

**The Energy Innovation Center  
Energy Division**

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# **Proposed Secondary Energy Legislation: Mexico**

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**Energy Innovation Center**

# **DISCLAIMER**

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# Agenda

## Electricity

- ▶ Generation
- ▶ Transmission and Distribution
- ▶ Social and environmental considerations

## Natural Gas

- ▶ Upstream
- ▶ Downstream



# Objective of the reform on electricity

“To create a **competitive** landscape in **electricity generation** in order to **reduce cost** and eventually reach **competitive tariffs**”

Electric Energy Bill signed by the  
Mexican President

# Electricity

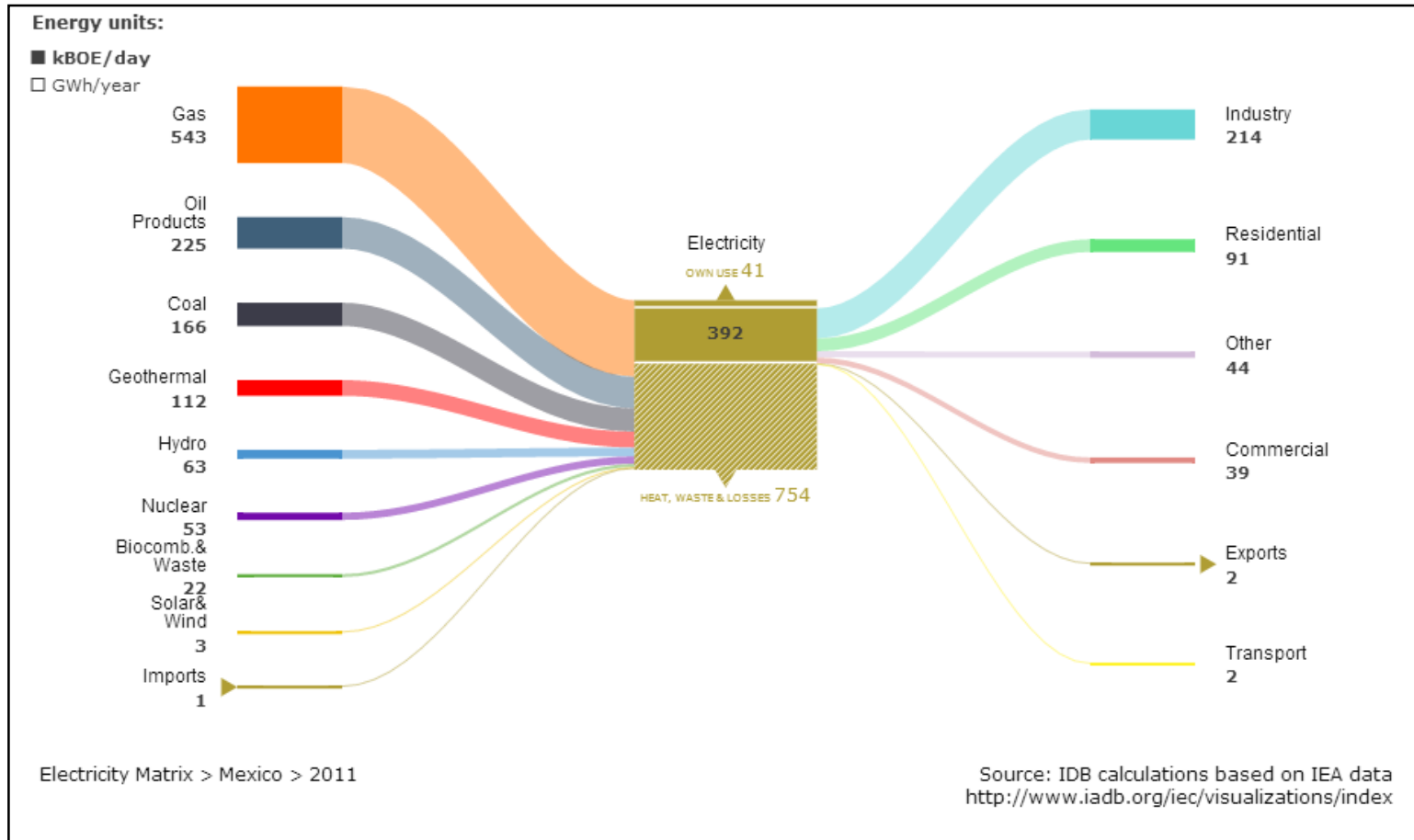
Generation	Transmission and Distribution	Social and environmental considerations
Wholesale Market	Strategic Activity	Environmental Tools
<b>Commercialization</b>	CFE	Social Impact
Basic Service Users	CENACE	
Qualified Users		

# Objective of the reform on hydrocarbons

A **40%** increase of natural gas production by **2018** and **80%** increase by **2025**.

Hydrocarbons Bill signed by the **Mexican President**

# Natural Gas & Electricity



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# Natural Gas

## Upstream

1. Assignations to PEMEX or SOPE
2. Contracts with CNH

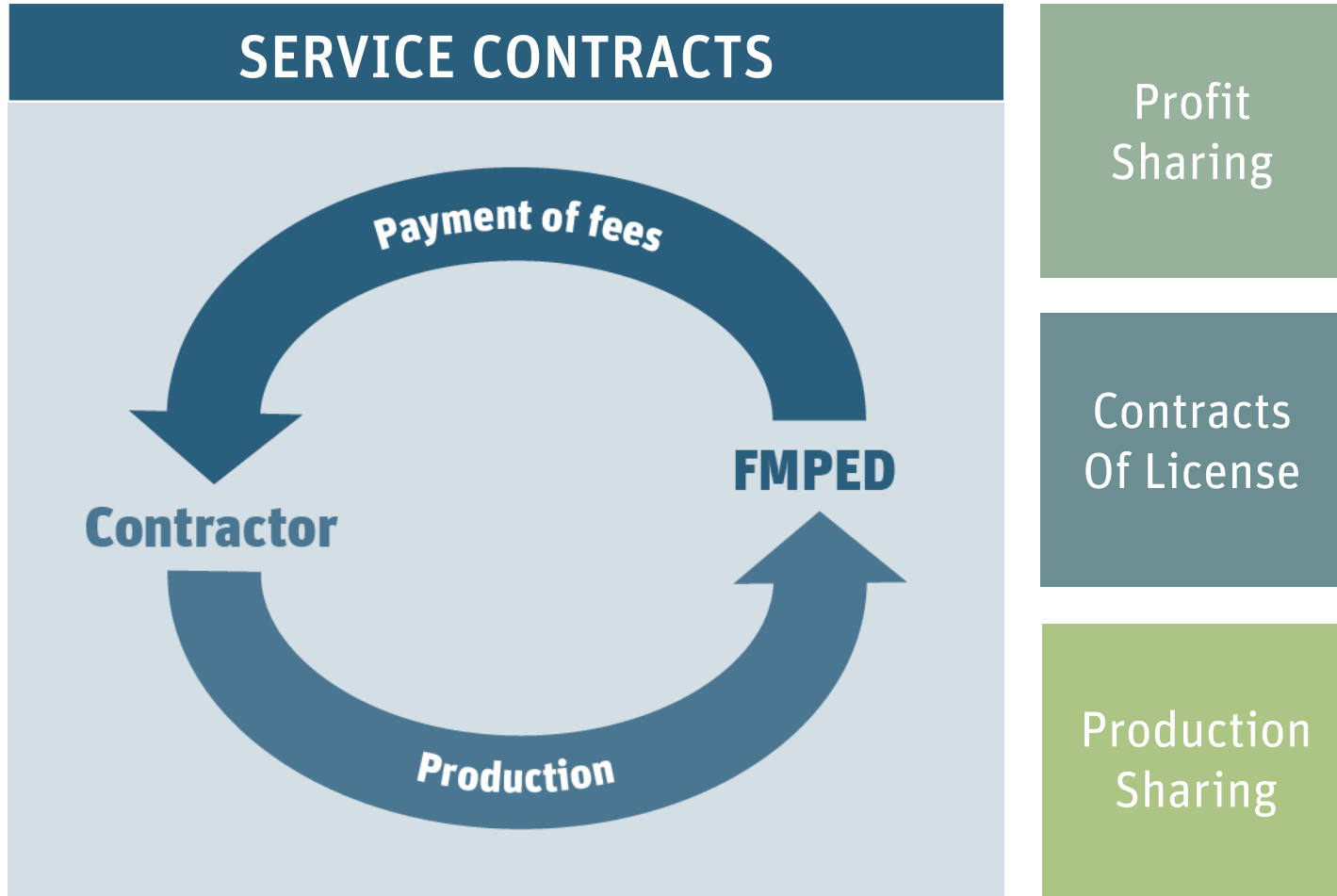
**SERVICE  
CONTRACTS**

**CONTRACTS  
OF LICENSE**

**PROFIT  
SHARING**

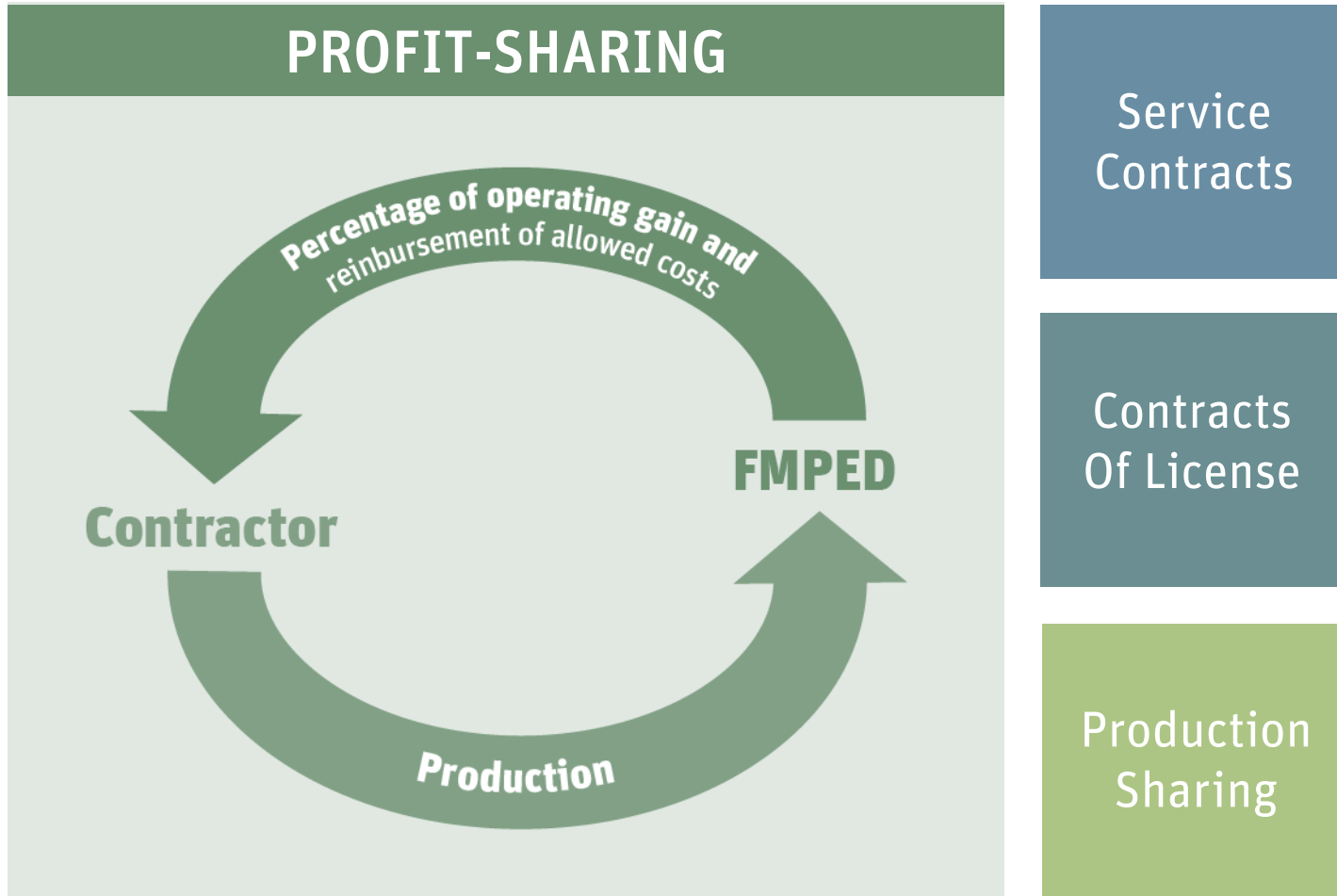
**PRODUCTION  
SHARING**

# Natural Gas Upstream



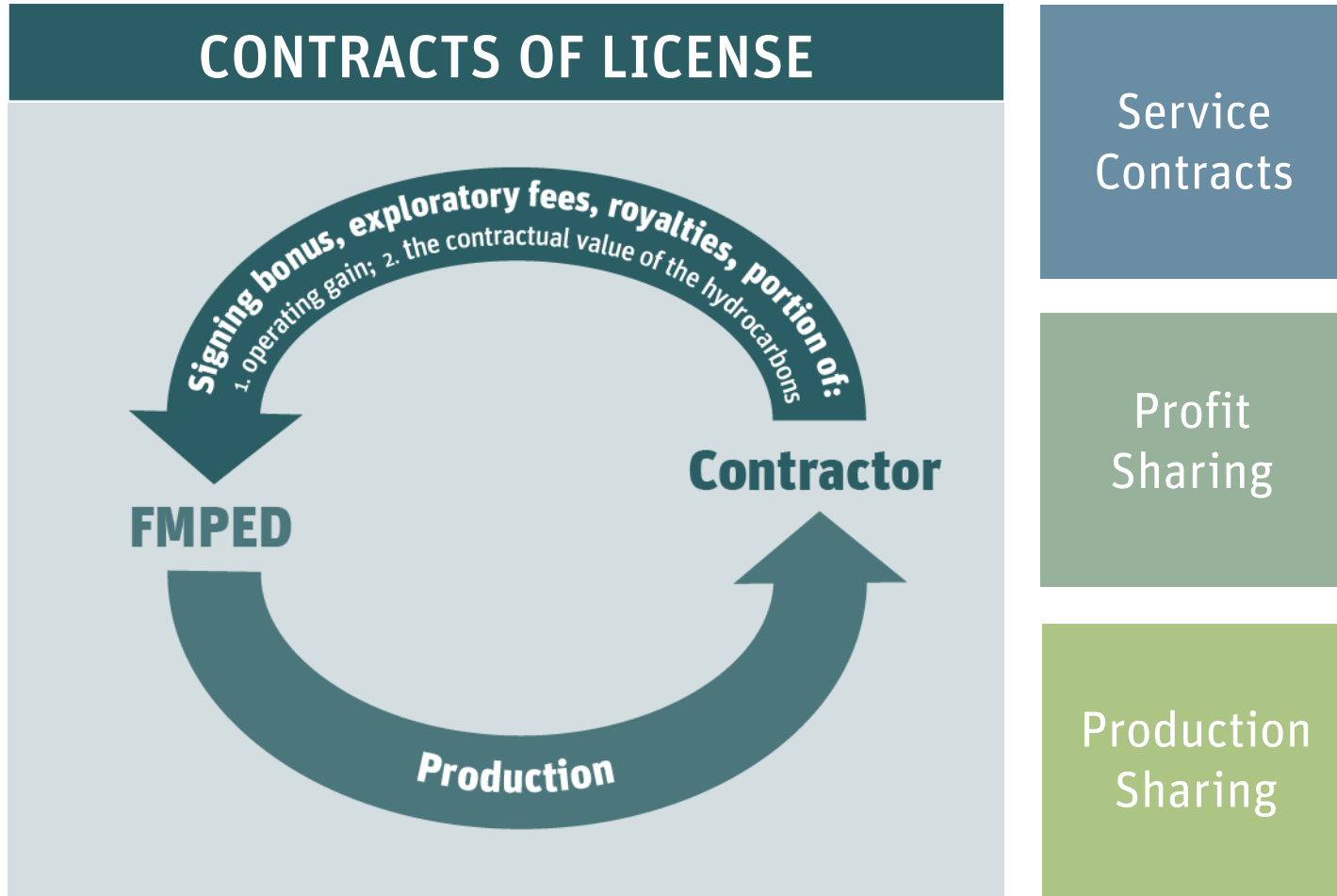
# Natural Gas

## Upstream



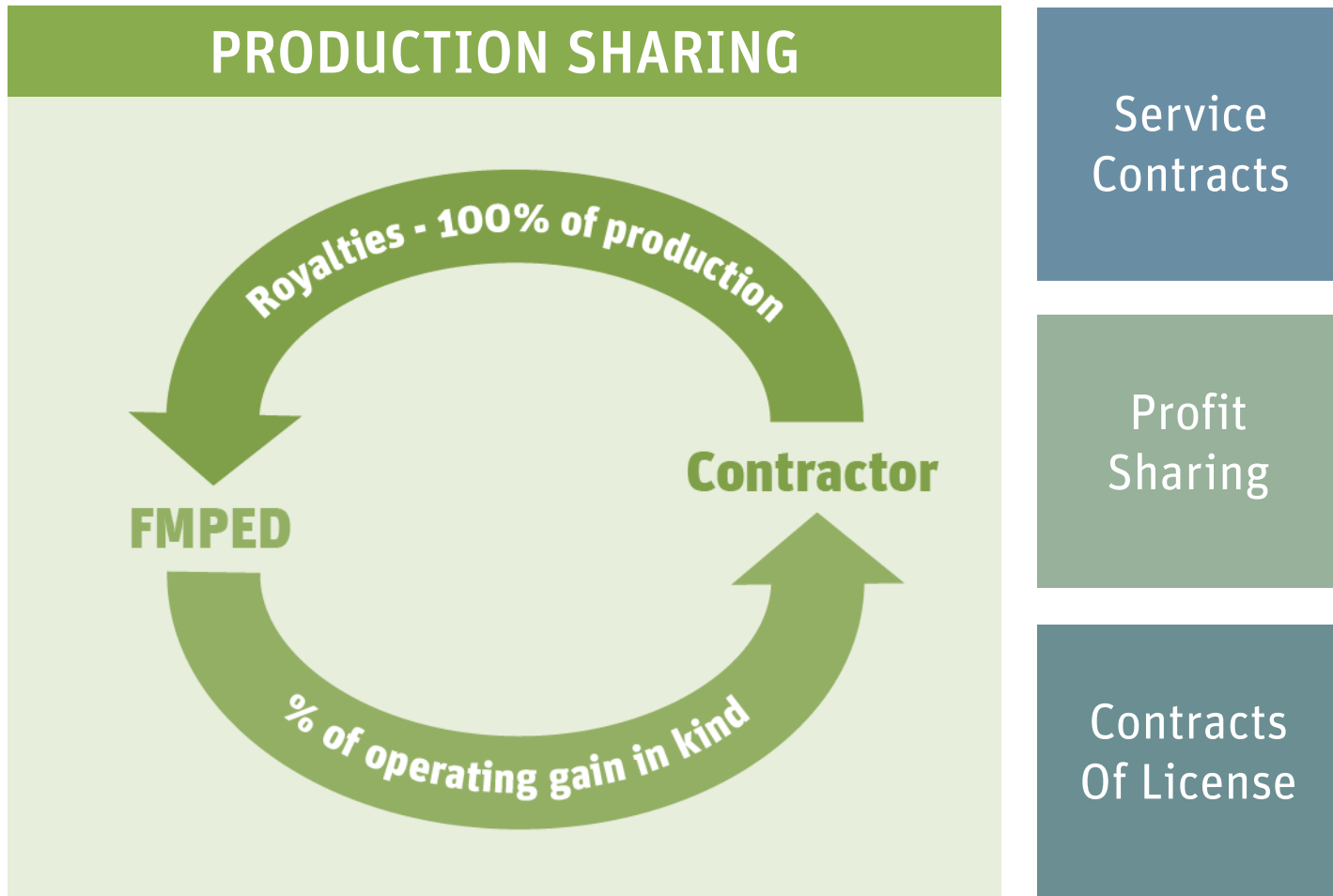
# Natural Gas

## Upstream



# Natural Gas

## Upstream



# Natural Gas Downstream

Private  
Participation

CENACOGAS

Market  
Concentration

Gracias | Thank you | Obrigado | Merci

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#energydata21

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