

General Administrative Provisions for Binding Planning in Power Generation Activities

Background

On October 17, 2025, the Ministry of Energy ("**SENER**") published in the Official Gazette of the Federation the General Administrative Provisions for Binding Planning in Power Generation Activities (the "**Provisions**"), which entered into force on the same date of their publication.

Purpose and Scope

The Provisions establish mandatory criteria that the National Energy Commission ("**CNE**") must consider to evaluate whether generation projects comply with binding planning before the granting of the relevant generation permits.

They apply to projects intended for participation in the Wholesale Electricity Market ("**MEM**"), (public and private). Does not apply to self-supply or cogeneration projects.

Mandatory Evaluation Criteria

The Provisions set forth **seven mandatory compliance criteria**:

1. Contribution to Demand Satisfaction

The CNE will assess the project's consistency with (i) capacity needs by transmission region or regional control area; (ii) the required year of commercial operation; and (iii) the generation technology specified in the Power Sector Development Plan ("**The Development Plan**").

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2. Reliability, Continuity, Quality and Security of the National Electric System ("SEN**")**

The assessment will consider the provision of ancillary services (included and not included in the MEM), integration of energy storage systems based on studies by the National Energy Control Center ("**CENACE**"), frequency and voltage control in accordance with the Grid Code, availability of firm capacity reserves, and the contribution of synchronous or synthetic inertia.

3. Efficiency in the Electricity Sector

The CNE will analyze the project's impact on the SEN operating costs, applying long-term minimum cost criteria and considering whether the project allows for the deferral of infrastructure investments.

4. Energy Transition and Sustainability

The evaluation will verify the project's contribution to the achievement of clean energy targets or to the reduction of greenhouse gas emissions.

5. Non-Prevalence of the Private Sector

The project must ensure that the State maintains at least 54% of the average annual energy injected into the SEN, in accordance with Article 27 of the Mexican

Constitution, thus guaranteeing the non-prevalence of private parties over public entities within an Economic Load Dispatch framework subject to reliability and security constraints.

6. Energy Justice

The applicant must include a Social Management Plan with a minimum budget equivalent to 0.5% of the project's total investment, aimed at promoting equitable access to energy, reducing inequalities, and addressing energy poverty.

7. Innovation and Technological Development

The evaluation will consider the minimum efficiency levels required for the proposed technology and the incorporation of innovative technological solutions within the project.

Compliance Regime

The CNE may only determine that a project complies with binding planning if it meets all seven established criteria. Non-compliance with **any single criterion** will constitute sufficient grounds for **denying the corresponding generation permit**.

Technical Analysis Group ("GAT")

SENER may establish a GAT to review the technical information of projects derived from public tenders or mixed development schemes. The GAT shall comprise, at a minimum, the Undersecretaries of Planning and Energy Transition, and of Electricity of SENER, the General Director and Director of the Electricity Unit of the CNE, and the General Director of CENACE.

The GAT will issue technical opinions based on CENACE's reports that affect binding planning assessments.

Additional Considerations

- 1. Regulatory independence:** Compliance with the Provisions does not constitute an additional requirement but rather forms part of the mandatory evaluation framework.
- 2. Separate interconnection process:** Compliance with these Provisions does not imply automatic approval for interconnection to the SEN.
- 3. Periodic review:** SENER must review and update the Provisions annually; and
- 4. Interpretation:** The authority to interpret the Provisions lies exclusively with SENER.

Conclusions and Relevant Observations

The binding planning regime becomes a mandatory prerequisite for generation permits. Failure to meet even one of the seven criteria is sufficient cause for denial.

The non-prevalence principle ensures the 54% state participation, while the energy justice requirement introduces an additional financial burden that developers

must integrate into their project structure. The creation of the GAT formalizes an inter-institutional technical review mechanism, increasing the level of scrutiny prior to permit issuance. Finally, the annual review of the Provisions introduces both regulatory flexibility and potential uncertainty that developers must consider in planning and managing MEM generation projects.