



**MIJARES ANGOITIA  
CORTES Y FUENTES**

**CENACE: RESOLUTION TO ENSURE RELIABILITY OF ELECTRIC SUPPLY**

**May 6, 2020**

## **CENACE issues Resolution to ensure the reliability of electricity supply during the COVID-19 contingency**

On April 29, 2020, the National Center of Energy Control ("CENACE", per its acronym in Spanish) published in the Market Information System (*Sistema de Información de Mercado*<sup>1</sup>), the *Resolution to Ensure the Efficiency, Quality, Reliability, Continuity and Safety of the National Electricity System, due to the recognition of the SARS-CoV2 virus (COVID-19) epidemic disease* (the "Resolution").

The Resolution provides that, in order to strengthen and maintain the Quality, Reliability, Continuity and Safety of the electricity supply during the contingency caused by the SARS-CoV2 virus (COVID-19), the provisions contained in the Annex of the Resolution must be applied. The Annex contains "*the technical and operational characteristics necessary to ensure the Reliable Electricity Supply*".

The Annex describes, as basis for the measures to be implemented, several failures in electrical infrastructure related to wind and photovoltaic power plants. These considerations also include the following statements regarding wind and photovoltaic power plants: (i) that the intermittent generation of such power plants affects the reliability of the National Electric System ("SEN", per its acronym in Spanish), (ii) that they do not contribute to the primary regulation of frequency quality control, and (iii) that they do not contribute with physical inertia for the stability of the SEN.

The Annex provides that, in order to ensure the reliability of the electricity supply in the SEN, the following actions and operational strategies must be implemented:

- i. The electrical infrastructure of the National Transmission Grid ("RNT", per its acronym in Spanish) will be operated within its design capacity.
- ii. The operational limits of the main transmission corridors will be operated at specific magnitudes without dependence on Remedial Action Schemes ("EAR", per its acronym in Spanish).
- iii. In the event that there is an insufficiency of generation resources in a given area, region or system, the specific transmission limits with dependence on EARs will be activated.
- iv. Physical inertia and short-circuit fault currents will be added, and (Must Run) Power Plant Units will be activated in some regions of the SEN.
- v. As of May 3, 2020, pre-operational tests of intermittent wind and photovoltaic power plants in process of achieving commercial operation are suspended. For those power plants which have yet to begin such process, pre-operational tests will not be authorized.

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<sup>1</sup> System operated by CENACE to facilitate access to and transparency of the information related to the Wholesale Electricity Market (*Mercado Eléctrico Mayorista*).

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- vi. In Electrically Isolated Interconnected Systems with intermittent wind and photovoltaic power plants, operational strategies will be applied to strengthen the sufficiency, quality, and continuity of the electricity supply.
- vii. Applications for licenses in the RNT will be examined and analyzed to determine the viability, dates, and times on which the reliability of the SEN is maintained with no dependence on EARs.

The foregoing implies, among other things, that wind and photovoltaic power plants in a pre-operational testing phase (or that are planned to enter this phase as of May 3, 2020) will not be able to reach commercial operation until CENACE authorizes them to resume tests and these tests successfully conclude. This will result in delays in the construction programs of wind and photovoltaic power plants.

While the Resolution provides that the measures and mechanisms described above will be applied to maintain the reliability of the electricity supply during the COVID-19 contingency, the Resolution is unclear as to the temporal scope of these measures, as it does not establish a specific period of duration or a date of conclusion.

For ease of reference, you may access the Resolution [here](#).

Should these measures have an adverse effect on you, please do not hesitate to contact our partners with expertise in energy matters, who can be of assistance:

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