

Session 3: Addressing the challenge of integration through policy and targeted investment on smart grid in Mexico

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General guidelines for design regulation to development smart grid in Mexico

1. The regulation must important driver is to improve the operation and reliability of Mexican distribution networks, including the elements that generate benefits in comparison with the implementation cost
2. The coordination between all the actors: Policy makers, regulatory entity, utilities, research institutions, academic and private sector is a critical action
3. It has to create incentives to develop business models to improve network efficiency, as intelligent metering devices, demand control and the develop distributed dynamic network operations
4. The regulation must consider transparency and consumers' point of view & requirements; any regulation must reflect benefits to final consumer

What are the essential elements of an enabling regulatory framework that supports smart grids?

1. Need to generate rules to allow technological integration, interoperability & standardized architectures for metering, control, communications and others in distribution networks
2. Evolve from “point of load” administrators to service companies
3. Create direct incentives and benefits at consumer level in electricity tariffs
4. Facilitate financial models implementation to end customers in smart meters acquisition

What are the essential elements of technical infrastructure or frameworks that supports smart grids?

1. Open standard for intelligent devices
2. Customer engagement is now more important than ever before
3. Communications infrastructure (internet) for real time operation
4. Cybersecurity aspects for end consumer and city control centers
5. Aging Assets; expansion and grid modernization requirements

Four key take-away messages to foster smart grid integration (internationally and specifically in Mexico)

1. The coordination by government and all the participants to develop the smart grid in Mexico (**state**)
2. The final rate and improved supply reliability (**end consumers**)
3. Creating open standards, that let quickly and faster implementation (**industry**)
4. **Financing** Is the catalyst for all the formula.