

PEMEX OPENS FUELS-RELATED INFRASTRUCTURE FOR PUBLIC USE



Source: PEMEX 2016

Petróleos Mexicanos (“Pemex”), through its State productive subsidiary Pemex Logística, obtained the approval from Mexico’s Energy Regulatory Commission (“CRE”) to open access of its gasoline and diesel pipeline and storage infrastructure to independent distributors, traders, and retailers through a bidding procedure called open season (“Open Season”).

This methodology for the allocation of capacity is a novel practice for the Mexican energy sector that responds to the Energy Reform of 2013, which placed the industry in a transition from a State-based monopoly to the establishment of open and competitive markets. Pemex expects its Open Season to attract a variety of experienced and upcoming players, both local and international.

Available Systems

The available capacity will be allocated through two stages of the Open Season. The offered infrastructure comprises the following systems (“Available Systems”):

First Stage:

- 1.1. Rosarito and Guaymas Systems *
- 1.2. Northern System

Second Stage:

- 2.1. Topolobampo System
- 2.2. System of the South-Gulf-Center-West
- 2.3. Progreso System

**Timeframe available*

Pre-allocation in favor of Pemex Transformación Industrial

In order to ensure the national supply, the commercial subsidiary of Pemex, Pemex Transformación Industrial (“Pemex-TRI”) has a first-right allocation within the Available Systems; the pre-allocation for Stages 1.1 and 1.2 was approved by CRE.

Pemex-TRI shall submit for CRE’s authorization, its proposed reserved capacity for the remaining Available Systems.

Pre-qualification and Data Room

Parties interested in participating shall submit the required documentation and information and cover the corresponding fees to access a Data Room that contains technical and operational information of the Available Systems.

Proposals

Once pre-qualification is accredited, participants of the Open Season may submit their proposals within a set timeframe, stating the required services and their proposed base value tariff, among other terms.

Results

The criteria to allocate is Net Present Value, favoring a pro-rate scheme amongst participants. Specific provisions for over and under demand may apply.

The First stage of the procedure will be held on the first months of year 2017.

Pemex Logística

Pemex Logística was created on April, 2015 as a State-owned productive enterprise subsidiary of Pemex, and received from its affiliates the assets related to transportation and storage of hydrocarbons, oil products and petrochemicals to render services to either Pemex, other State productive enterprises and/or third parties, by pipe, maritime and/or terrestrial means.

Throughout the country, Pemex Logística has a pipeline-network with a total length of 17,000 kilometers, integrated by 48 oil pipelines, 78 gas pipelines, 11 gasoline pipelines and 11 oil and gas pipelines. Its infrastructure is integrated by 13 systems and more than 80 terrestrial and maritime storage terminals.

In virtue of the importance of Pemex Logística for the national infrastructure, statutory provisions mandate to guarantee open and non-discriminatory access of its storage and pipe transportation systems.

Contact

Should you have any questions regarding this Open Season or any energy related matter, please feel free to contact us.

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