the surrounding ecosystems [10]. Furthermore, it is crucial to implement measures, throughout the construction and operation of power stations to minimize their effect on biodiversity. Firstly, during the construction phase, it is essential to prioritize protection by incorporating practices like vegetation restoration and soil conservation. This will help in minimizing any harm caused to the ecosystem. Additionally, while operating power stations it is important to adopt strategies that reduce impacts on birds, insects, and other wildlife. This can be achieved through optimization and noise reduction techniques. To ensure an evaluation of impact a thorough assessment should be conducted by local environmental protection guidelines. It is imperative that project planning avoids any disruption to habitats of flora and fauna those housing rare or endangered species. Employing eco-design and construction methods becomes vital in this regard as well. Simultaneously solar projects should take into consideration the concerns and preferences of communities by collaborating with them. By doing we can ensure that these projects
successfully achieve economic objectives while also respecting local cultural values and ecological preservation. Adopting such an approach will enable projects to have a long-term impact, on both the surrounding ecosystems and communities involved – thereby promoting genuine sustainable development.

4. **Lifecycle Cost and Environmental Externality Assessment of Solar Energy Technology**

Solar power, being a sustainable energy source requires the consideration of factors to determine its viability. One crucial aspect is the analysis of its lifecycle cost and environmental impacts. This evaluation involves not the investment but also takes into account the expenses associated with operation, maintenance, and eventual disposal [11]. The production of components, for energy demands a significant amount of energy and resources. Additionally, the expenses related to their extraction and manufacturing are substantial. Furthermore, the upkeep of the equipment used in their operation contributes to the cost of energy, over its lifespan. It is vital to invest in maintenance and recycling efforts as discarded solar panels hold resources that can be recovered and utilized effectively [12]. Simultaneously when solar panels are discarded, they have the potential to release substances, like metals due to leaching effects caused by rainwater. This makes recycling and utilizing abandoned energy equipment, including panels, crucial from both economic and environmental standpoints. The variability of sunlight and the absence of energy storage technology pose challenges when it comes to integrating photovoltaic power stations into the grid. This can impact the capacity utilization of stations leading to a decrease in the return on investment for energy. Environmental externalities encompass the impact of technology on ecosystems, such as its influence, on greenhouse gas emissions, water resource utilization, and land use [13]. During the construction of solar photovoltaic power stations various activities, like cable burial and road development can impact the landscape and plant life resulting in increased air pollution [14]. Additionally, the shadows cast by the panel arrays during operation can affect the surrounding environment’s ability to support plant growth. In seasons rainwater runoff, from the panels can cause soil erosion. When advocating for and implementing technology it is crucial to consider its effects and take appropriate measures to minimize any negative impacts ensuring sustainable development. A thorough analysis of these factors aids in an understanding of the significance and value of technology and its application.

5. **Application and Challenges of Solar Energy Technology in China**

China has emerged as one of the leading players, in the energy market showcasing remarkable progress and ingenuity in the implementation of solar technology. The government’s unwavering support and generous subsidies have played a role, in fostering the rapid advancement of this industry [15]. However, the challenges faced include cost control, technological innovation, and integration with the electrical grid. [16]. The Polysilicon technology, which plays a role in the process of generating solar photovoltaic power is not yet fully developed in China. As a result, its production has not seen growth. This not only leads to energy consumption during the manufacturing process of polysilicon but also causes some environmental pollution.

Secondly, China's photovoltaic industry is currently facing issues with supply exceeding demand. This situation hinders its healthy development. Moreover, China still lags in terms of applying and developing energy storage technology. The efficiency of converting radiation into energy through photovoltaic cells has room, for improvement.

Furthermore, utilizing radiation as a heat source presents challenges when it comes to effectively utilizing the generated thermal energy for tasks like photovoltaic power generation cooling and heating. Integrating energy with emerging technologies such, as hydroelectric power also poses certain difficulties [16]. In the future, China needs to continue optimizing its solar energy policies to promote technological advancement and industrial upgrading.
The change in solar power potential from 146.1 PWh in 2020 to 150.1 PWh in 2060. This chart provides a clear visual representation, showing the growth of China's solar energy potential over these 40 years.

6. Conclusion

Solar energy, as a clean and renewable energy, is of great significance in promoting environmental sustainability and addressing climate change. Through in-depth analysis of the lifecycle cost and environmental externalities of solar technology, we can more comprehensively understand its economic and environmental impacts. In China, the application of solar energy technology has shown enormous potential, but at the same time, it also faces a series of challenges. In the future, the lasting policy support and technological innovation will be the key to promoting the wider application of solar energy. Overall, the sustainable development of solar energy technology has immeasurable value for achieving global energy transformation and environmental protection.

Studies have indicated that solar energy technology has shown positive impacts in both economy and ecology. With the maturity of technology and the emergence of economic scale effect, solar energy technology has been one of the most momentous parts of sustainable developments. However, promoting the efficiency and reducing the costs are still the primary drive of the industrial development. In China, the progress of solar energy technology is particularly significant, but there are issues of technical bottlenecks and policy support that still need to be addressed.

In the future, the solar energy technology should focus on promoting conversion efficiency and reducing the costs of installment and maintenance. Policymakers need to strengthen their support for solar energy projects, especially in terms of technological innovation and international collaboration. With the implementation of these efforts, it is expected that solar energy technology will occupy a more momentous position and make a greater contribution to achieving carbon neutrality goals.

Authors Contribution

All the authors contributed equally, and their names were listed in alphabetical order.

References


