

Meralco, SPI seek 200-MW supply deal approval

MANILA ELECTRIC CO. (Meralco) and Sual Power, Inc. (SPI) have asked the Energy Regulatory Commission (ERC) to approve a four-year power supply agreement expected to generate about P631 million in consumer savings.

In a joint filing dated May 6, the companies sought approval for the procurement of 200 megawatts (MW) of baseload capacity under a deal resulting from Meralco's competitive bidding for supply.

SPI, a unit of San Miguel Global Power Holdings Corp., emerged as the lowest bidder among six generation companies. It operates the 1,200-MW coal-fired plant in Pangasinan.

The contract is intended to help Meralco comply with the Renewable Portfolio Standards, which require utilities to obtain part of their supply from eligible renewable energy (RE) sources.

Under the deal, SPI may source electricity through the Wholesale Electricity Spot Market (WESM) or through the Renewable Energy Market, where renewable energy certificates are traded. These certificates represent electricity generated from renewable sources.

SPI offered to supply the capacity at P4.1955 per kilowatt-hour (kWh) until Jan. 25, 2030.



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This is about P0.3605 per kWh lower than the estimated P4.650 per kWh cost if the same requirement were obtained through WESM purchases or RE certificate procurement, the companies said.

"In fact, by sourcing the capacity and the renewable energy certificate through the Meralco-SPI power supply agreement, Meralco's average blended generation rate will be reduced by about P0.0153 per kWh... resulting in savings to consumers of about P631 million," according to the filing.

The agreement was originally set to take effect on Jan. 26 but was delayed due to the late issuance of a certificate of conformity by the Department of Energy, which is required to proceed with the bidding process.

Meralco and SPI said the delay exposes consumers to potential volatility in WESM prices and higher costs for

renewable energy certificates if interim approval is not granted.

Meralco is the country's biggest private distribution utility, serving more than 8.1 million customers across Metro Manila and nearby provinces including Bulacan, Cavite, Rizal, Laguna, Batangas, Pampanga and Quezon.

Its controlling shareholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT, Inc. Hastings Holdings, Inc., a unit of MediaQuest Holdings under the PLDT Beneficial Trust Fund, has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

Filinvest Development Q1 net income climbs 8% on real estate gains

FILINVEST Development Corp. (FDC) posted an 8% increase in first-quarter attributable net income to P3.9 billion from a year earlier, driven mainly by stronger performance in its real estate business.

Consolidated net income rose 7% to P4.8 billion in January to March, the company said in a disclosure on Thursday. Revenue and other income increased 5% to P30.8 billion.

Revenue and other income from the banking segment rose 12% to P15.6 billion, while real estate grew 16% to P7.9 billion. Hospitality was broadly flat at P1.2 billion, while the power business declined 28% to P3.6 billion.

"Business results were mixed: real estate and hospitality showed resilience against macroeconomic pressure while for others, profits were flat or experienced decreases versus a year ago," FDC President and Chief Executive Officer Rhoda A. Huang said.

She said the group is working to sustain growth this year despite inflation and weaker economic expansion through tighter execution of its strategies.

The property segment remained the biggest contributor, accounting for P1.6 billion or 36%

of total net income, followed by banking at P1.4 billion or 32%, power at P957 million or 21% and sugar at P481 million or 11%.

Banking unit East West Banking Corp. posted stronger results on higher loan volumes and lower funding costs, with net interest income rising 20% to P11.1 billion.

Real estate revenue growth was driven by stronger residential and commercial lot sales. Residential sales rose 28% on higher demand for ready-for-occupancy units and improved project completion rates, while mall and rental income remained steady on slightly higher occupancy and foot traffic.

The property group includes Filinvest Land, Inc., Filinvest Alabang, Inc. and Filinvest REIT Corp.

Filinvest Hospitality Corp. posted flat revenue, as higher room rates and increased food and beverage sales offset weaker performance in other segments.

The power business, led by FDC Utilities, Inc., reported lower earnings due to reduced spot market sales and lower coal cost pass-through rates, partly offset by lower operating costs.

FDC shares closed unchanged at P4.62 each on the local bourse. — **Alexandria Grace C. Magno**

CLI's Q1 earnings fall 11.5% in absence of one-off gain

LISTED property developer Cebu Landmasters, Inc.'s (CLI) attributable net income fell 11.5% in the first quarter to P880.85 million from a year earlier, as the absence of a one-off gain offset growth in its core residential business.

In a statement on Thursday, the company said consolidated net income stood at P1.03 billion. Consolidated revenue rose 20% to P6.51 billion, driven mainly by higher real estate sales.

Revenue from property sales reached P5.8 billion, supported by construction progress in residential developments, which allowed the company to recognize previously booked sales as revenue under the percentage-of-completion method.

"Our first-quarter results reflect the strength of our residential engine and the continued progress of our ongoing developments across Visayas and Mindanao," CLI Senior Executive Vice-President and Chief Operating Officer Jose Franco Soberano said.

He said the company remains focused on disciplined project execution and timely delivery in markets with sustained end-user demand.

CLI said the year-ago figures included a one-off gain of about P900 million from the sale of an investment property. Excluding that gain, the company said its latest results reflected continued expansion in its core operations.

Gross income rose 29% to P3.1 billion, while gross margin improved to 51% from 48% a year earlier.

The company also posted growth in recurring income streams during the quarter.

Hotel revenue rose 14% to P119 million, while leasing revenue



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increased 14% to P60 million. Management fees climbed 19% to P31 million.

"Our recurring income portfolio continues to gain traction as more assets come into operation," Mr. Soberano said.

He added that the opening of Radisson RED Cebu Mandaue would boost CLI's hospitality business and complement its residential operations.

The company recently launched the hotel as part of efforts to expand its recurring revenue base.

As of end-2025, CLI's property-for-sale portfolio covered 107 projects consisting of 46,194 residential units with a total value of P176 billion.

The company said the portfolio was 92% sold.

CLI focuses on developments in the Visayas and Mindanao markets, including residential condominiums, mixed-use projects, offices, hotels and township developments.

CLI shares fell by 0.44% or one centavo to close at P2.25 each on the local bourse. — **Alexandria Grace C. Magno**



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