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## **Mexican utility to buy more coal on international market**

*Monday, 25 Feb, 2008*

Reuters reported that Mexico plans to buy more coal on international markets and is keen to buy coal pits abroad to meet its growing power needs.

Mr Alfredo Elias Ayub director of CFE said that Ailia will buy the coal from Colombia. Mr Ayub at a business event in the northern Mexican city of Monterrey told reporters that "Mexico does not have any coal and for that reason we will go to the international market or buy overseas coal mines or seek long term contracts to guarantee supply. We need to buy 8 million tonnes of coal a year."

Mr Ayub last week in Houston told Reuters that CFE, which supplies power to all of Mexico bar the capital, was studying buying coal mines in Australia or Colombia.

Mexican state utility CFE surprised coal traders last week by buying 3.77 million tonnes of coal from a little known company called Ailia, undercutting major international suppliers.

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