Q. In general, do facilities that are built to provide energy (i.e., baseload plants)
or facilities that are built to serve demand consume more capital resources?
Which type of facility generally consumes more natural resources?

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A.

Facilities that are built to provide energy, i.e., base load plants, are generally more costly per unit of capacity (\$/kW) than generating facilities that are built to primarily provide additional capacity for a relatively short duration. Natural resources used to produce energy in facilities that are built to serve demand are generally more costly per unit of energy produced (\$/kWh), but consume less due to their high cost. Therefore, baseload thermal plants generally consume more natural resources than a plant built for capacity.