

Press Release  
22 May 2026

## **HK Electric Announces Fuel Clause Charge for June 2026**

HK Electric announced today that the Fuel Clause Charge (FCC) for June will be 31.3 cents per unit of electricity, representing an increase of 5.3 cents (+20.4%) from 26 cents in May. The adjustment begins to reflect the significant rise in international fuel prices arising from the Middle East conflict. However, due to the “deferred effect”, the current level has yet to fully capture the changes in fuel costs. The FCC is expected to continue to increase in the coming months.

The FCC is calculated on a monthly basis in accordance with the established mechanism, based on the average actual fuel costs over the preceding three months. In other words, the FCC for June is determined based on the average fuel costs of February, March and April this year.

International oil and natural gas prices have risen significantly in recent months amid the war in the Middle East, with energy prices remaining at a relatively high level since March. However, as HK Electric had earlier adjusted its fuel mix and reallocated gas supply to address disruptions to regional LNG supply caused by the conflict, the impact of rising fuel prices has been deferred, with the FCC only beginning to increase from June.

A HK Electric spokesperson said, “As previously indicated, due to the deferred effect inherent in the mechanism, together with other factors, the higher fuel costs will be progressively reflected in the FCC. A continued increase is therefore expected in the coming months.”

The spokesperson reiterated that fluctuations in fuel prices are external factors beyond the Company’s control. HK Electric will continue to closely monitor developments in the international energy market and prudently manage fuel costs through diversified fuel procurement, optimisation of the fuel mix and prudent inventory management, while maintaining electricity supply, meeting emission limits and caps, and striving to mitigate the impact of price volatility on customers. The FCC is determined under a transparent “pass-through” mechanism, under which the Company only recovers actual fuel costs incurred without making any profit.

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