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For media inquiries, please contact:

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Total transmission charges decrease for November 2024 billing period

Overall transmission charges decreased in November, generally, due to lower Ancillary Service (AS) rates, which account for bulk of transmission charges to electricity consumers.

NGCP's transmission wheeling rates, or what it charges for its primary service of delivery of power, have gone down by 0.96%, or PhP0.0048/kWh, from PhP0.5005/kWh to PhP0.4957/kWh.

Average AS rates for the November 2024 billing period decreased by 12.84%, or by PhP0.0840/kWh, from PhP0.6539/kWh in October to PhP0.5699/kWh in November. Consumers in Luzon and Mindanao will benefit from a decrease in AS rates by PhP0.1149/kWh and PhP0.0326/kWh, respectively, while those in Visayas will experience an increase by PhP0.0148/kWh due to the prices in the AS Reserve Market.

The power transmission service provider reiterated that it does not benefit from the increase or decrease in AS charges as these are pass-through costs which go directly to generation companies.

"NGCP notes that of the PhP1.1966/kWh in transmission charges billed to consumers for the November billing period, 48% of this, or PhP0.5699/kWh is for AS. This amount is remitted directly to power generators who provide ancillary services required to maintain the stable and reliable operation of the transmission grid," the company said.

In compliance with the Department of Energy's policy, NGCP contracts part of its AS requirement from firm contract agreements with power generators while the remaining portion is sourced from the AS Reserve Market. Ancillary services is used by NGCP to stabilize the grid during power supply-demand imbalances.###