

# *Reforming the Mexican Electricity Market: Design and Regulatory Issues*

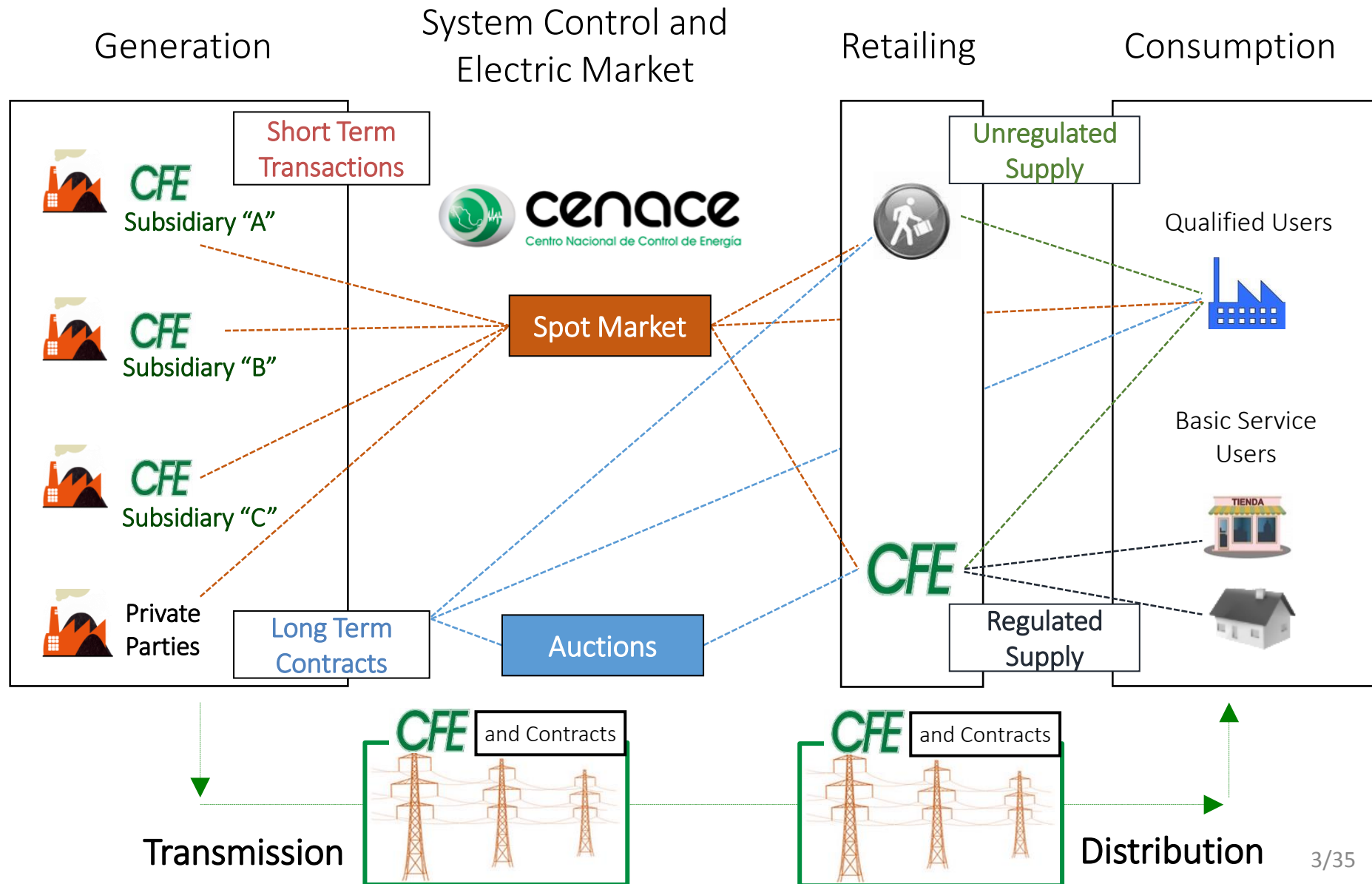
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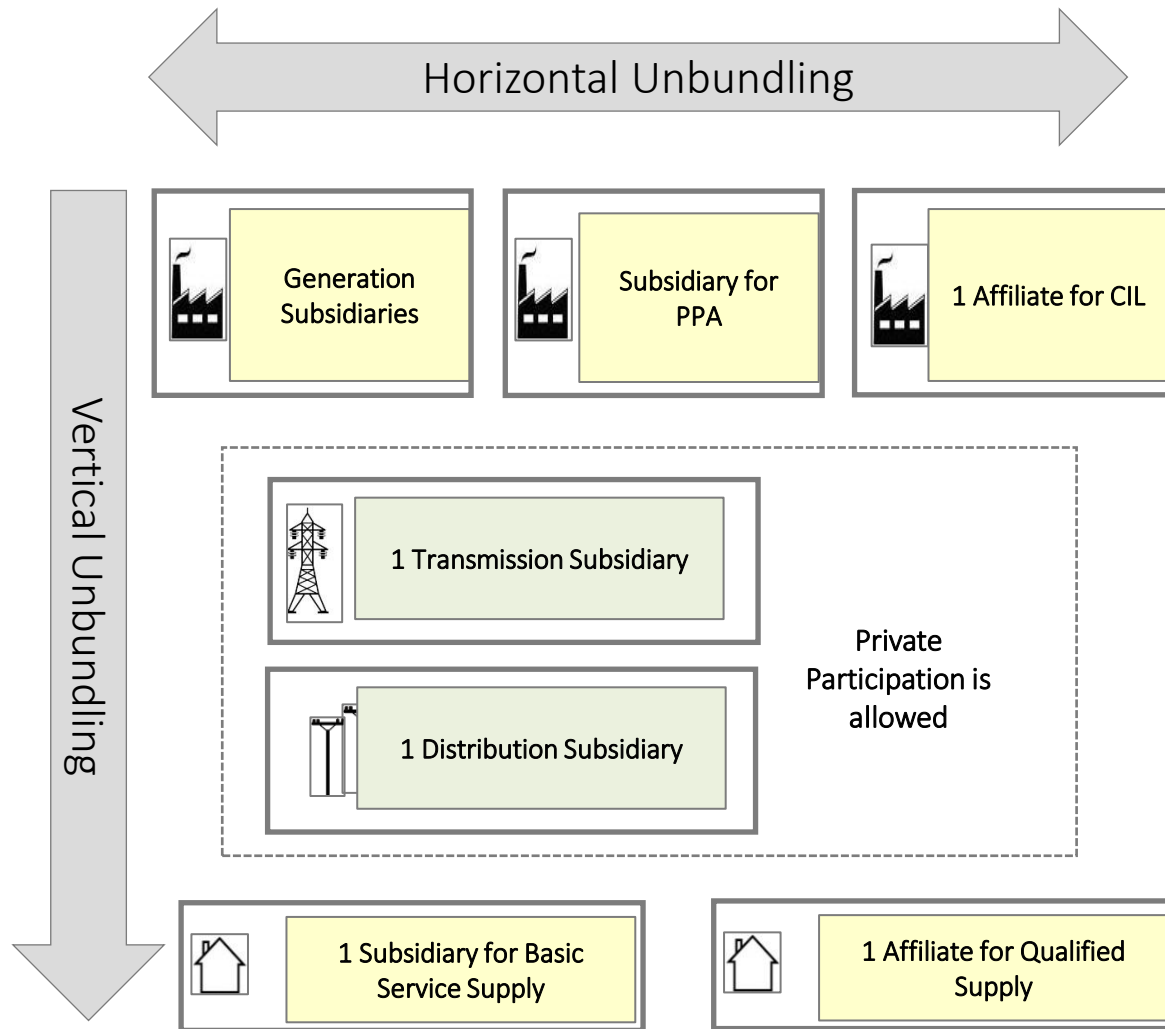
## *Outline*

1. New industry and institutional structure
2. Critical issues
  - Market design
  - Nodal prices, FTRs and subsidies
  - Transmission and renewable integration
3. Implications for policy making in Mexico

# New Industry Structure



# CFE's Transformation



Unbundling for:

- Promoting Competition.
- Reducing barriers to entry.
- Increase operational efficiency and reduce costs.
- Guaranteeing economical viability of CFE in the long run.

# Neutral Energy Planning

