

香港電燈有限公司  
The Hongkong Electric Co., Ltd.

香港堅尼地道四十四號港燈中心  
Hongkong Electric Centre, 44 Kennedy Road, Hong Kong  
電話 /Tel 2843 3111 傳真 /Fax 2810 0506  
電郵 /Email mail@hkelectric.com  
www.hkelectric.com



Press Release  
19 November 2024

## **Slight Increase of 0.9% for HK Electric Tariffs**

HK Electric announced today the Average Net Tariff for January 2025 will be 167 cents per unit of electricity, slightly up by 1.5 cents, or an increase of 0.9% compared to January 2024 (see table 1).

The Net Tariff is composed of the Basic Tariff and the Fuel Clause Charge. After considering factors like capital expenditures and operating expenses, the Basic Tariff for next year will be 122.9 cents per unit of electricity, an increase of 3.4 cents compared to that of 2024.

On the other hand, the Fuel Clause Charge for January 2025 will decrease by 1.9 cents from 46 cents in January this year to 44.1 cents per unit of electricity, in light of the current situation of the fuel market.

Following the adjustments, over 80% of HK Electric's residential customers and over 50% of non-residential customers will have their electricity charges increased by no more than \$10 in January 2025, compared with January 2024, if government subsidies are excluded. Taking the case of a 300-unit monthly consumption household as an example, the total electricity charge for January 2025 will be \$397.05. This represents a slight increase of \$4.5 from \$392.55 as in January 2024.

HK Electric Managing Director, Mr. Francis C.Y. Cheng, said, "Although international fuel prices are currently stable, fuel prices remain relatively high. Moreover, geopolitical tensions might drive sharp fuel-price fluctuations in future. We will, as always, source suitable fuel with competitive prices, strictly control expenditures and make good use of technology to enhance operational efficiency in order to control electricity tariff."

Following the commissioning of a new gas-fired generating unit L12 early this year, HK Electric's percentage of gas-fired generation is expected to increase to about 70% of its total output in 2024.

The new gas-fired unit L13 under construction has a high generation efficiency of over 58% and is equipped with advanced emissions reduction equipment. With proper modifications and repurposing in future, L13 can also incorporate hydrogen fuel to generate electricity. Piling works of L13 are currently in progress and the unit is expected to be commissioned in 2029. The Company's target is to phase out the use of coal for daily power generation by 2035.

Mr. Cheng stressed that apart from pursuing low-carbon generation, HK Electric will enhance the resilience of its power system to ensure stable and reliable power supply even in adverse weather conditions, given the increasingly frequent extreme weather events. Furthermore, the replacement of older power generation, transmission and distribution equipment, and other facilities requires capital investment, which together with rising operating costs, will put pressure on electricity tariffs.

To help transform Hong Kong into a smart city, HK Electric is currently replacing smart meters for all customers on Hong Kong and Lamma islands. As of October this year, approximately 460,000 smart meters have been installed (about 77% of the total), and the full roll-out is expected in 2025. Meanwhile, technical support for customers in installing charging stations for electric vehicles continues.

In the coming year, HK Electric will continue to enhance the Company's green and caring initiatives, support non-governmental organisations (NGOs), schools and other non-residential customers to improve energy efficiency, and NGOs and schools to adopt renewable energy. Additionally, the Company will continue to distribute cash coupons to underprivileged families, provide tariff subsidies to needy sub-divided-unit (SDU) households as well as subsidise SDUs for the installation of tariff meters. The total expenditure for these items amounts to \$75 million.

[2025 Tariff Review PowerPoint Slides](#)

Table 1:

**Net Tariff for 2025**

<b>Components</b>	<b>Jan 2024 (cents/unit)</b>	<b>Jan 2025 (cents/unit)</b>	<b>Adjustment (cents/unit)</b>
<b>Basic Tariff</b>	119.5	122.9	+ 3.4
<b>Fuel Clause Charge</b>	46.0	44.1	- 1.9
<b>Average Net Tariff</b>	<b>165.5</b>	<b>167.0</b>	<b>+ 1.5 (+ 0.9%)</b>