## Climate resilience and hydropower Practical Experience from EBRD



Dr Craig Davies
Senior Manager – Climate Change Adaptation
European Bank for Reconstruction & Development

IEA 5<sup>th</sup> Forum on the Climate-Energy Security Nexus Paris, Tuesday 4<sup>th</sup> November 2014

## Hydropower is a major source of clean energy in the EBRD region



- Some EBRD
   countries derive
   more than 95% of
   their electricity from
   hydropower:
  - Albania
  - Georgia
  - Kyrgyz Republic
  - Tajikistan

## But hydropower is very sensitive to climatic variability and climate change

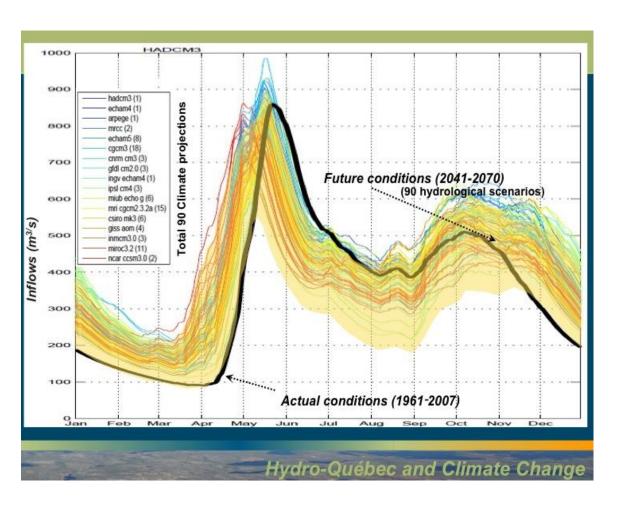
Especially in the climate vulnerable countries of

Central Asia

Glacial
 hydrology is
 highly sensitive
 to climatic
 variability and
 change



## Hydropower operators around the world are concerned about climate change



Research by Hydro Quebec indicates that climate change will have significant impacts on flows through HPPs:

- Earlier spring snowmelt
- Reduced summer flows
- Increased winter flows

All of which has serious implications for:

- Power generation capacity
- Management of peak supply and peak demand
- Dam safety and extreme events

#### Kairakkum HPP (Tajikistan): putting theory into practice

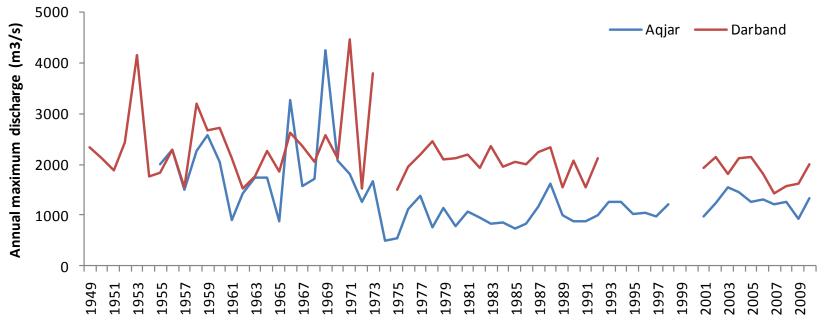


#### Data assembly and trend analysis



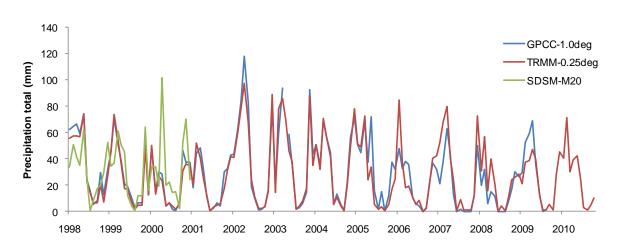


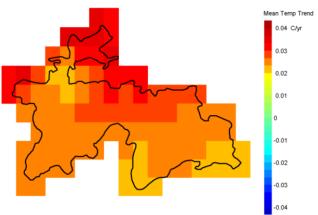


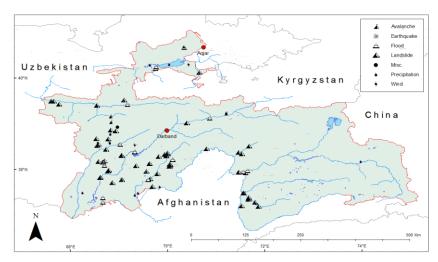


#### **Example data sources**





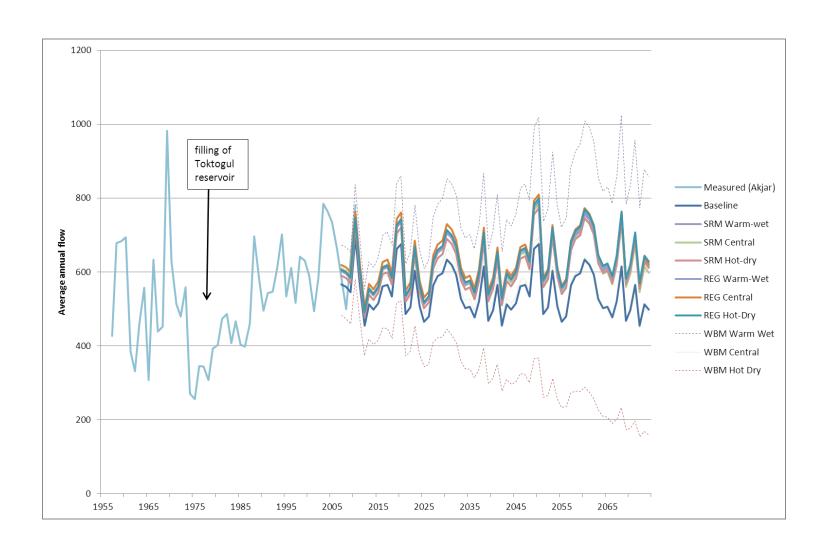




#### Climate change marker scenarios

Marker scenario		2050s		2080s	
		ΔΤ	ΔΡ	ΔΤ	ΔΡ
Hot-dry	Driest and most rapid warming member(s)	+4° C	-10%	+6° C	-15%
Central	Ensemble mean precipitation and temperature change	+3° C	+5%	+4° C	+5%
Warm-wet	Wettest and least rapid warming member(s)	+1.5° C	+20%	+2° C	+30%

#### Measured/simulated inflows 1957 to 2074



#### Modelled energy generation 2015 - 2050



Basis of economic projections were the scenarios of electricity production

## Economic analysis of upgrade options taking into account climate change scenarios

Net present value (€ million)

HydroScenario		Alternative			
		6 N - 170 MW	7 N - 210 MW	4 N 2 O - 150 MW	
Regression	central	177	143	177	
Model REG	hot-dry	171	137	171	
	warm-wet	171	137	171	
Snowmelt	central	170	136	169	
Runoff	hot-dry	163	129	165	
Model SRM	warm-wet	168	134	168	
Watershed	central	157	122	161	
Bal. Model	hot-dry	83	48	93	
WBM	warm-wet	212	183	199	

Hyd			Alternative	
Scena	ario	6 N - 170 MW	7 N - 210 MW	4 N 2 O - 150 MW
Regression	central	0.0	-33.7	-0.3
Model REG	hot-dry	0.0	-34.1	-0.2
Model REG				
	warm-wet	-0.4	-34.5	0.0
Snowmelt	central	0.0	-34.1	-0.6
<b>Runoff Model</b>	hot-dry	-2.2	-36.5	0.0
SRM	warm-wet	-0.5	-34.7	0.0
Watershed	central	-4.0	-38.6	0.0
Bal. Model	hot-dry	-10.9	-45.5	0.0
WBM	warm-wet	0.0	-29.1	-12.5
Minimum				
Regi	et	-10.9	-45.5	-12.5

Use of min-max analysis to identify the turbine upgrade that gives the best economic performance across the entire range of projected climate change scenarios

# Institutional capacity building is also essential for embedding climate resilience into hydropower management

- Strengthen capabilities on data management and record keeping
- Build long-term collaborative links with international partners in research, engineering and academia around specific PPCR tasks
- Run technical workshops on climate diagnostics, climate risk assessment, and seasonal forecasting with accredited institutions to encourage professional development
- Study tour to hydropower facilities in an OECD country in order to gain first-hand experience of best practice in managing climate risks to hydropower operations
- Build capacity to develop and apply modifications to dam operating rules based on improved hydro-meteorological forecasts in order to optimise dam safety and maximise energy productivity

## Financing package: collaboration between EBRD, Climate Investment Funds (CIF) and donors

Preparatory phase: climate change and hydrological modelling (2010 – 2012)

 Funded by \$300K grant from CIF Pilot Programme for Climate Resilience

### Implementation phase: investment design & implementation (2012 onwards)

- Feasibility Study
  - Funded by €800K grant (Austria)
- Implementation to be financed by EBRD and PPCR
  - USD 50 million loan (EBRD)
  - USD 4 million technical cooperation grant (EBRD, UK DFID)
  - USD 11 million grant and USD 10 million concessional finance (PPCR)