

Resolution Regarding the Water-Energy Nexus

WHEREAS, The water-energy nexus describes a close relationship between two critically important sectors of the economy; *and*

WHEREAS, Today's energy extraction and electricity production processes require a tremendous amount of water; *and*

WHEREAS, The treatment and delivery of water and wastewater services requires a significant amount of energy, representing about four percent of all U.S. energy consumption each year, a share that could rise significantly as a result of the antiquated and inefficient nature of U.S. water and wastewater infrastructure, as evaluated by the American Society of Civil Engineers in its 2013 Report Card on U.S. Infrastructure; *and*

WHEREAS, Numerous research and government organizations, including the U.S. Department of Energy, have highlighted a range of opportunities for companies, including regulated utilities in both sectors to work together and with regulatory counterparts at the State and federal levels to provide efficiencies in water and energy usage in their respective industries; *and*

WHEREAS, Many newer thermoelectric power plants use significantly less water as a result of cooling processes that reuse water and other alternative methods; *and*

WHEREAS, Many energy production States are innovating and adopting new environmental quality standards that are aimed at promoting efficient water usage; *and*

WHEREAS, State regulatory commissions are encouraging that water used in the energy production process be recycled rather than disposed of; *and*

WHEREAS, Efforts by water utilities to enhance efficiency by replacing outdated water pumps, integrating "smart" information and communication technologies to identify leaks in real time and streamline other processes, and using a greater share of alternative energy to fuel operations, among other initiatives, have already yielded measurable reductions in the amount of energy used to deliver water and wastewater services; *and*

WHEREAS, The EPA is currently considering rules to reduce emissions of carbon dioxide from existing stationary sources throughout the country; *and*

WHEREAS, A provision of the EPA's proposed rules would provide States with considerable latitude to design programs to meet federally-mandated targets for cutting Statewide emissions; *and*

WHEREAS, States possess many of the tools needed to implement policies, programs, and incentives, to fully employ the water-energy nexus for the purposes of enhancing energy efficiency efforts that could also yield more reliable service, stable rates for consumers, and lower carbon emissions for States and the country as a whole; *and*

WHEREAS, A growing number of State regulatory commissions, environmental agencies, and legislatures are actively exploring opportunities for harnessing the water-energy nexus for these purposes; *and*

WHEREAS, As an example of its support of State commissions to appropriately regulate issues related to the water-energy nexus, in July 2009, the NARUC Board of Directors passed a resolution “Supporting State Regulation of Hydraulic Fracturing;” *now, therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners, convened at its 126th Annual Meeting in San Francisco, California, urges States, working with the appropriate federal authorities, to proactively explore the water-energy nexus and pursue regulatory reforms that might be needed to unlock further progress toward enhanced water and energy efficiency, recognizing and reiterating that States are well suited to effectively regulate their natural resources; *and be it further*

RESOLVED, That, as the EPA moves forward with its proposed rules for reducing carbon emissions from existing stationary sources, NARUC recommends that States be provided maximum flexibility to support energy efficiency measures stemming from the water-energy nexus and to incorporate those efforts, and their positive impacts on the environment, into any compliance plan that might emerge.

*Sponsored by the Committees on Energy Resources and the Environment, Gas, and Water
Recommended by the NARUC Board of Directors November 18, 2014
Adopted by the NARUC Committee of the Whole November 19, 2014*