



Cofece-011-2023

Cofece initiates a study on free market access and competition in the natural gas market

- The study will analyze the free market access and competition conditions in the production, distribution, and commercialization of natural gas.
- This sector is relevant because it generates 52% of the electricity in the country, it is used as an input in other industries and as an energy source in households of some cities of the country.
- If this is the case, the study will present recommendations to the sectorial authorities to promote greater competition and free market access for the benefit of consumers.

Mexico City, April 27, 2023.- The Board of Commissioners of the Federal Economic Competition Commission (Cofece or Commission) approved the conduction of a study on free market access and economic competition in the markets for the production, distribution, and commercialization of natural gas. The importance of the energy sector derives from its relevance as an input in the rest of the productive sectors, which is why it was included as one of the priority sectors for the Commission in its 2022-2025Strategic Plan. This study is aligned with the objectives of the Strategic Plan and will add to the actions carried out in the markets with the greatest impact on the welfare of the population.

Natural gas is relevant because, according to the <u>Energy Information System</u>, it generates 52% of the country's electricity; it is also used as an input in other industries and as an energy source in households. In 2021, <u>Mexico ranked 11th in natural gas consumption in the world.</u>

Those individuals, institutions and economic agents interested in sending comments and submitting elements that they deem important for the analysis of the natural gas market, from a competition perspective, may do so via e-mail to the address: gasnatural@cofece.mx or directly to the Commission's office located at Avenida Revolución number 725, 1st floor, colonia Santa María Nonoalco, alcaldía Benito Juárez, Mexico City, postal code 03700.

In accordance with the initiation agreement of this study, the documents that are generated do not constitute a prejudgment regarding possible violations to the Federal Economic Competition Law.

Click here for the Study Initiation Agreement (In Spanish)

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MORE COMPETITION FOR A STRONGER MEXICO

The Federal Economic Competition Commission safeguards competition and free market access.

Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality and that there is a "level-playing-field" for companies.