

**NOTE**  
**Publication of the Calculation Log of the Regulated Tariffs for the Public Electricity Transmission Service 2024**

On December 13th, 2023, the Energy Regulatory Commission (CRE by its initials in Spanish) published the Resolution A/069/2022, which determines the Regulated Tariffs for the Public Electricity Transmission Service applicable from January 1<sup>st</sup> to December 31<sup>st</sup>, 2024. In addition, CRE has recently published on its website the Calculation Log of the Regulated Tariffs of the Public Transmission Service 2024, CFECapital presents the most relevant aspects below:

In accordance with the provisions of CRE through Resolution A/044/2022 published in the Official Gazette of the Federation on March 31<sup>st</sup>, 2022, and, which came into force twenty business days following its publication, the calculation of the Regulated Tariffs for the Public Electric Energy Transmission Service 2024 followed the Methodology established by the General Administrative Provisions (DACG by its initials in Spanish) published in Resolution A/044/2022.

Regulated Transmission Tariffs are defined by CRE based on the Required Income per CFE Transmission divided by the total energy transported through the National Transmission Network.

$$TT_t = \frac{\text{Required Income}}{\text{Energy}}$$

CFE Transmission **Required Income** was determined at **\$80,681.2 million pesos** expressed in 2024 prices, which was defined as shown below:

$$IR_t = (OMA_{t0} + KE_{t0} + RInv_{t0} + C_{t0} - OI_{t0}) * FA_t$$

Where:

$IR_t$	Required Income of CFE Transmission at $t$ , expressed in pesos
$OMA_{t0}$	Operation, Maintenance and Administration costs of $t_0$ , expressed in pesos
$KE_{t0}$	Capital Cost of $t_0$ , expressed in pesos
$RInv_{t0}$	Remuneration of investments at $t_0$ , expressed in pesos
$C_{t0}$	Costo f Associations and Contracts at $t_0$ , expressed in pesos
$OI_{t0}$	Other income at $t_0$ , expressed in pesos
$FA_t$	Update Factor for $t$
$t$	Year of application for electricity transmission tariffs
$t_0$	Base year

- To determine the Required Income, the operation, maintenance and administration costs were taken, as well as the costs of the assets from the most recent **audited financial statements, that is, from the year 2022.**

- The Required Income expressed in 2024 prices had an increase of **6.23%** with respect to the Required Income of 2023, mainly due to the following factors:
  - a) Operation, Maintenance and Administration Costs (OMA) are made up of salaries and benefits to personnel; employee benefit cost; maintenance; taxes and duties; security of operating assets; and other expenses were **0.53%** higher than the previous year.
  - b) The Cost of Capital (Ke) made up of Depreciation, Return on Assets, Losses on disposals of fixed assets, interest expense, net; and other financial expenses, net, increased by **26.09%** with respect to the Cost of Capital of the immediately previous year.
    - ✓ Asset Depreciation increased by **57.42%** compared to 2023.
    - ✓ The Return Rate to obtain the return on assets and new investments uses the Weighted Average Cost of Capital (WACC) methodology increased in nominal terms by 2,95% compared to 2023, standing at 15.48% after tax. This was because of macroeconomic factors – not exclusive to the transmission sector- the real Return Rate after taxes is **7.11%** when considering an inflation (INPC by its initials in Spanish) of 7.82%.
    - ✓ Return on Assets increased by **42.18%** compared to 2023.
    - ✓ The RI is made up of 30% tariffs for generators and 70% for Load Centers interconnected to the National Transmission Network (NTN).
  - c) Remuneration for Investments (RInv) is made up of the return and depreciation of three investments that were incorporated into the Development Programs of the National Electrical System and instructed by the Ministry of Energy.
  - d) Other Income (OI) made up of the concepts: intercompany income, income from services provided to third parties, and miscellaneous income from work performed.
- Electric Power uses the projections of the National Energy Control Center (CENACE by its initials in Spanish) to estimate injections and extractions in the National Transmission Network (NTN) for 2024.

### Electric Power Projections

*2024 / MWh*

Injected Energy	Retired Energy
360,390,142,067.05	337,815,312,265.38

Source: Energy Regulatory Commission, Resolution A/069/2023.

- CENACE projections for 2024 regarding the energy injected and withdrawn from the National Transmission Network that were used to determine the Tariffs present a growth rate of **5.36%** and **5.61%**, respectively.

With the publication of this Calculation Log on Regulated Tariffs for the Public Electricity Transmission Service, the Energy Regulatory Commission highlights the principles of the regulatory framework for the tariffs of the public electricity transmission service, which are: **transparency, stability, predictability and consistency.**