

Press Release  
24 April 2026

## **Fuel Clause Charge in May Continues to Reflect Stable Energy Prices Prior to the Middle East Conflict Higher Fuel Costs Expected to Take Effect from Mid-Year Onwards**

HK Electric announced today that the Fuel Clause Charge (FCC) for May 2026 will be 26 cents per unit of electricity, representing a further decrease of 4.4 cents compared to that of April.

The reduction in the FCC is mainly attributable to the inherent “deferred effect” under the monthly adjustment mechanism. The FCC for May is calculated based on the average actual fuel costs incurred in January, February and March 2026. Although international fuel prices have risen sharply since March amid geopolitical developments, the relatively lower fuel costs recorded in the first two months of the year, together with adjustments to the fuel mix and fuel-supply arrangements made in response to the Middle East’s situation, have provided a certain buffer for customers.

HK Electric noted that the FCC for May has not yet reflected the significant and sharp surge in international oil and natural-gas prices resulting from heightened tensions in the Middle East since March. A spokesperson for HK Electric reiterated: “The current adjustment mechanism has an inherent deferred effect. While the FCC for May has decreased due to the lower fuel costs earlier in the year, the impact of the sharp and substantial rise in fuel costs following the outbreak of the Middle East conflict will be unavoidable. These higher fuel costs are expected to take effect in the FCC starting from mid-year, at which point the FCC will rise significantly.”

The spokesperson added that HK Electric will continue to closely monitor developments in the energy market and fuel supply, and will prudently manage fuel inventory, generation operations and statutory emission requirements to ensure a stable and reliable electricity supply. The FCC is determined under a transparent “pass-through” mechanism, whereby HK Electric recovers only the actual fuel costs incurred without making any profit.

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