

Philippine Stock Exchange index (PSEi)					6,511.57	▲ 14.85 PTS.	▲ 0.22%	THURSDAY, JANUARY 9, 2025 BusinessWorld		
PSEi MEMBER STOCKS										
AC Ayala Corp. P599.50 +P12.00 +2.04%	ACEN ACEN Corp. P3.96 +P0.06 +1.54%	AEV Aboltiz Equity Ventures, Inc. P35.00 -P0.20 -0.57%	AGI Alliance Global Group, Inc. P8.81 +P0.16 +1.85%	ALI Ayala Land, Inc. P26.50 +P0.10 +0.38%	BDO BDO Unibank, Inc. P145.90 -P1.10 -0.75%	BLOOM Bloomerry Resorts Corp. P4.35 -P0.16 -3.55%	BPI Bank of the Philippine Islands P120.80 +P0.20 +0.17%	CNPF Century Pacific Food, Inc. P43.50 ---	CNVRG Converge ICT Solutions, Inc. P16.18 +P0.18 +1.12%	
DMC DMCI Holdings, Inc. P10.98 +P0.04 +0.37%	EMI Emperador, Inc. P18.02 +P0.16 +0.90%	GLO Globe Telecom, Inc. P2,260.00 -P40.00 -1.74%	GTCAP GT Capital Holdings, Inc. P617.00 -P6.00 -0.96%	ICT International Container Terminal Services, Inc. P399.40 +P2.40 +0.60%	JFC Jollibee Foods Corp. P264.60 -P2.40 -0.90%	JGS JG Summit Holdings, Inc. P20.05 -P0.15 -0.74%	LTG LT Group, Inc. P10.50 ---	MBT Metropolitan Bank & Trust Co. P73.55 -P0.95 -1.28%	MER Manila Electric Co. P485.80 +P6.60 +1.38%	
MONDE Monde Nissin Corp. P7.90 -P0.15 -1.86%	NIKL Nickel Asia Corp. P3.28 -P0.01 -0.30%	PGOLD Puregold Price Club, Inc. P29.80 +P0.70 +2.41%	SCC Semirara Mining and Power Corp. P34.80 -P0.05 -0.14%	SM SM Investments Corp. P885.00 +P4.50 +0.51%	SMC San Miguel Corp. P85.00 +P1.00 +1.19%	SMPH SM Prime Holdings, Inc. P24.25 +P0.15 +0.62%	TEL PLDT Inc. P1,331.00 +P16.00 +1.22%	URC Universal Robina Corp. P79.15 +P1.50 +1.93%	WLCON Wilcon Depot, Inc. P11.02 -P0.80 -6.77%	

Manila Electric Co. sees lower generation charge for January

POWER distributor Manila Electric Co. (Meralco) expects a reduction in the cost of power procured from suppliers for the January billing cycle due to lower electricity prices at the spot market, a company official said on Thursday.

“Indications show a possible decrease in the generation charge in our customers’ bills this January,” Meralco Vice-President and Head of Corporate Communications Joe R. Zalzarriaga said in a Viber message.

The generation charge usually makes up more than 50% of the monthly electricity bill.

Mr. Zalzarriaga attributed the potential reduction to the lower prices at the Wholesale Electricity Spot Market (WESM) due to an “improved supply situation in the Luzon grid as both average peak demand and average capacity on outage went down in the December supply month.”

Preliminary data from the Independent Electricity Market Operator of the Philippines (IEMOP) showed that the average WESM price in Luzon declined by 23% to P3.26 per kilowatt-hour (kWh) amid higher power supply and lower demand.

IEMOP is the operator of the WESM, the trading floor where



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energy companies can buy power when their long-term contracted power supply is insufficient for customer needs.

“We expect the lower generation charge to lead to an overall rate reduction in this month’s electricity rates,” Mr. Zalzarriaga said.

The possible decline in power rates for January would be the first reduction this year and comes after two consecutive months of hikes.

In December, the overall Meralco rate climbed by P0.1048 per kWh to P11.9617 per kWh from P11.8569 per kWh in November, largely due to a higher generation charge.

The generation charge rose by P0.1839 per kWh, brought by the increased costs from the WESM and power supply agreements.

Meralco is the main power distributor for Metro Manila and nearby areas, covering 39 cities and

72 municipalities, delivering power to around eight million customers.

Meralco’s controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Shelden Joy Talavera**

Megawide Construction bags Cavite BRT contract

MEGAWIDE Construction Corp. has secured the contract to construct and develop the P1.87-billion Cavite Bus Rapid Transit (BRT) project.

“Megawide Construction Corp. formally received the notice of award dated 26 December 2024 from the Office of the Provincial Governor of the Province of Cavite,” Megawide told the stock exchange on Thursday.

The P1.87-billion Cavite BRT is a joint venture between Megawide and property development company Maplecree Group, Inc.

The award is still pending the joint venture proponents’ fulfillment of all necessary conditions and submission of required documentation, Megawide said.

The Cavite BRT System project covers the development, operation, and maintenance of a bus rapid transit and P2P (point-to-point) route with an alignment of 42 kilometers stretching through Imus, General Trias, Tanza, Kawit, Trece Martires, and its surrounding areas, while also providing a link to



Metro Manila via the Parañaque Integrated Terminal Exchange (PITX), information from the Public-Private Partnership (PPP) Center’s website showed.

PPP Center said previously that the Cavite BRT System had a deadline of Dec. 23 last year for the project’s comparative

challenge. The joint venture submitted its unsolicited proposal in April 2023.

The project is divided into two phases. The first phase of the project is expected to commence operations by 2026; the project’s Phase 1 includes the construction of terminals 1 and 2, construction and operations, and maintenance of 27 stations, BRT alignment, and P2P alignment.

The second phase of the project involves the BRT alignment of 13.79 kilometers from station 27 to the New Capitol Building of Cavite and the P2P alignment of over 34 kilometers from PITX to Terminal 3.

In 2015, Megawide’s unit MWM Terminals, Inc. bagged the 35-year contract to construct and operate the PITX, which is an integrated and multimodal terminal.

Megawide’s other unsolicited proposal, the P1.19-billion Baguio City Integrated Terminal, is set to undergo a Swiss challenge this year.

At the local bourse on Thursday, shares in the company closed 2.08% higher at P2.45 apiece. — **Ashley Erika O. Jose**

SEC approves DragonFi as PERA administrator

THE SECURITIES and Exchange Commission (SEC) has approved the application of DragonFi Securities, Inc. as a personal equity and retirement accounts (PERA) administrator, expanding the number of accredited entities.

The application was approved during the commission en banc meeting on Dec. 18, subject to compliance with remaining requirements, the SEC said in an e-mailed statement on Thursday.

DragonFi Securities is the stock brokerage arm of Sia and Caktiong-led property developer DoubleDragon Corp.

It is the first PERA administrator application approved by

the SEC following the issuance of SEC Memorandum Circular (MC) No. 14 on Sept. 19 last year, which contained guidelines on the accreditation of PERA market participants.

“This approval is a significant step towards empowering Filipinos to secure their financial future while easing fiscal pressures on the government in the long run,” SEC Chairperson Emilio B. Aquino said.

“We issued MC 14 last September, recognizing the potential of our pension system to broaden public participation in corporate value creation and strengthen the capital market,” he added.

PERA refers to a voluntary retirement saving program on top of existing retirement benefits from the Social Security System, Government Service Insurance System, and employer-sponsored plans.

Created under Republic Act No. 9505 or the PERA Act, the program offers tax benefits not provided in other retirement investment products, urging more Filipinos to save.

The SEC guidelines provide that a PERA administrator should keep at least P100 million in net worth at all times; adopt and comply with a corporate governance manual; and have an organizational plan for personnel

involved in PERA administration functions.

A PERA administrator should also have adequate systems and technological capabilities, technical expertise, and personnel to administer all PERA investment products.

“The PERA administrator must also have sufficient personnel who have undergone the requisite training prescribed or approved by the commission to educate PERA contributors on the nature of a PERA and the requirements, risks, and benefits of the investment product, among others,” the SEC said. — **Revin Mikhael D. Ochave**



Higher LRT-1 fares possible by April

By Ashley Erika O. Jose
Reporter

COMMUTERS will likely pay higher fares on the Light Rail Transit Line 1 (LRT-1) by April as the Transportation department is expected to decide on the private operator’s fare adjustment within 30 days.

The Rail Regulatory Unit (RRU) of the Department of Transportation (DoTr) will decide on Light Rail Manila Corp.’s (LRMC) petition within 30 days from the public hearing on Jan. 9, Transportation Assistant Secretary for Railways Jorjette B. Aquino said.

“Based on the published rules and regulations of the RRU, 30 days maximum from the hearing, the RRU should have a decision,” Ms. Aquino told reporters on the sidelines of LRMC’s fare adjustment public hearing on Thursday.

If the RRU decides to accept and grant a fare increase, the petitioner will be required to publish the decision in major newspapers within three consecutive weeks, and the new fare will be implemented within another 30 days from the last publication date of the decision, Ms. Aquino said.

However, Ms. Aquino clarified that if approved, the fare increase might be lower than LRMC’s initial proposal.

“There is a possibility that the fare increase would not be granted, there’s a possibility that their actual petition would be granted, but there’s also a possibility that it would be granted but in a lower amount than they requested,” she said.

LRMC’s request would raise the total fare for an end-to-end trip on the LRT-1 to P60 for a single journey ticket. This is P15 more than the current fare of P45 from FPJ Station (formerly Roosevelt) in Quezon City to Baclaran Station in Pasay, including the last station of the Cavite extension Phase 1.

For users of stored value cards, the maximum fare would go up to P58 from the current P43 for end-to-end trips.

“But if the RRU decides not to accept, there is no fare increase, then it stops there,” Ms. Aquino said.

“In the case of a grant of fare increase for whatever amount... [it will be implemented] more or less two months and three weeks to three and a half months,” she said, noting that this is considering that no parties would challenge the decision or submit a motion for reconsideration.

The current boarding fare at the LRT-1, which was approved in 2023, is P13.29 with a P1.21 increment per kilometer distance.

LRMC President and Chief Executive Officer Enrico R. Benipayo

said that while LRMC welcomes the fare adjustment approved in 2023, this is well below the notional fare and has resulted in a fare deficit amount of P2.17 billion.

To justify the fare hike petition, LRMC said in its petition that it has made substantial operational improvements and system upgrades “at a cost of P24 billion” since it took over the LRT-1 in September 2015.

“We committed to perform certain obligations in the concession agreement. The biggest of which really is to make investments to improve the system, obviously to provide better service for the riding community. As we speak today, our total investment hovers around P45 billion,” Mr. Benipayo said.

In a statement, Akbayan Party-list Rep. Percival V. Cendaña urged the DoTr to reject the LRT-1 operator’s proposal for a fare hike, citing that it would only burden the working class and worsen the transportation experience of the public.

“LRMC’s timing couldn’t be more callous. They’re seeking fare hikes that could reach up to P12.50 per ride when 63% of Filipino families are already struggling to make ends meet,” former party-list congressman Ferdinand R. Gaité said in a statement.

Further, urban transport and mobility advocacy group AltMobility PH said mass transit like LRT-1 is vital to public transportation.

“We need our options, including mass transit like LRT-1, to be of good and reliable quality. We need more direct investments in quality public transport,” AltMobility PH said.

It added that operating and maintaining the rail line is capital intensive, “making LRMC’s petition to increase fares overall understandable.”

However, the group said that fare increases must be carefully examined.

“We need low-hanging and short-term solutions such as provisions for active mobility, fare subsidies for those in need, service contracting, and ensuring that public transport workers receive living wages,” said AltMobility PH.

LRMC is the joint venture of Ayala Corp., Metro Pacific Light Rail Corp., and Macquarie Infrastructure Holdings (Philippines) Pte. Ltd.

Metro Pacific Light Rail is a unit of Metro Pacific Investments Corp., which is one of three Philippine subsidiaries of Hong Kong’s First Pacific Co. Ltd., the others being PLDT Inc. and Philex Mining Corp. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., maintains interest in *BusinessWorld* through the Philippine Star Group, which it controls.