

New increase of wheeling charges for legacy projects

Energy – June 18, 2020

Publication of increase of wheeling charges for legacy projects by the Regulator

On June 17, 2020, the Energy Regulatory Commission ("ERC") published on its website, the resolution number RES/893/2020, whereby it issued the new charges applicable to the electricity transmission service at 2018 prices. Such charges must be applied by CFE Intermediary of Legacy Contracts ("CFE ILC") to legacy projects in accordance with the Transmission Methodology set forth in the Resolution RES/066/2010.

As of July, the wheeling charges will be applied based upon the provisions of this resolution, which is consistent with the tariffs announced by CFE ICL on June 10, 2020.

Below is a chart showing the tariffs, in comparison with the tariffs published by CRE for June of 2020:

Tension level	June 2020 tariff	RES/893/2020 (2018 prices)	Increase
High	\$0.051 kW/h	\$0.27857 kW/h	446%
Medium	\$0.051 kW/h	\$0.25865 kW/h	407%
Low	\$0.10199 kW/h	\$0.89284 kW/h	775%

This resolution also provides that the ERC may annually determine the calculation of the costs used to establish the charges for the transmission service.

These wheeling charges are applicable for the transmission of electricity from legacy power plants to their offtakers' load points. While they are payable by the generator to CFE ILC as its counterparty under the legacy interconnection agreement, some power purchase agreements for self-supply projects include a pass-through of this charge to the offtakers.

The resolution RES/893/2020 is available [here](#) (in Spanish), while the Transmission Methodology (Resolution RES/066/2010), is available [here](#) (in Spanish).

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

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