

MEXICO'S ENERGY SECTOR: COMMERCIAL & POLICY OUTLOOK

Mexico Energy Intelligence®

1997

December

WED, DEC 31, 97 1997 wrap-up and outlook

File **242** 1997 year-end wrap-up and outlook.
Pages 2
Charts 1

TUE, DEC 23, 97 Release of "La Quina" and Mexican labor union politics

File **240** Release of "La Quina" and labor union politics in Mexico.
Pages 2
Charts 0

File **241** Pemex statistics on production and trade of crude oil, petroleum products and natural gas for November 1997. Oil production in November stayed flat, at slightly below 3.1 MM b/d. Crude exports rose 155,000 b/d from the previous month, to 1.8 MM b/d. The average price of crude exports during November fell to \$16.08/bbl from October's \$17.36/bbl, below the year-to-date average of \$16.73.
Pages
Charts 0

SAT, DEC 20, 97 Outlook for Upstream Business Development: 1998-2002

File **239** NAFTA, which was then being negotiated, was a complete failure from the perspective of U.S. and Canadian producers who hoped that there might be some negotiated mechanism that would offer them business opportunities as producers. Nevertheless, the Procurement Chapter of NAFTA established mechanisms that gave international equipment vendors and contractors a better future as suppliers to Pemex and the CFE. Producers, then as now, are left out of the picture.
Pages 2
Charts 0

FRI, DEC 19, 97 Mexican nontransportation energy prices, 1990-97

File **238** Relative price behavior of nontransportation energy products in Mexico, 1990-1997.
Pages
Charts 2

THU, DEC 18, 97 DOE's outlook for natural gas to 2015

File **234** US DOE's Annual Energy Outlook and Mexican natural gas markets in the medium term.
Pages 2
Charts 0

MON, DEC 8, 97 **Mixed Messages in Mexican Gas Markets**

File **120897** This article, published in *Oil & Gas Journal*, discusses the contradictions in Mexico's natural gas policies: On the one hand, the government in its Natural Gas Act of 1995 and the CRE Establishment Act of 1995 signaled its intent to foster market conditions in which there would be natural gas transportation lines that competed with those of Pemex; on the other hand, it signed into NAFTA a 10% tariff on natural gas imports, the effect of which is to make any new pipeline to Mexico non-competitive.

Pages 1
Charts 0

File **12081997** An article by George Baker and published in *Oil & Gas Journal* (Dec. 8, 1997). NAFTA was supposed to open Mexican natural gas markets to pipeline developers and marketers; but the government, under pressure from Pemex, included a 10% duty on natural gas imports (to decline 1% annually). Then, in the summer of 1997, when Pemex was supposed to divest itself of its industrial accounts in the Monterrey gas franchise zone, it changed its mind (and the CRE, which is supposed to care about markets) went along.

Pages 1
Charts 1

WED, DEC 3, 97 **CRE bid evaluation process of Cost Proposals; Monterrey bid**

File **237** Analysis of CRE's bid evaluation process.

Pages 2
Charts 0

TUE, DEC 2, 97 **Gas sales contracts: lessons from the early 80's**

File **236** Discussion of the law and diplomacy of the gas purchase contracts between a U.S. buyer consortium and Pemex in the early 1980s.

Pages
Charts 0

November

FRI, NOV 28, 97 **Pemex monthly stats. 10/1997**

File **235** Pemex statistics on production and trade of crude oil, petroleum products and natural gas for October 1997.

Pages
Charts 0

SAT, NOV 22, 97 **Draft bibliography of energy sector publications**

File **233** An introduction to the principal publications and data sources on the energy sector in Mexico.

Pages
Charts 0

WED, NOV 12, 97 **Mexico's natural gas import duty**

File **232** Status of the negotiations to reduce and eliminate the import duty on natural gas.

Pages
Charts 0

TUE, Nov 11, 97

Competition between fuel oil and natural gas

File **231**
Pages 2
Charts 0

Analysis of the competition between fuel oil and natural gas.

October

THU, OCT 30, 97

SE report on investment opportunities in nat gas

File **228**
Pages
Charts 0

Energy Ministry report on investment opportunities in the natural gas sector.

File **229**
Pages
Charts 0

Energy Ministry report on investment opportunities in the electric power sector.

WED, OCT 29, 97

Pemex Production and Trade Highlights for September

File **230**
Pages 2
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for September, 1997. Oil production surpassed 3.1 MM b/d and established an historic record for the sixth consecutive month. Crude exports at 1,815 M b/d fell short of the year highest level of April by only 1 M b/d. Average prices of crude exports at \$16.09/bbl, still below the annual average of \$16.74/bbl, decreased slightly compared to their August '97 level of \$16.27/bbl.

FRI, OCT 24, 97

Houston seminar: Mexico Energy Access '97

File **227**
Pages
Charts 0

Houston seminar "Mexico Energy Access '97".

THU, OCT 23, 97

Luis Téllez is new Energy Minister

File **226**
Pages 2
Charts 0

Dr. Luis Tellez Kuenzler is named Energy Minister.

FRI, OCT 17, 97

Pemex monthly stats. 08/1997

File **225**
Pages
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for August 1997.

September

TUE, SEP 23, 97

Rumors of personnel change

File **223**
Pages 2
Charts 0

Rumors of government personnel changes in energy sector related positions.

File **224**
Pages 2
Charts 0

New guidelines for the privatization of Pemex Petrochemical assets.

MON, SEP 22, 97

Maquiladora industry - critique

File **221**
Pages
Charts 0

Challenging of conventional wisdom about the economic benefits that Mexico receives from the operations of transnational manufacturing companies in Mexico

File **222**
Pages
Charts 0

Two companies challenge the CRE decision of awarding the Rio Panuco LDC to NorAm-led consortium.

MON, SEP 15, 97

CRE award in Tampico/Madero/Altamira

File **220**
Pages 2
Charts 0

The CRE awards the Tampico-Madero-Altamira franchis zone for natural gas LDC to a consortium led by NorAm.

SAT, SEP 13, 97

CRE ruling in Monterrey re: Pemex Gas pipelines

File **219**
Pages 1
Charts 0

A critique of the policy decision of the CRE announced on August 25 to permit direct-connects by Monterrey industrial companies to Pemex Gas pipelines.

August

FRI, AUG 29, 97

Pemex monthly stats. 07/1997

File **216**
Pages
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for July1997.

THU, AUG 28, 97

Pemex monthly stats. 07/1997

File **217**
Pages
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for July1997.

REPORTS ON MEXICO'S ENERGY SECTOR
Mexico Energy Intelligence®

File **218**
Pages 1
Charts 0
Office of the Comptroller General (SECODAM) role in tenders related to energy projects.

FRI, AUG 22, 97 **Strategic choices ahead for Pemex Gas**

File **213**
Pages
Charts 1
Discussion of Pemex Gas strategies for the long run.

File **214**
Pages 2
Charts 0
Peso overvaluation and subsidy to prices of energy products.

File **215**
Pages 2
Charts 0
A discussion of upstream production practices and policies in Mexico.

TUE, AUG 12, 97 **Analogy with China and resistance to Fair Trade**

File **212**
Pages
Charts 0
An analogy of Mexico's reticence to changes in energy policy with China's resistance to fair trade.

WED, AUG 6, 97 **Monterrey air quality in 1999**

File **211**
Pages
Charts 1
Discussion of the Cadereyta project, its impact on air quality in Northeastern Mexico and compliance with NOM-085.

FRI, AUG 1, 97 **TIPRO wish list from 1992**

File **209**
Pages
Charts 1
Proposal from (TIPRO) of items to be changed in Mexico's energy sector under NAFTA.

File **210**
Pages
Charts 0
Review of recent changes in energy related government positions.

July

THU, JUL 31, 97 **Pemex monthly stats. 06/1997**

File **208**
Pages
Charts 0
Pemex statistics on production and trade of crude oil, petroleum products and natural gas for June 1997.

FRI, JUL 25, 97

Democracy & energy policy

File **205**
Pages 1
Charts 0

A discussion of mid-term elections results, democracy and energy policy in Mexico.

File **206**
Pages 2
Charts 0

Review of recent controversial decisions of the CRE regarding natural gas markets.

File **207**
Pages 2
Charts 0

Review of Pemex E&P program for the development of the Burgos basin.

THU, JUL 24, 97

Material balance vs. pricing

File **204**
Pages
Charts 2

Outlook for heavy fuel oil production and displacement by natural gas in Northeastern Mexico.

WED, JUL 23, 97

Price perceptions affecting natural gas infrastructure

File **202**
Pages
Charts 2

Price perceptions and import duty affecting the development of competition in natural gas markets in Northeastern Mexico.

File **203**
Pages 1
Charts 0

Status of the natural gas import duty reduction and elimination negotiations.

THU, JUL 3, 97

Fuel oil prices

File **201**
Pages
Charts 1

Analysis of pricing mechanisms for Pemex heavy fuel oil.

June

FRI, JUN 20, 97

Pemex monthly stats. 04/97

File **199**
Pages
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for April 1997.

File **200**
Pages
Charts

Energy conversion factor card.

MON, JUN 9, 97

Appointment of a new US ambassador

File **197**

Discussion of the appointment of a new US ambassador to Mexico.

Pages

Charts 0

File **198**

A description of Amoco profile in Mexico.

Pages

Charts 0

SUN, JUN 8, 97

Appointment of a new US ambassador

File **196**

Discussion of the appointment of a new US ambassador to Mexico.

Pages

Charts 0

MON, JUN 2, 97

Mexico and the US democratic bias

File **195**

A discussion of Mexican politics, elections, democratic process and the relation to policy and operating environment in the energy sector.

Pages 2

Charts 0

May

FRI, MAY 30, 97

Comparison of monthly energy prices

File **193**

Energy products pricing policies and statistical analysis.

Pages

Charts 2

File **194**

Exposition of the "Chameleon" theory of Mexican politics.

Pages 2

Charts 0

WED, MAY 21, 97

Delay in the award of the Cadereyta project

File **191**

Postponement of the award of the Cadereyta project to a general contractor.

Pages

Charts 1

File **192**

New MEI Co-ordinator announcement.

Pages 1

Charts 0

TUE, MAY 20, 97

Clinton's visit of May 5-7 and the midterm elections of July 6

File **189**
Pages
Charts 0

Candidates for Mexico City mayor elections and Clinton's visit to Mexico.

File **190**
Pages
Charts 0

Monterrey Tech Center for Environmental Quality Research study of the impact of natural gas imports on air quality in Mexico.

THU, MAY 15, 97

Hermosillo LDC award

File **188**
Pages
Charts 0

CRE awards the LDC franchise in Hermosillo and surrounding areas to KN Energy.

WED, MAY 14, 97

Natural gas import duty - recent developments

File **187**
Pages
Charts 0

Status of the negotiations to eliminate the natural gas import duty.

THU, MAY 1, 97

Futurology of NE Mexico

File **185**
Pages
Charts 1

Analysis of the probable growth of the natural gas market and availability for Northeastern Mexico.

File **186**
Pages
Charts 0

Pemex statistics on production and trade of crude oil, petroleum products and natural gas for March 1997.

File **05011997**
Pages 3
Charts 2

This article by George Baker sharply criticizes the Mexican government's 6% import duty on natural gas for its effect of doubling the gas transportation cost from Houston to the border. As events would come to show, the import duty efficiently discouraged Monterrey industry from supporting MidCon's proposal for an independent gas pipeline to Monterrey. This article appeared the May, 1997, issue of NATURAL GAS (pp. 16-18), a monthly publication of John Wiley & Sons.

April

TUE, APR 22, 97

Petrochemical privatization; import duty on natural gas

File **184**
Pages
Charts 0

A critique of the approach used to privatize Pemex Petrochemical assets and of the existing import duty on natural gas.

TUE, APR 15, 97

6% duty on natural gas imports

File 182
Pages 1
Charts 0

Schedule for the reduction and elimination of the duty on natural gas imports.

File 183
Pages 2
Charts 0

Announcement of the winner for drilling and infrastructure contract for the Burgos basin project.

MON, APR 14, 97

Energy Ministry market forecast for 1996-2005

File 181
Pages 1
Charts 0

Analysis of Energy Ministry's 10-year forecast of the natural gas market (Prospectiva del Mercado de Gas Natural 1996-2005).

MON, APR 7, 97

Northern gas strategy--at what cost to Pemex?

File 179
Pages
Charts 1

E&P program for the Burgos basin and drilling and infrastructure contracts.

SUN, APR 6, 97

Annual operations report for 1996

File 180
Pages
Charts 0

Description of Pemex's annual operations report and statistical appendix for 1996 (*Memoria de Labores 1997*).

TUE, APR 1, 97

PRI preliminary candidates and outlook for energy policy

File 178
Pages
Charts 0

PRI preliminary candidates and outlook for energy policy.

March

THU, MAR 27, 97

List of who's who in the energy sector

File 176
Pages 2
Charts 0

Summary of the annual Petroleum Day ceremony held this year at the Cadereyta Refinery near Monterrey.

File 177
Pages
Charts 0

Assessment of the mix of risk and opportunity in the new policy framework for the privatization of Pemex's chemical units.

MON, MAR 17, 97

From where do bad business ideas about Mexico arise

File **173** A discussion of sources of bad ideas for energy projects in Mexico.
Pages
Charts 0

File **03171997** This article is a comparative meditation of how the assassinations of Luis Donaldo Colosio and J. F. Kennedy are perceived, respectively, in Mexico and the United States. The article includes recollections of a visit to the Dallas site where Kennedy was killed. Where Colosio has a monument, Kennedy's name does not appear on a plaque on a "site of historical interest." EL FINANCIERO INTERNACIONAL, March 17-23, 1997 p. 5. (The international edition, published in Los Angeles, was later discontinued.)
Pages 1
Charts 0

FRI, MAR 14, 97

Cantarell (NE offshore) oil and gas recovery factors

File **175** New Pemex methodology for hydrocarbon reserves in the Campeche area.
Pages 1
Charts 2

February

WED, FEB 26, 97

Overview and reactions to the newest framework

File **172** Review of the proposed new framework for the privatization of Pemex Petrochemical's assets.
Pages
Charts 0

TUE, FEB 25, 97

CRE role in markets for gas

File **170** Natural gas markets in Mexico and the role of the CRE in introducing competition.
Pages
Charts 0

FRI, FEB 14, 97

IAEE Address of Energy minister in Houston 2/12

File **171** Summary of an address given by Energy Secretary Jesús Reyes Heróles in Houston on February 12.
Pages
Charts 0

WED, FEB 12, 97

Pemex monthly statistics for December 1996

File **169** Pemex statistics on production and trade of crude oil, petroleum products and natural gas for December 1996.
Pages
Charts 0

MON, FEB 10, 97

Effect of geopolitics on Mexico's upstream policy

File **168** Mexico's upstream policy in the light of the Oil Proceeds Facilities Agreement of February 1995.
Pages 2
Charts 0

SUN, FEB 2, 97

Year-end wrap up for 1996

File **167**

Wrap-up of energy sector performance for 1996, by area of industrial activity.

Pages

Charts 2

January

WED, JAN 29, 97

Oil proceeds agreement

File **166**

Lessons from the Bailout Agreement between Mexico and the US during the beginning of the Zedillo administration.

Pages 1

Charts 0

WED, JAN 1, 97

Taking a Closer Look: Strengths and Limitations of Local Reps

File **01011997**

This article, written in 1996 by George Baker in collaboration with Mexico City industry consultant Albert Antebi, offers international management cautionary tales about how to avoid the misallocation of resources (and prematurely optimistic expectations) in relation to the outlook for business development in Mexico. Published in a special edition of BUSINESS MEXICO, a monthly publication of the American Chamber of Commerce in Mexico (Vol. VI (12)/Vol. VIII (1), 1997.

Pages 2

Charts 0