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ENERGY STORAGE: A FUNDAMENTAL ELEMENT IN THE ENERGY TRANSITION OF LATIN AMERICA AND THE CARIBBEAN



EDITORIAL

Latin America and the Caribbean are undergoing a rapid transformation of their electricity matrix, driven by the massive integration of non-conventional renewable sources, mainly wind and solar. These resources are abundant and competitive, offering extraordinary energy potential for the region; however, their variable and climate-dependent nature poses significant challenges to ensuring a stable and reliable supply.

In this context, energy storage emerges as a key tool to facilitate this energy transition. It not only serves as technical backup against the inherent fluctuations of renewable energies but also optimizes their use, enhances the resilience of the electrical system, and strengthens energy security.

Today, Latin America and the Caribbean have an installed capacity of approximately 2.5 GW; this includes 1.5 GW from BESS (Battery Energy Storage Systems) and 1 GW attributable to pumped hydro storage. BESS systems stand out for their modularity, operational flexibility, and rapid cost reduction. On the other hand, while pumped hydro is highly efficient, it faces limitations related to specific geographical requirements as well as high upfront costs.

Chile, Brazil, and Mexico, along with other countries in the region, are leading the adoption of these solutions thanks to policies and regulatory frameworks that create favorable conditions for their development; meanwhile, other countries in the region face regulatory and financial barriers that prevent greater penetration of this technology. To overcome these obstacles, it will be necessary to establish clear guidelines that strategically value the essential role of storage in power systems, as well as develop innovative financial mechanisms, strengthen local capacities, establish public-private partnerships, and promote distributed solutions and microgrids, especially in rural and island areas.

Given the diversity among regional electricity systems, it is essential to conduct technical and economic studies that accurately determine each country's requirements on issues related to storage. Beyond its purely operational role, energy storage should be conceived as a fundamental pillar for a sustainable and secure transition, ensuring better use of the resources available in Latin America and the Caribbean; representing it as a crucial investment to consolidate a clean, stable, and sustainable future in the energy system.

LATIN AMERICA AND THE CARIBBEAN STRENGTHENS ITS CLIMATE AGENDA WITH A METHANE-FOCUSED REGIONAL SUMMIT IN PERU



The city of Lima hosted the Second Regional Methane Summit of Latin America and the Caribbean on July 23 and 24. This event became a landmark on the regional climate calendar, bringing together high-level ministerial authorities, energy sector representatives, multilateral organizations, and international experts to discuss concrete solutions for reducing methane emissions one of the most potent greenhouse gases.

The summit was organized by the Latin American Energy Organization (OLADE), the Development Bank of Latin America and the Caribbean (CAF), the Global Methane Hub (GMH), the Ministry of Energy and Mines of Peru, and the International Energy Agency (IEA).

During the opening session, Peru's Vice Minister of Mines, Iris Cárdenas, emphasized that one ton of methane has the climate impact equivalent to 18 tons of CO₂. Controlling these emissions, she stated, is a cost-effective strategy for meeting the goals of the Paris Agreement, protecting public health, and fostering a low-emission economy. She also reaffirmed Peru's commitment to developing natural gas as a transitional energy source.

Marcelo Mena, Executive Director of the GMH, highlighted that Latin America and the Caribbean lead the world in renewable energy penetration and have a growing number of companies committed to methane measurement and reduction. He warned that climate change increases global economic risks: "As temperatures rise, the world becomes less insurable."

Santiago Rojas, CAF's Regional Manager, praised the establishment of the Methane Emissions Observatory as a key tool to help consolidate regional commitments to emissions reduction.

Andrés Rebolledo, Executive Secretary of OLADE, noted that although Latin America accounts for only 5% of global natural gas production, the region is responsible for 30% of energy-related methane emissions from oil and gas. He emphasized the strategic role of natural gas and the importance of advancing energy integration through existing infrastructure, such as the 70,000 kilometers of regional gas pipelines.

The summit featured 11 thematic panels, with over 40 speakers and representatives from 22 countries. Discussions included financing mechanisms for methane mitigation, the development of biomethane as a decarbonization alternative, regulatory frameworks, and the current status of NDCs within the context of climate negotiations.

Successful case studies from companies, governments, and public-private partnerships were also shared, focusing on technologies and policies for the measurement, reporting, and verification of emissions.

At the closing session, Gastón Siroit, Director of the Latin American and Caribbean Energy Observatory (OEMLAC), called for greater collaboration among governments, parliaments, academia, multilateral organizations, and the private sector: "Collective commitment was key to the success of this summit. We must keep these shared efforts alive and continue driving an agenda that links regulation, financing, data, and technological innovation as pillars of sustainable development."

With the conclusion of this summit, the region moves forward with greater strength toward a coordinated climate action strategy, with methane mitigation as a strategic lever to accelerate the energy transition and strengthen regional resilience.

OLADE PROMOTES REGIONAL ENERGY INTEGRATION AT THE VII CELAC MINISTERIAL MEETING ON ENERGY



The Latin American Energy Organization (OLADE) participated in the VII Meeting of Ministers of Energy of the Community of Latin American and Caribbean States (CELAC), held in Bogotá, Colombia. The event brought together energy authorities from across the continent to strengthen regional consensus around a fair and sustainable energy transition.

During the meeting, OLADE's Executive Secretary, Andrés Rebolledo, emphasized that the energy transition in Latin America and the Caribbean must be built collectively through regional cooperation, technical dialogue, political will, and recognition of the diversity of energy matrices and national contexts.

"Latin America and the Caribbean is a privileged region with vast energy resources, but also with great diversity. That is why at OLADE we speak of energy transitions in plural," Rebolledo stated.

He highlighted that 70% of the region's electricity already comes from clean sources, yet there remains significant untapped potential: only 10% of wind resources, 30% of hydropower, and just 2% of solar and geothermal potential have been utilized. In addition, the region contributes 27% of global biofuel production, 5% of natural gas, and 10% of oil.

In his remarks, Rebolledo stressed that the key challenge is to transform this energy wealth into social inclusion, job creation, economic development, and climate resilience, through the design of sound public policies, stable regulatory frameworks, sustained investment, a balanced public-private approach, the inclusion of women and youth, and a more coordinated regional energy governance.

He also reaffirmed the importance of maintaining technical and political continuity within CELAC, acknowledging the progress made during Honduras' Pro Tempore Presidency, and highlighted that this VII Meeting is a valuable opportunity to consolidate a shared vision for the region's energy future.

"The energy transition is no longer just an aspiration it has become an urgent necessity," he stated.

Meanwhile, Colombia's Minister of Mines and Energy, Edwin Palma, reiterated his country's commitment to transforming the energy sector, highlighting initiatives such as the "Colombia Solar" program, which will allocate USD 250 million in 2026 to provide photovoltaic solutions to vulnerable households.

The meeting was organized by Colombia's Ministry of Mines and Energy, in its capacity as Pro Tempore Presidency of CELAC, with the technical support of OLADE as CELAC's Energy Executive Secretariat. One of the main outcomes was the consensus on the need to accelerate regional power interconnection processes and advance toward a unified Latin American energy market.

STORAGE: A KEY ENABLER FOR RENEWABLE ENERGY GROWTH IN LATIN AMERICA AND THE CARIBBEAN (LAC)



New technologies such as BESS and pumped hydro storage are emerging as critical solutions to address the variability of renewable energy and ensure a continuous and sustainable electricity supply across the region.

The installed energy storage capacity in LAC currently reaches 2.5 GW.

The region is undergoing a rapid deployment of new power generation capacity based on non-conventional renewable sources primarily wind and solar that leverage its vast energy potential. However, these technologies face challenges associated with their variability, as they only generate electricity when wind or solar radiation is available. In this context, energy storage becomes a vital alternative, enabling energy to be stored when supply exceeds demand and released when it is most needed, thereby ensuring a reliable, efficient, and sustainable power supply.

The 10th Technical Note published by the Latin American Energy Organization (OLADE), “Energy Storage in Latin America and the Caribbean”, presents a detailed analysis of key storage technologies, highlighting their principles, applications, advantages, costs, and maturity levels.

BESS (Battery Energy Storage Systems) are the most widely adopted in the region due to their modularity, advanced technological development, and steadily declining costs. Pumped hydro storage, while more efficient, requires specific geographic conditions and high capital investment, which has limited its development in the region. Emerging technologies such as thermal, flywheel, or gravitational storage show significant potential but still require further advancement. Special mention is given to low-emission hydrogen and ammonia, whose potential in LAC is generating high expectations.

The document emphasizes that, apart from countries like Chile, Brazil, and Mexico particularly Chile, which is seeing a very rapid uptake of storage due to its unique conditions there are significant limitations throughout the region.

It also examines the main challenges facing energy storage in LAC, especially in terms of regulation and policy, and proposes strategies to foster its development. These include the creation of specific policies, investment incentives, strengthening of research and local value chains, promotion of public-private partnerships, and support for distributed storage and microgrids, particularly in rural and island areas.

Given the diverse characteristics of power systems in the region, the document underscores the importance of conducting technical and economic studies to accurately identify each country’s specific storage capacity needs.

Energy storage, beyond serving as technical support for renewables, must be regarded as a strategic tool to advance the energy transition, ensure supply security, and optimize the use of the region’s energy resources.

OLADE AND COLOMBIA STRENGTHEN JOINT AGENDA FOR REGIONAL ENERGY DEVELOPMENT



As part of his official visit to Ecuador, Colombia's Minister of Mines and Energy, Edwin Palma Egea, visited the headquarters of the Latin American Energy Organization (OLADE) in Quito. He was welcomed by OLADE's Executive Secretary, Andrés Rebolledo, along with the organization's senior management team and representatives of the Embassy of Colombia in Ecuador.

Throughout the day, both delegations engaged in a technical agenda aimed at strengthening regional energy cooperation and exploring new opportunities to jointly develop programs that contribute to the growth of Colombia's and Latin America's energy sectors.

The meeting helped identify strategic areas for collaboration, with a special focus on harnessing regional potential in nuclear energy, hydrogen, and geothermal power. These technologies are seen as fundamental pillars for advancing decarbonization, diversifying energy matrices, and enhancing the resilience of power systems.

The meeting also highlighted Colombia's leadership in energy integration processes and its commitment to transitioning toward sustainable, equitable, and resilient energy models. In this regard, the importance of coordinating regional efforts in planning, technological innovation, and financing was emphasized, with OLADE's technical support.

This visit is part of OLADE's ongoing work agenda to promote active cooperation among its Member Countries and support the design and implementation of public policies that accelerate the energy transition in Latin America and the Caribbean.



OLADE AND MEXICO'S MINISTRY OF ENERGY STRENGTHEN REGIONAL ENERGY COOPERATION

As part of his official agenda in Mexico, the Executive Secretary of the Latin American Energy Organization (OLADE), Andrés Rebolledo, held a meeting with Mexico's Secretary of Energy, Luz Elena González Escobar, to discuss strategic issues on the Regional Energy Agenda.

The meeting highlighted Mexico's key role in shaping a more integrated, resilient, and sustainable Latin America and the Caribbean. The dialogue focused on energy integration initiatives, the transition to low-carbon systems, and financing schemes for inclusive energy development.

Mexico accounts for approximately 30% of electricity generation and over 20% of energy consumption in Latin America and the Caribbean, positioning the country as a central actor in building joint solutions to the region's energy challenges.

The OLADE Executive Secretary also met with the Undersecretary for Latin America and the Caribbean of the Ministry of Foreign Affairs, Raquel Serur Smeke. This second meeting deepened discussions on South-South cooperation mechanisms and reaffirmed the shared political will to advance effective regional energy integration.

Both meetings reinforced the cooperation ties between OLADE and Mexico and confirmed the commitment to continue joint efforts in promoting sustainable energy development across the region.

ELECTRICITY GENERATION IN LATIN AMERICA AND THE CARIBBEAN REACHED 165 TWH IN MARCH 2025 THE HIGHEST LEVEL IN A YEAR



Electricity generation in Latin America and the Caribbean reached 165 TWh in March 2025, the highest monthly volume recorded in the last 12 months, according to the latest Electricity Generation Report from the Latin American Energy Organization (OLADE).

This figure represents a 5% year-on-year increase compared to March 2024 and an 8% rise compared to February 2025. According to the report, the predominant energy sources for this month were: hydroelectric (47.1%) and natural gas (27.4%), followed by wind (6.4%), solar (6.3%), oil and derivatives (5.2%), nuclear (2.4%), coal (2.7%), bioenergy (2.0%), and geothermal (0.5%).

One of the most noteworthy highlights was the remarkable growth of solar power, which increased by 53% compared to the previous month.

Regarding the renewability rate, seven OLADE member countries show renewable shares above 75%, with Paraguay reaching nearly 100%, followed by Costa Rica, Brazil, Uruguay, Venezuela, Colombia, and Belize.

The data comes from sieLAC, the Regional Energy Information System developed by OLADE.

OLADE AND USACH SIGN COOPERATION AGREEMENT TO STRENGTHEN ENERGY TRANSITION CAPACITIES IN LATIN AMERICA AND THE CARIBBEAN



The Latin American Energy Organization (OLADE) and the University of Santiago de Chile (USACH) signed a strategic cooperation agreement to promote technical and academic training on energy transition across Latin America and the Caribbean. The partnership focuses on electromobility, transport electrification, and transforming the region's energy systems.

During the signing ceremony, Andrés Rebolledo, Executive Secretary of OLADE, emphasized that the agreement "will benefit not only the academic community, but also the broader regional energy ecosystem," and announced the first joint initiative under this alliance: a regional diploma in electromobility, aimed at professionals from both the public and private sectors across OLADE's 27 Member Countries.

"This program builds upon a solid academic foundation with eleven previous editions and will serve as a key training platform to support the technological shifts already underway in the region," Rebolledo noted.

Meanwhile, Dr. Matías Díaz, Director of the Department of Electrical Engineering at USACH, reflected on the institution's leadership:

"Five or six years ago, we began this journey with enthusiasm, and today, after twelve successful editions of our diploma program, we can proudly say we are Chile's leading university in electromobility. Through this agreement with OLADE, we aim to train professionals from across Latin America, contributing from academia to the paradigm shift our region needs."

This agreement marks a strategic step toward consolidating a regional academic network that supports the decarbonization, digitalization, and electrification of Latin America's economies. Both OLADE and USACH agree that Latin America and the Caribbean have the potential to lead the global energy transition, and that institutional partnerships like this one are essential to turning that potential into tangible action.

OLADE, THE MINISTRY OF ENERGY OF CHILE AND THE MINISTRY OF FOREIGN AFFAIRS OF CHILE ANNOUNCE THE REALIZATION OF THE 10TH ENERGY WEEK



The leading energy forum in Latin America and the Caribbean will bring together authorities from 27 countries in Santiago to discuss the strategic challenges of the energy transition in the region, focusing on key issues such as decarbonization, artificial intelligence, and a just energy transition.

The Latin American Energy Organization (OLADE), the Ministry of Energy of Chile, and the Ministry of Foreign Affairs of Chile have officially announced the 10th Energy Week, an event that will feature the participation of energy authorities from the 27 member countries of the international organization.

This forum is considered the most important regional event on energy policy and will take place from September 30 to October 3, 2025, in Santiago de Chile. The agenda will address crucial issues such as the decarbonization of power generation matrices, the role of artificial intelligence and its impact on the electricity sector, demand management systems, regional energy integration, and the role of natural resources in energy security and climate transition.

Chile's Minister of Foreign Affairs, Alberto van Klaveren, stated: "It is an honor for Chile to host the tenth edition of Energy Week. Energy is an essential part of our identity and development, and we want to share our experience, achievements, and also the region's energy challenges. We welcome all to a country that believes in integration and multilateralism as the best path to collective prosperity." Meanwhile, Minister of Energy Diego Pardow added: "Chile's commitment to climate action and regional energy integration is reflected in every public policy we have implemented. We are proud to host the Americas' energy community during this crucial week for the sector's future."

Among the featured activities are the 55th Meeting of Energy Ministers, the 3rd OLADE Business Council, and a series of technical sessions featuring more than 180 panelists, with an expected attendance of around 3,000 participants. These sessions will foster direct dialogue between governments, the private sector, and multilateral organizations.

"Energy Week has become the most influential event for strategic dialogue in the Latin American and Caribbean energy sector. In this edition, we aim to highlight concrete solutions for a transition that is technological, just, and inclusive," said Andrés Rebolledo, Executive Secretary of OLADE.

Event Details

Within the framework of the 10th Energy Week, a series of side events will enrich the multisectoral dialogue around the main challenges and opportunities of the energy sector. Noteworthy among these is the event "Socioterritorial Challenges for the Energy Transition", which will bring together actors from the public and private sectors, civil society, and communities to develop a regional mapping of socioterritorial strategies that promote inclusive and sustainable energy projects.

Additionally, the award ceremony of the second edition of the Energy Excellence Awards will take place, recognizing outstanding initiatives by public, private, academic, and community actors.

Another key event will be the 2nd International Seminar on Energy Interconnection in Latin America, which will address the technical, political, and economic challenges of regional integration. Also featured will be the 1st Youth Energy Summit of Latin America and the Caribbean, aimed at empowering new voices in energy governance, and the academic event "Connecting Minds, Energizing the Future", to be held in La Serena, with the participation of universities, research centers, and young professionals from the sector.

As the host country of this tenth edition, Chile stands out for its ambitious energy policy. The country has reached 60% of installed capacity from non-conventional renewable energies, leads the region in solar energy, and is making significant progress in developing green hydrogen. Moreover, it promotes a modern regulatory framework in energy efficiency, electromobility, and low-emission territorial planning.

The organizers have launched the official event website — www.semanadelaenergía.olade.org — where participants can consult the agenda and register for free.



OLADE HIGHLIGHTS PROGRESS AND CHALLENGES OF THE ENERGY TRANSITION IN LATIN AMERICA AND THE CARIBBEAN DURING THE “GROWING WITH ENERGY” DIALOGUE SERIES

As part of the “Growing with Energy” conversation series organized by ICARE Chile, the Executive Secretary of the Latin American Energy Organization (OLADE), Andrés Rebolledo, presented an updated overview of the regional energy landscape, highlighting achievements, structural gaps, and strategic opportunities in the context of the global energy transition.

In his remarks, Rebolledo emphasized that Latin America and the Caribbean already generate 69% of their electricity from renewable sources, positioning the region as a global leader in clean power generation. He also stressed key ongoing transformations:

- Accelerated growth of electromobility and electrification of final energy consumption
- Advances in green hydrogen, energy storage, and grid digitalization
- Regional energy integration as a strategic pillar for security and sustainability

“The energy transition is an opportunity for sustainable development in our region,” Rebolledo stated. “We are the greenest zone in global power generation—a solution region, rich, diverse, and complementary.”

In that context, Chile’s Minister of Energy, Diego Pardow, highlighted the country’s competitive edge in renewable energy development, noting that 70% of the electricity generated in Chile in 2024 came from clean sources. He also underscored Chile’s robust institutional framework and unparalleled energy storage ecosystem.

Finally, Rebolledo reiterated that the energy sector is currently the main source of investment in Chile, with major implications for economic development, resilience, and long-term sustainability across the region.

OLADE CONDUCTED WORKSHOP ON RENEWABLE PROJECT FINANCING WITH A CASH FLOW APPROACH



The Latin American Energy Organization (OLADE) held the virtual workshop “Financing Renewable Energy Projects with a Cash Flow Approach”, a training aimed at strengthening regional capacities in the financial structuring of sustainable energy projects in Latin America and the Caribbean.

The activity was carried out within the framework of the ETRELA project (“Improving, Increasing, and Facilitating Access to Education and Training in Renewable Energy in Latin America”), funded by the International Climate Initiative (IKI) of the Government of Germany. Its purpose was to provide tools tailored to the Latin American and Caribbean context, with an emphasis on:

- Understanding cash flow as a financial analysis tool.
- Identifying financing sources and blended capital schemes.
- Evaluating key indicators such as NPV, IRR, and LCOE.
- Basic structuring of Project Finance
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During the workshop, the strategic importance of having trained professionals to promote viable, financially structured projects aligned with sustainability and energy equity goals was highlighted.

Through initiatives like this, OLADE reaffirms its commitment to supporting the transition toward a cleaner, more resilient, and more accessible energy model for the region, strengthening technical knowledge and skills essential for the development of renewable energy in Latin America and the Caribbean.

AT EXPOENERGÍA PERÚ 2025, OLADE EMPHASIZES THE NEED FOR REGIONAL PLANNING AND INTEGRATION TO DRIVE AN EFFECTIVE ENERGY TRANSITION



As part of ExpoEnergía Perú 2025, the Director of Studies, Projects, and Information at the Latin American Energy Organization (OLADE), Fitzgerald Cantero, participated in the high-level panel “Developing Energy Transition Scenarios in Latin America and Current Trends”, where he offered a comprehensive overview of the region’s trajectory toward a more sustainable energy model. In his remarks, Cantero highlighted the strategic role of Latin America and the Caribbean in the global energy transition, emphasizing that the region has abundant renewable resources, strong technical capacity, and increasing social and environmental awareness. However, he stressed that harnessing this potential requires progress in five key areas:

- Strengthening institutional and regulatory frameworks, ensuring energy governance and stability.
- Attracting long-term investment, underpinned by clear and predictable rules.
- Developing and retaining local talent, with a focus on technical skills and just transition leadership.
- Securing social license for energy projects, through inclusive dialogue and equitable practices.
- Improving transparency around energy system costs, to build trust and fiscal sustainability.

“We have the potential and the resources. What we need now is planning, regional integration, and a long-term vision,” stated Cantero, calling for coordinated action across governments, industry, and civil society.

The panel enabled a frank exchange of perspectives, identification of key regional opportunities, and recognition of the technical and political challenges that must be addressed to ensure a just, inclusive, and sustainable energy transition across Latin America and the Caribbean.

Through OLADE, we reaffirm our commitment to supporting member countries with technical cooperation, data-driven planning, and regional integration, in order to accelerate a fair and resilient transformation of the region’s energy systems.



OLADE HIGHLIGHTS THE IMPORTANCE OF ECUADOR’S ENERGY SECURITY

As part of the XII Ecuadorian Congress of Geology, Mining, Petroleum, and Environment (CEGMIPA 2025), the Director of Studies, Projects, and Information of the Latin American Energy Organization (OLADE), Fitzgerald Cantero, participated as a panelist in the sessions focused on the energy and environmental future of Ecuador.

During his presentation, Cantero emphasized that Ecuador has a highly renewable energy matrix, particularly in hydroelectric generation, but that there remains significant untapped potential in solar, wind, and geothermal energy.

“Investing in flexibility, smart grids, and regional integration is essential to ensure energy security and fully harness our resources,” said Cantero.

The Congress brought together representatives from the public, private, and academic sectors, as well as international organizations, to discuss strategic challenges of Ecuador’s energy system within the broader context of the regional energy transition.

OLADE reaffirms its commitment to providing technical support to member countries to foster resilient, diversified, and sustainable energy systems through strategic planning, regional cooperation, and universal access to clean energy.

LATIN AMERICA AND THE CARIBBEAN. STRATEGIC LEADERSHIP IN THE GLOBAL ENERGY TRANSITION



As part of the III Power & Renewable Energies 2025, organized by Seminario Ecuador, the Executive Secretary of the Latin American Energy Organization (OLADE), Andrés Rebolledo, highlighted the strategic role of Latin America and the Caribbean in the global energy transition, underlining the region's progress, structural challenges, and unique opportunities.

During his address, the Executive Secretary emphasized that Latin America and the Caribbean boast an electricity matrix that is 69% renewable, positioning the region as the cleanest in the world. However, he also pointed out that only 2% of the region's solar potential and 29% of its hydroelectric potential are currently being utilized—representing a significant opportunity for growth. Additionally, the region produces 27% of global biofuels, further strengthening its role in diversifying sustainable energy sources.

Rebolledo called for a comprehensive approach to addressing some of the region's most pressing energy challenges, including curtailment of renewable energy, storage deficits, and the need for backup technologies. In this context, he proposed three strategic pillars for action:

- Deepening regional energy integration to enhance resilience, optimize resources, and strengthen energy security.
- Strengthening electricity planning and mobilizing public and private investment, particularly in transmission infrastructure, energy storage, and grid digitalization.
- Promoting a just energy transition with a focus on gender equality, social inclusion, universal access, and improved service quality.

Through OLADE, we reaffirm our commitment to supporting member countries with robust technical assistance, promoting sound regulatory frameworks, reliable data, and strategic planning to accelerate decarbonization, improve system efficiency, and ensure a sustainable and equitable energy transition across the region.



ENERGY EFFICIENCY IN CONSTRUCTION. A KEY DRIVER FOR RESILIENT AND SUSTAINABLE INFRASTRUCTURE IN LAC

As part of the XIII International Construction Congress – Sustainable Infrastructure, organized by CAMICON, the Director of Studies, Projects, and Information of the Latin American Energy Organization (OLADE), Fitzgerald Cantero, shared regional experiences and technical strategies aimed at promoting energy efficiency in buildings, housing, and urban infrastructure across Latin America and the Caribbean.

During his address, Cantero emphasized the urgent need to consolidate a robust institutional and regulatory architecture that enables the region to move toward more efficient, resilient, and sustainable cities. Key focus areas of his presentation included:

- Strengthening regulatory frameworks and energy governance schemes, incorporating efficiency criteria from the design to the operational phases of infrastructure.
- Implementing results-based fiscal and financial incentives, including mechanisms such as rebates for energy savings or preferential access to green financing.
- Developing sector-specific energy diagnostics and promoting replicable best practices in sustainable construction and urban development.

"Investing in energy efficiency delivers tangible returns: lower consumption, increased competitiveness, and better-quality services. Governments can and should recognize these efforts through technical, financial, and regulatory instruments," stated Director Cantero.

At OLADE, we reaffirm our commitment to supporting the planning and evaluation of public policies that promote energy efficient infrastructure with a long-term vision, social inclusion, and universal access to quality energy services throughout Latin America and the Caribbean.

ENERGY CURTAILMENT: A DIAGNOSIS THAT CAN LEAD TO BENEFICIAL ACTIONS



At OLADE, we have studied how much energy has gone unused due to curtailment and what that means in economic terms. According to our estimates, the Latin America and Caribbean region has experienced annual losses of around USD 7 billion for this reason.

While historically this issue has been most evident in hydropower generation, with the proliferation of renewable energy sources, it has extended to them as well and its incidence has increased.

Curtailment occurs for several reasons, mainly due to transmission network constraints or demand limitations. In 2024, countries such as Brazil, Chile, Uruguay, and Costa Rica recorded significant levels of curtailment, totaling approximately 53,000 GWh of unused renewable energy — equivalent to 3.2% of total annual generation.

In our study, we outlined several actions to help address this situation, such as improving power system planning models, expanding transmission networks, promoting distributed generation, implementing energy storage systems, fostering regional power integration, and advancing electrification and demand-side management. These are just some of the options that can turn what is now a weakness into a major opportunity — transforming billion-dollar losses into investments that maximize the use of our energy resources.

The full Working Paper is available at the following link:
<https://www.olade.org/publicaciones/dto-2025-010-vertimientos-de-energia-renovable/>