



Mexico's renewable plans

**OAS- REEEP
Las Vegas, March, 2007**

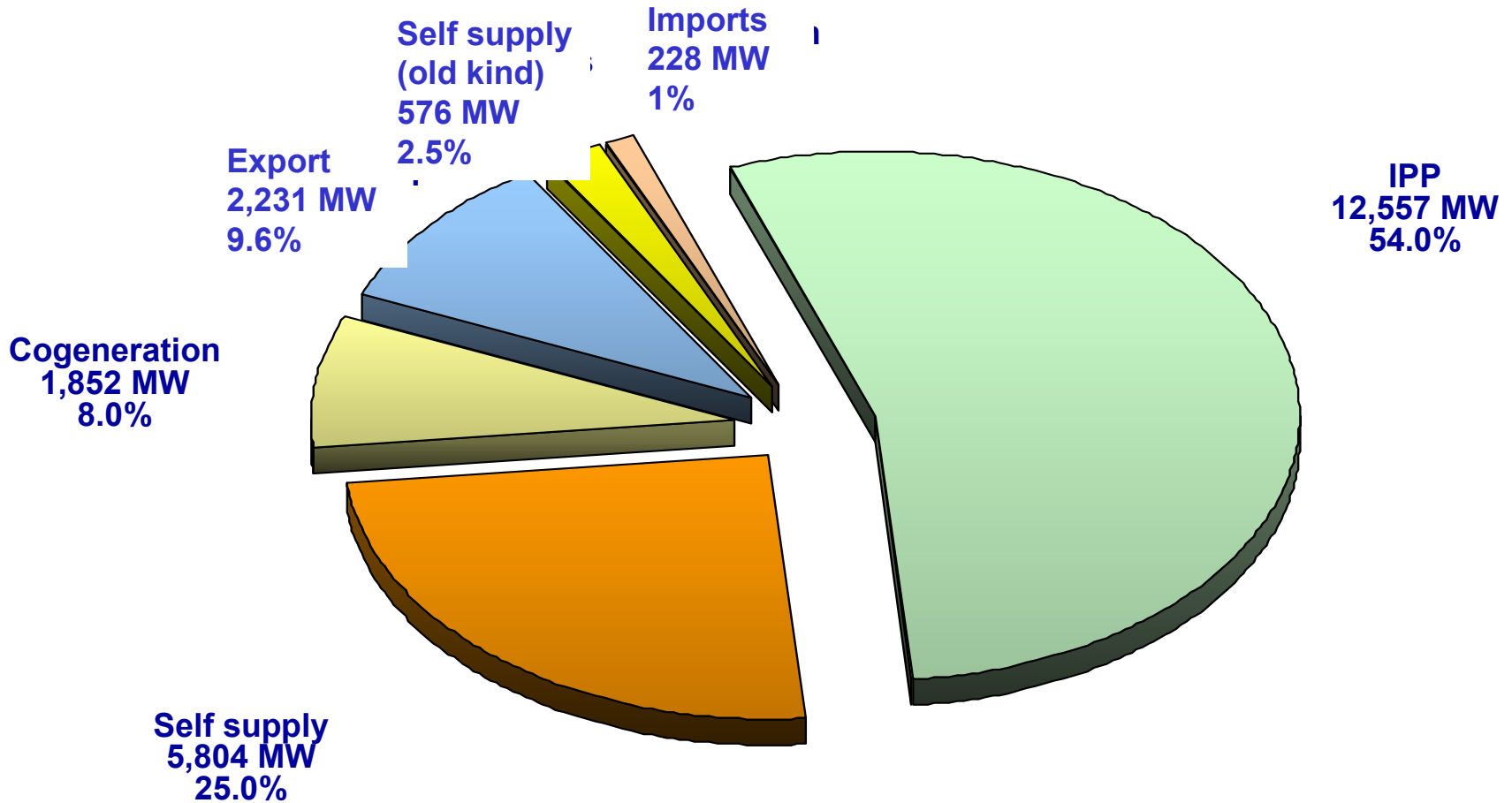
Private participation update. Mexico's electricity sector



The legal framework allows for private participation in generation of electricity but not in transmission nor distribution for public service purposes

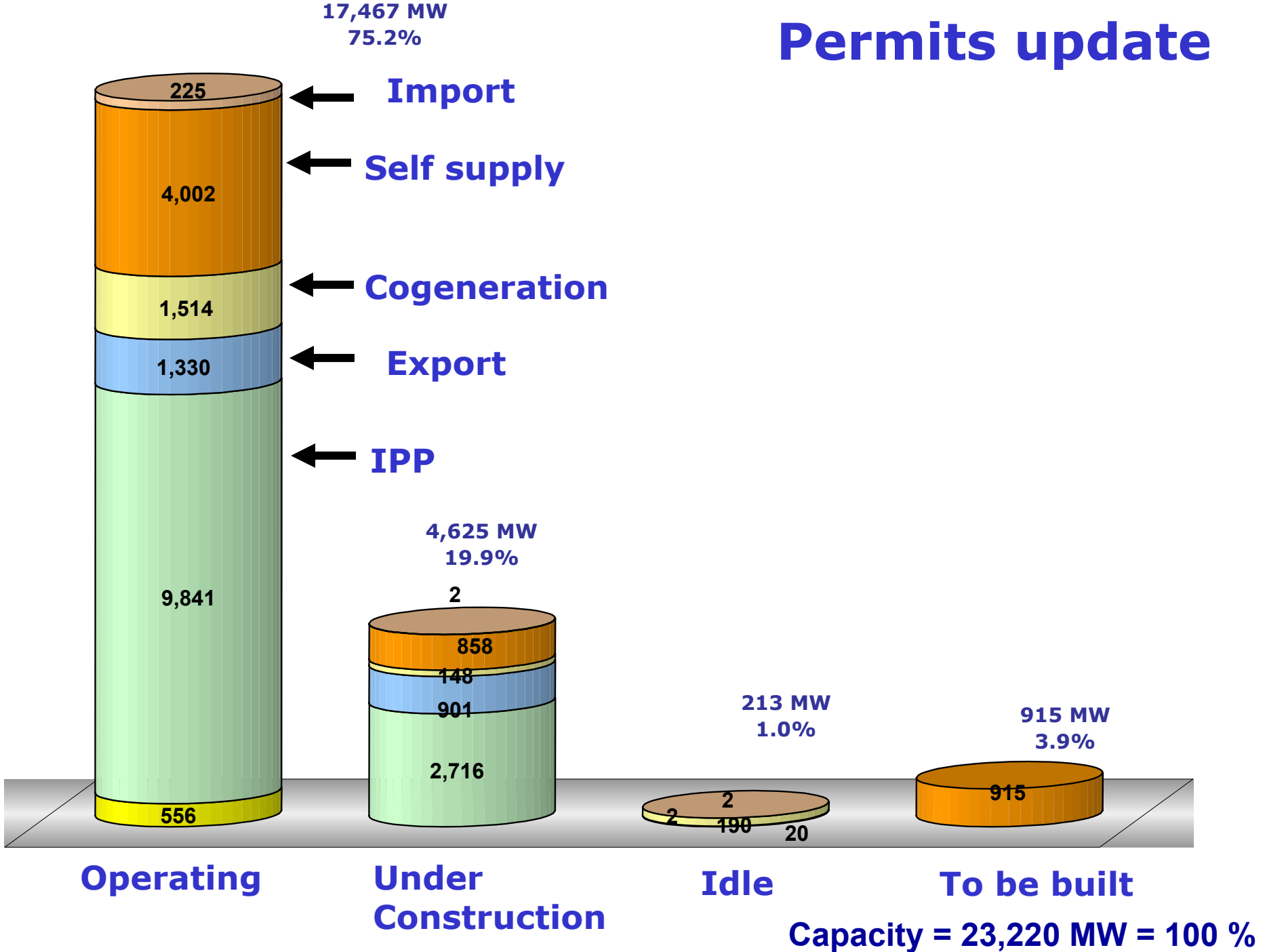
Government Utilities provide wheeling and back up services as well as purchasing of excess electricity from permit holders

Permits update



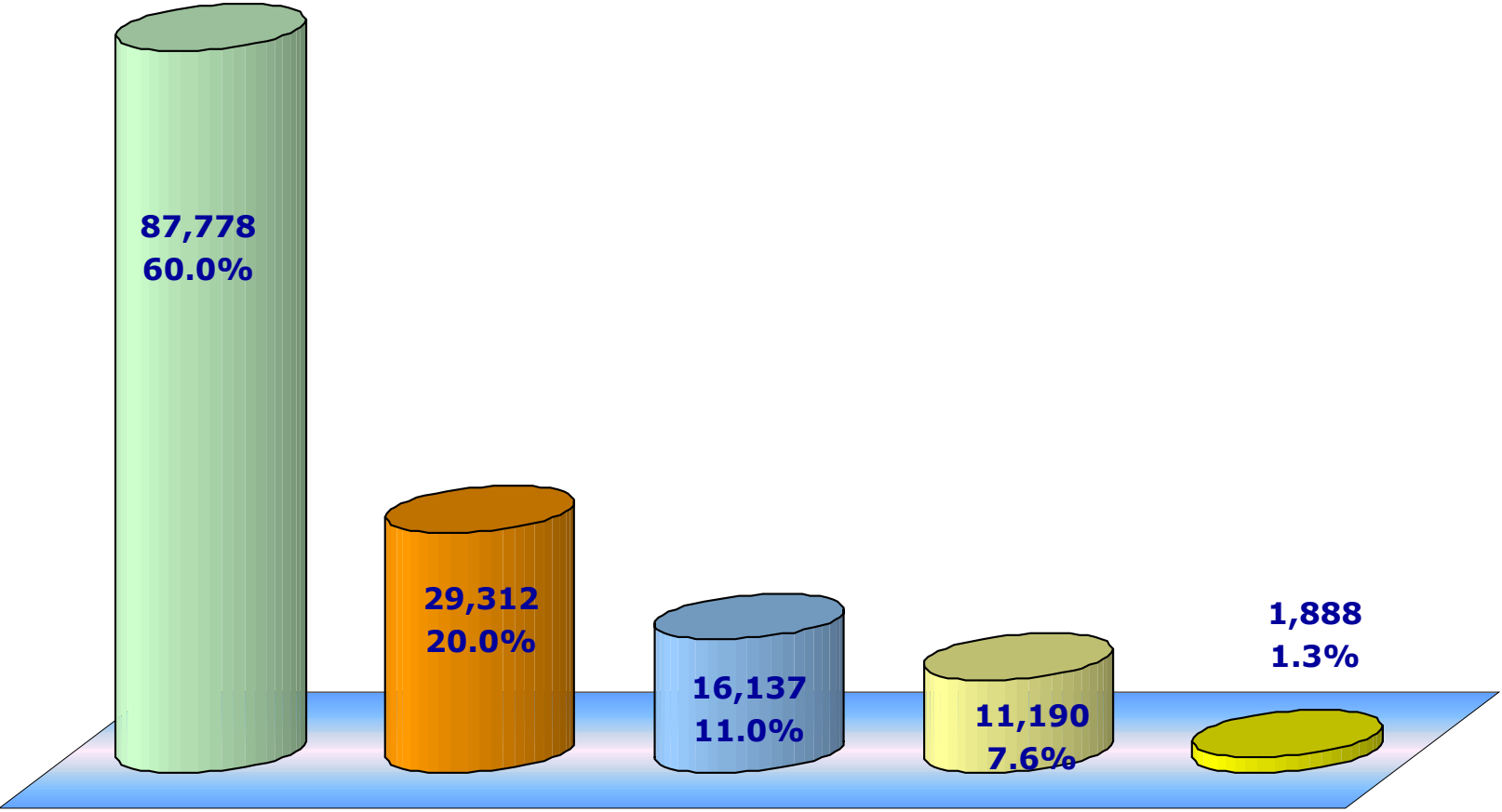
Capacity = 23,248 MW = 100 %

Permits update



Potential Generation (GWh/year)

GWh



IPP

Self supply

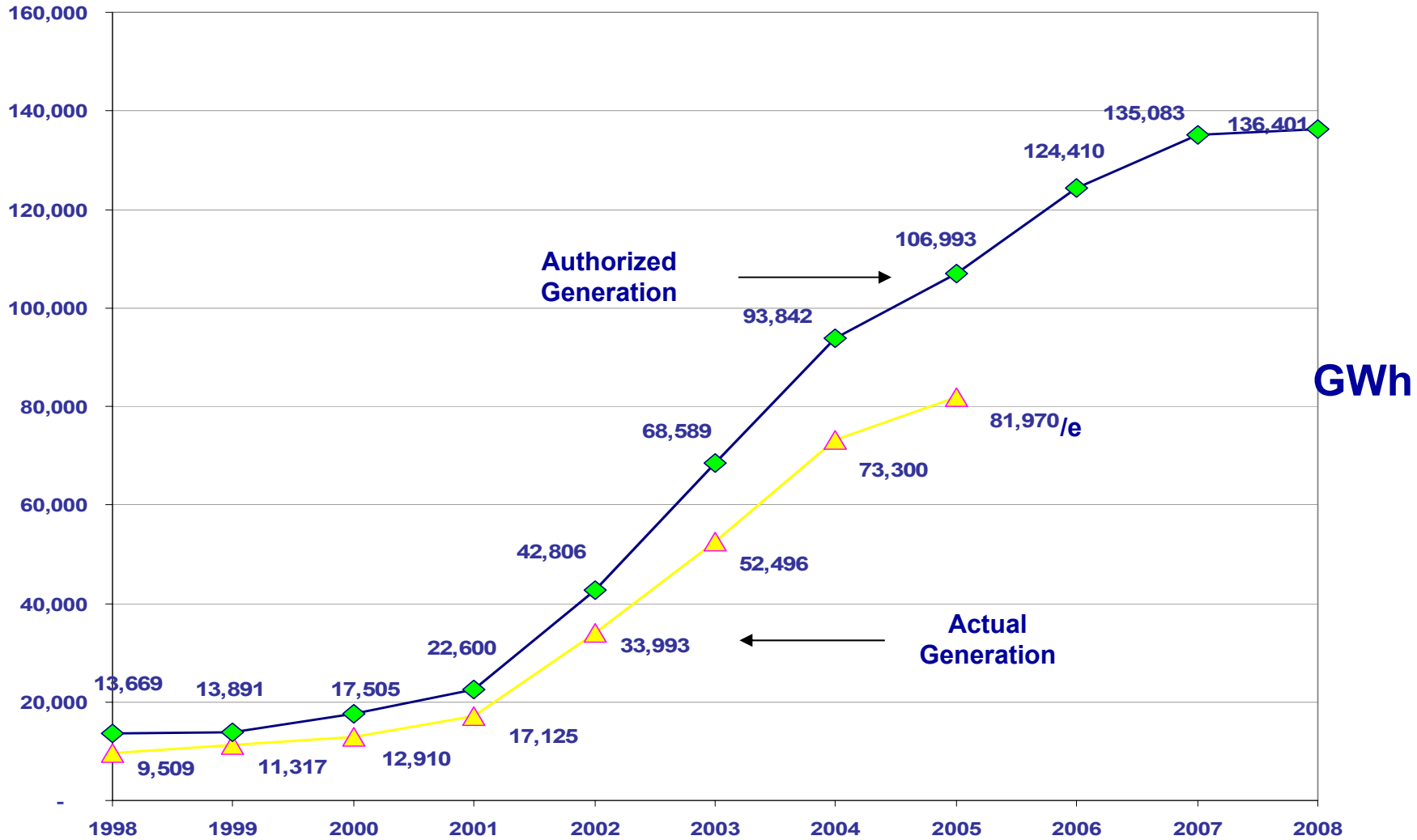
Export

Cogeneration

Self supply
(old kind)

Potential Generation, per year = 146,306 GWh

Private Generation



Renewable legislation



Ministry of Energy must establish a Government Trust to manage several funds

“Renewable Energy General Fund” for the development of technologies other than the generation of electricity

Renewable legislation



The national program to promote renewable energy shall set goals for the use of biofuels in gasoline

Wind regulation



Wheeling

Wheeling charges for renewables are calculated as in the case of firm capacity sources but multiply by plant factor

Wind projects

As a result of the open season, some 2500 MW of transmission capacity facilities will be built and enter commercial operation by the end of 2009.

Private participants have already submitted initial guarantees for 1911 MW.

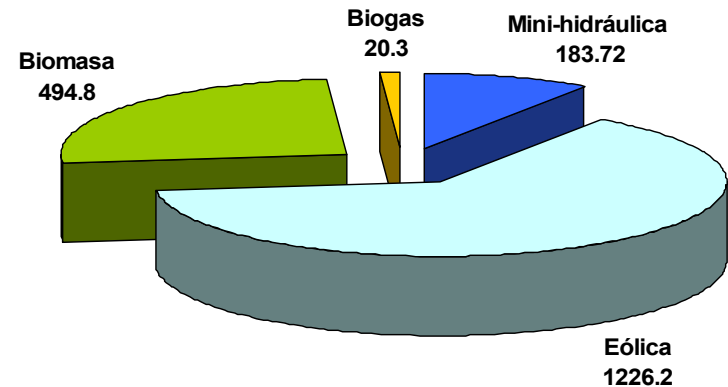
On top of this capacity the Government Utility shall probably reserve transmission capacity for its own projects.

Other projects



- CRE has issued **78** permits to install **1,925 MW** of generating capacity based on renewable energy.
- **60** permits already in operation, for a total of **534 MW**.
- Most new projects are wind power projects

Self supply renewable energy permits



Self supply permits (MW)

Status	In operation	Development	Total
Hydro	58.58	125.14	183.72
Wind	-	1,226.2	1,226.2
Biomass	454.83	40.0	494.8
Biogás	20.30		20.3
Total	533.71	1,391.34	1,925

Future regulation

Proposal for renewable energy projects regulation under study. All energy production (up to 30 MW) to be supplied to Government Utility under a long term contract. Avoided cost based payment



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