

government subsidies. *Petróleos Mexicanos (PEMEX)*, the state owned oil company, is under similar pressure to achieve better efficiency from its steam and gas turbine generators. Emission reduction is also a major priority for both companies.

The recent liberalization of the regulations governing private power generation will lead to a significant demand for small generating systems to provide electricity to plants or groups of plants.

The U.S. accounts for more than 60 percent of imports of electric power generation and distribution systems. Japan and Germany have been strong competitors for large turbines, generators and transformers.

According to interviews recently conducted with industry representatives in Mexico, products with strong potential include the SCADA system, turbine parts, advanced control and protection systems, and energy-saving products.

There are also important opportunities for transmission projects, for which *Comisión Federal de Electricidad (CFE)*, Federal Electricity Commission, funding is already in place. There is potential for transmission poles and towers, poleline hardware and insulators. *Luz y Fuerza del Centro*, the Central Light and Power Company, reportedly also has needs for transformers, especially interior and underground types.

Professional services related to electricity products are also in demand. *Grupo Bufete Industrial S.A. de C.V.*, Mexico's largest consulting firm, has been approached by several Mexican firms for engineering assistance. *Bufete Industrial* is interested in Canadian design and service capabilities in this area.

PROCUREMENT PROCESSES

The *Comisión Federal de Electricidad (CFE)*, Federal Electricity Commission, and *Petróleos Mexicanos (PEMEX)*, the state-owned oil company, are *paraestatales* (state-owned entities)

UPCOMING ELECTRICAL PROJECTS — TRANSMISSION

Project Name	MVA	KM
Rio Escondido — Hércules	300	353
Zona Mérida	240	319
Zona Veracruz	150	32
Zona Sureste	359	391
Zona Chetumal	339	391
Zona Oriente	1704	690
Zona Noroeste	461	340
Zona Sur	829	404
Zona Centro	680	448
Tuxpan-Texcoco	1055	474

Source: Industry Canada.

UPCOMING ELECTRICAL PROJECTS — HYDRO

Project Name	Location	Capacity
La Parota	Guerrero	765 mw — 3 units
Cajón	Nayarit	765 mw — 3 units
Atexcaco	Puebla	120 mw — 2 units
San Rafael		21 mw — 2 units

Source: Industry Canada.

UPCOMING ELECTRICAL PROJECTS — THERMAL

Project Name	Type	Capacity
Mérida III	combined cycle gas turbine	2 x 220 mw
Topolobampo	oil	2 x 160 mw
Carbón II	coal	4 x 350 mw
Tuxpan	oil and coal	6 x 350 mw
Rosarito (conversion)	gas turbines	4 x 75 mw
Altamira	coal	4 x 650 mw

Source: Industry Canada.

and conduct their procurement through formal tendering processes. Canadian companies wishing to supply products or services directly to these companies should register in

advance in order to be eligible to participate in tenders.

A new electricity law, the *Ley de Servicio Eléctrico*, Electric Service

