Utilities up on increased demand

THE UTILITIES sector performed better in 2018 amid faster growth in power consumption.

Gross value added (GVA) of electricity, gas and water — valued at P293.68 billion—gained 5.5% in 2018, data from the Philippine Statistics Authority showed. This was faster than the 3.4% pace registered the year before.

Sectoral growth was largely driven by electricity, which accounted for 87.2% of the total in 2018. During the period, it increased by 5.5% to P256.22 billion, compared with the growth of 3.9% in 2017.

The GVA of the steam sector grew by 3.2% in 2018, a turnaround from the 3.9% decline the previous year. Water likewise grew by 5.8% from 2.5%.

Data from the Department of Energy (DoE) showed total sales up by 6.2% to 82,617 gigawatt-hours (GWh) in 2018 compared to the 4.9% sales increase in 2017. Similarly, total electricity consumption increased 5.7% to 99,765 GWh.

Power consumption in the residential sector increased by 5.5% to

28,261 GWhin 2018, accelerating from 2017's 4.5% pace.

Faster growth rates were likewise observed in the commercial (5.5% versus 2017's 4.6%) and industrial (7.9% versus 6%) segments to 24,016 GWh and 27,587 GWh.

The country's installed generating capacity increased 4.8% to 23,815 megawatts (MW) during the year. By fueltype, coal remained the dominant source at 8,844 MW. This is more than the combined capacities of renewable energy sources such as geothermal, hydroelectric, biomass, solar, and wind power at 7,227 MW.

Fifty-six firms belonging to the electricity, gas and water sector are in this year's Top 1000 ranking. Their gross revenues summed up to P950.62 billion, up by 10% from 2017.

Manila Electric Co. (Meralco), the country's largest power distributor, continues to be the sector's top grosser last year with P297.97 billion in gross revenue, an 8.2% gain from P275.42 billion in 2017. Overall, it ranked third in this edition's Top 1000.

Meralco officials said the increase in earnings was brought by increased electricity sales volume, in part due to the combined contributions across customer sectors and the effects of a relatively resilient domestic consumption driven by the rapidly expanding Philippine offshore gaming operators, the steady contribution of the business process outsourcing industry, and the growth in remittance from overseas Filipino workers, among other things.

Following Meralco in the sectoral rankings was the National Grid Corp. of the Philippines (No. 51), whose gross revenue grew marginally by 0.5% to P45.82 billion from P45.61 billion.

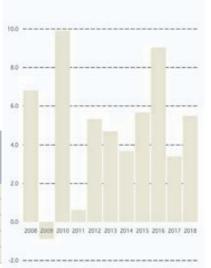
Among water distributors, Maynilad Water Services, Inc. (No. 70) led with a P34.55 billion gross revenue, 5.8% more than the previous year's P32.65 billion. Meanwhile, Manila Water Co., Inc. (No. 97) grossed P26.75 billion, a 5.2% gain from the previous P25.43 billion.

Other top grossing firms in this sector include San Miguel Energy Corp. (No. 54); First Gas Power Corp. (No. 66); Energy Development Corp. (No. 89); and Therma Luzon, Inc. (No. 96). — *Mark T. Amoguis* ■

GROSS VALUE ADDED

Electricity, Gas and Water

Growth in Percent (at constant 2000 prices)





PHILSTAR/MICHAEL VARCAS

SECTOR AT A GLANCE

YEAR	GROSS REVENUE % change	NET SALES % change	NET INCOME P billion	TOTAL ASSETS % change	TOTAL LIABILITIES % change	STOCK- HOLDERS' EQUITY % change	RETURN On Equity	RETURN ON SALES	DEBT-TO- EQUITY RATIO
2014	0.0	(1.1)	154.50	0.1	(2.4)	5.0	0.3	0.2	1.9
2015	(2.8)	(3.5)	141.36	2.8	2.0	4.2	0.2	0.2	1.9
2016	1.0	0.2	136.46	7.3	9.2	4.2	0.2	0.2	1.7
2017	10.5	10.4	145.77	2.5	0.4	6.8	0.2	0.2	1.9
2018	10.0	8.4	145.19	4.3	4.3	4.2	0.2	0.2	1.8

Source: Financial statements from the SEC and companies included in the Top 1000