

ANNUAL CATALOG

MEXICO'S ENERGY SECTOR Commercial and Policy Outlook Reports

2016

THU, JAN 14

Mexico's Energy Sector in 2015: Review of MEI Reporting and Outreach

File **800**
Pages 21
Charts 4
Updated 1/15/2016

This report provides an overview of developments in Mexico's energy sector in 2015 as seen in titles and short descriptions of reports issued by MEXICO ENERGY INTELLIGENCE®. Table 1 lists report titles by topic and sub-topic; Table 2 lists report titles in reverse chronological order, grouped by month; Table 3 lists articles in outside publications by George Baker during 2015.

1

MON, JAN 25

"Farmouts"

File **012516**
Pages 1
Charts

This article suggests that the use of "pérdias" to describe Pemex's income statement is a misuse of the term. Published in MILENIO "La Energía de Baker."

2

WED, JAN 27

Digging Deeper into Spanish 203

File **100216**
Pages 9
Charts 3
Updated 1/6/2017

This report continues a series on bilingual proficiency. The report identifies terms in legal and institutional dispositions in Mexico's energy sector that are both difficult to translate and difficult to pronounce by a non-native speaker of Spanish. One sentence is selected for examination: "*En el proceso legislativo ordinario se involucaron 21 leyes agrupadas en nueve iniciativas, de éstas se expidieron 9 y se reformaron otras 12, á saber:*" The report notes that in this single sentence there are multiple false cognates that are likely to interfere with reading comprehension.

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THU, JAN 28

Interview with CRE's Francisco Salazar

File **801**
Pages 11
Charts 0

Francisco Salazar served as President-Commissioner of Mexico's Energy Regulatory Commission (CRE) from 2005-2015. In this interview, held on the eve of the completion of his term, he looks back on the advances as well as the frustrations in relation to corporate governance and market regulation. He is optimistic that competitive markets with real-time price signals will emerge in both the natural gas and power markets. He also identifies institutional challenges that face CRE.

4

FRI, FEB 5

Aplausos y regaños (II)

File **021516**
Pages 1
Charts

This article observes that all oil companies of any significance have an upstream liaison office in Houston with the regrettable exception of Pemex. Published in MILENIO "La Energía de Baker."

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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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THU, FEB 18

Mexico's Upstream Reform in 2015

File **803**
Pages 6
Charts 6

In this report, 26 elements of the Energy Reform of 2013-14 are selected for scoring on a 5-point scale of value creation, where 5 = strong value creation and 1 = severe value destruction. Each element is scored twice, once for political value, second for commercial value. With few exceptions, political values were higher than commercial ones for any given element of the energy reform. This discrepancy is interpreted as the principal reason why in the three bid rounds of 2015, no major American oil company chose to compete. Bid Round 1.4 is seen as the test of whether the government has taken corrective measures.

6

MON, FEB 22

Francisco Salazar

File **050216**
Pages 1
Charts

This article offers the views of outgoing CRE president, who completed 10 years in office. Published in MILENIO "La Energía de Baker."

7

THU, FEB 25

Interview with Petroleum Geologist Alfredo E. Guzmán

File **804**
Pages 10
Charts 1

As a career exploration geologist in Pemex and as one of the first five original commissioners named in 2009 to the newly-formed Hydrocarbon Commission, Mr. Guzmán brings a unique perspective on the nature and challenges of both oil and gas prospectivity and public oversight. In this interview, he urges reconsideration of the potential of onshore fields. He also advocates giving the Hydrocarbon Commission (CNH) discretionary authority in the awarding of auctions where bidders submit similar offers. The interview includes an index of topics, basins and wells.

8

FRI, MAR 4

Mexico's Midstream and Downstream Gas Outlook: Hopeful

File **805**
Pages 12
Charts 6

This report examines the outlook for Mexico's natural gas market in its upstream, midstream and downstream segments. All three market segments are ready for an upgrade: the upstream by allowing a CNH contractor unregulated pricing; the midstream by an implementation of the Energy Regulatory Commission's Gas Release Program that requires Pemex to down-size its commercial gas portfolio by 70%; and the downstream by the new volume and T&C that could be offered by new-to-market gas marketers. Market actors all along the gas value chain should see new opportunities--and new risks.

9

THU, MAR 10

Farmout Economics: The Basics

File **806**
Pages 5
Charts 0

This report describes the economic aspects of the farmout agreement from the perspective of oil companies (and their shareholders) and the nation. The report argues that the full potential of a hydrocarbon block or a country cannot be attained without a widespread use of farmouts. The report draws on interviews with industry sources.

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TUE, MAR 15

Outlook for Farmouts in Mexico

File **799**
Pages 42
Charts 10
Updated 3/19/2016

A Reuters news article on July 24, 2104, noted Pemex's plans for farmout agreements; moving forward, at Pemex Investor Day in London on Oct. 6, 2016, Pemex gave details of 17 projects for a farmout. This report provides a basic description of a farmout agreement, and then examines the terms and concepts of Mexico's hydrocarbon legislation to see how closely they match international usage. Absent from the discussion in Mexico is the eventual need of the CNH contractor for the commercial figure of farmout. Exhibit C defines and translates 18 terms in global usage in English related to farmouts.

11

TUE, MAR 22

Pemex E&P organizes for Partnerships

File **807**
Pages 8
Charts 2

This report focuses on the on the way that Pemex' Exploration & Production (PEP) has been reorganized to give priority to partnerships with other oil companies. Table 1 displays the dozen-plus instances where farmouts are mentioned in PEP's Internal Statutes of July 3, 2015. Table 2 lists the names of executives, department heads and managers whose areas have farmout responsibilities.

12

MON, MAR 28

No hubo pérdidas in Pemex

File **032816**
Pages 1
Charts

This article suggests that the use of "pérdias" to describe Pemex's income statement is a misuse of the term. Published in MILENIO "La Energía de Baker."

13

THU, MAR 31

Edgar Rangel Germán: A Remembrance

File **808**
Pages 6
Charts 2

Edgar Rangel (1973-16) at the time of his death at age 42 from heart failure was the principal technical interlocutor between the Mexican government and international audiences. His presence on the Hydrocarbon Commission (CNH) offered assurance to prospective investors in hydrocarbon leases. This report traces highlights of his career and includes reminiscences of a few persons who knew him. Exhibit A is his professional profile while at Stanford University from 1995-2000. Exhibit B is his profile as posted by CNH in 2009.

14

TUE, APR 12

CRE Milestone Celebrations, 2005-2015

File **100217**
Pages 12
Charts 2

This report draws on participation in the 10th anniversary celebration of the Energy Regulatory Commission (CRE) that was held at Boca del Río in Veracruz during October 15-18, 2005. The report offers a critique of the program and proceedings of the 20+1 commemoration that was held in Mexico City on Dec. 21-22, 2015. The general observation is that in its first 20 years, CRE failed to live up to its goal of becoming the regulator of open markets, evidence of which is that the prices of all energy products are still regulated by the State, principally by CRE.

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WED, APR 20

Payout: An important milestone in a farmout project

File **100218**
Pages 11
Charts 3

Payout is the moment in the accounting of costs and revenue in a farmout project where the balance is zero: that is, all investment and operating costs have been recovered through the sale of hydrocarbons. In onshore and shallow-water fields, this milestone requires of the original leaseholder, or Farmor, either to make a commitment to become a title interest owner in the well or field or to continue to receive royalty payments from the Farmee. Eleven milestones are identified and briefly described. Exhibit A illustrates a farm-in proposal. Exhibit B adds details about the cost accounting of payout.

16

MON, MAY 2

Recordando a Edgar Rangel Germán

File **050216**
Pages 1
Charts

This article recognizes the important role that the late CNH commissioner played in the roll-out of the upstream energy reform. Published in MILENIO "La Energía de Baker."

17

WED, MAY 18

Glossary of Mexico's Wholesale Electricity Market: A Start

File **811**
Pages 33
Charts 3

This report grew out of a glossary that was prepared for the Gulf Coast Power Association's conference in Mexico City that was held on June 2, 2016. Table 1 provides a count of how the terms are distributed in a dozen legal dispositions. Table 2 lists the main legal sources. Table 3 provides a glossary of some 420 terms, sorted by their English translation, showing the original Spanish and the citation to the source and article where the term is defined or where an extract from the text in which the term occurs. Guidance regarding translation was provided by CRE, SENER, CENACE & CFE and industry specialists.

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MON, MAY 23

El ajedrez del 'upstream' [Edgar Rangel]

File **052316**
Pages 1
Charts

This article imagines the thought process that led Edgar Rangel to the decision to resign from the National Hydrocarbon Commission (CNH), based on his disillusionment about the role of the commission. Published in *Milenio*

19

SUN, JUN 5

Seeking Synergy in Perdido: Partnership Options for Pemex's Legacy (Round 0) Blocks - Updated

File **809**
Pages 15
Charts 4
Updated 7/11/2016

On June 10, Pemex' announced that its board of directors had approved recommending the development of two of its blocks in the deep water Perdido Area with partners. In this updated report, we show that there is a 3rd Pemex block in the Trion Area (AE-94), a working interest in which should be offered to complement the acreage of Block 1 in Bid Round 1.4. We review options for partnership models and conclude that there is insufficient time in the 2016 calendar to organize an auction for the Trion leases. For this reason, the bidding for Block 1 should be rescheduled for 2017.

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TUE, JUN 7

Paths to Pemex Partnership: Farmout, Cash Sale and Carried Interest

File **10037**
Pages 6
Charts 1

This report identifies three contract models that could serve in partnerships between IOCs and Pemex in Pemex blocks: 1) Farmout, 2) Standard Production Sharing Agreement (PSA), 3) Carried Interest PSA. Table 1 provides a list of the advantages and disadvantages of each model from the perspective of the original lessor. The report calls attention to the need for an auction round of Pemex blocks in the Perdido Area to complement the blocks offered by the government in Round 1.4. A video from 2008 on Pemex's challenges in deep water areas is instructive: <http://bit.ly/1WIM3WI>.

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MON, JUN 13

Trión 101: Pemex proposes fast-track for deep water auction

File **1000083**
Pages 8
Charts 2
Updated 6/15/2016

This report draws on industry courses for an initial impression of Pemex's last-minute proposal to include the Trión block in an auction to be scheduled in parallel with Round 1.4. Three potential commercial arrangements are considered: 1) Farmout, 2) Standard Production Sharing Agreement (PSA) and 3) Carried PSA. In order to allow sufficient time for the bid round to be organized and for prospective bidders to have access to a data room, Block 1 of Round 1.4 should be rescheduled at an appropriated time in 2017.

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TUE, JUN 21

Restructuring Mexico's Electricity Market: Origin and Outlook

File **812**
Pages 11
Charts 2

This report takes a fresh look at the origin and policy goals of the electricity reforms in Mexico. Just as the Electricity Act of 1992 sought to correct unintended consequences of the nationalization in 1960; so too the electricity package of 2013-15 seeks to correct unintended negative consequences of the 1992 regime. The new regime preserves a CFE as the central economic actor. Its high costs should translate to good head-room for power developers.

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TUE, JUL 12

Seeking Synergy in Perdido (Update)

File **809.1**
Pages 13
Charts 4

On June 5, Pemex's board of directors approved recommending the development of two of its blocks in the deep water Perdido Area with partners. Since then, no information has been released. In this updated report, we show that there is a 3rd Pemex block in the Trion Area (AE-94), a working interest in which should be offered to complement the acreage of Block 1. We review options for partnership models.

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MON, JUL 18

Energy Reform as PRI Franchise: Looking for the long-cycle pattern

File **813**
Pages 8
Charts 1

Major changes in energy policy in Mexico have always taken place during PRI administrations. This report asks about how the energy reform package of 2013-15 may be understood as a PRI work-product, that is, as measures that are influenced by PRI's ideology and seven-decade experience of governing Mexico in the 20th century. The report sees that experience as a factor that negatively influenced the extent of the reform. The report speculates about the shape of a future energy reform that will go beyond traditional PRI constraints.

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TUE, JUL 19

De las formas paralelas: ¿Trión y Fénix?

File **071916**
Pages 1
Charts

This column asks, skeptically, about the likelihood that the many tasks associated with a lease auction can be carried out of two blocks of Pemex in the Perdido area in time for the auction of deep water blocks in CNH Round 1.4. Ten days later, CNH published its auction schedule for Pemex's leases in the Trión areas to coincide with the date for the auction of the government's blocks (Dec. 5, 2016). The role of Lourdes Melgar in promoting synergy between Pemex and other oil companies is mentioned. Published in MILENIO "La Energía de Baker."

26

THU, JUL 21

Parallel Auctions in Perdido

File **1000084**
Pages 3
Charts 0

In the column "La Energía de Baker" published in MILENIO on July 19, we observed that Pemex was coming into Round 1.4 at 11:45 p.m., proposing 2 of (its 3) blocks in the Trion area for private investment. The published text omitted a paragraph of conclusions about Pemex's options going forward. This report provides a translation of the complete text. The matter is this: The legal framework does not permit a farmout (as understood outside Mexico); Pemex has no budget to develop Trion by itself; the option of a production sharing agreement with carried interest is uniquely feasible.

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TUE, AUG 2

The Departure of Lourdes Melgar

File **814**
Pages 7
Charts 1

Lourdes Melgar had become the public face of the Energy Ministry in international forums, most recently at the Offshore Technology Conference where she on May 3 she spoke of the parallel auctions of Pemex and government blocks in Round 1.4. This prediction was validated on July 28th, when CNH published the bidding documents for an auction of a working interest in Pemex leases in the Trion area adjacent to Block 1. This report asks: Why resign now?

28

FRI, AUG 12

Hydrocarbon Contract Matrix: Making Sense of Mexico's Contract Models

File **10038**
Pages 9
Charts 1
Updated 9/8/2016

This report examines each of the contract models set forth in Mexico's hydrocarbon legislation. The Mexican concept of license is contrasted with the U.S. concept of lease (as applied in federal waters). The occasion for this report is the scheduled historic auction of the Trión block that would convey a working interest in a Pemex block and that would thereby establish an upstream partnership.

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MON, AUG 15

La salud de Lourdes Melgar

File **081516**
Pages 1
Charts

This article asks about the circumstance and motives for the resignation of the Deputy Secretary for Hydrocarbons. Published in MILENIO "La Energía de Baker."

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THU, AUG 18

Advancing English Proficiency: What is possible in 75 minutes?

File **100219**
Pages 9
Charts 3
Updated 6/24/2019

This report is a preview of material to be presented at an introductory workshop on English proficiency at an agency of the Mexican federal government. The initial goal will be to convince attendees that they are not actually hearing English as spoken; instead, they are hearing English through the filter of their Spanish phonological expectations. A second goal will be to briefly present selected concepts in linguistics that illuminate previously-unnoticed aspects of English pronunciation. A third goal will be to motivate participants to undertake a new effort to advance their proficiency in English.

31

TUE, AUG 23

Glossary of the Pemex Trión Tender

File **815**
Pages 28
Charts 4
Updated 8/25/2016

This report offers output files from our in-house Lexical Database of Mexico's Energy Sector. The terms include those from the CNH documentation as well as from other official documents in which cognate or missing definitions are supplied. As an example, *licencia* is not defined in the Hydrocarbon Law, but there is a definition in the Transboundary Hydrocarbon Agreement of 2012. Table 1 lists 66 terms alphabetically in Spanish, with English translation and the sources cited. Table 2 is the same list, sorted in English. Table 3 provides, in addition, the Spanish definition and an English translation, with occasional notes and cross-references. Table 4 lists sources consulted.

32

WED, AUG 24

Trión Auction: Problematic Issues

File **816**
Pages 11
Charts 0

This report draws on our critiques of the government's bidding protocols for the three auctions of Round 1 held in 2015. The report identifies risks for the several stakeholders in the Trión auction: the government, Pemex and prospective bidders. In the second part of the discussion, we offer ideas for how to improve the process of partner selection.

33

WED, AUG 31

The Case for Oil Concessions in Mexico

File **1000085**
Pages 5
Charts 0
Updated 9/8/2016

There is a divergence of perspective in two articles of the Mexican Constitution: Art. 134 (the Procurement Clause) requires that the State seek the best value in the procurement of goods or services. Art. 27, allows mining concessions, but prohibits oil concessions. This report, which incorporates a translation of a submission to MILENIO for the column "*La Energía de Baker*" (and published on Sept. 2) views the opposition to an oil concession as being rooted in historical memory of the 1920s and '30s when oil companies would not exchange their land titles for concessions. The report affirms that in some circumstances concessions offer the best value.

34

FRI, SEP 2

Sino mediante

File **090216**
Pages 1
Charts

This article suggests that there is an inconsistency in the Mexican Constitution in the precepts of Articles 27 and 134. The first prohibits oil concessions; the second requires the government to seek the best terms and conditions. What if the concession is the best option? Published in MILENIO "*La Energía de Baker*."

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MON, SEP 5

Trión Deal: Farmout or PSC?

File **817**
Pages 11
Charts 0

The deal being offered to prospective bidders is not yet clear. The winner is required to spend US\$464 million, but is this an Earning Event in a farmout, or Carried Interest in a Production Sharing Contract? CNH refers to the auction as “farmouts,” but we do not find support in Mexican law for a farmout agreement. Meanwhile, multiple questions are yet without answers, such as the plans of Pemex for the conversion of future blocks and the advantages that Pemex and its new strategic partners would obtain from a relationship in and beyond Trión.

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TUE, SEP 20

The Press Risk Factor in Mexico: Reputations and Brands in Play in the Energy Sector

File **818**
Pages 17
Charts 2

On September 12, 2016, *The New York Times* ran an editorial "Suing Journalists in Mexico," and called for legal reform to protect journalists from defamation suits intended to intimidate journalists. This picture understates the challenges of investigative journalism in Mexico. This report examines an article published in *Excelsior* on February 10, 2015, about the explosion of an LPG delivery vehicle at a hospital in Cuajimalpa, a suburb of Mexico City. The report illustrates how reputations and brands in the energy sector are vulnerable to an unpredictable press that can be hijacked for political ends.

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MON, SEP 26

Deconstructing Minister Coldwell: Keynote Speaker at Rice University's Baker Institute

File **819**
Pages 15
Charts 0

At a conference on Mexico's Energy Reform that was held on September 23, Energy Minister Pedro Joaquín Coldwell was the keynote speaker. This report focuses on his remarks on upstream topics, including the migration of Pemex contracts, the Trión auction and Round 1.4 and Round 2. The minister spoke about durability of the reform were a administration to come to office that was opposed to the role of private capital in the oil and electricity sectors. The report finds that there would be numerous ways for a new administration to disrupt the energy reform without changing laws or the constitution.

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THU, SEP 29

Trion Farmout Analogy

File **820**
Pages 4
Charts 1

In Table 1 of this report, we compare a farmout agreement as found outside Mexico and the contract model that is proposed for the Trión block, the auction for which would establish the first upstream partnership with Pemex. Of more than a dozen features, for only two are similar: both have an initial period in which the new partner has special obligations, and during this period the original leaseholder is not required to contribute capital. The many differences raise new challenges and risks for both Pemex and investors.

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FRI, OCT 14

Inter-American Hydrocarbon Regulators Conference

File **822**
Pages 15
Charts 1

This report identifies themes and topics pertaining to hydrocarbon regulation that arose during a conference that was held at the University of Houston (UH) on Oct. 7, 2016. The report draws on panels on Brazil, Mexico and Colombia, also on the remarks of David Porter of the Texas Railroad Commission and Jacqueline Weaver of the UH Law Center. Regulatory efficiency is seen in the Alberta Energy Regulator, which has a permitting authority for wells, pipelines and gas processing plants, a scope not found in other jurisdictions where there is a separate window for each activity.

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WED, OCT 19

Challenges of Bilingual Proficiency: the blended consonantal coda

File 100211.1
Pages 7
Charts 2

This update was prompted by the discovery of additional examples of the blended consonantal coda in Spanish. A blended consonant occurs when two or more consonants are pronounced together. Such pairs may occur at the beginning (onset) or end (coda) of a syllable. Spanish and English are very different in relation to blended consonants, a difference that often results in mistakes of pronunciation. In Spanish, blended consonants at the end of syllables are rare. An example is /bs/, as in *abstracto*. In Spanish, the first syllable ends in 's', while, in English, the first syllable of "abstract" ends in 'b.'

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THU, OCT 27

Houston-Latin America Conference

File 100220
Pages 4
Charts 0

This report offers an overview of a three-day conference that celebrated Houston's ties to Latin America. One speaker observed that 40% of the population of metropolitan Houston is Hispanic. There were some 20 sessions and over 60 speakers from chambers of commerce, consulates, diverse industries and academia. This report comments on the presentations of just ten speakers who touched either on Mexico or who were members of the session where panelists described the situations of Mexico, Argentina, Brazil, Colombia and Panama.

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THU, NOV 3

Why Mexico Needs Standard Farmouts

File 824
Pages 8
Charts 0
Updated 11/6/2016

This report was prompted by a seminar held at Rice University's Baker Institute on November 1, 2016, on the subject of recent trends in the Mexican economy. During Q&A, the speaker, a deputy secretary from Mexico's Finance Ministry, responded with surprise at the comment that Pemex and the government were using the term "farmout" in a non-standard way. This report provides a basic description of the standard farmout model as used in the United States, and also offers reasons for choosing "farmout" by Mexican authorities.

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FRI, NOV 11

Trump Clouds over Mexico: Impact on the Energy Reform

File 825
Pages 9
Charts 0
Updated 11/17/2016

This report was prepared with an appreciation of the reaction in Mexico and among Mexicans living in the U.S. to the unexpected outcome of the presidential elections. The report offers a glimpse of how Mexico could be affected by policies advocated during the campaign. The government has the mandate to take bold policy measures unthinkable in normal times. The report lists a dozen ways where improvements are needed for the energy regime to be competitive with that of the U.S.

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TUE, NOV 22

Understanding Pemex's Trión Migration

File 826
Pages 3
Charts 1

This report explains how a CNH Contract Area in the Trion block represents a carve-out of Pemex's Master Lease (asignación) that conveys operating rights to a consortium of oil companies. The 60/40 ratio of working interest refers to the Contract Area, the extent of which will be reduced according to a schedule of relinquishment.

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SUN, NOV 27

The Pemex Migration Regime: Discretionality vs. Market Solutions

File **827**
Pages 24
Charts 5

This report describes the Pemex Migration Regime, its purposes, limitations, time-line and peculiar lexicon. The report reconstructs the time-line in 14 steps, each with its own technical vocabulary much of which consists of neologisms like "migración" that have no prior usage in Mexican legislation or regulation. Examining these terms, many are found to be open-ended, allowing for administrative discretionality along the steps of the time-line. The migration regime is seen as transitional framework, a beta version of a future regime in which Pemex may be trusted to choose its own partners.

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THU, DEC 15

Bilingual Glossary of ASEA's Safety & Environmental Guidelines

File **832.1**
Pages 29
Charts 0

On December 7, 2016, Mexico's Hydrocarbon Safety Agency (ASEA) issued guidelines for oil and gas operations. The guidelines include some 50 terms for which definitions were provided. This report comments on the several safety regimes that inform the principles and articles of the guidelines. The 28-page addendum to the report consists of three tables generated from our Lexical Database of Mexico's Energy Sector. Table 1: English translation of selected terms. Table 2: English translation of definitions. Table 3: Bilingual text of Spanish definitions with English translations.

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FRI, DEC 23

Mexico's Problematic E&P Safety Regime

File **832**
Pages 15
Charts 2

This report offers a critique of the safety guidelines that Mexico's Hydrocarbon Safety Authority (ASEA) published to coincide with the lease auction on Dec. 5, 2016, of nine deepwater blocks in Mexico's portion of the Gulf of Mexico. As an introduction to the ASEA guidelines, the report reviews of the safety frameworks that have been enhanced since the Macondo incident of 2010. The report includes a succinct account of the causes and time-line of the Macondo accident. The guidelines do not identify the hazards and risks of deepwater exploratory drilling; instead, the regulated parties are to make their own evaluation, which, in turn, will be reviewed by Authorized Third Parties. More work by ASEA is needed to be Macondo-ready.

48

MON, DEC 26

Residual Concerns about Mexico's Electricity Reform

File **828**
Pages 13
Charts 3

This report draws on discussions at a seminar held at the Law Center of the University of Houston on December 2, 2016, at which attorney Robert Downing and Mexico's undersecretary for electricity, César Hernández, put forth their perspectives on the evolution and outlook for electricity policy in Mexico. To what extent does the electricity model allow for true market signals? Does the implied sovereign guarantee distort the allocation of capital?

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SAT, DEC 31

Mexico's Energy Reform in Perspective, Part I

File **831**
Pages 18
Charts 0
Updated 1/6/2017

In this report, we consider the Energy Reform of 2013-16 as finished, with the exception of the restructuring of the motor fuel market. The report is in the form of a memorandum by the current president to the president-elect who will be chosen by majority popular vote in the summer of 2018. The choice of this narrative model was driven by the conviction that only the President of Mexico can exercise the leadership needed to update the country's petroleum narrative. he summary lists 10 successes and 10 concerns, most having to do with the upstream.

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