

## Larry Pascal and Natalia Cosio Ondiviela in Energy Advisor: Featured Q&A: 'What Will Mexico's CFE Prioritize in the Next Five Years'?

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**PRACTICES** Energy, Power and Natural Resources

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*Energy Advisor*, a *Latin America Advisor* publication, featured Haynes Boone Partner [Larry Pascal](#) and Foreign Associate Natalia Cosio Ondiviela in a discussion of future power projects planned by the Mexican state-owned electric utility Federal Electricity Commission, or CFE.

Here is an excerpt of the Q&A:

Larry B. Pascal, member of the Energy Advisor Board, and Natalia Cosio Ondiviela, both members of the International Practice Group at Haynes Boone: “Mexico’s CFE released its 2021-2025 business plan, detailing its project portfolio and estimated investments in generation, distribution and transmission for power projects. The plan contemplates an investment equivalent of approximately \$19 billion for the construction of several new power plants and the development and maintenance of distribution and transmission infrastructure. In particular, the plan includes the construction of 13 power generation plants, primarily located in the states of Baja California, Baja California Sur, Yucatán and Veracruz (eight of these proposed projects are combined cycle power plants), and with these new projects, the CFE seeks to achieve 54 percent market share in the generation segment by 2024.

As to distribution, approximately 100 projects are estimated for the development and modernization of the power distribution grids, and approximately 142 new transmission projects are expected between 2021 and 2025. No further details about these projects were provided. To finance the expected projects, the CFE will determine the financing schemes they deem appropriate, either using their own resources or through other sources. For example, the plan suggests the use of so-called Long-Term Productive Infrastructure Investment Projects (PIDIREGAS), and the Energy Investment and Infrastructure Trust (Fibra E) as vehicles for some form of private sector involvement.

The plan does not include any new solar or wind projects nor any long-term electricity auctions. The absence of these aspects has been criticized by members of several civil and social organizations such as the Mexican Institute for Competitiveness.”

Excerpted from *Latin America Advisor’s* weekly publication, *Energy Advisor*. To read the full article, click [here](#).