Energy Reform in México

Upstream Regulation that promotes the Sustainable Development of the Oil and Gas Resources

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### Overview of the Energy Reform in México

#### Hydrocarbons
- Attract new capital and state of the art technology.
- Access deep-water and non-conventional reservoirs.
- Increase natural gas and oil supply.

#### Sustainability and Energy Transition
- Diversify generation.
- Develop renewable energies.
- Reduce environmental impact.

#### Electricity
- **Reduce electric rates** to boost overall economic competitiveness.
- Assure reliable service and guarantee **universal access**.
- Increase **system efficiency** and reduce losses.

#### Cross-cutting
- Promote investment
- Modernize infrastructure
- Guarantee transparency
Based on the UNFC methodology.

Social and Environmental aspects captured in classification.

Platform to make decisions in energy and/or Regulatory Policy.

Meet the Sustainable Development Goals (SDGs).

Pilot Test in México

To classify selected Hydrocarbons Resources using UNFC
Pilot Test in México

Original Scope

- 35 selected blocks (Social and Environmental Sensitivity).
- 3 of the most important Petroleum Provinces of México.
- Diversity in type of prospective resources and discovered fields.
- Unconventional Blocks were included.
Pilot Test in México

**Modified Scope**

- **19 selected blocks.**
- **Onshore and Offshore.**
- **Diversity in type of prospective resources and discovered fields with projects defined.**
- **Social and Environmental aspects captured in classification.**
Conclusions and Next Steps

• Oil and Gas Activities linked with the SDGs Goals.
• Platform to make decisions in Energy and/or Regulatory Policy.
• Coordination between institutions is a key element (Roles and Responsibilities).
• Collaboration with the National Oil Company (Pemex).
• Analysis of the technical and non technical information properly.
• Original and Modified scope are on track-
  • Final Conclusions and Findings- December 2018

• Upstream Regulation under revision (Sustainable Elements linked with the SDGs).
  o Reserves and Resources - (UNFC).
  o EOR Regulation- EOR-CO2 (CCUS).
  o Field Development Plans - Renewables in Operations.