Derivation of Bernoulli's Equation

We consider the energy contributions to a classical fluid by its kinetic energy, gravitational potential energy, and the pressure, where $m = \rho V$:

$$E = E_{\text{kinetic}} + E_{\text{potential}} + E_{\text{pressure}}$$
$$= \frac{1}{2}mv^2 + mgy + PV$$
$$= \frac{1}{2}\rho Vv^2 + \rho Vgy + PV$$
$$= V \left[\frac{1}{2}\rho v^2 + \rho gy + P\right]$$

Now we assert that for a section of pipe:

 $E_{\rm in} = E_{\rm out}$

Therefore, dividing out V, assuming $m_{in} = m_{out}$ and that the fluid is incompressible (ρ is constant):

$$\frac{1}{2}\rho v_{\rm in}^2 + \rho g y_{\rm in} + P_{\rm in} = \frac{1}{2}\rho v_{\rm out}^2 + \rho g y_{\rm out} + P_{\rm out}$$