

NATIONAL CENTER OF ENERGY CONTROL

**INVITATION TO LONG-TERM COMPETITIVE BID SLP-1/2017**

The National Center of Energy Control (CENACE) is inviting all interested parties to participate in the First Long-Term Competitive Bid for 2017, the purpose of which will be to award Electricity Coverage Contracts for the Purchase of Power, Accumulative Electric Energy and Clean Energy Certificates (BID).

The purpose of the BID shall be to:

- (a) Allow Utilities Suppliers, in terms of Article 53 of the Electric Industry Law and other Load-Servicing Entities, pursuant to Term 14 of the Electricity Market Terms and the Long-Term Competitive Bidding Manual, to execute Electricity Coverage Contracts competitively in order to satisfy the Power, Accumulative Electric Energy and Clean Energy Certificate needs that require coverage through long-term contracts in accordance with current laws and based on the requirements set forth in RESOLUTION NO. RES/584/2016 from the energy regulating commission that amended resolution res/008/2016; thus, issuing the general administrative provisions establishing the requirements and minimum amounts of electricity coverage contracts that suppliers must execute related to electric energy, power and clean-energy certificates they will supply to load centers they represent and their verification, published in the Federal Daily Gazette on July 25, 2016; and to
- (b) Allow interested parties to generate and sell these products, compete under transparent conditions to be awarded these Electricity Coverage Contracts, and have a stable source of payment that contributes to support financing efficient investments required to develop and re-power power plants from where they products may be generated.

The BID shall take place in accordance with the provisions of the Electric Industry Law, the Electricity Market Terms, the Long-Term Competitive Bidding Manual and the Bidding Terms issued by the CENACE (BIDDING TERMS), which shall be published on April 28, 2017 on the CENACE Website <http://www.gob.mx/cenace> and the Secretary of Energy website <http://www.gob.mx/sener>.

The BIDDING TERMS may be viewed on the foregoing websites without the need to make any payment whatsoever. However, in order to participate in the BID, an indispensable requirement shall be the payment associated with obtaining the BIDDING TERMS, which comes with the right to participate in clarification meetings and other subsequent events. Furthermore, participation in the BID shall require interested parties to request registration as Potential Buyers or Prequalification of one or more Offers to Sell, as the case may be.

The cost of acquiring the BIDDING TERMS shall be the equivalent to 5,000 IUS in national currency plus VAT, using the value of the IU determined by the Bank of Mexico in the Federal Daily Gazette on the business day the BIDDING TERMS are issued. The BIDDING TERMS shall establish how said payment is to be made and how to verify payment.

The estimated dates for the BID are the following:

No.	Activity <sup>1</sup>	Date or Period
1.	Publication of the Bidding Terms	May 8, 2017
2.	Publication of the List of those disqualified from participating in the Long-Term Competitive Bid	May 15, 2017 (deadline)
3.	Payment Process Period: <ul style="list-style-type: none"> <li>i. Bidding Terms</li> <li>ii. Registration as Potential Buyer</li> <li>iii. Prequalification Applications and Offers to Sell</li> </ul>	<ul style="list-style-type: none"> <li>i. May 18 – August 31, 2017</li> <li>ii. May 18 – June 23, 2017</li> <li>iii. May 18 – August 31, 2017</li> </ul>
4.	First Training Session: Site Use	May 26, 2017
5.	First Clarification Meeting: <ul style="list-style-type: none"> <li>i. Questions on the Bidding Terms and Attachments</li> <li>ii. Questions on the House Operational Guide and Contract Template</li> <li>iii. Publication of Answers to Questions</li> <li>iv. Period of Additional Questions</li> <li>v. Publication of Responses to Additional Questions</li> </ul>	<ul style="list-style-type: none"> <li>i. June 2-5, 2017</li> <li>ii. June 6-7, 2017</li> <li>iii. June 13, 2017 (deadline)</li> <li>iv. June 14, 2017</li> <li>v. June 19, 2017 (deadline)</li> </ul>
6.	Publication of the final version of the Bidding Terms	June 27, 2017 (deadline)
7.	Second Training Session: Registration of Potential Buyers and submission of Offers for participating Load-Servicing Entities	From June 29, 2017

No.	Activity <sup>1</sup>	Date or Period
8.	Publication of the name of the Social Witness	June 30, 2017
9.	Submission of Potential Buyer registration	June 30 and July 3, 2017
10.	Submission of Offers to Buy by the Utilities Supplier	July 25, 2017 (deadline)
11.	Publication of the amount, price and parameters of the Accepted Offers to Buy from the Utilities Supplier	July 31, 2017
12.	Submission of the Offers to Buy to the CENACE by Load-Servicing Entities that are not Utilities Suppliers	August 8, 2017 (deadline)
13.	Publication of the amount, price and parameters of the Accepted Offers to Buy from Load-Servicing Entities that are not Utilities Suppliers	August 14, 2017 (deadline)
14.	Publication of the threshold percentage on the maximum economic value that must be met for the iterative process.	August 15, 2017
15.	Third Training Session: Submission of Technical Bids	From September 5, 2017
16.	Reception of Prequalification Applications for Offers to Sell	September 12-20, 2017
17.	Submission of Bid Bonds	October 23, 2017 (deadline)
18.	Issuance of Prequalification Certificates	October 30, 2017 (deadline)
19.	Publication of the list of Bidders who received a Prequalification Certificate	October 30, 2017 (deadline)
20.	Update to the Offer to Buy prices for each product in accordance with the exchange rate published in the Federal Daily Gazette	October 30, 2017
21.	Fourth Training Session: Submission of Economic Offers	November 3, 2017
22.	Reception of first stage economic offers on the Offers to Sell	November 8, 2017
23.	Reception of second stage economic offers on the Offers to Sell	November 13, 2017
24.	Review of economic offers on the Offers to Sell	November 14, 2017

*Unofficial translation of original public document produced by CENACE. Translation created as a general reference as part of other technical work funded by USAID Scaling Up Renewable Energy (SURE)*

No.	Activity <sup>1</sup>	Date or Period
25.	Evaluation of the Economic Offers on the Offers to Sell <sup>1</sup> (Execution of the mixed-integer mathematical model)	November 15, 2017
26.	Carrying out of possible additional iteration of economic offers on Offers to Sell	November 16, 2017
27.	Publication of the Winning Bidder of the Competitive Bid and the Contract Award	November 22, 2017 (deadline)
28.	Deadline for executing contracts	March 16, 2018 (deadline)

<sup>1</sup>If the threshold percentage exceeds the maximum economic value, the process will not be repeated.

All publications referred to in this calendar shall also be located on the CENACE website. The "Standard Commercial Operation Date" for Electricity Coverage Contracts awarded through the BID shall be **January 1, 2020**.

This document is issued pursuant to Articles 25, paragraph five, 27, paragraph six, 28, paragraphs four and five, 49, paragraph one, and 90, paragraphs one and two of the Mexican Constitution; Articles 1, paragraphs one and three, 3(I), and 45 of the Organizational Law of the Federal Public Administration; Articles 1, paragraph one, 2, 14(I), 15(VII) and third-to-last paragraph, 17, 22(I), 59(I) of the Federal State-Owned Entities Law; Articles 53, 106, 107, and 108(VIII) of the Electrical Industry Law; FIRST, paragraph one, SECOND, SIXTH, TWENTY-FIRST, subparagraph one, and TWENTY-FOURTH of the Decree creating the National Center of Energy Control; Term 14.1.7(b) of the Wholesale Electricity Market Terms; 2.2.1, 5.1.5(a)(i)(A) and 5.2.1 (a), (b) and (c), 5.2.2(a) and (b), 5.2.3 (a), (b), (c), and (d), 5.2.4 (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n), and (o) of the Long-Term Competitive Bidding Manual, and Articles 1 and 3(A)(II), 9(III) and 29(VII) of the Organizational Bylaws of the National Center of Energy Control.

Mexico City, on April 28, 2017

[signature]  
Eduardo Meraz Ateca  
General Director