

Changes to the Electricity Industry Law

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After discussion and approval by the Chamber of Representatives, on March 2, 2021, the Senate of the Republic approved the Order that amends certain provisions of the Electricity Industry Law (the “Order”), and its publication in the Official Gazette of the Federation is still pending.

The approved Order maintains all of the modifications proposed by the President of Mexico in its initiative submitted to the Chamber of Representatives on February 1, 2021. As detailed in our [Client Alert](#), the significant modifications are the following:

1. The modification to the order of power dispatch to prioritize the power produced by the power plants owned by the Federal Electricity Commission (“CFE”).
2. Restriction of generation and commercialization permits to the planning criteria established in the National Electric System Development Program 2020-2034 (PRODESEN).
3. The changes to the criteria to grant Clean Energy Certificates (“CELS”) favoring CFE.
4. The authority granted to the Regulatory Energy Commission (“CRE”) to revoke self-supply generation permits.
5. The Federal government will have authority to review, renegotiate or terminate the power purchase agreements entered with independent power producers.

In accordance with text of the Order, The Ministry of Energy, CRE and the National Energy Control Center (“CENACE”) will have a period of six months from the entry into force of the Order to make conforming changes to all related regulations to be in line with the new provisions of the Electricity Industry Law.

To read en español, click [here](#).

For more information please contact any of the attorneys listed below: