

## CENACE Publishes Call to Bid for the Second Long-term Power Auction in Mexico

---

May 6, 2016

---

**RELATED PRACTICES** Mexico, Asia, Energy, Power and Natural Resources, Mexico Energy Reform

---

On April 29, 2016, the National Center for Energy Control (“**CENACE**”) announced the second auction for long-term supply and purchase contracts to satisfy the need of basic service suppliers (for the time being, the Federal Electricity Commission, perhaps better known for its acronym, “**CFE**”), for power, capacity, and clean energy certificates. The standard commercial operation date of the projects awarded under the auction is scheduled for January 1, 2019.

The auction’s current critical dates are as follows:

|                   |                                                                                                                                                                                                                                               |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| May 13            | Publication of the first draft of the auction guidelines.                                                                                                                                                                                     |
|                   | Period for potential buyers and sellers to pay for the auction guidelines.                                                                                                                                                                    |
| May 13 to July 22 | Payment of this fee is required to be able to participate in the auction. The fee, including VAT, is approximately US\$1,785.                                                                                                                 |
| May 23 to 26      | First Q&A session                                                                                                                                                                                                                             |
| June 20           | Publication of the final version of the auction guidelines.                                                                                                                                                                                   |
| June 27           | Deadline for the potential purchasers to submit their proposed terms of purchase.                                                                                                                                                             |
| July 4            | Publication of the terms of purchase (amounts, prices, and values) accepted by CENACE. These operate as the price and other auction term ceilings, against which potential sellers are to make their economic proposals.                      |
| August 1 to 5     | Period for potential sellers to request technical and financial prequalification for each of the sale offers they desire to make. A fee for prequalification is due at the same time, in an amount to be set forth in the auction guidelines. |
| September 13      | Issuance of seller prequalification certificates by CENACE.                                                                                                                                                                                   |
| September 21      | Submittal by prequalified sellers of their economic proposals for each of their sale offers.                                                                                                                                                  |
| September 30      | Award of the contracts.                                                                                                                                                                                                                       |

Note that CENACE may modify the auction dates and documentation during the auction process.

Haynes Boone’s energy team in our Mexico City office participated in Mexico’s first power auction in March 2016.

Should you have any questions, please contact any of the lawyers listed below.