

### New Laws in the Energy Sector

Mexico City, March 20, 2025

On March 18, 2025, the decree issuing the secondary legislation for the energy sector was published in the Federal Official Gazette (*Diario Oficial de la Federación*). This legislative set includes both new laws and amendments to existing laws, which will remain in effect with significant modifications. The new energy laws and reforms entered into force on March 19, 2025. In most cases, the new legislation repeals or modifies various laws and provisions that had been in place since 2014, originally enacted to regulate the 2013 Constitutional Reform, which promoted the opening of the sector to private participation.

The new secondary energy legislation implements the reform to articles 25, 27 and 28 of the Mexican Constitution, which took effect on November 1<sup>st</sup>, 2024. This reform established a new constitutional framework, in which State-Owned Companies (*Empresas Públicas del Estado*) regain their status as public entities, and the Mexican State assumes a more active role, strengthening its social function.

In the electricity industry, the State retains the planning and control of the National Electric System (*Sistema Eléctrico Nacional*), as well as exclusive authority over electricity transmission, distribution, and basic supply. Private entities may actively participate in various electricity generation and commercialization schemes, as well as associated products, but without prevailing over State-Owned Companies. Additionally, the legislation seeks to foster collaboration between the State and third parties to achieve its goals, including providing the population with electricity at the lowest possible cost.

In the hydrocarbons sector, the constitutional reform restores PEMEX's status as a State-Owned company and reaffirms its dominant position across the various activities in the hydrocarbons industry. At the same time, it maintains opportunities for private participation in all industry activities.

The new legislation will create significant opportunities for the development, growth, and consolidation of the electricity and hydrocarbons sectors, benefiting both the State and private



entities. All participants will have a role in this framework, whether through independent projects or partnerships involving both the State and private companies.

The decree issuing the new secondary legislation includes the enactment or modification of the following laws:

1. Six new main laws:

- a. Electricity Sector Law: <https://bit.ly/4ildCC0>
- b. Public State Company Law – Comisión Federal de Electricidad: <https://bit.ly/4hpzafy>
- c. Hydrocarbons Sector Law: <https://bit.ly/4ilG7zs>
- d. Public State Company Law – Petróleos Mexicanos: <https://bit.ly/4bGcBBX>
- e. National Energy Commission Law: <https://bit.ly/4hpzueg>
- f. Energy Planning and Transition Law

2. Two new complementary laws:

- a. Biofuels Law
- b. Geothermal Law

3. Reform of certain provisions in three complementary laws:

- a. Hydrocarbons Sector Revenues Law
- b. Mexican Petroleum Fund for Stabilization and Development Law
- c. Organic Law of the Federal Public Administration: <https://bit.ly/4hpzueg>

To access our summaries and analyses on the new secondary energy legislation, please use the links provided next to each referenced law.

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