

## ANNUAL CATALOG

### MEXICO'S ENERGY SECTOR Commercial and Policy Outlook Reports

2002

- FRI, JAN 4**      **Mexican media events: Akemashite Omedetou Gozaimasu (Happy New Year)**
- File      **562**      A public relations fire broke out on January 2, 2002, the day after New Year's Day when most senior government officials and Pemex executives had not yet returned from holiday. The "fire" concerned a story published in Tokyo that JNOC, a Japanese state-owned oil company, had received exclusive production rights in the Chicontepec Basin. Two distinct readings (*lecturas*) emerge as to its origin and meaning. The report was updated in November of 2012, with an appended title list of some 30 related reports. 1
- Pages    7
- Charts    0
- Updated  11/10/2012
- WED, JAN 9**      **Year-end wrap-up for 2001**
- File      **563**      A review of the high points in energy policy and markets in 2001, including a month-by-month analysis of events. A list of MEI reports, by quarter, is provided for reference. 2
- Pages    4
- Charts    2
- Updated  1/2/2003
- FRI, JAN 11**      **Review of Pemex operating statistics, November 2001**
- File      **564**      This report reviews basic indicators in Mexican petroleum industry during the period November 2000 to November 2001, including data on hydrocarbon production, crude oil exports, natural gas exports and imports and domestic sales for most products (2 pages, 5 tables, 3 charts). 3
- Pages    3
- Charts    8
- FRI, JAN 25**      **Enron and Pemex: similarities and differences**
- File      **565**      This report discusses points of comparison and difference between Enron and Pemex in matters of environmental liability, financial reporting and political connections. 4
- Pages    7
- Charts    0
- WED, FEB 27**      **Who's Who? in the Mexican Congress in energy policy**
- File      **567**      This report provides a brief discussion of the issues and agendas in energy legislation, and includes a profile of senators, federal deputies and advisors who are involved in reviewing legislative and contractual proposals for the energy sector. 5
- Pages    3
- Charts    6

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MEXICO ENERGY MEXICO ENERGY INTELLIGENCE™ (ISSN 2380-6400) is a digital publication based in Houston since 1996 and edited by market analyst and historian George Baker, Ph.D. We synthesize business journalism and academic scholarship, analyzing law, regulation, policy, and institutional governance in Mexico's energy sector *from the perspective of regulated market solutions*. Subscribers are energy companies, regulators, trade associations, law firms and university libraries. Reports are distributed principally by paid subscription.

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- File **566** Business development managers in the power and oil and gas industries are waiting for the outcome of congressional debates on new proposals in the energy sector in Mexico. **6**  
Pages 8  
Charts 2  
Updated 9/10/2009  
This report provides an overview of the enigmatic Mexican parliamentary system, with observations about the political and institutional dynamics affecting energy policy and proposals.
- THU, FEB 28** **Sturm und Drang in Mexico's natural gas markets**
- File **568** This report questions the need for new natural gas supplies in Mexico as the U.S. and Mexican economies continue to show signs of weakness. The report follows up on earlier analysis (MEI 529) that predicted lower gas demand in Mexico. **7**  
Pages 6  
Charts 2
- SAT, MAR 2** **The future of Multiple Service Contracts in Mexico: 3 readings**
- File **574** International observers cite multiple reasons why Pemex's proposal for a contractual framework to attract operating companies to develop natural gas basins (discussed in Oil & Gas Journal, Feb. 11, 2002) may never get off the ground. This report identifies three of these reasons. **8**  
Pages 4  
Charts 0
- SAT, MAR 23** **Carlos Salinas in Houston; seeks political rehabilitation**
- File **572** After seven years, Carlos Salinas de Gortari, returns armed with a 1,400 page memoir in English. He was in Houston on March 15, 2002 in an effort to seek political rehabilitation. He spoke at two events: a breakfast with members of the Mexican Business Council and a presentation at the Baker Institute of Rice University. **9**  
Pages 3  
Charts 0  
Updated 5/19/2002
- WED, MAR 27** **LNG wars in Baja California**
- File **571** This report reviews what is, as of late March 2002, the most contested business opportunity in Mexico's energy sector: building an LNG terminal in Baja California to supply the California market with power and gas. **10**  
Pages 5  
Charts 1
- FRI, MAR 29** **Chambers of industry, commerce and influence in Mexico's business culture**
- File **569** This report profiles the principal industrial and commercial associations in Mexico (including Pemex's oil union), and assesses their significance for the energy sector. The history, leaders and web sites of the main chambers of commerce are provided in a separate table. **11**  
Pages 7  
Charts 2  
Updated 4/4/2002
- SAT, APR 6** **The Dan Yergin Show**
- File **578** A major event in public television is the 3-part series, "Commanding Heights," produced by prize-winning author and oil market consultant Daniel Yergin, the first segment of which was aired on April 3, 2002. Flashbacks of major events in the twentieth century trace the rise of the globalized economy. The treatment of the Mexican debt crisis of 1995 is controversial. **12**  
Pages 5  
Charts 2  
Updated 4/8/2002

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**WED, APR 10**

## **The Mexican Women's Initiative**

File **579**  
Pages 6  
Charts 2  
Updated 5/19/2002

Guadalupe Loaeza, a well known Mexican novelist whose main characters are upper-class women, spoke at the annual meeting of a nonprofit association of Hispanic women in Houston. The occasion prompted a discussion of the guarded, indirect speech characteristics of Mexican society and its relation to freedom of expression in the Mexican press.

13

**FRI, APR 12**

## **Drivers of natural gas demand in Mexico, 2001-2010**

File **580**  
Pages 6  
Charts 9

This report analyzes three drivers of natural gas demand in Mexico: global economy, the internal market and a mix of both effects. This report presents scenarios of natural gas demand, by economic driver, for the period 2001-2010.

14

**WED, MAY 8**

## **Judges Reject Fox Energy Reform**

File **581**  
Pages 4  
Charts 0  
Updated 5/7/2002

According to critics, President Fox sought private investment in the electric sector by means of changing the law through modifications to regulations. On April 25, 2002, the Supreme Court invalidated Fox's decree of May 22, 2001. This report analyzes the logic, reactions and implications of the Court's ruling.

15

**TUE, MAY 14**

## **Outlook for LNG and MSC: Aftermath of Supreme Court Ruling**

File **582**  
Pages 7  
Charts 0  
Updated 5/16/2002

This report reviews the principal arguments of the Mexican Supreme Court related to its ruling of April 25, 2002 in relation to electric power. Two questions are asked about the future: How do these arguments affect other energy policy innovations, such as LNG and Multiple Service Contracts? What is needed for a sustainable division of powers to exist in Mexico?

16

**WED, MAY 22**

## **PRI's proposal for the electric sector**

File **570**  
Pages 2  
Charts 1

In March 2002 the PRI submitted to the Congress its initiative of reforms for the electric sector. The proposal, which is based on seven principles, aims at reinforcing the status quo of state ownership and operation of the electric system to provide the public service of electricity. A summary and critique of the proposal principles is presented.

17

File **583**  
Pages 2  
Charts 1

This report provides an overview of the striking differences in perspective between traditionalists and reformers in relation to the challenges ahead in Mexico's electric sector. Only to the extent that the reformist perspective (now in the minority) gains influence in the Mexican public and Congress will there be greater private investment in electric power generation and distribution.

18

**THU, JUN 6**

## **MSCs: new questions and concerns**

File **591**  
Pages 6  
Charts 0

In late May and early June 2002 new questions arose about the proposed Multiple Service Contracts for dry gas production in the Burgos Basin. Some of these concern the legality of the Multiple Service Contract (MSC) framework, others with the commercial attractiveness of that framework considered in the light of the disappointments and write-offs associated with comparable programs in Venezuela. This report itemizes concerns among prospective contractors abroad and legislators in Mexico.

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**MON, JUN 10**

## **México: Proveedor, No Socio Energético de EU**

File **061002**  
Pages 3  
Charts 2

A rambling interview with George Baker by staff reporter Luis Carriles. The main topic discussed is the impossibility of a North American Energy Market. The changing attitudes of President Bush and Fox are also mentioned in relation to Iraq and Venezuela. The article features two memorable, staff photos, one of Baker being attended by his regular barber in Mexico City. MILENIO SEMINAL, June 10, 2002.

[20](#)

**SAT, JUN 15**

## **Draft MSC model of June 13, 2002: Finessing objections**

File **585**  
Pages 4  
Charts 0

On June 12, 2002, the Fox administration sent to the Congress its generic contract in draft form. The next day Pemex Exploration & Production (PEP) posted this draft on its web site. This report briefly examines the way that the draft document handles several of the items and issues of controversy.

[21](#)

File **592**  
Pages 4  
Charts 10

At the end of 2001 Mexican authorities published its second LPG statistical overview. This report, which draws from our longer LPG market study, reviews market performance during 1993-2000 and provides highlights of the forecast for the period 2001-2010. The view that LPG demand will be flat is questioned.

[22](#)

**MON, JUN 17**

## **The politics and socioeconomics of LPG markets in Mexico**

File **595**  
Pages 6  
Charts 1  
Updated 6/24/2002

For most Mexican households, which operate without consumer credit for the purchase of goods and services, fuel used for heating and cooking is liquid petroleum gas (LPG). This product is sold on a cash-and-carry basis by street vendors who travel through neighborhoods shouting "gas!" The Government's idea, which was launched formally in 1995, is to switch large parts of the residential market to natural gas. How realistic is this objective?

[23](#)

**WED, JUN 26**

## **Upstream gas conference: Concepts and body language**

File **586**  
Pages 5  
Charts 0

This report provides an overview of the Mexican gas conference held in Mexico City June 20-21, 2002. Emphasis is given to the basic concepts presented by Pemex and to the coded messages contained in a number of the presentations.

[24](#)

**THU, JUN 27**

## **Base Oil Black Market in Mexico**

File **587**  
Pages 4  
Charts 4

A look at the lucrative black market for base oils in Mexico and the measures taken by the government to control it.

[25](#)

**WED, JUL 10**

## **The Bushes, Mexico and Iraq**

File **588**  
Pages 5  
Charts 1  
Updated 9/9/2002

This report speculates on the implications for Mexico in regard to the Bush administration's foreign policy toward Iraq. How will Mexico be affected by a major disruption in international oil markets brought about by a war in the Middle East?

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**THU, JUL 11**

## **Review of Pemex operating statistics, May 2002**

File **577**  
Pages 4  
Charts 9

This report reviews basic indicators in Mexican petroleum industry during the period May 2001 to May 2002, including data on hydrocarbon production, crude oil exports, natural gas exports and imports and domestic sales for most relevant products.

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**FRI, JUL 19**

## **From lightbulb to wellhead: Upstream philosophy under Fox**

File **593**  
Pages 7  
Charts 1

Since early 2001 Pemex has been working on a new development strategy for gas-prone basins. To call this strategy “new” is only partly true, as the Mexican government, since 1992, has sought to create activity niches for private capital. This report examines the background and criticism of philosophy of the Multiple Service Contracts.

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**SUN, JUL 21**

## **LNG in Mexico: New actors, new drama**

File **594**  
Pages 6  
Charts 0  
Updated 7/22/2002

This report is an update on LNG developments that have been made public. Pemex Gas has withdrawn from the list of prospective anchor customers for an LNG terminal in Altamira, and has been replaced by CFE. This change introduces a new dynamic into Mexican gas and power markets. The market logic and drama varies from one prospective LNG site to another. An LNG terminal in Baja California will be affected by California environmental standards.

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**WED, JUL 24**

## **Evolution of projects in Burgos: from Pidiregas to MSC**

File **589**  
Pages 5  
Charts 5

This report provides a comparison between two development programs and budgets for the Burgos Basin: one of the Zedillo administration in 1996 for the period 1997-2012 and another, of the Fox administration in 2001 for the period 2002-2021. The Fox program suggests a much greater degree of difficulty and risk than had been foreseen previously.

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**THU, AUG 1**

## **Costs of delay in electric power reform: A preliminary analysis**

File **584**  
Pages 7  
Charts 5

A commonplace observation regarding the delays in electric power reform in Mexico is that the economy will pay a higher price at some point in the future. This report takes an experimental approach of applying the theory of real options (taken from finance) to the analytical problem of quantifying the dollar value of delays in the CFE investment program as a result of failure to introduce structural reforms.

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**THU, AUG 8**

## **Will Pemex Refining keep up with demand?**

File **590**  
Pages 8  
Charts 14  
Updated 8/16/2002

This report reviews statistics and rumors relating to the performance and outlook for Pemex's refining subsidiary. A critique of the Energy Ministry's forecast for the period 2001-2010 is provided. Rumors concern the eventual role of private investment in the refining sector.

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**TUE, AUG 13**

## **Managing business intelligence services regarding Mexico**

File **598**  
Pages 7  
Charts 1

This report examines intellectual challenges facing the manager responsible for business development in Mexico. What is the role of business intelligence subscription services in a world in which managers complain of redundancy and information overload?

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**THU, AUG 15**

## **Challenges of U.S. ambassadors to Mexico: Dwight Morrow to Tony Garza**

File **597**  
Pages 6  
Charts 2

On the occasion of President Bush's nomination of Texas Railroad Commissioner Tony Garza as U.S. ambassador to Mexico, this report examines the performance of several prior U.S. ambassadors to Mexico. If confirmed, Amb. Garza will perform his duties in a culture that distrusts Americans of Mexican descent. He also will face a politically tense moment in Mexican politics, when energy policy in power, gas and refining is the object of impassioned debate.

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**MON, AUG 26**

## **Fox's electric power reform: Fuss vs. philosophy**

File **600**  
Pages 7  
Charts 1

The reaction in Mexico City to President Vicente Fox's August 16th proposed reform for the power sector caused an electric storm of controversy. This report sorts out philosophical, policy and polemical issues, and assesses the politics of congressional action.

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**TUE, AUG 27**

## **Due diligence in Mexico's energy sector**

File **601**  
Pages 12  
Charts 0  
Updated 10/16/2003

This report discusses the challenge of carrying out due diligence in Mexico's energy sector both by public sector organizations and by private companies. Grounds for shareholder complaints about management failure to carry out due diligence are itemized, and ideas for improving management performance are offered.

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**FRI, AUG 30**

## **Components of Fox reform for the electric sector**

File **602**  
Pages 10  
Charts 0

The Fox reform package for the electric sector submitted to Congress on August 21, 2002 includes amendments to the Constitution, existing legislation as well as the creation of new laws. The purpose of the reforms is to open the sector to private investment and create a partially deregulated power market which the Fox administration expects will be attractive for private capital.

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**FRI, SEP 6**

## **Project management capacity in Pemex: From Cantarell to MSC**

File **575**  
Pages 9  
Charts 1

The report asks about the history and future of the outsourcing of project supervision in Pemex, taking Cantarell development projects and the proposed MSC program as examples. The report concludes that to the extent such outsourcing is needed at all, then it applies to oil projects more than to gas basins.

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**FRI, SEP 20**

## **Pemexgate: [PRI & Oil Union] vs. [Fox & Pemex]**

File **576**  
Pages 7  
Charts 0

This report analyzes the politically complex story behind "Pemexgate," the scandal associated with the alleged money-laundering of Pemex funds to support candidates of the official party (PRI) in the elections of 2000. The scandal is that such practices should have become a scandal. The good news is that by addressing the issue, Fox is advancing one of his policy goals.

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File	<b>603</b>	In Mexico, the psychological and moral equivalent of the terrorist attacks of September 11th is the earthquake that struck the capital on September 19, 1985. This report traces its political aftershocks up to Fox's State-of-the-Union address of September 1, 2002.	40
Pages	15		
Charts	0		
<b>THU, OCT 3</b>			
<b>Energy Security Roundtable for Mexico</b>			
File	<b>607</b>	This report provides an overview of the discussions held on September 27, 2002 in Washington, DC at an invitation-only seminar attended by analysts from academia, industry and government. Not-for-attribution discussions centered on the status of structural reforms in Mexico's oil, gas and power sectors.	41
Pages	8		
Charts	4		
<b>MON, OCT 28</b>			
<b>Fox's energy statistics package for the Congress: Review and</b>			
File	<b>605</b>	A review of the trends indicated in the statistics on the oil and power sectors provided by President Fox in his September 1, 2002 address to the Mexican Congress. It includes a review of historical and macroeconomic issues affecting the energy sector. The data from selected tables are referenced, and major trends are shown in graphs.	42
Pages	10		
Charts	11		
<b>TUE, OCT 29</b>			
<b>Proposed market design in Fox's electric reform initiative</b>			
File	<b>604</b>	Analysis of market design in the Fox electric reform proposal. Who will be the new stakeholders in the new power market in Mexico? How will the new power market be organized and regulated?	43
Pages	7		
Charts	0		
Updated	10/31/2002		
<b>THU, OCT 31</b>			
<b>State of Texas agencies in Mexico's energy sector</b>			
File	<b>599</b>	This report describes activities and programs of state of Texas agencies that promote business, policy and technical relationships in Mexico's energy sector. The agencies mentioned are the General Land Office, the Railroad Commission, Bureau of Economic Geology, University of Houston, University of Texas, Austin and the Mexico City representative office of economic development.	44
Pages	7		
Charts	3		
<b>TUE, NOV 5</b>			
<b>Fuel oil markets in Mexico</b>			
File	<b>608</b>	This report reviews the market, statistics and government outlook for fuel oil in Mexico. The view that CFE and most of industries (that use fuel oil) will switch to natural gas from fuel oil in the period 2002-2010 is questioned.	45
Pages	7		
Charts	11		
<b>WED, NOV 6</b>			
<b>Electricity prices in Mexico: low, high or debatable?</b>			
File	<b>610</b>	Are Mexico's electric tariffs higher or lower than tariffs in the U.S.? In Mexico, this question alone is a political debate. In this report arguments about electricity prices in Mexico are tested using data on electricity prices for Mexico and the U.S. for the years 1994-2001.	46
Pages	8		
Charts	5		



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**THU, NOV 7**

## **LNG in Mexico: two steps forward, one step back**

File **611**  
Pages 7  
Charts 0

This report comments on advances in LNG policy in Mexico, and questions the wisdom of a CFE tender for LNG in Altamira. The viability of an LNG project in Baja California would also be strengthened by the passage of the Fox power reform initiative.

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**THU, NOV 14**

## **Advances and delays in Pemex's Multiple Service Contracts**

File **613**  
Pages 6  
Charts 3  
Updated 12/10/2002

This report asks about the real reasons for the postponement on October 14, 2002, of the first international tenders of Pemex's Multiple Service Contracts (MSC). At the CBI conference on Mexican energy held in Houston Oct. 28-29, 2002 a Pemex representative gave an estimate of the cost advantage of MSC gas over imported gas in the year 2006.

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**THU, NOV 21**

## **6th CBI conference on Mexican energy**

File **614**  
Pages 6  
Charts 0

The 6th annual conference on Mexican energy policy and markets was held in Houston 28-29th, 2002. This reports offers an overview of key presentations and a critique of the underlying agenda of the event.

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**TUE, DEC 3**

## **Petrochemical sector: evolution and developments**

File **612**  
Pages 10  
Charts 11  
Updated 12/19/2002

This report reviews the history of Mexican legislation and policy in the chemical sector. An analysis of leading statistical indicators for the period 1990-2001 indicates trends in capacity, production, sales and trade. Comments on Pemex's efforts to improve efficiency and attract private investment in new capacity.

[50](#)

File **615**  
Pages 6  
Charts 0  
Updated 12/13/2002

A review of the issues addressed in the lecture given by Pemex CEO Raúl Muñoz Leos at the University of Texas in Austin on November 21, 2002. The topics of the presentation included upstream, refining, petrochemicals and multiple service contracts.

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**WED, DEC 4**

## **NAFTA and North America Energy**

File **609**  
Pages 5  
Charts 15  
Updated 12/5/2002

On Mid-2002, the North America Energy Working Group published their first study "The Energy Picture". This report provides a description of the NAEWG group and presents the main conclusions of their energy study in the framework of NAFTA. The energy supply and demand by country for 1980, 1990, 2000 and a forecast for 2010 are presented.

[52](#)

**TUE, DEC 17**

## **Cross-border gas pipelines: regulators, markets and policies**

File **617**  
Pages 7  
Charts 0

This report builds on discussions with the Railroad Commission of Texas of topics such as its collaboration with Mexico's CRE. The Commission anticipates expanded cross-border gas trade and infrastructure and foresees Mexico as a future exporter of gas.

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**WED, DEC 18**

## **NAFTA and North America Energy: Mexico's relative gains, 1980-2010**

File **618**  
Pages 8  
Charts 5  
Updated 12/19/2002

Since 1980 Mexico, Canada and the U.S. have expanded energy supplies and markets, but at different rates. This report evaluates the advances of Mexico and Canada during the historical period of 1980-2000 using the U.S. as a benchmark. A forecast for the period 2000-2010 illustrates expectations for the three countries.

54

**THU, DEC 26**

## **Blunders, faux pas and booby traps in English-Mexican Spanish translation**

File **620**  
Pages 6  
Charts 1  
Updated 12/27/2002

This report notes difficulties both sides have with the problem of false cognates in translating from Mexican Spanish into English and from English into Mexican Spanish. Consider the adequacy of "subsidiary organism" as an English translation of *organismo subsidiario*. In some cases, translation errors may pass into blunders of strategy or public relations.

55

**SUN, DEC 29**

## **Natural gas price fixing in Mexico**

File **619**  
Pages 9  
Charts 1  
Updated 12/30/2002

In the context of a larger discussion of gas pricing, this report describes the CRE's repairs to the formula governing natural gas prices in Mexico. The need arose when in November 2002 the U.S. price index for gas that had been used to benchmark Mexican prices was not published, owing to suspicions that U.S. price data had been fraudulently manipulated by traders.

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**MON, DEC 30**

## **Mexican energy in 2002: A year of unfinished business**

File **621**  
Pages 13  
Charts 2  
Updated 12/31/2003

This report looks at the year 2002 through the lens of advances and delays in both energy policies and markets. Delays are measured in their months or years of standby status (some going back to 15 years). Topics discussed include LNG, Multiple Service Contracts, electric reform, Mexlube, LPG and petrochemicals.

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