

MODERNIZATION

The 1994 annual report of the *Comisión Federal de Electricidad (CFE)*, Federal Electricity Commission, sets out an ambitious plan for the modernization of Mexico's electricity infrastructure. The *CFE* is struggling to adapt to the phase-out of government subsidies, and is implementing several "administrative modernization" programs designed to commercialize the organization. This includes a variety of human resources initiatives that will attempt to foster a more service-oriented corporate culture.

Technical modernization is mainly aimed at the reduction of waste under a program being carried out with financial assistance from the World Bank. This program could ultimately involve the expenditure of US \$2 billion over the next several years. The Commission's program covers every major category of waste.

TRANSMISSION AND DISTRIBUTION LOSSES

The *CFE* distribution division is conducting ongoing studies of energy losses within the system. It is also attempting to reduce consumption for its own use. The initiatives have included a national competition for employee suggestions.

DOMESTIC SECTOR

The *CFE* is operating a program to insulate several thousand homes in the cities of Mexicali, San Luis, Río Colorado, Los Mochis and Mazatlán. The objective is to reduce electricity consumption from summer air conditioning. Energy savings of up to 22 percent have been achieved. A pilot program has so far distributed 100,000 fluorescent lamps as substitutes for incandescent types. A proposed program for Guadalajara and Monterrey involves the sale of 900,000 fluorescent lamps.

AGRICULTURAL SECTOR

Irrigation systems are the target of a concerted waste reduction program, in association with the *Comisión Nacional del Agua (CNA)*, National Water Commission. So far, more than 2,000 systems have been modernized, with energy savings ranging from 34 to 61 percent. Another program is promoting the substitution of fluorescent lamps for incandescent types in poultry operations.