MERALCO

PRESS RELEASE

HIGHER GENERATION CHARGE DRIVES INCREASE IN JULY POWER RATES

MANILA, PHILIPPINES, 10 JULY 2026—The Manila Electric Company (Meralco) announced today an upward adjustment of P0.3428 per kWh in the July electricity rate, bringing the overall rate for a typical household to P14.8261 from P14.4833 per kWh in June.

For residential customers consuming 200 kWh, this adjustment translates to an increase of P69 in the total electricity bill.

Higher fuel prices, Malampaya shutdown push up generation charge

The biggest driver of this month's rate increase was the generation charge as it went up by P0.1800 per kWh to P9.2504 from P9.0704 per kWh last month, largely owing to higher fuel prices.

Charges of First Gas/Prime CoreGen, which accounted for the most expensive supply this billing period, rose by P0.3613 per kWh to P10.6489 per kWh. This followed the one-month scheduled maintenance shutdown of the Malampaya natural gas facility starting June 15, 2026 that prompted the Sta. Rita and San Lorenzo plants to use the more expensive liquefied natural gas (LNG).

Charges from post-EPIRA Power Supply Agreements (PSAs), went up by P0.2678 to P8.8694 per kWh due to the impact of the persisting Middle East conflict in the global energy market.

Meanwhile, Wholesale Electricity Spot Market (WESM) prices went up to P8.0337 per kWh as demand in Luzon reached a record high of 14,534 MW on May 28, 2026. Tighter power supply conditions in the grid pushed spot market prices higher, resulting in more frequent imposition of the secondary price cap at 11.1% of the time.

First Gas/Prime CoreGen, PSAs and WESM accounted for 22%, 72%, and 6% respectively, of Meralco's total energy requirement for the period.

Higher taxes and other charges

Taxes registered an increase of P0.0960 per kWh. This is primarily due to First Gas/Prime CoreGen's use of LNG, which is subject to 12% value-added tax (VAT), as a result of the unavailability of Malampaya gas, which is VAT-exempt.

Transmission and other charges similarly went up by P0.0668 per kWh.

Meanwhile, the Energy Regulatory Commission (ERC) extended the collection suspension of the P0.0371 per kWh Green Energy Auction Allowance (GEA-All) until August 2026.

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.

Customers reminded to observe electrical safety this rainy season

With Typhoon Inday (international name: Bavi) expected to bring rains in Meralco's franchise area, the company reminded its customers to continue observing electrical safety.

In case of flooding, turn off the main electrical power switch or circuit breaker in case of flooding and ensure that hands are dry when touching electrical appliances and facilities. All electrical wires, connectors, and other wiring devices should also be kept completely dry at all times. If outlets or appliances are drenched, it's best to have a licensed electrician check these before using.

Meralco also advised customers to keep all channels of communication open and ready, and charge mobile phones, laptops, radios, and other communication gadgets.

Meralco backs customer choice programs; urges customers to enroll in RCOA

Meralco also expressed support to the government's customer choice programs and urged qualified customers to join the competitive retail electricity market to maximize its benefits.

This followed the ERC's move to lower the contestability threshold under Retail Competition and Open Access (RCOA) to 100 kilowatts (kW) starting June 26, 2026—enabling more consumers, including medium-sized enterprises, to choose their own electricity suppliers.

Meralco continues to empower smaller electricity end-users to participate in the contestable market. Through the Retail Aggregation Program (RAP), households and small businesses that individually do not meet the 100-kW requirement can aggregate their electricity demand, enabling them to start collectively benefitting from supplier choice.

For customer inquiries and concerns, customers can reach out 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.#

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