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## CRE updates regulation for the provision of services in electric transmission and distribution networks

The Energy Regulatory Commission ("Commission") published on January 23, 2024, in the Official Gazette of the Federation, Decree No. A/025/2023, "Decree by which the Energy Regulatory Commission modifies Resolution No. RES/948/2015, which issues the General Administrative Provisions on open access and provision of services in the National Transmission Grid and the General Distribution Networks for electric power" (the "Decree").

The purpose of the Decree is to improve and clarify procedures and requirements in the power sector, promoting efficiency and transparency in the access and provision of transmission and distribution services.

The Decree modifies the Resolution No. RES/948/2015, which establishes General Administrative Provisions for open access and provision of services on the National Transmission Grid and General Distribution Networks for electrical energy.

Among other topics, the Decree establishes procedures for end-users and power plants to access the National Transmission Grid and General Distribution Networks. Similarly, it provides more detailed regulation on measurement to define responsibilities for the acquisition, installation, commissioning, review, diagnosis, operation, maintenance, and replacement of measurement equipment and systems.

Furthermore, the Decree stipulates that ownership of measurement systems applicable to the Wholesale Electricity Market ("WEM") belongs to End Users and Power Plants, and the Transmission Company and Distributor are the sole entities responsible for the operation and administration of such measurement systems.

Regarding basic supply, the Decree outlines procedures for the installation and commissioning of measurement equipment or systems at low, medium, and high voltages. Additionally, in the case of large industrial users at high voltage receiving Basic Supply and the lack of migration of these users to the WEM, the Decree establishes measurement requirements to allow the operator to obtain information about the profile of their electrical energy demand, with the aim of ensuring the reliable operation of the National Electric System by the National Energy Control Center.

A period of eighteen months is established for users of basic supply at high and medium voltage to comply with specific measurement and communication requirements defined in the Market Rules. Likewise, it is indicated that the section of the Decree regarding the acquisition of real-time telemetry data will come into effect when the Transmission Company and the Distributor notify the Commission of the implementation of the communication medium, which must also take place within the eighteen-month period.

The Commission will have a twelve-month period to issue the model service contract for the installation and commissioning of Measurement Systems and approve the service costs corresponding to the Transmission Company and Distributor.

Finally, a new procedure is established to address requests from users of transmission and distribution services, and it is stipulated that free verification programs of measurement equipment will be carried out. Therefore, the CFE Transmission and CFE Distribution will have twelve months to submit to the Commission the mechanism for selecting the maximum number of basic supply users included in such free verification programs.

Our team of specialists is at your disposal to address any concerns regarding the Decree's content and application and provide legal advice for compliance with applicable regulation.

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