



LOWER MERALCO POWER RATES FOR MAY

ERC-approved measures helped offset generation charge increase

MANILA, PHILIPPINES, 13 MAY 2026—The Manila Electric Company (Meralco) announced today a decrease of P0.0151 per kWh in the May electricity rate, bringing the overall rate for a typical household down to P14.3345 this month from P14.3496 per kWh in April.

“Despite initial indications of an increase, Meralco power rates this May had a modest reduction. This was achieved through the proactive efforts led by the Energy Regulatory Commission (ERC) to cushion the impact of potentially high rates as a result of the geopolitical tensions that ultimately affect energy prices,” Meralco Vice President and Head of Corporate Communications Joe R. Zaldarriaga said.

“While our customers stand to benefit from relatively stable rates this May, we would like to advise our customers that the bills that they will receive may still go up depending on their actual consumption, which usually increases during the summer months,” he added.

ERC-approved measures, slight decrease in transmission charge offset generation charge increase

Various mitigating measures as approved and directed by the ERC helped offset an increase in the generation charge.

These include the acceleration of Meralco's ongoing refund, which increased the refund rate for residential customers by P0.2254 per kWh to P0.4278 from the P0.2024 per kWh previously. The ERC directed Meralco to refund the remaining P14.2 billion over a period of 12 months, instead of the original remaining refund period of two (2) years.

This month's taxes and other charges also had a net decrease of P0.1482 per kWh. The ERC suspended the collection of the P0.0371 per kWh Green Energy Auction Allowance (GEA-All) from May to June 2026. This May, electric consumers will also partially benefit from the long-delayed implementation of the value-added tax (VAT) exemption for power generated using indigenous natural gas. The VAT exemption was provided under Republic Act No. 12120, or the Philippine Natural Gas Industry Development Act, which was enacted back in January 2025

Also contributing to the decrease in the overall electricity rate was the transmission charge, which went down by P0.0493 per kWh for residential customers.

Higher WESM charges, fuel prices and Peso depreciation drive generation charge

The generation charge for May went up to P8.7942, from a previous rate of P8.3864 per kWh.

There was a significant P7.7239 per kWh increase in charges from the Wholesale Electricity Spot Market (WESM), in particular, the line rental component.

As a mitigating measure, the ERC allowed Meralco to immediately reflect the line rental caps under its ERC-approved Power Supply Agreements (PSAs) for May 2026 billing. As a result, a substantial portion of the line rental amount from the WESM will be borne by Meralco's suppliers, pulling down the charges from PSAs by P0.1793 per kWh and partially offsetting the higher WESM charges.

Meanwhile, charges from the Sta. Rita and San Lorenzo gas plants of First Gas/Prime CoreGen increased by P0.1786 per kWh due to higher fuel costs and the Peso's depreciation that affected 99% of First Gas/Prime CoreGen costs which were dollar-denominated. The legacy Power Purchase Agreements with First Gas/Prime CoreGen do not contain the line rental cap mechanism that is present in Meralco's more recent PSAs obtained via competitive selection processes (CSPs).

WESM, PSAs, and First Gas/Prime CoreGen accounted for 7%, 73%, and 20%, respectively, of Meralco's total energy requirement for the period.

Pass-through charges for generation and transmission are paid by Meralco to the power suppliers and the grid operator, respectively; while taxes, universal charges, and Feed-in Tariff Allowance are all remitted to the government.

Meralco's distribution charge, on the other hand, has not moved since the P0.0360 per kWh reduction for a typical residential customer beginning August 2022.

Meralco reminds public to practice energy efficiency and conservation

While the May rates remained stable, Meralco urged customers to continue practicing energy efficiency and conservation to better manage their consumption which directly affects electricity bills.

"While overall electricity rates have gone down, the dry season is typically marked by higher consumption, especially from cooling appliances, which can still drive bills upward. By being more mindful of their power consumption and observing energy efficiency, customers can take better control of their electricity bills," Zaldarriaga said.

Among the practical energy efficiency tips customers can practice are unplugging appliances when not in use, optimizing thermostat settings of air conditioners to 25°C and regular cleaning of filters, ironing clothes in bulk, refraining from overfilling refrigerators, and using LED bulbs for cost-saving lighting.

Meralco customers can also have better control of their monthly electricity bills with the help of the Meralco Appliance Calculator that provides information on the energy consumption of appliances and gadgets.

Customers can report their concerns through the My Meralco app or through Meralco's official social media accounts on Facebook (www.facebook.com/meralco) and X formerly Twitter (@meralco). They may also text their concerns to 0920-9716211 or 0917-5516211 or contact the Meralco Hotline at 16211.#

For inquiries, please contact:
Claire-Ann Marie C. Feliciano
Head, Public Relations
camcfeliciano@meralco.com.ph
0908-8659610

About Meralco

Meralco is the largest electric power distribution company and the largest private sector utility in the Philippines. Through a Consolidated Certificate of Public Convenience and Necessity, Meralco provides electric service within its franchise coverage. Its subsidiaries are engaged in engineering and consulting, construction, bills payments and other electricity-related services. A subsidiary is in the process of developing the Company's power generation portfolio.

Meralco is listed on the Philippine Stock Exchange (PSE: MER). Meralco has the largest market capitalization among the Philippine listed utility and power sector companies. Further information is available at www.meralco.com.ph.

Meralco is committed to data protection and privacy. To know more about how the Company protects personal data, please visit <https://company.meralco.com.ph/privacy-statement>.