



# Mexico's Energy Regulatory Commission: Challenges and Opportunities in Reforming the Energy Industry



asociación iberoamericana de entidades  
reguladoras de la energía  
associação iberoamericana de entidades  
reguladoras da energia

**Guillermo I. García Alcocer**  
Chairman

April 20<sup>th</sup>, 2017  
Panama



[www.gob.mx/cre](http://www.gob.mx/cre)



@CRE\_Mexico



ComisionReguladoraEnergia



cregobmx



Comisión Reguladora de Energía

***“In terms of scope, depth and space of implementation, Mexico’s energy reform ranks as the most ambitious energy system transformation worldwide in a long time”***

Paul Simons, International Energy Agency (IEA), Deputy Executive Director (February, 2017)\*



**The Energy Reform ended the long-decades monopolies in the sector**



**Interest (trust) shown by international investors**



**Incorporates lessons learned and best international practices**



**Will boost oil production, increase the share of renewable energy sources and increase energy efficiency**

\* Source: IEA, 2017. Active competition key policy to Mexico’s successful energy reform

The International Energy Agency's special report "Mexico Energy Outlook" compares the estimated benefits of the Energy Reform by 2040, with a No Reform scenario



**NO REFORM**

**REFORM**

Oil production would be around **1 mb/d** lower than in the Reform scenario

Oil and gas **production** will increase and petroleum product imports will decrease

**Electricity rates** for industrial consumers would be **14% higher** in 2040

**Lower electricity rates** for industrial consumers

The cost of generating and delivering electricity to the residential sector would be **16% higher**; the additional accumulated subsidy would be 50 billion dollars

**Subsidies** will be gradually **phased out by 2035**

Mexico would not meet its **clean energy targets**, nor its GHG emissions reduction goals

Mexico will meet the **35% clean power generation** target by 2024 and reduce its GHG emissions

Mexico's economy would be **4% smaller**

Mexico's economy will double, it will be more efficient and its **energy intensity will improve**

**Energy efficiency** standards will significantly decrease Mexico's energy consumption



# Mexico's landmark Energy Reform is now a reality, creating significant investment opportunities throughout the entire value chain



Estimated Investment:  
**242 billion dollars**



Committed Investment:  
**70 billion dollars**  
(30 billion more in 2017)



## Hydrocarbons "Rounds One and Two"

### Round 1:

- 1<sup>st</sup> Tender: **2.7** billion USD
- 2<sup>nd</sup> Tender: **3.1** billion USD
- 3<sup>rd</sup> Tender: **1.1** billion USD
- 4<sup>th</sup> Tender: **34.4** billion USD
- Trión: **11** billion USD

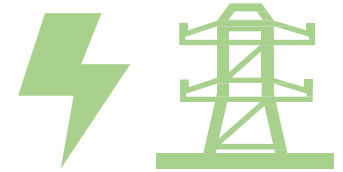
### Round 2:

- 1<sup>st</sup> Tender: **11.3** billion USD
- 2<sup>nd</sup> Tender: **5.0** billion USD
- 3<sup>rd</sup> Tender: **1.0** billion USD
- Seismic data: **2.5** billion USD



## Natural Gas and Petroleum Products

- Gas pipelines: **16** billion USD
- Petroleum Products: **16** billion USD
  - Transportation and Storage: **4.0** billion USD
  - Distribution and Retailing: **12.0** billion USD



## Power Sector

- First Power Auction: **2.6** billion USD
- Second Power Auction: **4.0** billion USD
- Generation: **98.7** billion USD \*
- Transmission: **15.3** billion USD \*
- Distribution: **17.7** billion USD \*

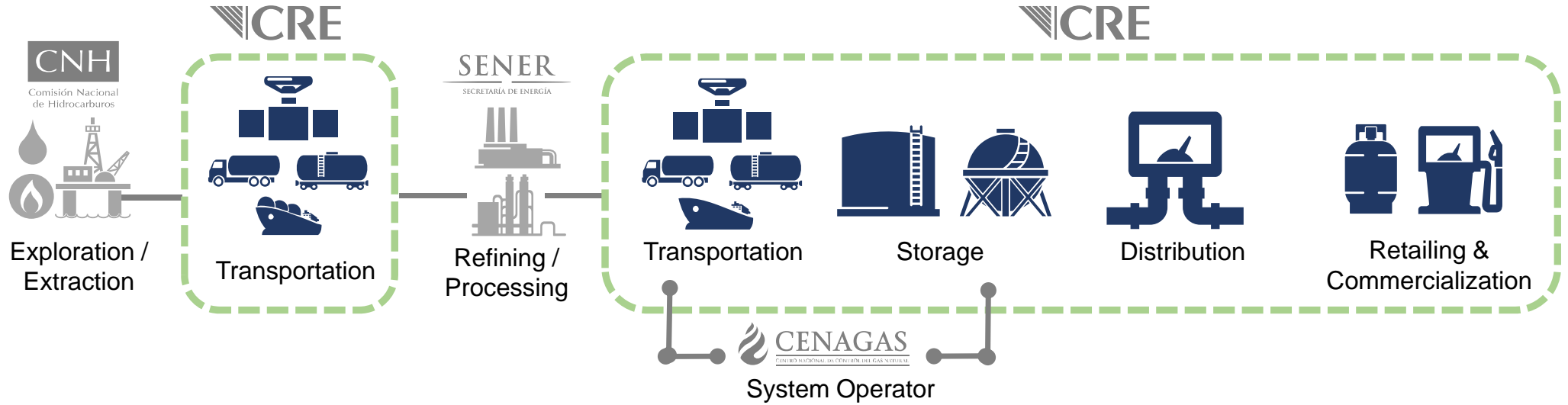
A total of **82 companies** from **18 countries** have won contracts for the development of hydrocarbons and electricity projects

\*Total expected investment by PRODESEN throughout 2030. Source: Mexico's Ministry of Energy

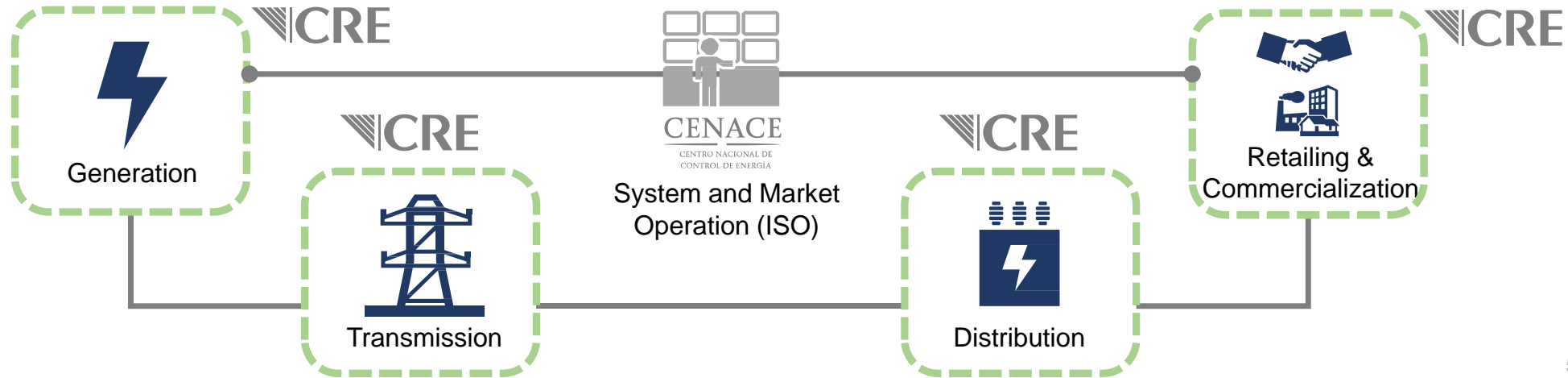
The Energy Regulatory Commission (CRE) has become the regulator of the mid and downstream segments of the oil and gas value chain, as well as the electricity supply chain



Hydrocarbons



Electricity



# The energy reform laid the foundations for an open and competitive natural gas market



**1. Enhance**  
natural gas  
availability  
throughout the  
country



**2. Separate**  
pipeline transportation  
from natural gas  
commercialization



**3. Establish**  
open access and  
pipeline capacity  
reserve conditions



**4. Issue**  
asymmetric regulation  
for high market  
concentration and in  
case of price  
distortions (First-Hand  
Sales in the south,  
gas release program)

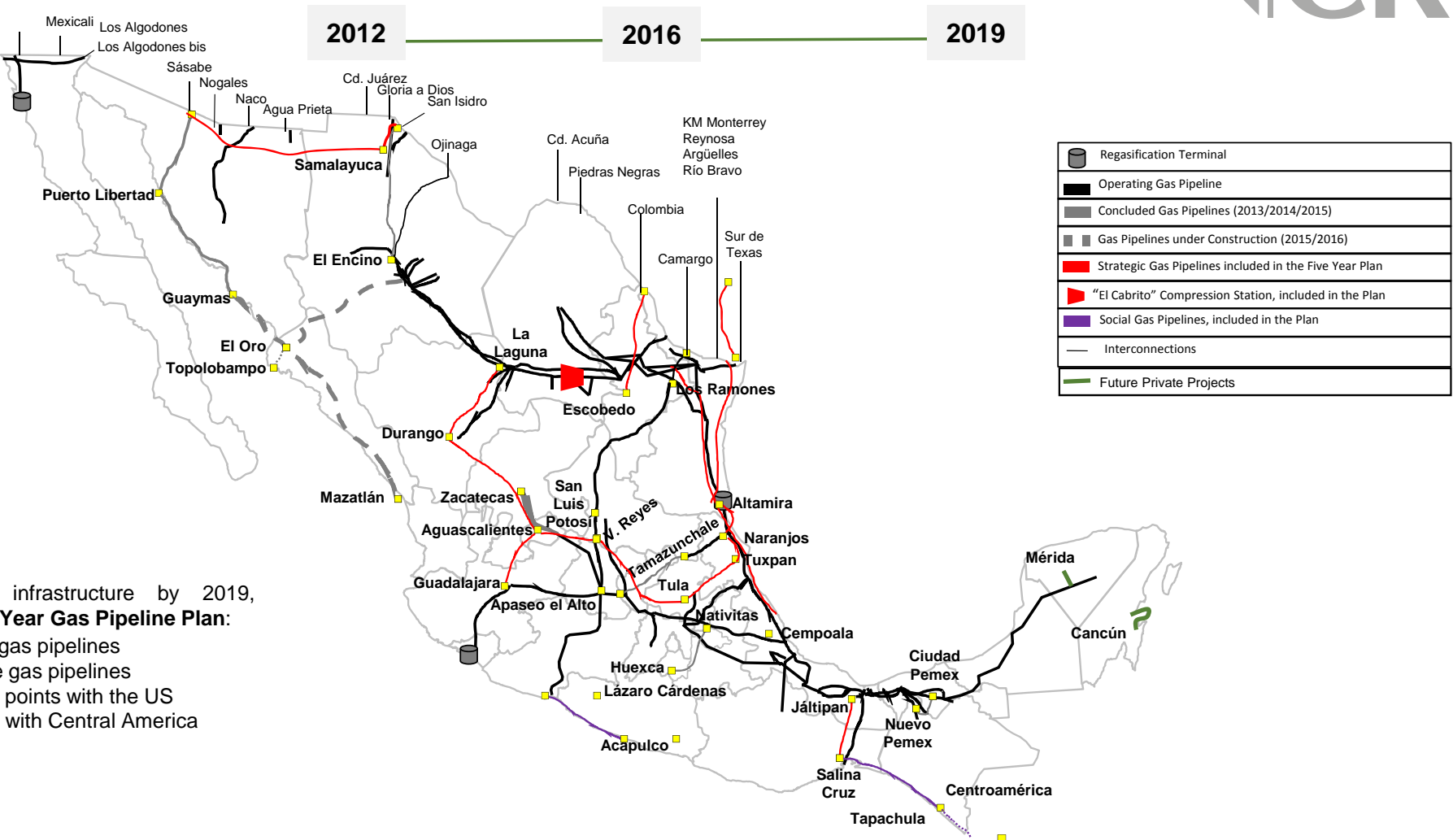


**5. Publish**  
volumes, prices, discounts,  
locations and trade  
information for retailing and  
commercialization of natural  
gas

# Mexico's Gas Pipeline Network will expand considerably from 2012 to 2019



Total expected investment  
**16**  
billion dollars



New transportation infrastructure by 2019, according to the **Five Year Gas Pipeline Plan**:

- 10 new strategic gas pipelines
- 2 social coverage gas pipelines
- 7 interconnection points with the US
- 1 interconnection with Central America

\*Participation of American and Canadian capital in Mexico's Gas Pipeline Network

Source: Five Year Gas Pipeline Plan 2015-2109, <http://www.gob.mx/sener/acciones-y-programas/plan-quinquenal-de-gas-natural-2015-2019>

# Geographic Areas of Natural Gas Distribution\*

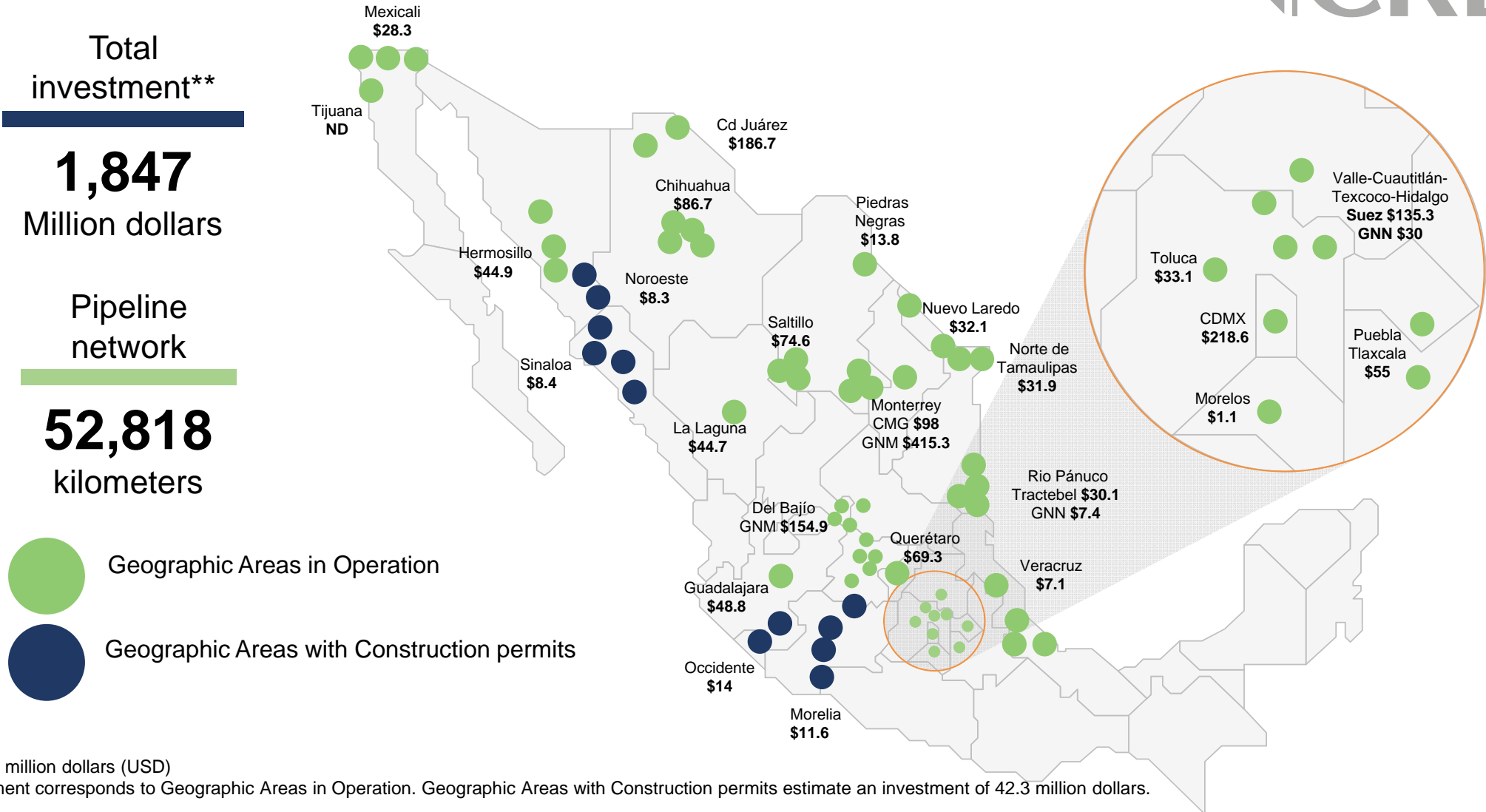


Total investment\*\*

**1,847**  
Million dollars

Pipeline network

**52,818**  
kilometers



\*/ Units in million dollars (USD)

\*\*/ Investment corresponds to Geographic Areas in Operation. Geographic Areas with Construction permits estimate an investment of 42.3 million dollars.

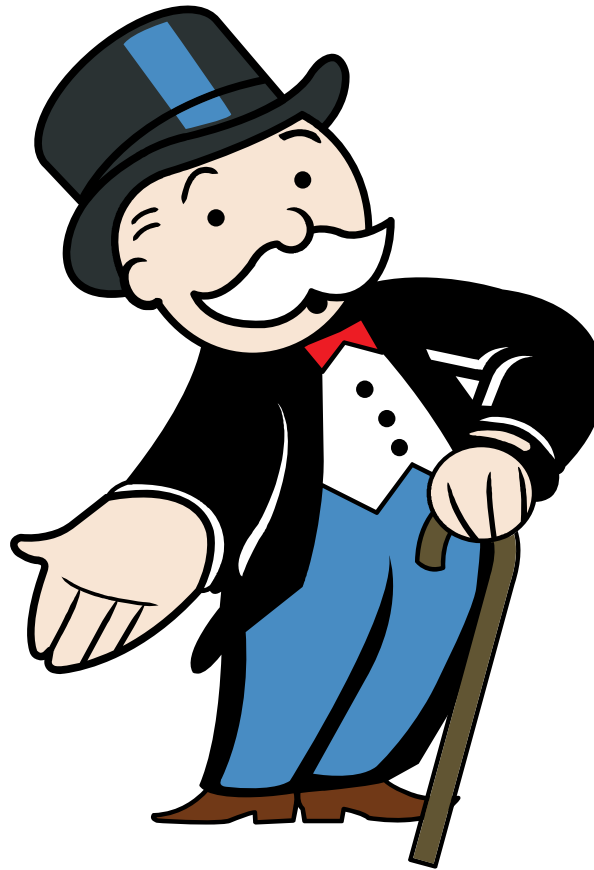


The distribution of natural gas has been considered a natural monopoly. However, if the relevant market is defined as the consumption of energy, we observe that it doesn't have most of the characteristics of a monopoly

~~Single supplier~~

~~No substitutes~~

~~No competition~~



~~Price control: possibility to set the level and discriminate~~

~~Barriers to entry for competitors~~

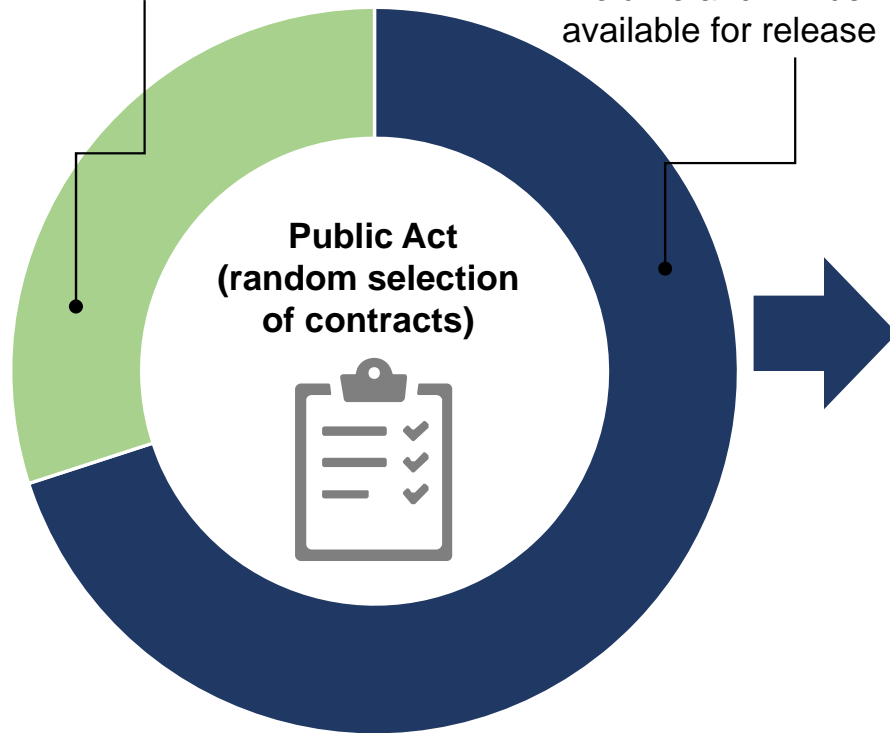
Economies of scale

# The Gas Release Program, an asymmetrical regulation instrument to Pemex, seeks to promote the participation of new stakeholders in the industry

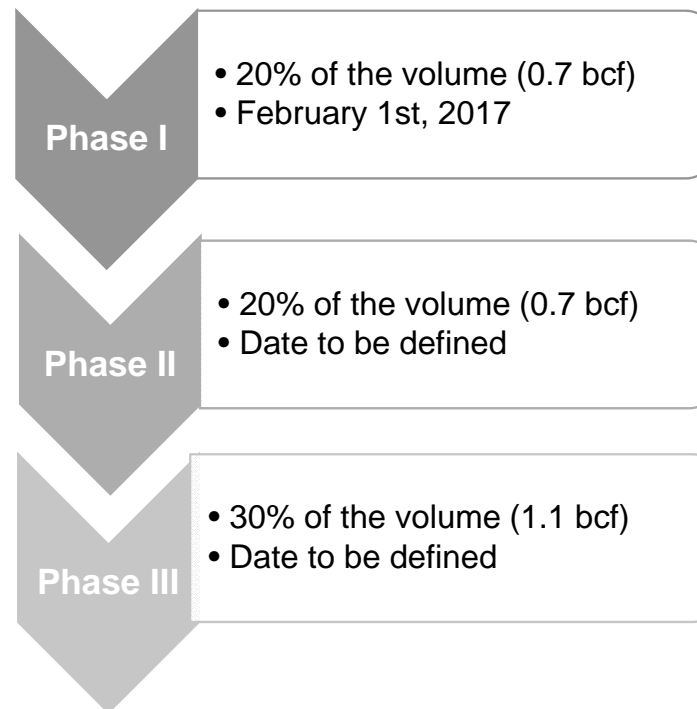


Contracts that represent **30%** of the volume and will remain as customers of Pemex

Contracts that represent **70%** of the volume and will be available for release



**Release portfolio: approximately 2.5 bcf**



✓ Process duration: at least one year

✓ CRE will be able to merge Phase II and Phase III and reduce the time-lapse between them

**Total commercialization portfolio: approximately 3.6 bcf**

Deadline for the reception of applications: March 10th, 2017.

**OUTCOMES OF PHASE 1:**

- **Contracts subject to release:** 111 contracts (758 Mcf)
- **Contracts that remain with Pemex:** 133 contracts (1,104 Mcf)

Bcf: billion cubic feet    Mcf: million cubic feet

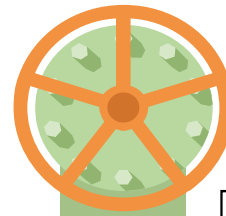
On February 17<sup>th</sup> of 2017, CENAGAS executed the first annual auction of import pipelines' capacity. A total capacity of 718 Mcf/d was offered, of which, 29.2% (210 Mcf/d) was allocated



### Results

#### Fábrica de Envases de Vidrio de Potosí

Requested injection point:  
NET ETP – Delmita Los Ramones  
Requested capacity : 3.96 Mcf/d  
Overprice offered: 1.05 USD/Mcf  
**Granted capacity: 3.96 Mcf/d**



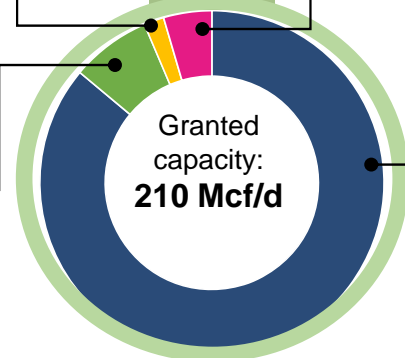
#### BP Energía de México

Requested injection point:  
NET DCP-Gulf Plais Los Ramones  
Requested capacity: 9.52 Mcf/d  
Overprice offered: 0.01050 USD/Mcf  
**Granted Capacity: 9.52 Mcf/d**



#### Industria de Alkali (Grupo Vitro)

Requested injection point:  
NET ETP – Delmita Los Ramones  
Requested Capacity: 15.79 Mcf/d  
Overprice offered: 0.00000 USD/Mcf  
**Granted Capacity: 15.79 Mcf/d**



#### BP Energía de México

Requested injection point:  
NET EFM –Nueces – Los Ramones  
Requested capacity: 181 Mcf/d  
Overprice offered: 0.01050 USD/Mcf  
**Granted Capacity: 181 Mcf/d**

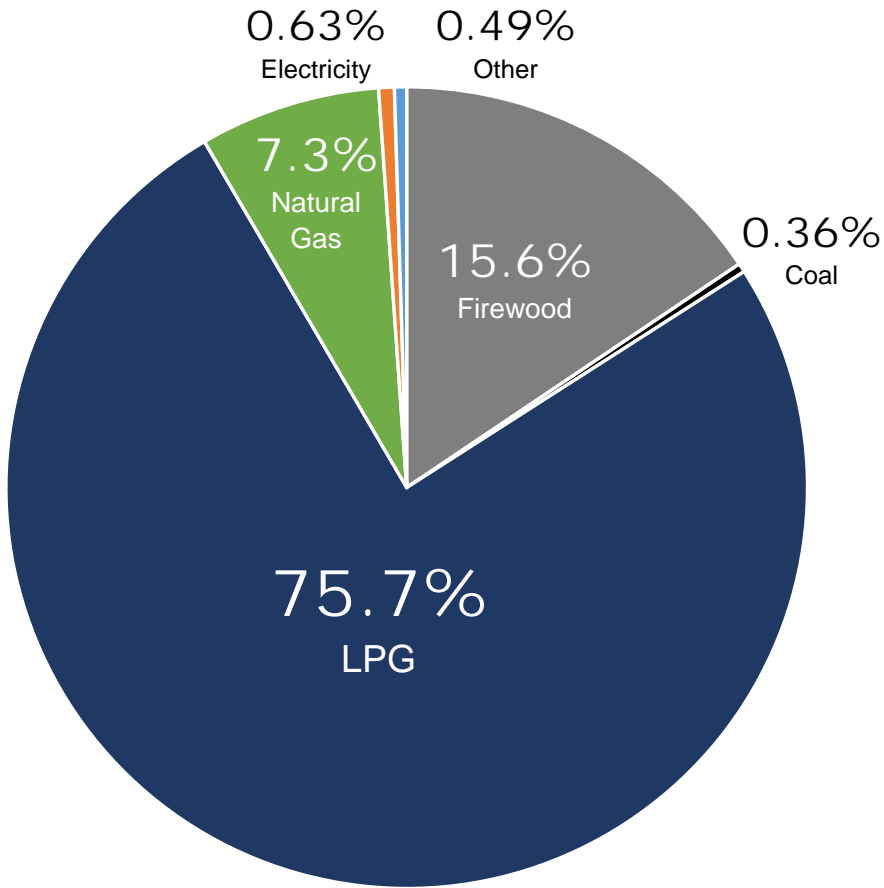


The awarded contracts will be valid from  
**July 1<sup>st</sup>, 2017 to June 30<sup>th</sup>, 2018**

As a result of this process, BP, the largest natural gas trader in North America, begins its participation in the national market. Also, Mexican industries have begun to diversify their portfolio options to satisfy their supply needs

\*Mcf/d: one million of cubic feet per day

**76% of Mexican households use Liquefied Petroleum Gas (LPG) as the main fuel for cooking and water heating, followed by firewood with 16% of households**



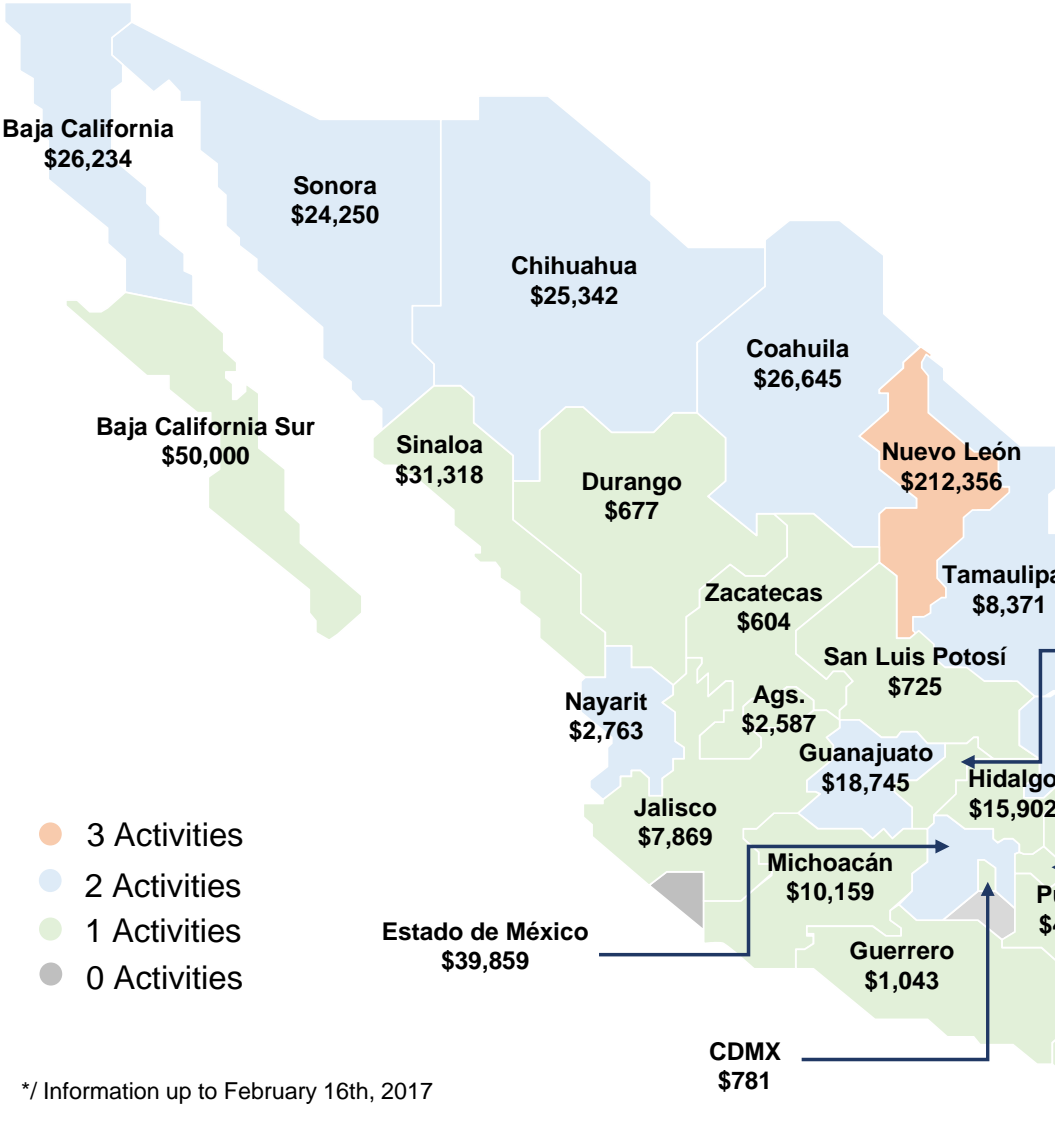
| Social Lagging Indicators                        | Share of Households |
|--|---------------------|
| Unavailability of power                          | 1.0%                |
| Earthen floor                                    | 3.5%                |
| Unavailability of tap water from the public grid | 5.1%                |
| Unavailability of drainage                       | 6.0%                |
| Firewood Use                                     | 15.6%               |

The **government** has various **tools** to **promote** a **competitive environment** in the LP Gas industry

1. Provide accurate and timely Information + transparency
2. Incorporate storage capacity with open access
3. Establish new forms of distribution
4. Encourage the replacement of firewood with LPG
5. Deregulate LPG prices by 2017

Source: Encuesta Nacional de Ingresos Gastos de los Hogares (ENIGH), 2014 and CONEVAL 2015.

# 2016-2017 LPG planned investment per state\* (in thousands of pesos)



| State               | Distribution | Retail | Transport | State        | Distribution | Retail | Transport |
|---------------------|--------------|--------|-----------|--------------|--------------|--------|-----------|
| Aguascalientes      | --           | 2,587  | --        | Nuevo León   | 10,781       | 3,973  | 197,603   |
| Baja California     | 13,364       | 12,871 | --        | Oaxaca       | --           | 917    | --        |
| Baja California Sur | 50,000       | --     | --        | Puebla       | --           | 4,916  | --        |
| Chiapas             | 13,858       | 2,174  | --        | Querétaro    | --           | 2,417  | --        |
| Chihuahua           | 20,127       | 5,215  | --        | Quintana Roo | 2,469        | 334    | --        |
| Ciudad de México    | --           | 781    | --        | San Luis     | --           | 725    | --        |
| Coahuila            | 21,385       | 5,260  | --        | Potosí       | --           | --     | 31,318    |
| Durango             | --           | 677    | --        | Sinaloa      | --           | --     | 31,318    |
| Estado de México    | 6,085        | 33,774 | --        | Sonora       | --           | 20,250 | 4,000     |
| Guanajuato          | 4,000        | 14,745 | --        | Tabasco      | --           | 1,158  | --        |
| Guerrero            | --           | 1,043  | --        | Tamaulipas   | 6,100        | 2,271  | --        |
| Hidalgo             | 4,858        | 11,044 | --        | Tlaxcala     | 3,920        | 6,325  | --        |
| Jalisco             | --           | 7,869  | --        | Veracruz     | 23,923       | 12,098 | --        |
| Michoacán           | --           | 10,159 | --        | Yucatán      | --           | 307    | --        |
| Nayarit             | --           | 1,487  | 1,275     | Zacatecas    | 604          | --     | --        |

| Activity                               | Total investment (thousand pesos) |
|--|-----------------------------------|
| Distribution                           | 181,475                           |
| Retail                                 | 165,377                           |
| Means of transport other than pipeline | 234,196                           |
| <b>Total</b>                           | <b>581,048</b>                    |

\*/ Information up to February 16th, 2017

## Prior to the Reform, Mexico's fuel retail model generated significant inefficiencies:



### Fixed Price Regime

- National single price (prevented adequate cost recognition on a regional basis)
- Fluctuations of international prices were reflected with a delay
- Lack of efficient price signals resulted in underinvestment throughout the value chain
- The excessive subsidy benefited the population with the highest income (200 billion pesos per year)



### Pemex did not recover logistical costs

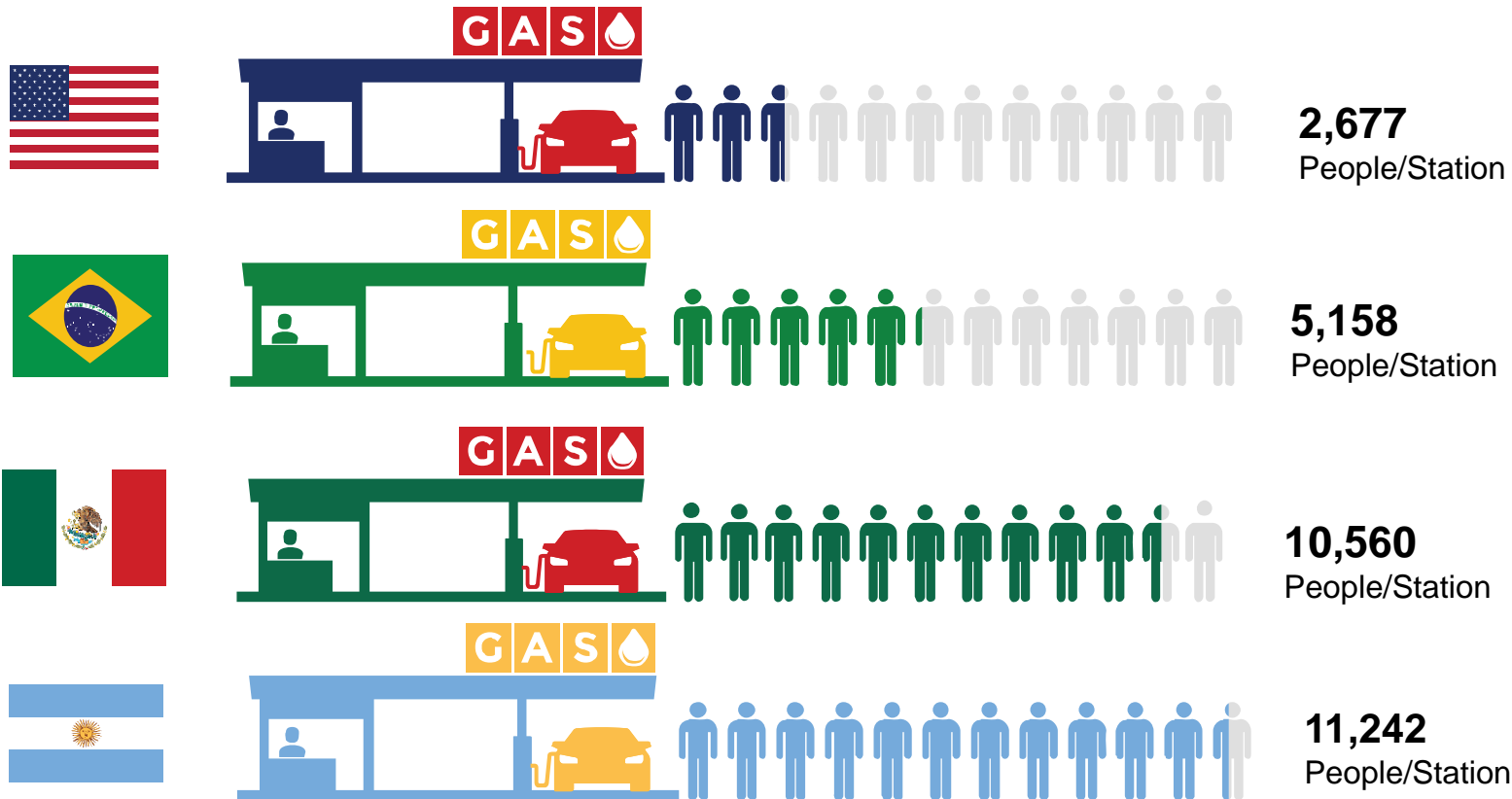
- Pemex lost resources for unacknowledged logistical costs in the overall gas price



### Underinvestment in the industry

- Limited infrastructure: low capacity and vulnerability (extreme weather events)
- Lack of incentives to improve service quality in gas stations
- 40% of municipalities do not have gas stations

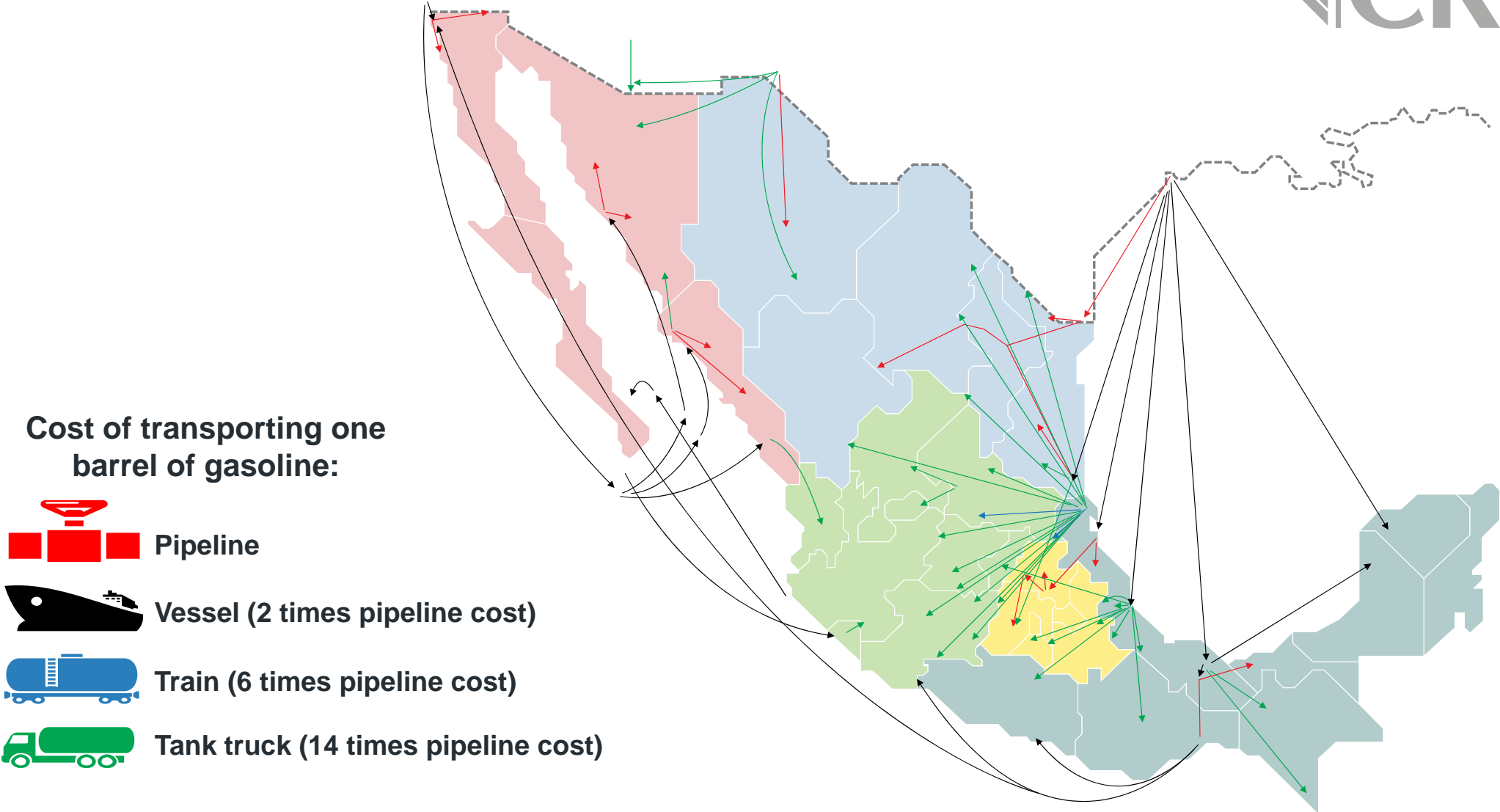
# Fuel price flexibility will trigger significant investments and create new jobs at the retail level. Also, it will enhance fuel availability and supply security for consumers



Represents 1,000 people

Source: US Department of Transportation, Country Meters, "Global Health Observatory Data Repository" by World Health Organization (ONU); "Anuario estadístico de 2016" published by Agencia Nacional del petróleo, gas natural y biocombustibles

# Logistical routes for imports and supply of gasoline in Mexico





# Fuel price liberalization strategy in Mexico



Price Liberalization

**MAR-30th-2017**

- Baja California
- Sonora

**OCT-30th-2017**

- Baja California Sur
- Durango
- Sinaloa

**NOV-30th-2017**

- |                    |              |                   |             |
|--------------------|--------------|-------------------|-------------|
| • Aguascalientes   | • Guanajuato | • Morelos         | • Oaxaca    |
| • Ciudad de México | • Guerrero   | • Nayarit         | • Tabasco   |
| • Colima           | • Hidalgo    | • Puebla          | • Tlaxcala  |
| • Chiapas          | • Jalisco    | • Querétaro       | • Veracruz  |
| • Estado de México | • Michoacán  | • San Luis Potosí | • Zacatecas |

**JUN-15th-2017**

- Chihuahua
- Coahuila
- Nuevo León
- Tamaulipas
- Municipio de Gómez Palacio, Durango

**DEC-30th-2017**

- Campeche
- Quintana Roo
- Yucatán



# The opening of refined product logistics (gasoline, diesel and jet fuel) has triggered the interest of new investors in the energy sector



Investment: 1.3 – 2.3 billion dollars



- **Route:** Tuxpan, Veracruz - Tula, Hidalgo
- **Project:** 1 storage terminal and 1 polyduct
- **Diameter and length:** 18 inches and 270 Km
- **Operational capacity:** 100 thousand barrels per day
- **Will transport:** gasoline, diesel and jet fuel
- **CRE's approval (TA):** March 22, 2016
- **Final ruling:** July 1, 2016
- **Opening:** Second half of 2018
- **Estimated investment:** 600 million USD



- **Route:** Tuxpan, Veracruz — Tizayuca y Tula, Hidalgo
- **Project:** 3 storage terminals, 1 polyduct and 3 pumping stations
- **Diameter and length:** 24 inches and 265 Km
- **Operational capacity:** 140 thousand barrels per day
- **Will transport:** gasoline and diesel
- **CRE's approval (TA):** March 22, 2016
- **Final ruling:** 20 working days after the deadline for receipt of applications
- **Opening:** First trimester of 2018
- **Estimated investment:** 350 million USD

Nuevo Laredo, Tamaulipas  
 Monterrey, Nuevo León  
 Corpus Christi, Texas



### Frontera-Norte Polyduct

- **Route:** Corpus Christi, Texas — Nuevo Laredo, Tamps. — Santa Catarina, Nuevo León
- **Project:** 4 storage terminals and 1 polyduct
- **Diameter and length:** 12 inches and 242 Km (USA) and 218 Km (Mexico) = 460 Km
- **Operational capacity:** 90 thousand barrels per day
- **Will transport:** gasoline, diesel and jet fuel
- **CRE's approval (TA):** March 10, 2016
- **Final ruling:** May 23, 2016
- **Opening:** First trimester of 2018
- **Estimated investment:** 500 million USD

Tuxpan, Veracruz  
 Tula, Hidalgo  
 Tizayuca, Hidalgo



- **Route:** Tuxpan, Veracruz – Central Mexico
- **Project:** 1 marine terminal, 1 polyduct and 1 inland storage and distribution hub
- **Length:** 265 Km
- **Operational capacity:** 100 thousand barrels per day
- **Will transport:** gasoline, diesel and jet fuel
- **Estimated investment:** 800 million USD

In September 2016, Novum Energy completed **México's first private import of diesel fuel**. Transportation of the diesel into Mexico was by road for a mining company

# CRE also grants permits for transportation of petroleum products by means other than pipeline, such as railways



## Ferrocarril Mexicano, S. A. de C. V.

**Permit:** PL/12953/TRA/OM/2015  
**Destinations:** Guadalajara, Jalisco; Chihuahua, Chihuahua; Piedras Negras, Coahuila de Zaragoza; Nogales, Sonora, Mexicali, Baja California and Manzanillo, Colima.

**Investment: 1.5 billion dollars**



## Línea Coahuila Durango, S.A. de C.V.

**Permit:** PL/13373/TRA/OM/2016  
**Destinations:** Durango, Durango.



## FERROSUR, S. A. DE C. V.

**Permit:** PL/12954/TRA/OM/2015  
**Destinations:** Veracruz and Coatzacoalcos, Veracruz.



## Ferrocarril del Istmo de Tehuantepec, S. A. de C. V.

**Permit:** PL/13551/TRA/OM/2016  
**Destinations:** Valladolid and Mérida Yucatán



## Kansas City Southern de México, S.A. de C.V.

**Permit:** PL/12952/TRA/OM/2015  
**Destinations:** Puebla, Puebla; Distrito Federal; Cadereyta Jiménez, Nuevo León; Tampico y Ciudad Madero, Tamaulipas; Lázaro Cárdenas, Michoacán; Durango, Durango; Minatitlán y Coatzacoalcos, Veracruz; Salina Cruz, Oaxaca; Ciudad Valles, San Luis Potosí, Tula de Allende, Hidalgo, as well as Salamanca and Irapuato, Guanajuato.

In the first quarter of 2017, **for the first time, Pemex started importing diésel and gasoline by train**

- **Operating capacity:** 240 thousand barrels
- **Destination:** San José Iturbide, Guanajuato
- **Terminal:** Gas Natural del Noroeste S.A. de C.V. operated by Grupo SIMSA
- **Permit holder:** Kansas City Southern de México, S.A. de C.V.

### Storage plan for hydrocarbons K'eri (5 rail port)

- **First Rail port:** Aguascalientes
- **Investment:** 900 millones de pesos
- **Started construction:** en 2 meses
- **Volume:** solicitarán permiso para 220 mil barriles
- **Influence Zone:** Zacatecas, San Luis Potosí, Aguascalientes

# Gasoline and diesel storage is a business line which is also drawing investment attention



## 1 Cabo Fuels Las Torres, S.A. de C.V.

- **Capacity:** 7,296 bls.
- **Investment:** 24.6 million pesos
- **Location:** La Paz, Baja California Sur

## 2 Combustibles de Oriente, S.A. de C.V.

- **Capacity:** 5,606 bls.
- **Investment:** 143.3 million pesos
- **Location:** Matamoros, Tamaulipas

## 3 Hydrocarbon Storage Terminal, S.A.P.I. de C.V.

- **Capacity:** 280,500 bls.
- **Investment:** 1,073.4 million pesos
- **Location:** Acolman, Estado de México

## 4 Interport FTZ S.A. de C.V.

- **Capacity:** 280,500 bls.
- **Investment:** 1,073.4 million pesos
- **Location:** Acolman, Estado de México

## 5 Gas Natural del Noroeste S.A. de C.V.

- **Capacity:** 48,000 bls.
- **Investment:** 380.3 million pesos
- **Location:** San José Iturbide, Guanajuato

## 6 Orizaba Energía, S. de R.L. de C.V.

- **Capacity:** 2,310,000 bls.
- **Investment:** 2,308.8 million pesos
- **Location:** Tuxpan, Veracruz



Investment: 427 million dollars

## 10 Bulkmatic de México (Distribución)

- **Investment:** 1 billion pesos
- **Location:** Salinas Victoria, Nuevo León

## 11 Bulkmatic de México (Distribución)

- **Investment:** 1 billion pesos
- **Location:** Tula, Hidalgo

## 7 VOPAK México, S.A. de C.V.

- **Capacity:** 415,190 bls.
- **Investment:** 787.1 million pesos
- **Location:** Veracruz, Veracruz

## 8 Hidrocarburos del Sureste, S.A. de C.V. (Distribución)

- **Capacity:** 450,000 bls.
- **Investment:** 766.1 million pesos
- **Location:** Progreso, Yucatán

## 9 Comercializadora Larpod, S. A. de C. V. (Distribución)

- **Capacity:** 11,007 bls.
- **Investment:** 19.2 million pesos
- **Location:** Puerto Madero, Chiapas

● New storage projects in development

● Storage permits granted

○ Pipelines

● CFE power stations with available capacity for investment

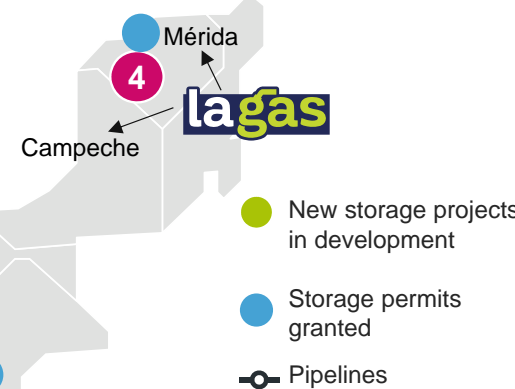
Furthermore, the new business environment allows greater competition and differentiation in product supply, services and retail prices at gas stations in Mexico



EV's Charging Station



Announcement of competitors



# A key tool to enhance the consumer's empowerment and price monitoring is the mobile application "Gasos-App"



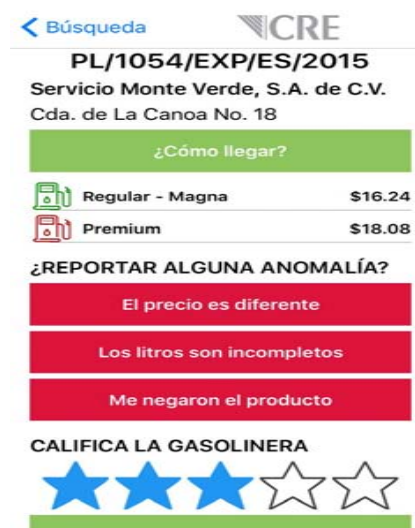
1

The app updates based on the **user's location**



2

The app displays the **closest gas stations** from the user



3

By selecting the icon of a gas station, **information on their products, prices, permit number and address will be displayed.** Also, the app allows to **rate the station's service**



4

It will be possible to **submit a report with a picture to CRE** when the offered prices do not match those published in the app

Energy production and use accounts for two-thirds of GHG emissions at a global level. In this regard, Mexico is working closely with the international community to meet multilateral climate goals



**PARIS2015**  
 CONFÉRENCE DES NATIONS UNIES  
 SUR LES CHANGEMENTS CLIMATIQUES  
**COP21·CMP11**

**<2°C** max  
 global average  
 temperature increase

**187**  
 signatory countries  
 are invited to submit their  
 INDCs\*

**55** ratification  
 instruments  
 + **55%** of global GHG\*  
 conditions for entry into  
 force<sup>1</sup>

On March 28th, 2015, Mexico **became the first developing country to present its INDC**. Mexico has committed to:

**25% Unconditional**  
**reduction** of its Greenhouse  
 Gases and Short Lived  
 Climate Pollutants emissions  
 by 2030

**Up to 40%**  
**Conditional reduction**  
 subject to a global  
 agreement providing an  
 international price on  
 carbon, access to financing  
 and technology transfer

On **September 21st, 2016**, Mexico ratified the Paris Agreement

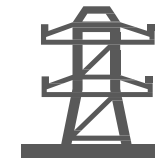
**NORTH AMERICAN  
 LEADERS' SUMMIT**

**OTTAWA  
 2016**



**45%** reduction of  
 methane emissions in  
 North America by 2025

**50%** of clean power  
 generation by 2025



**Collaborating on cross-border transmission projects**

- At least 6 transmission lines currently proposed or in permitting review, such as the Great North Transmission Line, the New England Clean Power Link, and the Nogales Interconnection, **would add approximately 5,000 MW of new cross-border transmission capacity.**

<sup>1</sup> As of September 22<sup>nd</sup>, 60 Parties have ratified accounting for 47.6% of the total GHG emissions.  
 \* INDC: Intended Nationally Determined Contributions; GHG: Greenhouse Gas

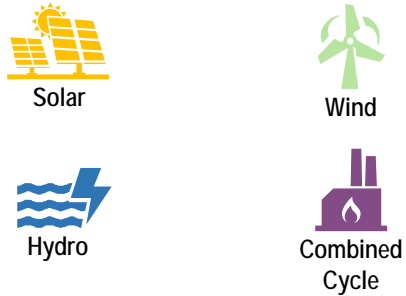
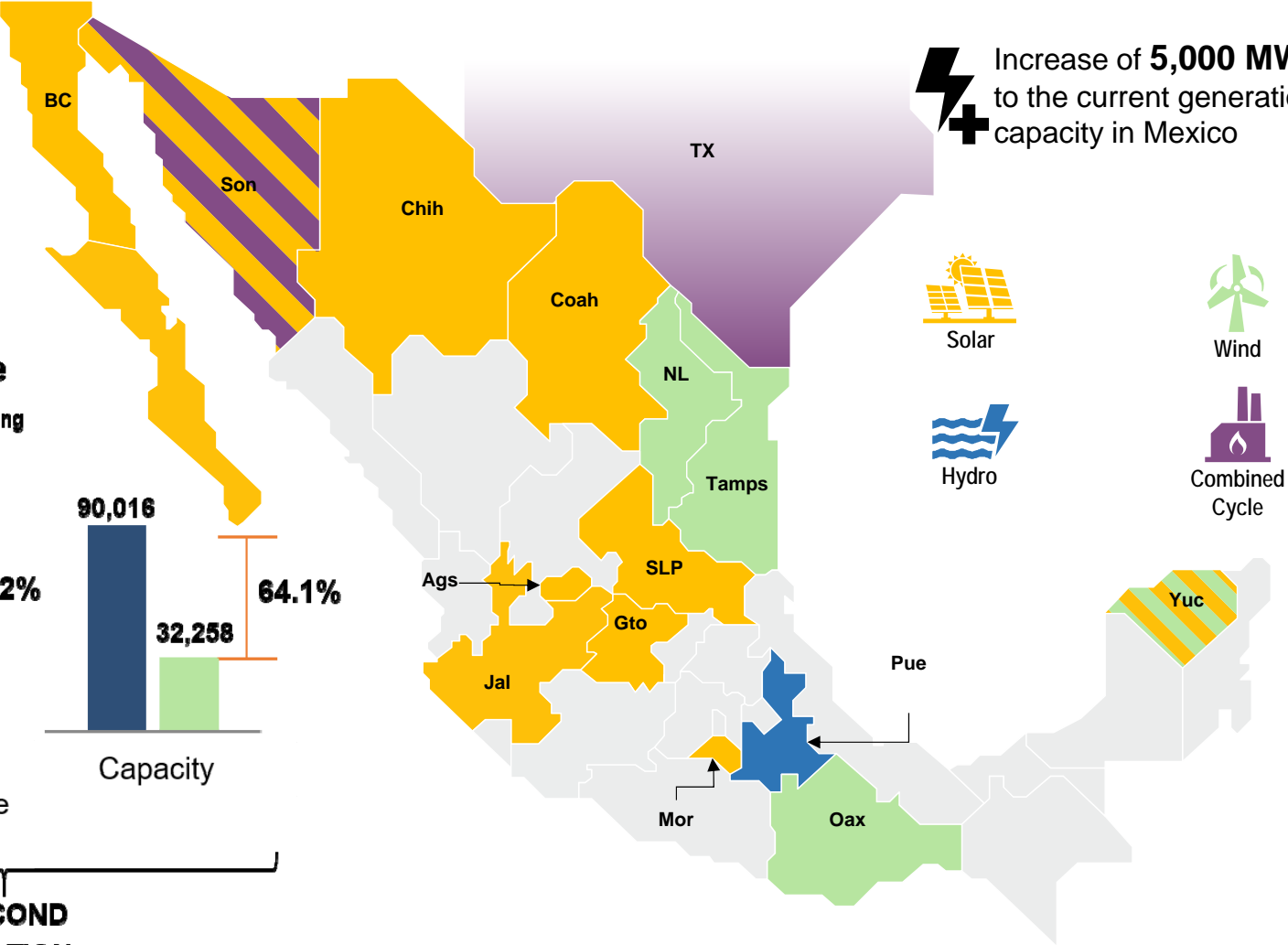
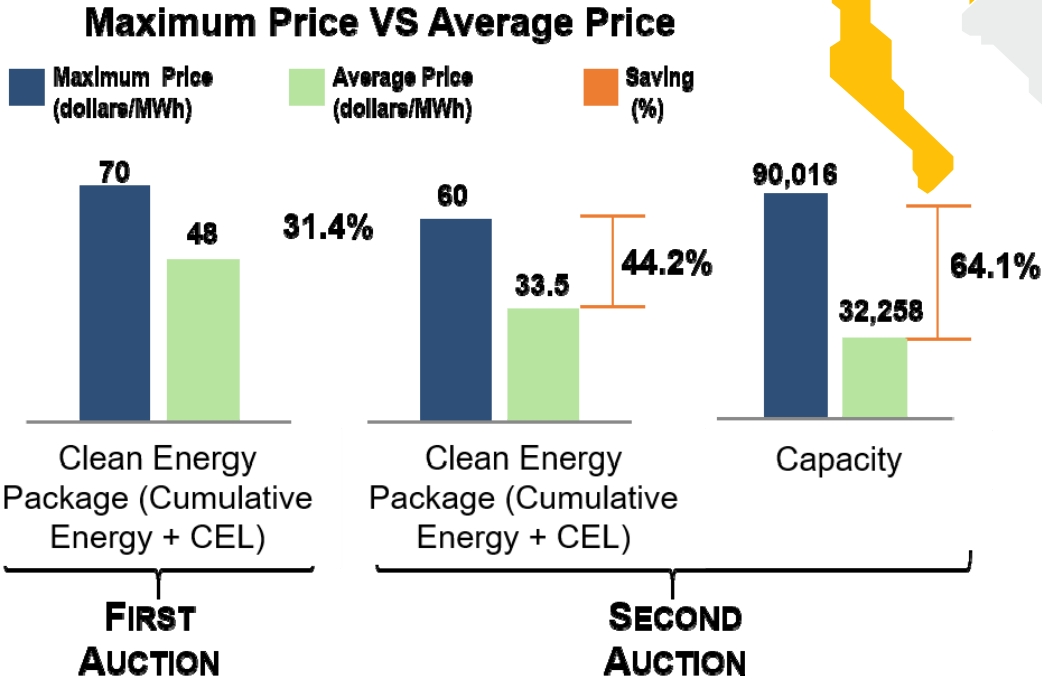
As a result of the two Long-Term Auctions, 15 states will benefit from the development of new clean energy projects in Mexico



**34 companies** from more than 10 countries, including Mexico

**6.6 billion of investment** in the coming years

**Increase of 5,000 MW** to the current generation capacity in Mexico





# Awarded companies of the two Long-Term Auctions



1st Auction=  
11 companies



COMISIÓN FEDERAL  
DE ELECTRICIDAD

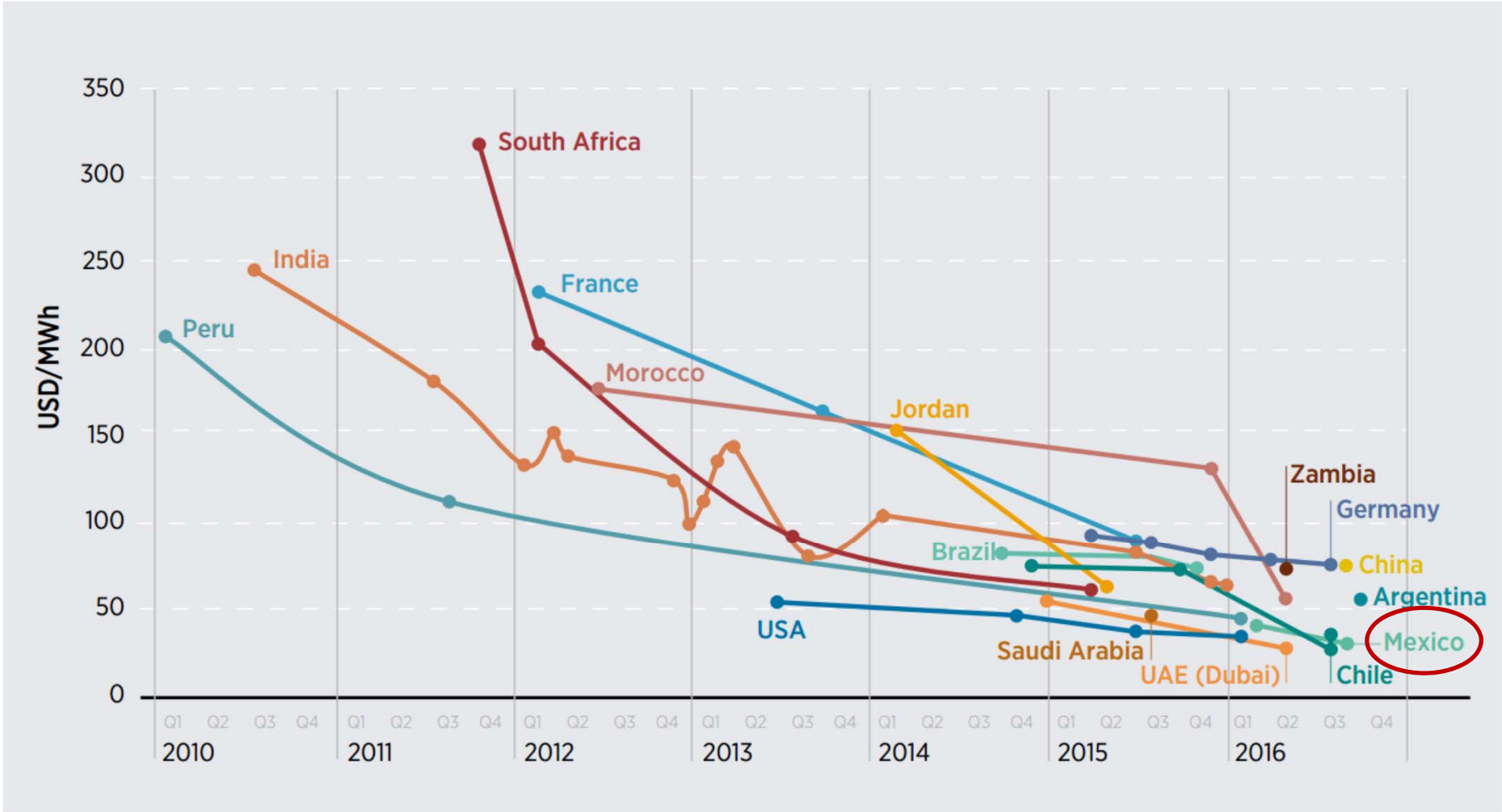


X-ELI+



2nd Auction=  
24 companies

# Evolution of average solar prices in auctions, January 2010- September 2016

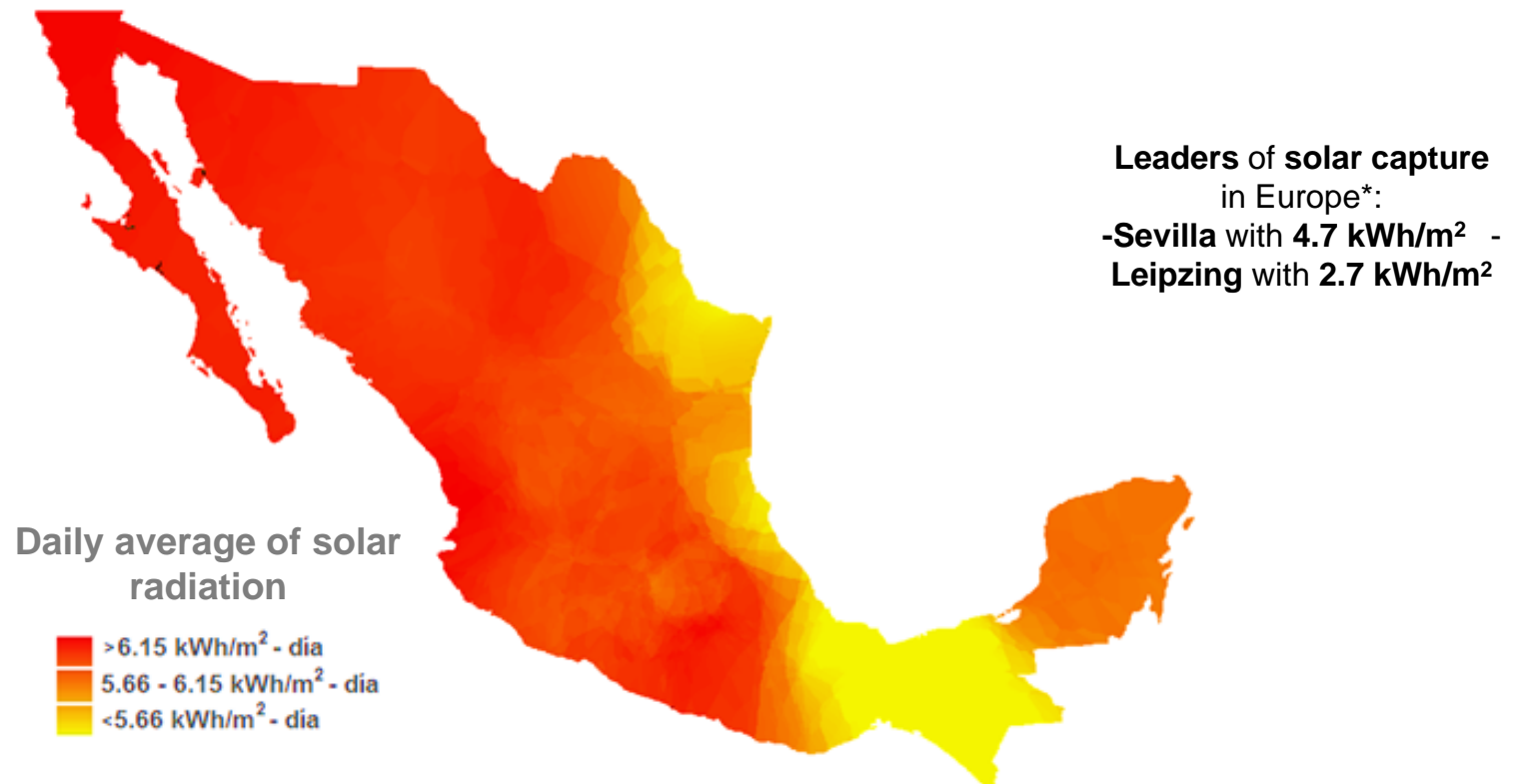


Source: IRENA, 2017

## Energy-related opportunities for businessmen and households: Clean Energies

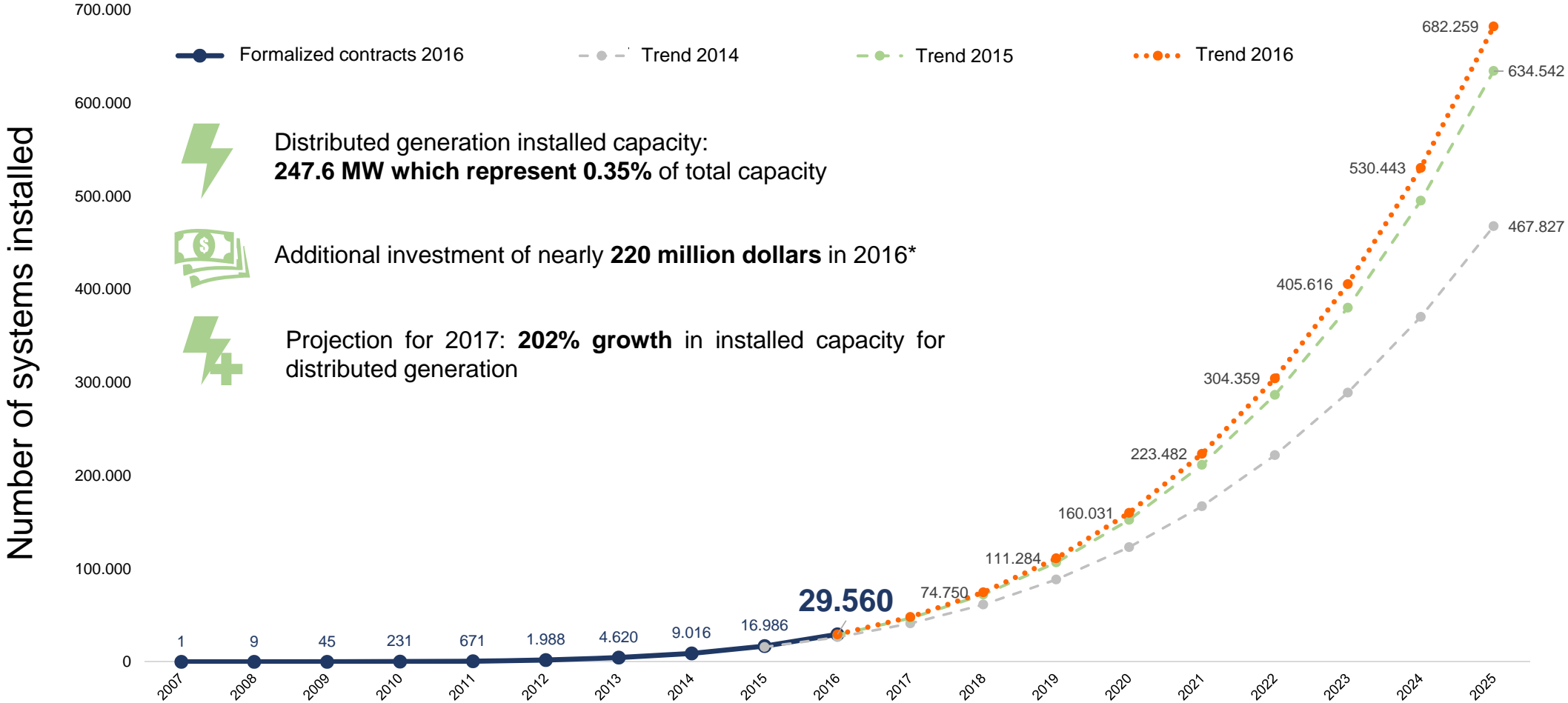


Mexico has a significant, constant and highly predictable renewable potential: a **medium annual irradiation of approximately 5.5 kWh/m<sup>2</sup> per day**



Source: SIGER, Instituto Nacional de Electricidad y Energías Limpias.  
\*Sistema Geográfico de Información Fotovoltaica de la Comisión Europea

# In December 2016, CRE issued a new set of regulations to foster the sustainable integration of distributed generation nationwide



Note: Elaborated with information provided by CFE. Preliminary data up to December 31<sup>st</sup>, 2016.

\*Considering an average investment of 1.7 million dollars per MW of installed capacity, according to Bloomberg

# Energy-related opportunities for businessmen and households: Clean Energies



A new set of rules for solar rooftops have been developed, promoting the **democratization of electricity in Mexico**



**Easier procedures,**  
with very simple  
contracts



**New contract models** for  
interconnection (net metering, net  
billing and direct sales)



**Decrease in the response time**  
(18 days max.)

**Clean Distributed Generation has the potential of:**



Reducing **1.9 tons of  
CO2 per year**



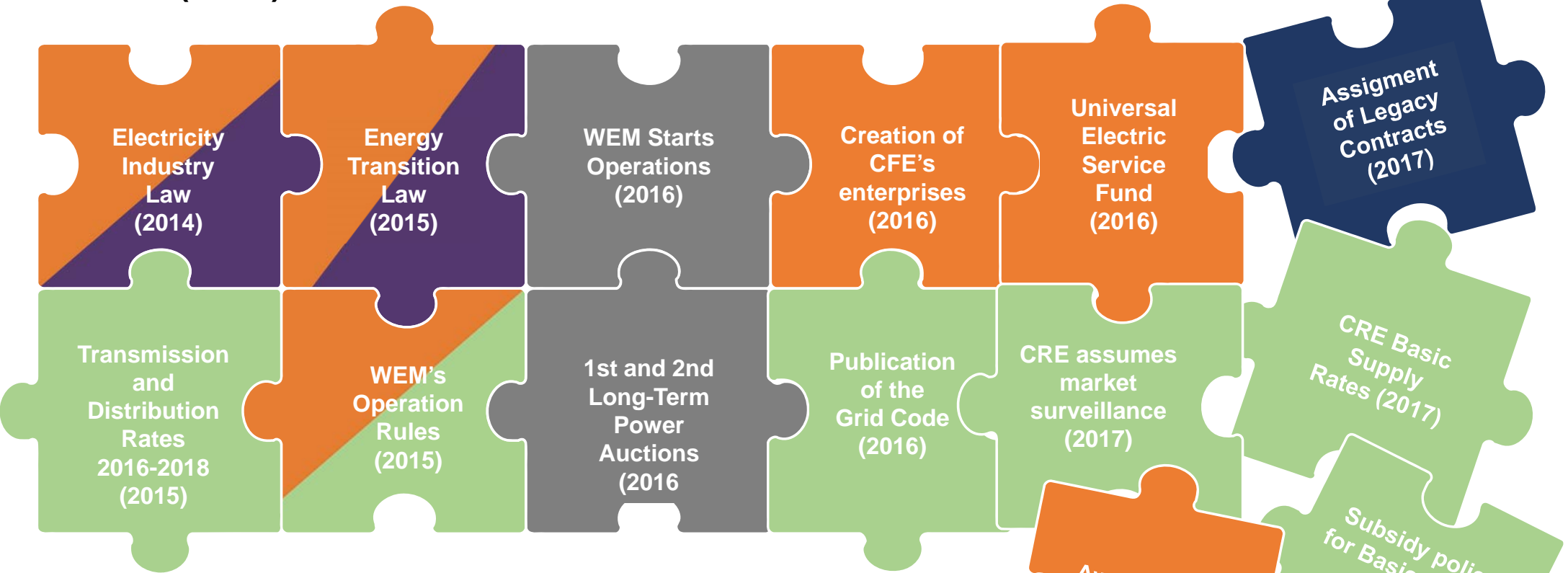
**Saving 6.6 billion pesos in  
subsidies,** by the incorporation of  
5% of Distributed Generation



Saving **680 million liters of water  
per year**

**1 out of 50 new jobs created in the United States come from the solar industry (twice as much as in the coal industry)**

# The implementation of the Energy Reform is moving towards the consolidation of a dynamic and competitive Wholesale Electricity Market (WEM)



**SHCP**  
SECRETARÍA DE HACIENDA  
Y CRÉDITO PÚBLICO



**CENACE**  
CENTRO NACIONAL DE  
CONTROL DE ENERGÍA



Congress

Mexico is taking steps in the right direction in terms of strengthening its transparency, accountability and anti-corruption frameworks. Recent legal reforms and policies are designed to reinforce the rule of law and enable a more attractive business environment



---

Establishment of a **National Anticorruption System (NAS)**. Constitutional amendment and 7 legal reforms.



---

**NAS: institutional coordination platform** among federal and local authorities. Checks and balances.



---

**Steering Committee** led by an independent citizen to oversee the NAS's performance.



---

Streamlined and strengthened procedures focused on **preempting, overseeing and penalizing** corruption.



---

Establishment of a **National Transparency System (NTS)** covering federal, state and municipal authorities.



---

New transparency framework enhancing access to **public information**, increasing the number of **regulated entities** and promoting **open government** best practices.

CRE has published online tutorials and initiated a workshop program to explain the application process and issuance of permits. Obtaining a permit is easy, fast and transparent



### Workshops

|   |   |  |  |
|---|---|--|--|
| <br><b>Gas LP</b><br>10:00–12:00 hr<br>Contacto<br><br>Aidé Rojas<br>arojas@cre.gob.mx<br>5283 1500 ext. 1064 | <br><b>Electricidad</b><br>12:00–13:30 hr<br>Contacto<br><br>Erick Vallejo<br>5283 1500 ext. 1141 | <br><b>Petrolíferos</b><br>16:00–18:00 hr<br>Contacto<br><br>Ma. Elena Hernández<br>mhernandez@cre.gob.mx<br>5283 1500 ext. 6036 | <br><b>Gas Natural</b><br>10:30–12:00 hr<br>Contacto<br><br>Danae Burguenio<br>dburgueno@cre.gob.mx<br>5283 1500 ext. 3017 |
|---|---|--|--|



### April 2017

| DOM | LUN | MAR | MIE | JUE | VIE | SAB |
|-----|-----|-----|-----|-----|-----|-----|
|     |     |     |     |     |     | 1   |
| 2   | 3   | 4   | 5   | 6   | 7   | 8   |
| 9   | 10  | 11  | 12  | 13  | 14  | 15  |
| 16  | 17  | 18  | 19  | 20  | 21  | 22  |
| 23  | 24  | 25  | 26  | 27  | 28  | 29  |
| 30  |     |     |     |     |     |     |



**Procedures and Online Services**  
**Format for requesting hearings**  
 16 working days, on average, to hold a hearing.

\*Petroleum products' workshop to be confirmed





# Mexico's Energy Regulatory Commission: Challenges and Opportunities in Reforming the Energy Industry



asociación iberoamericana de entidades  
reguladoras de la energía  
associação iberoamericana de entidades  
reguladoras da energia

**Guillermo I. García Alcocer**  
Chairman

April 20<sup>th</sup>, 2017  
Panama



[www.gob.mx/cre](http://www.gob.mx/cre)



@CRE\_Mexico



ComisionReguladoraEnergia



cregobmx



Comisión Reguladora de Energía