

How is the regulation review progressing in Colombia? (March 2021)

Although in its latest regulatory agendas, CREG has planned to close the review process of the remuneration scheme after having issued its three (3) draft resolutions, today said entity continues to advance in the analysis and proposals for the review of the scheme of remuneration of the transmission activity for the next regulatory period.

This is how, recently, said entity issued Resolution 004 of 2021, through which it reviewed the methodology for determining the WACC of regulated activities, including transmission activity, which raises positive adjustments in relation to the methodology that had been defined in Resolution 095 of 2015 and its application will be given as part of the application of the revised remuneration scheme.

At the end of December 2020, through Circular 140, the CREG published the regulatory agenda for the year 2021, and in it foresees that in the first semester there will be a new draft resolution, and in the second semester it is expected to have the resolution with the transmission remuneration methodology for the next regulatory period.

Taking into account the above, as well as the previous procedures and procedures that are required, the application of the revised scheme would not be expected before 2023.