

Mexico Energy Chatter

September 16, 2026

Pemex is (sort of) cut off

The government's 2027 Economic Package, which still has to pass through Congress, reduces financial support for Pemex by nearly 70 per cent, from USD 16 billion in 2026 to USD 4.8 billion earmarked for debt payments; this allows the administration to at least come close to the promise of weaning the oil company off the government coffers in 2027.

Pemex's total proposed budget for 2027 stands at 527,121.9 million pesos (USD 29.4 billion at the 2027 budget-planning rate), a nominal increase of around 1.9 per cent on Pemex's 2026 allocation of 517,362.1 million pesos, which becomes a 1.3 per cent real-terms decline once inflation is factored in. Pemex's infrastructure budget is set to nearly quadruple to almost 236,000 million pesos, according to Bloomberg.

At last year's budget presentation, President Claudia Sheinbaum stated that Pemex would need no support from Hacienda in 2027. A year on, she softened that framing considerably, telling reporters this week that "we said that by 2027 support for Pemex would already be very small".

Finance Minister Édgar Amador Zamora struck a similarly upbeat tone, telling a press conference that the shrinking support line shows Pemex is on the right track towards financial and operational self-sufficiency, though he declined to give reporters a precise timeline for when the company would stop needing government support altogether.

Under the 2027 package, the government projects a financial surplus for Pemex of 95,100 million pesos, but that figure is almost entirely a function of the federal transfer itself. Strip out the government support and the projected surplus collapses to around 14,000 million pesos. Next year's support is also conditional: Pemex must report a matching improvement in its own financial balance to receive it. SHCP's budget also sets a personnel spending ceiling for Pemex of 118,600 million pesos. For comparison, CFE's own projected 2027 surplus is 25,049.3 million pesos, with a personnel spending ceiling of 94,000 million pesos and a federal transfer of 90,400 million pesos, which SHCP says will hold flat in real terms versus the 2026 approved amount, unlike Pemex's.

BBVA analysts, writing on the budget proposal, argued that the underlying dependency will not go away without deeper structural change that would allow private investment in exploration and crude extraction and reduce refining activity.

Energy analyst Ramsés Pech was more pointed still, telling El País that Pemex remains structurally dependent on federal transfers to service its debt even as its own revenues decline: production is not improving, and the company is carrying liabilities and structural costs its operations cannot cover on their own. Without government support, he noted, the projected 2027 surplus essentially disappears.

Production continues to run well below target: Pemex output is currently running around 1.6 million barrels a day, against a sexenio-end goal of 1.8 million barrels a day. Bloomberg's budget projection has output reaching that 1.8 million level next year, roughly 6 per cent above current crude-and-condensate production.

Pemex's debt maturities will rise again towards 2028, with another wall of heavy maturities coming in 2030, although Hacienda managed to navigate the toughest maturities this year via a USD 10 billion buyback operation, alongside last year's USD 14 billion in capital injections to cover 2026 debts. Nothing in the company's numbers or its strategy for attracting investment through mixed contracts suggests it will have the capacity to cover the 2028 and 2030 maturities without government assistance. Pemex has around USD 5 billion in debt payments coming due in 2027, per its latest earnings presentation. The 2027 Ley de Ingresos sets Pemex's borrowing ceilings at 160,600 million pesos domestic and USD 5.2 billion external and Article 2 of the ILIF 2027 lets the Federal Government carry out debt swaps and refinancing operations on Pemex's and CFE's behalf within the overall public-sector borrowing ceiling, without this counting as additional federal government debt in 2027 (effectively the mechanism SHCP is relying on to manage the coming maturity walls).

Interest in joint ventures with Pemex remains limited: aside from Brazil's Petrobras, few oil majors have shown interest, though Hacienda officials said this week that the company has now formalised agreements with private partners on nine projects.

As covered in the previous edition of this newsletter, Pemex's financial problem weighs on the entire outlook for the Mexican state's payment capacity, and further multibillion-peso support packages for the company only add pressure to the ratings agencies' view of the sovereign rating. The Sheinbaum administration has authorised over USD 50 billion in support for Pemex during her two years in office, on top of roughly USD 80 billion provided under the previous administration. Despite this, officials said last month that state support helped reduce Pemex's debt to 4 per cent of GDP, down from a peak above 9 per cent in 2016.

Even with the reduced Pemex transfer, the 2027 budget still projects a fiscal deficit of 3.9 per cent of GDP, narrower than the 4.1 per cent expected this year, as social programme and infrastructure spending rise.

A longer horizon, a smaller state role: SENER's Hydrocarbons Sector Development Plan to 2039

The Energy Ministry (SENER) published its Hydrocarbons Sector Development Plan 2025–2039 ("PLADESHi") in the Official Gazette (DOF) on 7 September, setting a target of maintaining liquid hydrocarbons production at 1.8 million barrels a day (bpd) from 2026 and sustaining that level for 15 years, until 2039. It is the first plan of its kind issued under the legal framework created by the 2025 energy reform, specifically the Ley de Planeación y Transición Energética and the Ley del Sector Hidrocarburos, both published on 18 March 2025, and SENER developed it with Pemex, CENAGAS and the Comisión Nacional de Energía. Unlike previous sector planning documents, PLADESHi is legally binding: SENER, the CNE and sector regulators including ASEA must take its targets into account when granting permits, authorisations and investment approvals across exploration, extraction, transport, storage, refining and petrochemicals, Pemex must align its own strategic plan to it, and private operators are bound by its provisions too.

The 1.8 million bpd figure is not new in itself, but the plan breaks with the previous administration's approach in two respects. The first is who the target now belongs to: for the first time, the national production goal explicitly incorporates output from existing contracts, associations and mixed developments with private operators, rather than resting exclusively on Pemex. The second is the planning horizon, which extends from 2030 to 2039, turning what was a sexenio-bound goal into a 15-year commitment with mandatory annual reviews.

As of the end of July 2026, combined liquid hydrocarbons production from Pemex and its partners averaged around 1.6 million bpd, broadly stable since 2025, leaving a gap of roughly 200,000 bpd against the plan's target. Specialists cited by Petróleo y Energía consider that gap difficult to close through Pemex-operated projects alone. PLADESHi's own text quantifies the private sector's expected role: mixed developments and third-party contracts are projected to contribute up to 10 per cent of total production towards the 1.8 million bpd goal.

PLADESHi projects incorporating 7,292 million barrels of crude oil equivalent (mmbpce) in reserves between 2026 and 2039 (the plan's overall 15-year horizon runs 2025–2039, but the reserve-incorporation scenario itself is calculated from 2026). The plan's year-by-year table shows this front-loaded then declining: 274 mmbpce in 2026, rising to a peak of 822 mmbpce in 2029, then declining steadily to 87 mmbpce by 2039.

It's worth clarifying that these are 3P (possible) reserves, carrying at least a 10 per cent probability of extraction under current technical and commercial conditions, against 90

per cent for proved reserves and 50 per cent for probable. The 7,292 mmbpce headline should not be read as anything close to a production guarantee.

Deepwater developments take on a growing share of that reserve incorporation as the plan progresses. Onshore areas account for up to 20 per cent of reserves incorporated on average between 2026 and 2030, with shallow water accounting for up to 46 per cent of 2026's incorporation specifically; deepwater's share then rises between 2031 and 2036, reaching up to 90 per cent of 3P incorporation by 2036; from 2037 to 2039, shallow water again becomes the principal source. Exploration underpinning all this includes plans to acquire more than 38,000 km² of 3D seismic data between 2025 and 2032, focused initially on the Cuencas del Sureste and Veracruz provinces and directed mainly onshore, alongside continued evaluation of deepwater and structurally complex plays.

The plan's gas scenario aims to hold production "close to" 5,000 MMpcd until 2030, and to maintain that same target to 2039, but it explicitly expects to exceed it along the way, reaching 5,362 MMpcd in 2035 and peaking at 6,658 MMpcd in 2038, before (implicitly) settling back near the 5,000 MMpcd baseline by 2039. As with the liquids target, this scenario incorporates all exploration and extraction projects, signed contracts and mixed developments, subject to technical and regulatory limits. Mixed-development and third-party projects are expected to contribute up to 446 MMpcd of gas by 2031, of which the Lakach deepwater field alone accounts for 200 MMpcd. The plan names Zama (shallow water, 2027–2045) and Trión (deepwater, 2028–2035) as its flagship strategic projects, with an overall mixed-development portfolio of 21 projects, of which 7 were adjudicated and 7 approved as of 31 December 2024, with the remainder in preparation.

PLADESHi sets out a substantial refining ramp-up: crude processing across the Sistema Nacional de Refinación (seven conventional refineries plus the Olmeca refinery) is to rise 34 per cent, from 1,041 Mbd in 2025 to 1,392 Mbd in 2028. Distillate production (petrol, diesel, jet fuel) rises from 680 Mbd to 1,129 Mbd; on petrochemicals, of Pemex's eight petrochemical complexes only four are currently active and the PLADESHi plan includes rehabilitating the Morelos and La Cangrejera complexes specifically, lifting ethylene derivatives production from 176,000 tonnes a year in 2025 to 1,029,000 tonnes from 2030 onward.

PLADESHi also sets out Pemex's climate commitments: net-zero emissions in Scopes 1 and 2 by 2050, with interim 2030 targets, against 2021 levels, of a 61 per cent cut in exploration and extraction emissions, 60 per cent in gas processing, and 40 per cent in refining. On the transition side, the plan targets sustainable aviation fuel (SAF) reaching 5 per cent of national aviation fuel consumption by 2030, alongside green hydrogen development, solar installations at Pemex facilities and electromobility infrastructure.

SENER's own budget for 2027 falls by almost 68 per cent from 2026, driven by the same reduction in the federal government's Pemex debt-amortisation transfer. The result: SENER has published a legally binding, 15-year national production target that leans more heavily than ever on private capital, in the same week its own budget, and Pemex's federal support within it, was cut by roughly two-thirds.

CFE returns to the local debt market with its largest-ever placement

CFE returned to the local debt market on 3 September with a placement of 20,000 million pesos (approximately USD 1.17 billion) in Certificados Bursátiles (CEBURES), the largest volume the company has ever placed and the largest it has ever seen demanded. Demand reached 43,974 million pesos, 2.2 times the amount issued, with participation from Afores, banks, insurers, investment funds, federal public bodies and development banks, the last of these two categories confirmed in CFE's own statement on the placement.

The issuance was structured in three tranches. CFE 26X placed 5,000 million pesos over three years, priced at the Fondeo TIIE rate plus 48 basis points, with a sustainable label. CFE 26-2X placed 5,550 million pesos over ten years at a rate of 10.36 per cent, equivalent to the M Bono 2036 plus 110 basis points, also sustainable-labelled. CFE 26U placed 9,450 million pesos over 40 years, with straight-line capital amortisation, at a real rate of 6.07 per cent, equivalent to the Udibono 2043 plus 130 basis points. All three tranches received the maximum AAA rating on the national scale from Fitch Ratings, Moody's Local México and S&P Global Ratings. Banorte, BBVA, Santander and Scotiabank acted as placement agents.

Half the proceeds, 10,000 million pesos, will refinance CEBURES and other short-term credit maturing in the fourth quarter of 2026. CFE was explicit on this point in its statement: "they do not represent additional debt for CFE". The other half will finance or refinance, in whole or in part, a portfolio of long-term investment projects spanning photovoltaic, hydroelectric and combined-cycle plants, the last of which CFE says will contribute to more efficient generation and better fuel utilisation, alongside the sustainable-energy projects supporting the company's national environmental targets.

The 40-year tranche is the innovation in this transaction. CFE described it as a first for its financing strategy, combining a 40-year term with a fixed real rate (one indexed to inflation) and a scheduled amortisation profile. Director-general Emilia Calleja Alor said the structure allows debt payments to be aligned with the useful life of power infrastructure, reducing the concentration of maturities over time. CFE frames the AAA

ratings across all three tranches and the scale of demand as a signal of market confidence in its credit profile.

Pemex averts strike with biggest pay rise in 24 years

Pemex and its union, the Sindicato de Trabajadores Petroleros de la República Mexicana (STPRM), reached agreement on the 2026–2027 wage review equivalent to a 5.5 per cent direct impact on salary, and a 7.5 per cent increase combined with benefits. El Financiero's review of Pemex's wage settlements found no direct salary increase of this size since 2002, when Pemex and the union agreed exactly the same 5.5 per cent figure; every settlement since has fallen below that level.

The increase applies retroactively from 1 August 2026. The agreement additionally covers roughly 7,000 positions for temporary staff and provides for 600 mortgage loans in 2026, rising to 1,400 by July 2027. A strike notice filed for 31 August was extended by 15 days while talks continued, and negotiations ran nearly two months in total.

Pemex closed 2025 with 126,905 non-temporary workers, down from 129,198 a year earlier, plus an average of 25,902 temporary workers employed over the course of the year. The STPRM represented about 79.3 per cent of Pemex's workforce, roughly eight in ten workers, at the end of 2025. The collective contract itself is renegotiated every two years, but salaries are reviewed annually.

STPRM secretary-general Ricardo Aldana Prieto described the near two-month negotiation as one that defended workers' rights not simply as demands but as indispensable conditions of safety, health and job stability, while also taking Pemex's operational and financial viability into account.

The wind in Mexico's energy sails

SENER told an Amdee-GWEC forum that Mexico's installed wind capacity will reach 15,000 megawatts (MW) by 2030, an 84 per cent increase on current levels, as the country moves from generating 24 per cent renewable energy in 2025 to more than 38 per cent by 2030, with over 74 per cent of the administration's new capacity additions directed to clean sources. Of the planned 6,860 MW wind expansion, 4,701 MW is already assigned across 17 plants, leaving 2,159 MW still to be allocated.

CFE separately confirmed the award of eight mixed-scheme wind projects totalling 2,949 MW in Nuevo León and Tamaulipas, operating between 2029 and 2030 and incorporating roughly 890 MW of battery storage. SENER is also evaluating offshore wind potential, in panels held with British and Danish embassy representatives, as a lever against rising demand from data centres. On governance, SENER highlighted its digitalised self-supply application window and the new Manifestación de Impacto Social del Sector Energético (Misse). Representatives from IFC, IDB Invest and Álvarez & Marsal noted that the tenders' 15-year contract structure is helping sharpen bank appetite for the sector, combining public and private capacity towards decarbonisation. Amdee president Gerardo Pérez Guerra called wind a fundamental pillar for industrial demand, citing legal certainty, public-private collaboration and transmission expansion as the key conditions for new investment.

This growth target builds on strong recent momentum: Cenace data compiled by IMCO shows effective wind generation up 87 per cent since 2018 (from 5,356 to 10,020 gigawatt-hours in the first five months of 2026 alone) and 115 per cent over the past decade, averaging 9.4 per cent annual growth, despite the de facto freeze on new permits during the previous administration. Installed capacity currently stands at 8,131 MW across 76 wind farms in 16 states, generating enough electricity for 12.1 million households.

That momentum, though, sits alongside a weaker signal from CFE's own tender process: the first bidding round left a 75 per cent shortfall in wind, with only 700 MW awarded against 2,850 MW sought. Whether the new strategic-projects tender can close that gap, rather than repeat it, looks like the real test behind the 2030 target.

Chatter Box

Another spill, same ageing pipes. Pemex is dealing with another offshore oil spill after a leak was detected on 10 September in a subsea gathering pipeline connecting five Ek-Balam platforms in the Cantarell area, around 46 nautical miles north of Ciudad del Carmen. Pemex isolated and depressurised the pipeline, while the Navy activated its local contingency plan with 255 personnel, vessels and aircraft; satellite monitoring put the slick at roughly 4 km², although Pemex has not disclosed an estimated volume. Current drift models suggest a very low probability of the oil reaching the Campeche coast, while repair work is under way on the damaged section.

The relatively contained scale of this incident does not make it isolated. Ek-Balam and the wider Cantarell complex have suffered repeated leaks involving infrastructure that has been operating for more than three decades, including incidents in 2023 and another

major spill earlier this year. Pemex received additional funding for rehabilitation after the February incident, making the latest leak another test of whether higher maintenance spending is actually improving operational integrity. For now, the immediate environmental risk appears limited; the broader problem is that ageing offshore infrastructure continues to produce incidents faster than Pemex appears able to retire the risk.

Fuel-smuggling probe reaches Pemex's own Texas refinery. The FGR's investigation into the fuel-smuggling network attributed to former Baja California governor Ernesto Ruffo Appel, in custody at the Altiplano prison since July, has reached Deer Park Refining, the Houston refinery Pemex has fully owned since 2022 via its subsidiary P.M.I. Comercio Internacional. Court documents reviewed by El País show ten tanker cars sent from Deer Park through Ingemar, the company tied to Ruffo, cleared customs at Nuevo Laredo declaring 100,000 litres of petrol; FGR forensic examination found they actually carried 1,032,680 litres, over ten times the declared volume.

That Deer Park-linked volume represents roughly 6 per cent of the total the FGR attributes to the Ingemar network overall (more than 18 million litres trafficked in a year across 163 tanker cars and around ten US-based companies), with the full scheme accused of evading 166.4 million pesos in tax. El País's reporting puts the Deer Park-linked share of the evaded tax at around 10 million pesos.

The cargoes moved with the consent of a now-fugitive customs agent, and were seized by the FGR while stationed at Kansas City Southern rail facilities in Coahuila. Ruffo, who denies direct involvement, has accused Pemex of "huachicoleándose a sí mismo" (smuggling fuel from itself), and argues the Sheinbaum government is deflecting from an alleged internal theft. The company now faces the question of how fuel from its own refinery entered a smuggling operation undetected.

Not a new petrol tax, but a new way of finding unpaid IEPS. Mexico's 2027 Economic Package would require fuel retailers and distributors to pay IEPS on any positive difference between the volume of fuel they report selling and the volume they can document having acquired during the same period. In practice, a station that declares purchases of 10,000 litres but sales of 12,000 would owe the existing IEPS rate on the unexplained 2,000 litres. Hacienda argues this is not a new tax or a "gasolinazo", but an enforcement mechanism aimed at fuel smuggling, theft and tax evasion, with SAT cross-checking monthly purchase and sales declarations from 1 January 2027 if Congress approves the measure.

For compliant operators, the government's argument is that the additional tax bill should theoretically be zero. The practical burden will be proving that inventories, purchases and sales reconcile, adding another layer of accounting and compliance across roughly

14,000 service stations. That makes the political debate less about a new tax rate than about who bears the cost when records do not match, including legitimate discrepancies generated by inventory management or measurement. The proposal still has to clear Congress, leaving room for the fuel-retailing industry to seek transition periods or changes before it takes effect.

Mexican crude tops USD 100 again, tracking Brent higher. MME rose from USD 89.3 a barrel on 1 September to USD 104.8 by mid-September, up roughly 17 per cent in two weeks, on renewed Strait of Hormuz escalation. This is not MME's first crossing of USD 100 this year: 2026 has already seen two earlier spells above that level, in late March, after the Strait's blockade began on 28 February, and in May, when MME hit its 2026 high of USD 110.78 on 4 May.

Prices then fell sharply over summer, bottoming at USD 69.71 on 5 August before closing at USD 77.59 on 26 August. That trough marks the start of the current rally, tracking Brent's climb from USD 95.92 on 5 September to USD 101.21 on 9 September, the day MME also crossed USD 100 (closing at USD 100.04), before extending to USD 104.78 on 10 September, its highest since 19 May.

The 2027 budget prices crude far below current levels (2026's own budget assumed just USD 54.9). While higher crude helps Pemex's revenue short-term, the benefit is being eaten into at the pump: consultancy PetrolIntelligence estimates Pemex has absorbed roughly 57.3 million pesos a day (around 1,757 million monthly), some 10,541 million pesos over six months, by holding retail caps at 24 pesos/litre for Magna and 27 for diesel while international prices surged. International petrol prices rose up to 96.8 per cent; Pemex moved Magna just 2.02 per cent. Diesel rose 75.28 per cent internationally against a 6.35 per cent Pemex increase. The gap, up to 4.86 pesos/litre versus private importers on regular petrol, has pushed those importers out of the market, concentrating demand on Pemex and contributing to supply and station-reassignment problems in states including Guanajuato and Villahermosa. On 11 September, Hacienda announced a 100 per cent IEPS subsidy on diesel, meaning zero tax revenue from its sale.

SENER moves the goalposts, for a fourth time. SENER has changed the timetable for its Second Call for Strategic Electricity Projects for the fourth time since the process was launched in May, pushing final permit decisions previously scheduled for 8–9 October to 4–5 November and notification of titles from 13 October to 9 November. The ministry attributes the delay to the "significant number" of applications received and says the additional time is needed to complete their assessment. SENER has still not disclosed how many projects are being processed or their aggregate capacity.

There is a positive reading: strong participation would suggest private developers remain willing to invest under Mexico's new electricity framework. But four calendar revisions in

four months also sit awkwardly with a mechanism designed specifically to accelerate projects aligned with binding electricity planning. With Mexico trying to add tens of gigawatts of capacity by 2030 while simultaneously serving industrial, data-centre and electrification demand, another delay would begin to make the "priority" process look rather less prioritised.

Environmental reform gets a request for more environmental democracy. More than 60 civil-society organisations, including CEMDA and Greenpeace México, are asking Congress to hold an open-parliament process before approving the government's proposed overhaul of Mexico's principal environmental law. The groups broadly accept the need to modernise the LGEEPA framework but want closer scrutiny of provisions covering environmental-impact assessment, strategic assessments, access to environmental information and public participation, arguing that a reform with implications for energy, mining and major infrastructure should not be rushed. For developers, the important point is that the direction of the reform remains unsettled: depending on what Congress changes, the new framework could both strengthen environmental safeguards and alter the permitting processes on which the government's accelerating infrastructure programme depends.

Data centres finally get a seat at CFE's planning table. CFE and the Mexican Data Center Association, MEXDC, are formalising coordination over one of Mexico's fastest-growing sources of electricity demand, with regular technical meetings to share information on the location, timing and power requirements of new projects. MEXDC puts current operating demand at around 279 MW, with another 205 MW under construction, and expects the sector to require roughly 1.73 GW by 2031. The challenge is heavily concentrated geographically: Querétaro alone accounts for around 72 per cent of installed data-centre capacity, making transmission, distribution and substation capacity at least as important as adding generation.

The agreement is an acknowledgement that data-centre investment cannot be treated like ordinary incremental load. These facilities require large amounts of continuous, high-reliability power and increasingly want renewable supply, while dozens of announced projects could require several gigawatts beyond today's demand. Weekly coordination will not itself build a substation or transmission line, but giving CFE better visibility before projects reach the interconnection queue is a sensible start. The test is whether that information translates quickly enough into actual network investment; otherwise Mexico risks attracting cloud and AI investment on paper that its grid cannot connect in practice.

