

# NEW FRAMEWORK FOR ENERGY PLANNING IN MEXICO

MAY 2025

## Executive Summary:

As part of the secondary energy legislation published on March 18, 2025, the Energy Planning and Transition Law was published. Its primary objective is to establish and regulate binding planning in the Energy Sector and strengthen the Energy Transition, as well as the Sustainable Use of Energy, compliance with Clean Energy obligations, and the reduction of Polluting Emissions, while maintaining the competitiveness of productive sectors, in order to contribute to energy sovereignty, justice, and self-sufficiency.

One of the fundamental points of the so-called secondary energy legislation that seeks to implement the Constitutional Reform regarding strategic areas and companies is binding planning based on a social approach aimed at a just energy transition.

In this context, the enactment of these laws proposes a new perspective for organizing the energy sector, starting from the vision of binding planning in terms of the provisions of the Energy Planning and Transition Law (**LPTE**). This implies that this law represents a different vision for our country in terms of planning, as it establishes that it will be binding, allowing both the public and private sectors to direct all their energy-related actions toward achieving clear, quantifiable, measurable, and verifiable objectives.

It is important to consider that the LPTE should be understood as an umbrella law that will allow public policies to be integrated within a framework where energy policy is linked to social and environmental policy, with the goal of moving toward the implementation of a cleaner energy matrix and thus laying the foundations for the decarbonization of the

energy sector based on clean generation and emissions reduction goals.

We can consider this Law's approach to be progressive, since for the first time it integrates the social vision that the energy sector must have in order to fulfill one of the fundamental objectives of the constitutional reform regarding companies and strategic areas.

The energy reform seeks to strengthen the role of social actors in the development of energy projects based on the development of a policy whose priority objective is to achieve a fair energy transition by reducing energy poverty, a concept that is essential to be able to speak of the social vision with which it is intended to provide this new legal framework, where elements and tools such as the Social Impact Statement, which has objective criteria for its evaluation and ruling, will allow the communities where the energy projects will be developed to have greater acceptance and involvement, which will allow them to reach a successful conclusion with real social benefits accepted by the actors involved.

Another relevant element of the reform is the necessary link between environmental policy and social and energy policy, which will translate into integration and the possibility of energy projects accessing other types of financing, such as thematic bonds, environmental bonds, social bonds, or ESG financing, a fundamental element in the reconfiguration of the energy model.

The LPTE establishes guidelines that seek to consolidate a sustainable model. In a context where decarbonization is a global priority and where environmental standards define access to financing, the lack of clear incentives for projects aligned with these criteria could hinder foreign investment in energy infrastructure, while proper implementation of secondary legislation with a focus on a fair energy transition will translate into greater investment and expansion of the energy sector.

**Juan Carlos Machorro**  
Partner  
[jmachorro@s-s.mx](mailto:jmachorro@s-s.mx)

**Norma Álvarez**  
Sr. Associate  
[norma.alvarez@s-s.mx](mailto:norma.alvarez@s-s.mx)