

# Promoting cooperation for a sustainable energy future in the Americas



# Understanding the Water - Energy Nexus

#### Interdependence + Mutual Reliance

Water for Energy

#### **Energy for Water**

- l. Production
- 2. Distribution
- 3. Consumption

- 1. Extraction
- 2. Treatment
- 3. Distribution



### Water for Energy



**Energy for Water** 

# Water for Energy

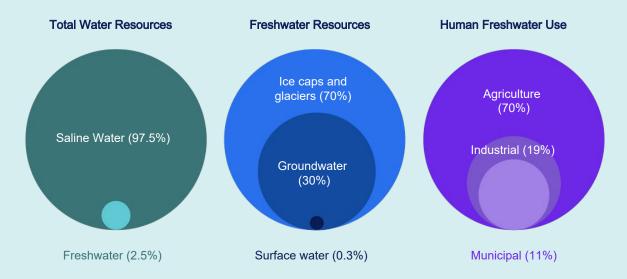
Primary Energy	Uses
Oil & Gas	Drilling, well completion and hydraulic fracturing. Injection into the reservoir in secondary and enhanced oil recovery. Oil sands mining and in -situ recovery. Upgrading and refining into products.
Coal	Cutting and dust suppression in mining and hauling. Washing to improve coal quality. Re-vegetation of surface mines. Long-distance transport via coal slurry.
Biofuels	Irrigation for feedstock crop growth. Wet milling, washing and cooling in the fuel conversion process.

# Water for Energy

Electricity	Uses			
Thermal (fossil fuel, nuclear and bioenergy)	Boiler feed, i.e. the water used to generate steam or hot water. Cooling for steam -condensing. Pollutant scrubbing using emissions control equipment.			
Concentrating solar power and geothermal	System fluids or boiler feed, i.e. the water used to generate steam or hot water. Cooling for steam -condensing.			
Hydropower	Storage in a reservoir (for operating hydro -electric dams or energy storage).			

Energy and Climate Partnership of the Americas

# Scarcity



Source: Shiklomanov (1993); UN FAO Aquastat dataset.



### **Rising Demand**

- Population growth
- Improved standards of living
- Scarcer freshwater supplies near population
- Climate change
- 15% of global water withdrawals are linked to energy (Agriculture: 70%) (IEA, 2010)



### Energy transition alleviates pressure on water resources

#### People with no access to

Electricity	750	million (IEA, 2022)	I	9.5% of the world population
Water	2 bi	llion (UN, 2023)	I	25% of the world population

#### Water for energy (extraction/processing)

Petroleum - based fuels	I	7-15 liters per liter of fuel
Natural gas	]	20-50 liters per BOE



# Energy transition alleviates pressure on water resources

PROs

- Reduced water withdrawal
- Lower water pollution
- Decreased competition for water
- Climate change mitigation
- Energy for water treatment

CONs

- Hydropower
- Bioenergy

OVERALL IMPACT on H2O: Dependent on careful planning and management



# Financing

- High Initial Investment Costs
- Complex Funding Structures
- Return on Investment Uncertainty
- Lack of Dedicated Funding Sources
- Policy and Regulatory Barriers



Cross - Sectoral Cooperation

- Pooling Resources for Greater Impact
- Shared Benefits and Risk Mitigation
- Innovative Financing Models
- Policy Alignment and Advocacy
- Leveraging International Funding and Support



### Moving Forward

- Cross-sectoral partnerships
- Nexus-guided R&D and decision -making
- Integrated water and energy data and models
- Maximize new infrastructure and existing resources through synergies
- Prioritize RE investments based on projected water availability and migration patterns
- New financing instruments
- Policy integration and harmonization
- Education and awareness

# Thank you.

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