

The Energy Regulatory Commission Revokes Multiple Orders and Resolutions Related to Asymmetric Regulation Principles Imposed on PEMEX

May 26, 2021 Eduardo Corzo

PRACTICES Mexico, Mexico Energy Reform, International

The Energy Regulatory Commission (“CRE”) revoked several orders and resolutions regarding the asymmetric regulation principles applicable to Petroleos Mexicanos (“PEMEX”), in accordance with the recent amendment to the thirteenth transitory article of the Hydrocarbons Law (“Amendment”), which entered into force on May 20, 2021.

The Amendment revoked the power granted to the CRE to subject PEMEX’s first-hand sales of hydrocarbons, fuels, and petrochemicals to asymmetric regulation principles. The original text of the thirteenth transitory article aimed to limit PEMEX’s dominant power in the market to promote a greater participation of other economic agents and to further competition in the midstream, downstream and retail sectors.

By Order Number A/05/2021, published in the *Official Gazette of the Federation* on May 21, 2021, the CRE revoked 44 regulatory instruments and partially revoked five. Such instruments were applicable to the hydrocarbons, natural gas, LP Gas and fuels markets.

Among the PEMEX obligations that were revoked are: (i) the mandatory application of price formulas; (ii) the use of specific criteria for granting discounts; (iii) the separation of the PEMEX franchise agreement from its sales agreement; (iv) the publication of prices, discounts and commercial conditions in advance; (v) the determination of limits on its market participation, and (vi) the CRE’s approval of its first-hand sales and commercialization model agreements.

To read en español, click [here](#).

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