



Mexico Energy Roundtable: The Lopez Obrador Administration's Energy Self-Sufficiency Goals February 28 & March 1 – Mexico City, Mexico

Roundtables and panels aimed at learning about the Lopez Obrador government's vision and outlook for energy self-sufficiency and the role for oil & gas and electricity

Intro

Energy policy and the outlook for the sector has figured prominently from the moment Andres Manuel Lopez Obrador was elected president last July. Myriad proposals have now begun to take the form of policies to be implemented. Translating the concept of the fourth transformation and what it portends for the country's energy sector is underway. The policy proposals and implementation strategies for achieving the goal of energy self-sufficiency outlined by the new administration is important to comprehend as the 100-day mark of the government approaches. As in most countries, when it comes to managing the energy sector the challenges are immense and the needs great. In Mexico's case the country's resource base provides ample room for optimism.

Not unlike several previous administrations, a critical challenge facing the new government is to recover Mexico's declining oil production. The Lopez Obrador administration has set a goal of 2.4 million barrels of oil production a day by the end of the *sexenio* in 2024. The demands placed on Pemex to deliver on this goal are significant. But the first budget of the Lopez Obrador administration, approved in December, points to increased fiscal resources for the national oil company to address its longstanding production challenges. Furthermore, a stated desire to recover fuel self-sufficiency includes major investments in refining capabilities across the country.

Also significant has been the effort aimed at reducing theft and illegal taps, the so-called *huachicoleo*. By some estimates, fuel theft amounted to losses of around \$8 billion at Pemex over the last two years. A 2017 analysis by Mexico's energy regulator, CRE, indicated that between 2009 and 2016 there had been an illegal tap roughly every 1.4 Kilometers of Pemex's 14,000 km pipeline network. This is clearly a crisis in need of a solution. Recent developments in the fuels market, arguably a result of more secure and more stringently monitored fuel distribution and logistics, have also emphasized the importance of boosting Mexico's fuel storage capacity and more broadly the infrastructure to meet the nation's growing fuel demand.

The electricity sector has undergone a dramatic transformation and rapidly evolved into a cost-competitive marketplace that each day is incorporating more megawatts of clean power. The efforts to place hydropower at the core of its goals for boosting generation and meeting demand is important to further understand as are the role of other generation sources.

Preliminary Agenda

Day 1 – February 28 – Energy Self-Sufficiency Vision and Outlook Marriott Reforma – Frida Kahlo Room

- 9:00 Opening
- *Theodore E. Gildred III, President, Institute of the Americas*
 - *Jeremy M. Martin, Vice President, Energy & Sustainability, Institute of the Americas*
- 9:15-10:15 Session I: Oil & Gas – Recovering oil production, boosting refining, gasoline supply and managing imports
- *Gustavo Hernández, Upstream Independent Consultant*
 - *Representatives from Sener, CNH, Cenagas and industry invited*
- Moderator: Jeremy M. Martin, Institute of the Americas*

- 10:20-11:20 Session II: Electricity – The role for hydropower, other fuels, clean energy and transmission and infrastructure
- *Fernando Tovar, CEO, Engie México*
 - *Renato Valdivia, Commercial Director, Atlas Renewable Energy*
 - *Representatives from CFE Calificados, CENACE and CRE invited*
- Moderator: Leonardo Beltrán, Non-Resident Fellow, Institute of the Americas*
- 11:20-11:40 Coffee Break
- 11:45-12:30 Session III: Social Inclusion and Energy – Democratizing energy, increasing energy access, and improving gender equity
- *Jorge Ruiz Torres, Head of Industrial and Technological Infrastructure, Directorate of Industry and Mining, Ministry of Economy of the Government of Oaxaca*
 - *Hugo E. Cruz, Project Coordinator, Iniciativa Climatica de Mexico (ICM)*
 - *Representatives from Semarnat and Sener invited*
- Moderator: Cecilia Aguillón, Director, Energy Transition Initiative, Institute of the Americas*
- 12:35- 1:30 Session IV: Energy and the Environment – Managing environmental oversight and the balance between risk management and investment to promote a more robust sector
- *Luis Vera, Executive Director, ASEA*
 - *Jaime Martinez, Partner, ERM Mexico*
- Moderator: Jeremy M. Martin, Institute of the Americas*
- 1:30 Closing Keynote Speech
The Intersection between Energy and Security - The Lopez Obrador Government's Commitment to Reducing Fuel Theft and Improving Energy Security
Alfonso Durazo, Secretary of Security and Citizen Protection of the Government of Mexico

**Day 2 – March 1 - Human Capital and Education for Energy Development
ANUIES - Jesús Reyes Heróles Room**

- 9:15 Opening Session
- *Jaime Valls Esponda, Secretary General, ANUIES*
 - *Theodore E. Gildred III, President, Institute of the Americas*
 - *Jeremy M. Martin, Vice President, Energy & Sustainability, Institute of the Americas*
 - *Adriana Camacho Pimienta, Director General, FESE*
- 9:30 Human Capital and Energy Sovereignty – Talent development, research and development and boosting educational capacity aimed at enhancing Mexico’s energy workforce
- Perspectives and Outlook from Mexico’s Academic Institutions
- *Gustavo Rodolfo Cruz Chávez, Rector, Universidad Autónoma de Baja California Sur*
 - *José Manuel Piña Gutiérrez, Rector, Universidad Juárez Autónoma de Tabasco*
 - *Luis Alfredo Hernández Aramburo, Director of the Specialization in Energy Management, Tec de Monterrey*
 - *Jorge R. Piñón, Director, Institutional Relations - México, University of Texas Austin*
- Moderated by: Jesús López Macedo, Director of Strategic Studies, ANUIES*
- 10:45 Café

Perspectives and Outlook from Energy Industry

- *Evelyn Vilchez, Director General, Chevron México*
- *Raúl Félix, VP Legal & Human Resources, Engie México*
- *Alberto Sambartolomé, Socio, ERM México*
- *Julio Valle, Institutional Relations and Communication, Zuma Energía*

Moderated by: Jeremy M. Martin, Vice President, Energy & Sustainability, Institute of the Americas

12:00 Closing