

NEWSLETTER ENERGY & NATURAL RESOURCES

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The energy world is under enormous transformation. Issues such as energy transition, energy security and climate change are in the global agenda. Thanks to its natural resources endowment, Argentina has a key role to play in the energy and mining sector. This newsletter intends to inform, with an analytical approach and on a monthly basis, the most relevant events, regulations, and case law taking place in our country.

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GENERAL DEFINED TERMS

“**Bases Law**” means Law No. 27,742, named “*Law of Bases and Starting Points for the Freedom of Argentines*” (“*Ley de Bases y Puntos de Partida para la Libertad de los Argentinos*”).

“**Biofuels Law**” means the Federal Law No. 27,640.

“**CNG**” means Compressed Natural Gas.

“**EDENOR**” means (for its acronym in Spanish) Empresa Distribuidora y Comercializadora Norte S.A.

“**EDESUR**” means (for its acronym in Spanish) Empresa Distribuidora y Comercializadora Sur S.A.

“**ENARGAS**” means the *Ente Nacional Regulador de Gas*, the National Gas Regulatory Authority.

“**ENRE**” means the Ente Nacional Regulador de la Electricidad, the National Electricity Regulatory Authority.

“**FHL**” means the Federal Hydrocarbons Law No. 17,319, as amended by Laws No. 26,197 and 27,007 and by the Bases Law.

“**FSE**” means the Federal Secretariat of Energy.

“**LPG**” means liquified petroleum gas.

“**ME**” means Ministry of Economy.

“**MEM**” means the Wholesale Electricity Market (for its acronym in Spanish of *Mercado Eléctrico Mayorista*).

“**PIST**” means the point of entry into the natural gas transmission system (for its acronym in Spanish of *Punto de Ingreso al Sistema de Transporte*).

“**RIGI**” means the Promotional Regime for Large Investments (for its acronym in Spanish of *Régimen de Incentivo para Grandes Inversiones*), approved by the Bases Law.

HYDROCARBONS

BIOFUELS: INCREASE IN MANDATORY PURCHASE PRICES

The FSE adjusted the minimum purchase prices for biofuels for mandatory blending with diesel oil and gasoline, reflecting the latest economic conditions.

The Biofuels Law establishes the regulatory framework applicable to processing, storage, marketing and blending of biofuels, which include bioethanol and biodiesel produced in plants installed in the Argentine Republic from domestic raw materials from agriculture, agroindustry and/or organic waste.

Pursuant to this law, the FSE, as enforcement authority, is empowered to determine, with the appropriate periodicity according to the fluctuating economy, the prices applying to biofuels intended for mandatory blending with fossil fuels.

In this regard, on March 5, 2025, the FSE increased the minimum price for the acquisition of biofuels.^[1]

[1] Please refer to MHR's Energy Newsletter: February 2025, for a detail of previous updates.

NEW AMENDMENT TO THE SCHEDULED ADJUSTMENTS OF THE LIQUID FUELS TAX AND THE CARBON DIOXIDE TAX

The Federal Executive Branch delayed the increase in tax amounts on liquid fuels and carbon dioxide until April 1, 2025, while implementing a partial adjustment.

By means of Decree No. 146/2025, published in the Official Gazette on March 5, 2025 ("**Decree 146**"), the Federal Executive Branch introduced a partial deferral of the fuel tax increases originally scheduled to take full effect on March 1, 2025.

Under the current legal framework established by Law No. 23,966, as amended and Decree No. 501/2018, the taxes on liquid fuels and on carbon dioxide are subject to automatic quarterly updates by ARCA, based on the Consumer Price Index published by the National Institute of Statistics and Censuses.

These updates have been deferred through a series of previous decrees, including Decree No. 466/2024 and its successive amendments, postponing the impact of tax

[2] Please refer to MHR's Energy Newsletter: December 2024 - January 2025, for a detailed approach of previous adjustments.

NEW UPDATES IN THE NATURAL GAS PRICING FRAMEWORK

The FSE established new prices for gas at the PIST, effective from March 2025, aimed at ensuring the sustainability of the energy sector.

By means of Resolution No. 111/2025, published in the Official Gazette on March 5, 2025 ("**Resolution 111**"), the FSE approved new PIST natural gas prices, as part of the ongoing efforts to reduce energy subsidies in Argentina and ensure end users actually pay the full price of natural gas at well head.^[3]

[3] Please refer to the MHR's Energy Newsletter: November - December 2024 for a detail of the previous updates.

▪ By means of Resolution FSE No. 109/2025, it set the minimum purchase price of biodiesel for mandatory blending with diesel fuel at ARS \$1,151,909 per ton; and

▪ By means of Resolution FSE No. 112/2025, it set the minimum purchase price of bioethanol made from (i) sugarcane for mandatory blending with gasoline at ARS 746.595 per liter, and (ii) corn for mandatory blending with gasoline at ARS 684.280 per liter.



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increases related to the consumption of unleaded gasoline, straight-run gasoline, and diesel fuel. The pending adjustments corresponding to the four quarters of 2024 were set to take effect on March 1, 2025.^[2]

Decree 146 partially postponed the increase corresponding to the first quarter of 2024 and fully deferred the increases related to the second, third, and fourth quarters of 2024. As a result, the remaining adjustments will be fully implemented starting April 1, 2025, when the increases from all four quarters of 2024 should take effect.



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Resolution 111 was issued within the framework of the FHL and Law No. 24,076, which establish national policies on hydrocarbon activities and mandate the incorporation of PIST natural gas prices to consumer tariffs, and contracts under the "Federal Hydrocarbon Production, Self-Sufficiency, Export, Import Substitution, and Transportation System Expansion Plan 2020-2028" ("**Plan Gas**"). Resolution 111 established new PIST prices and stated that ENARSA, gas producers, and distributors/subdistributors must adjust their agreements

under the Plan Gas to reflect the newly established prices.

ENARGAS is instructed to ensure that the gas distribution and subdistribution tariffs reflect the new PIST prices and applicable subsidies.



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NEW TRANSITIONAL TARIFF SCHEDULE FOR GAS TRANSPORTATION

ENARGAS approved a new transitional tariff schedule for Licensed Carriers.

By means of Resolutions No. 116, No. 117, No. 118, No. 119, No. 120, No.121, No. 122, No. 123, No. 124, No. 126, No. 127, No. 128, No. 129, No. 130, No. 131, No. 132, No. 133, No. 134, No. 135, published in the Official Gazette on March, 6, 2025, ENARGAS approved new transitional tariff schedules to be charged by (i) Refinería del Norte S.A., (ii) Gasoducto Norandino Argentina S:A, (iii) Enel Generación Chile S.A., (iv) Gasoducto Gasandes Argentina S.A. (v) Transportadora de Gas del Mercosur S.A. (vi) Gas Link S.A., (vii) Energía Argentina S.A.; (viii) Transportadora de Gas del Norte S.A., (ix) Transportadora

de Gas del Sur S.A, (x) Camuzzi Gas del Sur S.A.; (xi) Camuzzi Gas Pampeana S.A.; (xii) Distribuidora de Gas Cuyana S.A.; (xiii) Distribuidora de Gas del Centro S.A.; (xiv) Metrogas S.A.; (xv) Naturgy Ban S.A.; (xvi) Naturgy Noa S.A.; (xvii) Litoral Gas S.A.; (xviii) Gasnea S.A.; and (xix) Redengas S.A., respectively^[4].



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[4] Please refer to MHR's Energy Newsletter: November-December 2024 for a detailed of the previous updates.

ENARGAS IMPLEMENTS UNIFIED MECHANISM FOR GAS SUBSIDY COMPENSATION OVERHAUL

ENARGAS introduced a restructuring of the subsidy compensation system for natural gas distribution companies, effective as from February 1, 2025.

By means of Resolution No. 125/2025, published in the Official Gazette on March 6, 2025 ("**Resolution 125**"), ENARGAS introduced a significant restructuring of the subsidy compensation system for natural gas distribution companies effective as from February 1, 2025. This measure seeks to streamline the process, enhance transparency, and ensure efficiency in the administration of subsidies within Argentina's energy sector.

Resolution 125 replaces the previous subsidy compensation models under Resolutions ENARGAS No. 273/2018 and No. 399/2024 with a unified system linking gas producers and gas distributors. Under this model, residential subsidies are deducted directly from distributor payments to gas producers, eliminating government reimbursements.

This aligns with the broader fiscal and administrative reforms implemented by the Argentine Government and follows Resolution No. 24/2025 issued by the FSE, which simplified audit and control mechanisms for subsidy

compensation across the sector. Gas distributors must now provide a detailed breakdown of volumes supplied to high-income users (Level 1), medium-income users (Level 3), and low-income users (Level 2).

From the consumer perspective, the changes do not alter the current subsidy scheme but refine the process by which subsidies are accounted for within the supply chain. Vulnerable consumers (Levels 2 and 3) will continue to benefit from subsidized rates, while the government aims to prevent inefficiencies and excessive compensations to service providers.

ENARGAS will oversee the implementation of Resolution 125, requiring all licensed gas distributors to submit updated reports in accordance with the revised methodology.



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ENARGAS REPEALS OUTDATED TECHNICAL STANDARDS TO STREAMLINE GAS INDUSTRY REGULATIONS

In a move to modernize and streamline regulations within Argentina's gas industry, ENARGAS repealed two longstanding technical standards, NAG-112 and NAG-125.

By means of Resolution No. 153/2025 published in the Official Gazette on March 18, 2025, the ENARGAS repealed two industry standards: NAG-112 "Design, Construction, and Operation of Liquefied Petroleum Gas

Storage Plants" ("**NAG-112**") and NAG-125 "*Safety in Natural Gas Conditioning, Treatment, and Processing Plants*" ("**NAG-125**"). These regulations, approved in the early 1990s, governed the design, construction, and operation of LPG storage plants and natural gas conditioning, treatment, and processing plants, respectively. Over time, advancements in technology rendered these regulations outdated, thus the need for their reevaluation.

The NAG-125 standard regulated activities not encompassed within the Natural Gas Law and, consequently, outside ENARGAS's jurisdiction. Similarly, NAG-112 applied to LPG storage systems not intended for feeding commercial propane distribution networks installed in public spaces.

The repeal of these regulations aligns with the directives of Decree No. 907/2025, issued on February 13, 2025, which instructs autonomous agencies to eliminate obsolete or redundant regulations to reduce administrative and bureaucratic burdens.



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REGULATORY CHANGES AND DIGITALIZATION EFFORTS

ENARGAS establishes TAD platform for communication for GNC industry subjects.

By means of Resolution 155/2025, the ENARGAS instructed: (i) the Technical Representatives of Complete Equipment Manufacturers; (ii) the Cylinder Periodic Inspection Centers; (iii) the Equipment and Parts Manufacturers; (iv) the Equipment and Parts Importers; (v) the Natural Gas-Powered Vehicle Importers; (vi) the Natural Gas-Powered Vehicle Manufacturers; and (vii) the Verification and Commercialization Centers to register on the TAD platform (distance administrative proceedings platform) within a maximum of 30 business days. Additionally, Installation Workshops and their Technical Representatives must complete their registration within a maximum of 180 business days.

Communications and administrative acts issued by ENARGAS, addressed to such companies, will be notified through the TAD platform starting from their registration or upon expiration of the designated deadline, whichever occurs first.



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ELECTRICITY

ENRE ADJUSTMENT OF HOURLY RATES AND MONTHLY PENALTIES OF ELECTRICITY TRANSPORTATION LICENSEES

The ENRE updated hourly rates and penalties for key power transmission companies.

By means of Resolutions No. 152, No. 153, No. 154, No. 155, No. 156, No. 157, No. 158 and No. 159, published in the Official Gazette on March 5, 2025, the ENRE approved the new hourly rates to be applied to the regulated equipment of power transmission companies TRANSNOA S.A., TRANSNEA S.A., TRANSBA S.A., DISTROCUYO S.A., TRANSCOMAHUE S.A., TRANSPA S.A., TRANSENER S.A., and EPEN, respectively, as well as the average value of the Historical Monthly Penalties applied to each carrier^[5].

These measures were taken within the context of the emergency declared in the national electricity sector by Decree No. 55/2023 and aim to avoid practices that may distort prices and tariffs settled in the energy sector.



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[5] Please refer to MHR's Energy Newsletter: December 2024 - January 2025, for a detail of the previous updates.

FSE APPROVED NEW POWER REFERENCE PRICES

The FSE approved new reference electricity prices for the MEM and MEMSTDF for the period of March 1 to April 30, 2025.

By means of Resolution No. 110/2025 ("**Resolution 110**" published in the Official Gazette on March 5, 2025), the FSE approved new reference prices for the MEM and

MEMSTDF for the period from March 1 to April 30, 2025.^[6]

Resolution 110 seeks to ensure the sustainability of the electricity sector by adjusting prices to reflect real generation costs and maintain service continuity. Resolution 110 was issued in accordance with section 36 of the Federal Electricity Law No. 24,065, pursuant to which seasonal prices included in the tariffs paid by end-users must reflect the costs incurred in the MEM and MEMSTDF.

In such context, Resolution 110 approved adjusted Reference Prices for Power ("**POTREF**" for its acronym in Spanish) and the Stabilized Energy Price ("**PEE**", for its acronym in Spanish) for the MEM and MEMSTDF, ensuring these prices are used in the tariff schedules of distributors and public service providers. The Resolution

[6] Please refer to MHR's Energy Newsletter: November-December 2024, for a detail of the previous updates

also includes mechanisms for focused energy subsidies, targeting residential users based on income levels as defined in Decree No. 332/2022, as amended by Decree No. 465/2024.

Pursuant to Resolution 110, the PEE, together with the POTREF and the Stabilized Transportation Price (PET), must be considered by power distribution companies and applied to their the tariff schedules, in accordance with the provisions of Resolution FDE No. 137/1992.



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NEW SPOT PRICES FOR ELECTRICITY GENERATION

The FSE established an updated compensation model for electricity generation.

By means of Resolution No. 113/2025, published in the Official Gazette on March 5, 2025 ("**Resolution 113**"), the FSE approved new updated capacity and energy prices for power generation, replacing the annexes of Resolution FSE No. 27/2025. The adjustments aim to gradually transition towards a more competitive market by aligning remuneration with real costs and incentivizing efficiency in electricity supply.

Additionally, the resolution set a new maximum spot price for electricity at ARS 12,656 per megawatt-hour (MWh), reflecting current economic conditions and reinforcing cost predictability in the market.

Resolution 113 aligns with the broader energy policy objectives established under Decrees No. 55/2023 and No. 70/2023, which declared an emergency in Argentina's

energy sector. It is part of a strategy to create a more autonomous and competitive energy market, where supply and demand can interact under clear and transparent pricing mechanisms.

Power generators and stakeholders in the MEM, including those operating in the Tierra del Fuego electricity system (MEMSTDF), must adapt to the revised pricing and reporting requirements. Resolution 113 mandates updated reporting structures to align with the new remuneration scheme, ensuring compliance with Argentina's evolving regulatory landscape.



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ENRE AUTHORIZED COST TRANSFER FOR LARGE RENEWABLE ENERGY USERS

New regulation allows EDENOR and EDESUR to pass on renewable energy contract costs to high-demand consumers.

By means of Resolution No. 185/2025, published in the Official Gazette on March 26, 2025 ("**Resolution 185**"), the ENRE authorized EDENOR and EDESUR to transfer the monthly costs of renewable energy contracts entered into by power distribution companies servicing large users ("**GUDIs**" as per its acronym in Spanish "*Grandes Usuarios del Distribuidor*") to the public utility liquidations of those large users.

This measure falls within the framework of Resolution FSE No. 370/2022, which had authorized power distributors to enter into renewable energy supply contracts with renewable energy generators to cover the renewable energy demand obligations of the GUDIs serviced by the

former. Although this mechanism had been approved in 2022, power distribution companies were not authorized by ENRE to pass-through the cost of the purchase of energy under those renewable power purchase agreements and, as a result, the mechanism was not used in practice. Resolution 185 is aligned with Laws 26,190 and 27,191, which establishes large users' obligation to cover at least 20% of their power demand with energy from renewable sources, by December 2025.



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DISSOLUTION OF THE FEDERAL ELECTRIC TRANSPORT FIDUCIARY FUND AND AMENDMENT OF RULES GOVERNING THE NATIONAL ELECTRICITY FUND

Decree No. 234/2025 dissolved the Federal Electric Transport Fiduciary Fund and establishes new rules governing the National Electricity Fund.

By means of Decree No. 234/2025, published in the Official Gazette on March 31, 2025 ("**Decree 234**"), the Federal Executive Branch dissolved the Federal Electric Transport Fiduciary Fund (the "**Fiduciary Fund**") created in 1999, through Resolution ME No. 657/1999.

Moreover, the Decree modified Article 31 of Law No. 15,336 (Electric Energy Regime) governing the management of the National Electricity Fund (the "**NEF**"). Pursuant to the new regulations, the NEF shall be managed by the FSE and its funds shall be applied as follows:

a) 19.86% of the total revenue of the NEF shall be allocated to projects identified by the FSE for expanding the high-voltage electricity transmission system to meet demand or interconnect electrical regions to improve quality and/or security of supply;

b) 60% (after deducting the portion specified in (a) above), will be allocated to create the Subsidiary Fund for Regional Tariff Compensation for End Users, which shall be assigned annually by the Federal Electricity Council and distributed among the provincial jurisdictions that have adhered to the tariff principles outlined in Law No. 15,336.

c) 40% of the remaining funds of the NEF (after deducting the portion specified in (b) above), will be allocated to the Fund for Electric Development in Interior Regions.

The resources of the dissolved Fiduciary Fund shall be applied to the aforementioned projects. Disbursements made by credit or development agencies to the Fiduciary Fund shall be transferred to the FSE for the termination of such loan agreements.

Finally, ongoing contracts executed by the Fiduciary Fund related to the expansion of the high-voltage electricity transmission system for demand supply or the interconnection of electrical regions to improve quality and/or security of supply, shall be continued under the same contractual terms by the FSE through the designated department.



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PAYMENT SCHEDULE FOR THE ENRE 2025 SUPERVISION AND CONTROL FEE

ENRE set deadlines for the payment of the 2025 Supervision and Control Fee.

By means of Resolution No. 161/2025, published in the Official Gazette on March 7, 2025 ("**Resolution 161**"), ENRE established the payment schedule for the 2025 Supervision and Control Fee, requiring generators, transporters, and distributors to settle the second installment by April 22, 2025.

Third installments will be subject to adjustments based on

the definitive calculation of applicable rates, with payment dates to be determined in the future.



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UPDATES ON TARIFF SCHEDULES FOR EDENOR AND EDESUR

ENRE has approved new tariff schedules to be implemented by EDESUR and EDENOR.

By means of Resolutions No. 160/2025 and No. 162/2025, published in the Official Gazette on March 7, 2025 (the "**Resolutions**"), ENRE updated the tariffs for residential users in levels 1, 2, and 3, as well as other user categories such as neighborhood and community clubs, public welfare entities, and user-generators. These tariff schedules are applicable as from March 1, 2025.

The adjustments reflect a 1.7% increase in the final user tariff for both EDENOR and EDESUR, driven by a 2.5% rise in the seasonal price of electricity, which represents the cost of electricity generation passed on to consumers,

while maintaining the distribution added value ("**VAD**") unchanged. The VAD refers to the costs associated with operating, maintaining, and expanding the electricity distribution network. The ENRE also set the average VAD at \$44,836 (approximately USD 34.5) for EDENOR and \$39,310 (approximately USD 30.2) for EDESUR.

Additionally, new values were also established for the cost of energy supplied in poor conditions, a compensation mechanism for users receiving electricity under substandard conditions, and the cost of unsupplied energy, which reflects the estimated economic impact of power outages. Both values will apply from March 1, 2025, corresponding to semester 58 (March 2025 – August 2025).

Finally, the Resolutions define the tariff schemes and further instruct EDENOR and EDESUR to calculate the subsidy amount for each user based on their monthly consumption, using the values specified in the annexes of the respective Resolutions. This subsidy must be clearly labeled as "Subsidio Estado Nacional" in the section of the bill that provides user information, ensuring transparency and clarity for consumers.



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MINING

NEW REGULATORY FRAMEWORK FOR THIRD CATEGORY MINES AND TREATMENT PLANTS IN MENDOZA

The Province of Mendoza implements the Stockpiling Registry for Minerals and Stony Substances upon the entry in force of the new Provincial Mining Procedural Code.

By means of Joint Resolution No. 106/2025 of the Mining Direction and No. 36/2025 of the Environmental Protection Direction of the Province of Mendoza, published on March 26, 2025 ("**Resolution 106**"), the Province approved the procedures and requirements for the submission and approval of the Initial Report to be filed by holders of third category mines (quarries) currently in operation, as well as by owners of mineral treatment or beneficiation plants located within the Province of Mendoza.

The regulation applies to all holders of third-category mines

and treatment plants operating in Mendoza that, as of the effective date of Resolution 106, do not possess an approved Environmental Impact Declaration or have one pending. Operators are required to submit the Initial Report within 30 working days via a designated electronic system, ensuring transparency and prompt regulatory review.



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ENVIRONMENTAL

PROVINCE OF RÍO NEGRO: UPDATE AND MODIFICATION OF ENVIRONMENTAL FEES AND TARIFFS

The Secretariat of Energy and Environment of Río Negro unified its fee structures to ensure accessibility and transparency for stakeholders initiating administrative procedures.

By means of Resolution No. 170/2025 ("**Resolution 170**") published in the Official Gazette of the Province of Río Negro on March 6, 2025, the Provincial Secretariat of Energy and Environment (the "**Secretariat**") established a comprehensive update to the environmental fee structure.

The established calculation system remains unchanged, being based on the price per liter of premium diesel fuel from the YPF Service Station located at Avenida Luis Toschi 690 in Cipolletti, Río Negro province ("**Diesel**"). As of the publication date of Resolution 170, the price per liter of Diesel was US\$1.40 (one dollar and forty cents), compared to US\$1.18 (one dollar and eighteen cents) in the previous year -reflecting an increase of nineteen point thirty-four percent (19.34%) in US dollars.

Furthermore, Resolution 170 introduces several new fees, including an Environmental Impact Study fee for high-complexity projects; an Environmental Impact Study fee for

low-complexity projects; an Environmental Impact Study fee for PAD of oil wells; and an Environmental Control and Supervision Fee for In Situ Treatment of Special Waste.

Finally, the Environmental Debt Clearance Certificate is maintained in Resolution 170, albeit now referred to as the "Environmental Debt Clearance Certificate". Its purpose remains unchanged -to guarantee compliance with these tributes and serve as a sine qua non requirement for applicants seeking new authorizations, permits, or any other instruments related to environmental management.



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RÍO NEGRO REGULATES INDIGENOUS CONSULTATION PROCESS

The Province established a formal procedure of consultation for indigenous communities, ensuring their participation in decisions that may affect their rights.

By means of Law No. 5,755 (“**Law 5755**”), in October 2024, the Legislature of the Province of Río Negro approved the Procedure of Consultation for Indigenous Communities recognized by the provincial authority (the “**Consultation Procedure**”). Decree No. 226/2025 published in the provincial Official Gazette on March 27, 2025 (“**Decree 226**”) implemented the Consultation Procedure.

Grounded in International Labor Organization Convention No. 169 and constitutional provisions, the Consultation Procedure requires government authorities to identify indigenous communities, define the consultation area, and ensure transparent access to all relevant information.

Consultations must be free, voluntary, and conducted in good faith, respecting each community's cultural and social norms, including their traditional decision-making systems. The Provincial Ministry of Government, Labor, and Tourism serves as the enforcement authority, overseeing the convening and execution of these consultations.



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CHUBUT ENACTED MANDATORY NON-BINDING PRIOR CONSULTATION PROTOCOL WITH INDIGENOUS COMMUNITIES

New procedural requirements apply to administrative and legislative measures affecting indigenous lands or rights — including hydrocarbon exploration and prospecting activities.

By means of Law V No. 202 published in the Official Gazette on March 28, 2025 (“**Law 202**”), the Province of Chubut established a Protocol for the Free, Prior and Informed Consultation with the Indigenous Communities (“**Protocol**”) in line with International Labor Organization Convention No. 169. Pursuant to the Protocol, indigenous communities which are duly registered or in the process of registration with the relevant provincial authority must be consulted prior to the adoption of any administrative or legislative measures that may directly affect their rights.

According to Law 202, the Protocol applies only to measures that directly impact Indigenous rights, including:

- a.** authorization of natural resource exploration on Indigenous lands;
- b.** transfer of Indigenous communal land rights to non-members;
- c.** design of vocational training programs for Indigenous peoples;
- d.** development of Indigenous education programs; and
- e.** promotion of Indigenous language instruction for children.

The consultation must be conducted without coercion and with full access to relevant information. While the process

does not suspend the underlying administrative proceedings, it introduces a mandatory participatory stage aimed at enhancing procedural legitimacy.

Public agencies must refer the case file to the Ministry of Government, including maps and technical documentation. A hearing must be held within ten (10) business days of notice, after which Indigenous communities have thirty (30) days (extendable once) to provide input. The process concludes with a closing hearing, regardless of whether consensus is reached.

Although non-binding, the competent authority must consider the communities' views. The Protocol is governed by the principles of good faith, cultural appropriateness, and transparency. Both the proposed measure and the affected community must be published in the Official Gazette and one mass media outlet.

This framework adds a procedural layer to project planning, particularly relevant for the hydrocarbons industry.



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GENERAL REGULATORY NEWS

ARGENTINA INTRODUCES A NEW UNIFIED CONTRACTORS' DATA BASE FOR PUBLIC PROCUREMENT

The Federal Executive Branch introduced a new contractor's data base for Argentina's national public administration, available to individuals and entities interested in contracting with the state.

By means of Decree No. 206/2025, published in the Official Gazette on March 20, 2025 ("**Decree 206**"), the Federal Executive Branch created the co-contractor information system ("**SICO**" for its acronym in Spanish), a new public procurement data base for Argentina's national public administration. Decree 206 aims to unify and enhance the management of records for individuals and entities interested in contracting with the Federal State, promoting greater transparency, efficiency, and quality in the procurement of public works and services.

SICO replaces the former National Registry of Contractors and Consulting Firms for Public Works, centralizing information in a database to be managed by the National Procurement Office (*Oficina Nacional de Contrataciones*). The data base shall be divided into three main categories, each comprising individuals and entities interested in participating in the respective selection and contracting procedures:

- suppliers (SICO-PRO)
- public works contractors (SICO-COP), and
- concessionaires of public works and infrastructure and public services (SICO-CON).

Decree 206 mandates that registration in SICO is compulsory for participating in procurement procedures governed by Laws No. 13,064 (Public Works Law) and No. 17,520 (Public Works Concessions). Additionally, Decree 206 updates the amounts and conditions for public works contracting, establishing values in "modules" to facilitate their updating and adaptation to current economic conditions.

Finally, the mechanism for registration, classification, and qualification of public works contractors is made more flexible, encouraging greater competition and the participation of new actors, both local and foreign. SICO will not only record information about the economic and financial capacity of co-contractors but also their background, contract history, selection procedures, contractual breaches, and sanctions. This comprehensive approach will allow for better evaluation and selection of bidders, ensuring that only those with the appropriate capacity and background can participate in public contracts.



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INSIGHTS ON THE ARGENTINE ENERGY INDUSTRY

ARGENTINA APPROVES MAJOR PIPELINE PROJECT UNDER RIGI FRAMEWORK

The ME approved the second project under the RIGI framework, led by VMOS S.A., a special purpose vehicle formed by key Vaca Muerta players.

By means of Resolution No. 302/2025, published in the Official Gazette on March 21, 2025 ("**Resolution 302**"), the ME approved VMOS S.A.'s adherence to the RIGI for the Vaca Muerta Oleoducto Sur project, which involves the construction of a 473-kilometer oil pipeline. This pipeline will connect a storage and pumping facility in Allen, Río Negro province, to a new export terminal in Punta Colorada, also in Río Negro, facilitating crude oil exports via the Atlantic Ocean.

The pipeline will have a base transportation capacity of 377,400 barrels per day, with an estimated storage capacity of 3.77 million barrels. Additionally, the monobuoy system will support tanker loading operations of up to 700,000 barrels per day, further strengthening Argentina's crude export infrastructure.

To carry out this initiative, VMOS S.A. was established as a special purpose vehicle by some of Vaca Muerta's leading

producers, including YPF S.A., Pampa Energía S.A., Vista Energy S.A.U., Pan American Sur S.A., Shell Argentina S.A., Pluspetrol S.A., and Chevron Argentina S.R.L. As VMOS shareholders, these companies will benefit from the project by acting as shippers of the pipeline, allowing them to evacuate their production more efficiently and access export markets under improved conditions.

The project's total declared investment in computable assets amounts to USD 2.486 billion, exceeding the minimum investment threshold set by Bases Law. Under the RIGI framework, VMOS S.A. has committed to fulfilling the required investment milestones by December 31, 2028.



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INFRASTRUCTURE EXPANSION AND REGULATORY FRAMEWORK

The FSE approved guidelines for the allocation of incremental capacity in the GPM gas pipeline.

By means of Resolution 136/2025, published in the Official Gazette on March 31, 2025 (the "**Resolution 136**"), the FSE approved the *Guidelines for the Allocation of Incremental Capacity* in the Perito Francisco Pascasio Moreno Gas Pipeline (GPM) and Final Sections, operated by Transportadora de Gas del Sur S.A. (TGS). These guidelines establish a framework for the commercialization and competitive allocation of the additional capacity resulting from the expansion of the GPM system, ensuring non-discriminatory access for third-party users.

Additionally, Resolution 136 approved the new General and Specific Terms and Conditions that will govern the public tender process to be led by Energía Argentina S.A. (**ENARSA**), under the scope of Resolution ME No. 169/2025.

Both ENARSA and CAMMESA have been mandated to modify existing contractual terms related to gas transportation via the GPM. These adjustments include the

waiver of CAMMESA's priority rights in the Transport Agreement - TF with ENARSA, revision of gas retention percentages and repayment methodology, and payment structure for firm capacity based on the Weighted Price from the commissioning date.

The contractual amendments must align with existing regulatory frameworks^[7], prior commitments under the Plan Gas.AR, and promote efficiency in public resource use. Such modifications must be submitted to the Secretary of Energy for authorization within ten business days from the resolution's effective date.

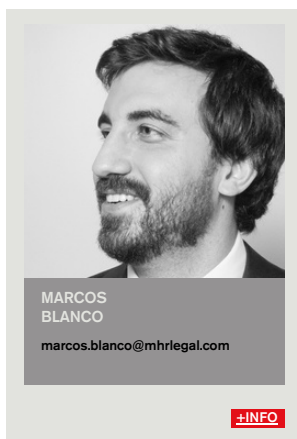
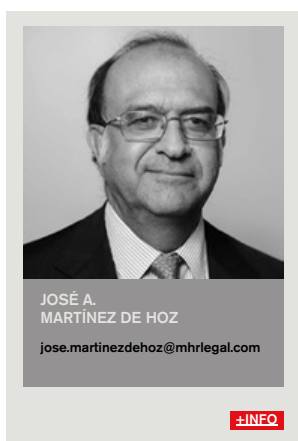
Moreover, CAMMESA and other dependent public entities dependent of the FSE were instructed to provide full support to ENARSA during the tender process. ENARGAS will also provide technical assistance, without prejudice to its oversight functions under the Natural Gas Law No. 24,076 and its amendments.

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[7] Resolution No. 2172025 of the Secretary of Energy; Notices No. NO-2024-44424318-APN-SE#MEC dated april 30, 2024; NO-2025-01614729-APN-SE#MEC dated January 6, 2025; NO-2025-8408810-APN-SE#MEC dated january 24, 2025; and NO-2025-16900682-APN-SE#MEC dated February 17, 2025.

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