

ANNUAL CATALOG

MEXICO'S ENERGY SECTOR Commercial and Policy Outlook Reports

2004

MON, JAN 19

MSCs: Retrospect and outlook

File **661**
Pages 13
Charts 2
Updated 9/5/2006

This report examines the motives—for and against—participating in the first round of Pemex's Multiple Service Contracts. Up to 1958 production sharing and equity rights to oil production were permitted in Mexico. A comparison of the Oil Law of 1958 (which governed the MSCs) with those of the prior law of 1941 suggests that major oil companies would have been more motivated to participate in the MSCs under the earlier framework. By August 2006 Pemex had developed new models of the MSCs.

1

TUE, JAN 27

New actors in LNG politics in Baja California

File **660**
Pages 9
Charts 1
Updated 1/11/2005

This report reviews the increasingly unpredictable contest in Baja California that is unfolding on two levels: the first between the three commercial competitors and the second between the federal government and local authorities. The shift occurred in Dec. 2003 when Shell joined Semptra, and ChevronTexaco secured federal support for an offshore siting that bypasses local jurisdictions.

2

TUE, FEB 10

The business valuation, politics and organizers of Mexico energy seminars

File **658**
Pages 10
Charts 3

This report identifies thirty-five organizations, both commercial and nonprofit, that sponsor conferences on Mexico's energy sector. These venues are described and scored by the highest rank of the government, Pemex or CFE official that is likely to participate as a speaker. The business and professional reasons for attending these conferences vary, and are both simple and complex. In the latter category exist policy lobbying, Pemex and CFE loyalty and competitor research.

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MON, FEB 23

Mexican elections 2006: Andrés Manuel López Obrador

File **666**
Pages 10
Charts 0

This report, the second in a series on the presidential elections of 2006, draws on the presentation given by political scientist George Grayson to the Houston World Affairs Council on Feb. 11, 2004. Dr. Grayson noted that the popular mayor of Mexico City would win the 2006 presidential elections in Mexico if they were held on that date. Grayson pointed to the potentially negative effects of a López Obrador presidency--negative for international investors and Mexican politicians who seek structural reforms in energy, taxes and labor.

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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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2004

WED, MAR 10

LNG politics and permits after expropriation in Baja

File **670**

Pages 10

Charts 2

This report examines the logic of due diligence in Mexico's energy sector in the light of the unexpected interruption of negotiations between the State of Baja California and Marathon Oil Company. Marathon's proposed project was the most far-reaching regional development project proposed for the state in a generation. What lessons are to be drawn for regulators and the remaining and future LNG developers in relation to projects in Mexico?

5

WED, MAR 31

Mexican energy in 2003. Year of natural gas

File **667**

Pages 13

Charts 3

This report highlights major developments in Mexico's energy sector in 2003, making special note of advances and setbacks in natural gas, power and energy policy. The report takes note of personnel changes during the year, and contains tables that document the Metrogas pipeline safety controversy in Mexico City and the CRE's five-year review of natural gas distribution permits.

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THU, APR 29

Petroleum Day 2004: Open Season on Oil Policy and Pemex

File **671**

Pages 15

Charts 3

This report examines the politics of Petroleum Day in Mexico, with reference to the celebrations of 2003 and 2004. Under President Fox the event is undergoing political engineering and its future importance in Mexican politics is in doubt. The report reviews the addresses and arguments of Cuauhtémoc Cárdenas on March 17 and those of Raúl Muñoz Leos and Felipe Calderón on March 18.

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FRI, APR 30

Pemex financial reporting: For whom?

File **672**

Pages 8

Charts 1

Updated 5/6/2004

This report provides an introduction Pemex's financial reporting practices, noting advances and unresolved issues related to transparency. Table 1 examines and critiques the report of preliminary results as of December 31, 2003.

8

TUE, MAY 25

The risk of virtual expropriation: Metalclad and Marathon Oil

File **673**

Pages 9

Charts 5

This report examines the risk to investors in infrastructure projects in Mexico from indirect or regulatory expropriation. The cases heard in the first ten years of NAFTA leave serious doubts about the remedies available under its Chapter 11. This report examines two virtual expropriations: that of Metalclad Corp. in 1997 and that of Marathon Oil in 2004. Two questions are asked: What went wrong? and What are the lessons?

9

WED, JUN 30

The “impertinence” of foreign public officials toward Mexico

File **674**

Pages 9

Charts 1

Foreign public officials occasionally seek to instruct the Mexican public and government authorities. The topic of instruction may be anything: investor rights, water, law enforcement, drugs, oil and gas policy. Predictably, such instruction is poorly received—both by the host government and by the international business community in Mexico. Texas Gov. Rick Perry's visit to Mexico in June 2004 is a case in point.

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THU, JUL 8

The rising cost--and backlash--of insecurity in Mexico

File **675**
Pages 14
Charts 1
Updated 2/14/2017

Insecurity in the Federal District and in border cities such as Tijuana and Cd. Juárez is increasing the cost of doing business in Mexico. The same insecurity is reducing the quality of life in these cities, as average residents and business visitors are often in fear of their personal safety and that of their families. The report narrates experiences of several crime victims, describes the anti-crime protest march of June 27 in Mexico City, and draws lessons for policymakers, businesses, residents and tourists.

11

TUE, JUL 27

NAFTA: a mixed success at 10--abrogated at 15?

File **668**
Pages 9
Charts 3
Updated 2/23/2007

This report reviews the first ten years of NAFTA, and asks if the agreement in its present form will reach a 15th anniversary. As measured, regional trade expansion has been substantial, but wages are flat or declining. Some controversies, like trucking, energy and softwood lumber, defy resolution. Mexican industry is generally opposed to any further opening of the economy. Is regional convergence of the kind seen in Europe an option? If so, the premises and terms of NAFTA will need to be replaced by a broader vision.

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WED, AUG 18

Pemex's MSC Round Two: Mexicanization

File **676**
Pages 12
Charts 8

This report asks about the purposes, postures and features of the Second Round of Pemex's Multiple Service Contracts. Attention is given to the MSC press briefing of July 29, 2004 as well as to the arguments of critics of the Fox administration in the PRI and PRD. The report features hyperlinks to related documents and to others by opponents in the Mexican congress.

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SUN, AUG 29

Mexico's energy sector: Summer 2004

File **677**
Pages 13
Charts 7
Updated 8/31/2004

This report reviews developments in the institutions in Mexico that are involved in Mexico's energy sector: Pemex, CFE, CRE, SENER, ASF, Supreme Court and Congress. The summer is memorable for the high prices caused by supply uncertainties in Iraq and Venezuela. In Mexico the second round of Multiple Service Contracts was launched amidst growing controversy. Other controversies in the summer were LNG terminals and consumer fraud allegations at Pemex-branded gasoline stations.

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TUE, SEP 21

Market and political dynamics of West Coast LNG

File **669**
Pages 8
Charts 1
Updated 10/6/2006

This report surveys the commercial and political environment in which proposed LNG projects will operate in market areas here labeled NW Periphery, Greater Southern California and SW Periphery, and which extend from British Colombia to Michoacán. The report concludes that LNG projects are vulnerable, if not from commercial and regulatory issues, then from political ones.

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FRI, OCT 22

Natural gas pricing and procurement controversies in Mexico, 1993-2004

File **678**
Pages 8
Charts 2

This report surveys the landscape of proposals and practices for natural gas pricing, storage and transportation since NAFTA came into effect Jan. 1, 1994. The successes and shortcomings of public and private tenders and direct negotiations are examined in relation to projects in gas, power and refinery upgrades. The report retraces some of the early history of the 1990s as background for developments during the Fox administration.

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MON, OCT 25

Pemex's future production in deepwater: What is Plan B?

File **679**
Pages 13
Charts 1
Updated 9/12/2006

This report reviews the arguments and rhetoric heard in Mexico throughout the Fox administration that favor strategic associations for deepwater production. Such arguments have not been convincing in the Congress. Pemex, meanwhile, is advancing its knowledge of deepwater basins, and its conversations with oil companies are leading to an understanding of the technological challenges ahead. What, then, are Pemex's plans A and B?

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THU, NOV 4

Luis Ramírez Corzo is Pemex CEO

File **680**
Pages 15
Charts 6
Updated 11/15/2004

This report examines the causes and business messages of the change in the top leadership of Pemex when, on Nov. 1, 2004, Luis Ramírez Corzo, the E&P director, was named CEO of Pemex in substitution of Raúl Muñoz Leos. The report examines factors that led to the departure of Muñoz and the challenges the new director will face. Six tables provide the titles of the Mexican press coverage of the event.

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FRI, NOV 19

Assessment of the performance of Raúl Muñoz in Pemex

File **682**
Pages 13
Charts 0
Updated 6/6/2006

This report, based on a review of the Mexican press and interviews with diverse sources in Mexico City, provides a preliminary evaluation of the performance of Raúl Muñoz Leos as Director General of Pemex. Insinuations that he had overstepped legal requirements or procedural rules are untrue; but there are other arguments that, individually and taken together, could make a case for a change of command in Pemex. What is the main lesson of Muñoz's tenure in Pemex?

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TUE, NOV 30

The Mexican press: Guide for energy market and policy analysts

File **681**
Pages 14
Charts 2

This report examines the state of Mexican print and online journalism, and the politics and economics of news reporting. An appreciation of biases and passions helps explain the news coverage of Mexico's energy sector. The media serve both as interpreters and commercial facilitators of the power struggles over institutions, policies and budgets. Comments on the political allegiances of specific publications; and examines, as a case study, the alleged electoral motivation for the change in the director general of Pemex on Nov. 1, 2004.

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WED, DEC 15

Outlook for world oil and gas markets: Lessons for Mexico

File **684**
Pages 9
Charts 0

This report draws on presentations and discussions at the conference held in Houston on Dec. 9, 2004 sponsored by the local chapter of the IAEE. The speakers and moderators were from the public and private sectors, including the University of Houston, the Oxford Institute of Energy Studies and the Reserve Bank of Dallas. Speakers concentrated on oil and gas prices and LNG markets in Europe, North America and Asia. Lessons and implications for Mexico's energy sector are noted.

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