



**Overseas Private Investment Corporation**  
**1100 New York Avenue, N.W.**  
**Washington, D.C. 20527**  
**(202) 336-8400**  
**FAX (202) 408-9859**

March 8, 2010

Georgina Kessel Martinez  
Secretaría de Energía  
Insurgentes Sur 890  
Col. del Valle, Del. Benito Juárez, C.P. 03100  
México, D.F.

Dear Secretary Kessel Martinez:

The Overseas Private Investment Corporation (OPIC) is considering providing consent to two Latin Power Trust III Fund investments in Mexico; a 30 MW hydroelectric facility located in Veracruz, Mexico and an 18.5 MW hydroelectric facility located in San Juan Bautista Tuxtepec in the north central portion of the state of Oaxaca. The Veracruz project will be developed by Electricidad del Golfo S. de R.L. de C.V. and is located on the Apatlahuaya and the Zongolica Rivers, between the municipalities of Mixtla de Altamirano, Texhuacan, and Zongolica. The San Juan Bautista Tuxtepec project will be developed by Electricidad de Oriente S. de R.L. de C.V. and is located on the Santo Domingo River. This project will make use of the ecological flow released from the already existing Cerro de Oro dam to generate electricity.

OPIC is an agency of the United States Government with a mandate to encourage and support U.S. private sector investments in developing countries and emerging economies. All OPIC-supported projects must be economically and environmentally sound. OPIC is required by U.S. law to notify appropriate governmental authorities of investments under consideration for OPIC assistance that have the potential to pose significant consequences for the environment. OPIC also is required by U.S. law to provide your government with information about standards and guidelines that have been developed by international organizations and by federal environmental regulatory authorities of the United States and that are applicable to such investments. OPIC applies guidelines and standards established by the World Bank Group and other similar international organizations. The web site links to these relevant guidelines are attached to this letter.

According to the documentation submitted by the Portfolio Companies, the key areas of concern for both facilities are related to the construction of infrastructure associated with the dams and potential impacts to the ecology of the immediate project areas. We

understand that the projects were designed to minimize impacts on the environment. The hydroelectric facilities will use internationally accepted environmental management practices to mitigate potential impacts to acceptable levels. Based on the information provided by the Portfolio Companies, these projects do not appear to pose significant hazards to the environment, public health or safety.

We understand, of course, that the projects will be subject to the laws of Mexico with regard to protection of the environment, public health and safety.

If you have any questions about OPIC's environmental assessment of these projects, you may contact OPIC's Director of Environmental Affairs at the above address.

Respectfully yours,

A handwritten signature in cursive script, appearing to read "Mary Boomgard".

Mary Boomgard,  
Acting Vice President for Investment Policy

Direct: 202.336.8732

Fax: 202.408.0193

mboom@opic.gov

## **Applicable International Standards and Guidelines**

- (1) International Finance Corporation's General Environmental, Health and Safety Guidelines:  
[http://www.ifc.org/ifcext/sustainability.nsf/AttachmentsByTitle/gui\\_EHSGuidelines2007\\_GeneralEHS/\\$FILE/Final+-+General+EHS+Guidelines.pdf](http://www.ifc.org/ifcext/sustainability.nsf/AttachmentsByTitle/gui_EHSGuidelines2007_GeneralEHS/$FILE/Final+-+General+EHS+Guidelines.pdf)
- (2) International Finance Corporation's Performance Standards:  
[http://www.ifc.org/ifcext/sustainability.nsf/AttachmentsByTitle/pol\\_PerformanceStandards2006\\_full/\\$FILE/IFC+Performance+Standards.pdf](http://www.ifc.org/ifcext/sustainability.nsf/AttachmentsByTitle/pol_PerformanceStandards2006_full/$FILE/IFC+Performance+Standards.pdf)
- (3) U.S. Department of Energy Federal Energy Regulatory Commission-Division of hydropower Administration and Compliance: Compliance Handbook .  
[http://www.ferc.gov/industries/hydropower/gen-info/handbooks/compliance\\_handbook.pdf](http://www.ferc.gov/industries/hydropower/gen-info/handbooks/compliance_handbook.pdf)