

...SPC Power Q1 income down 7.3% to P495M

BY JORDEENE SHEEX LAGARE ON MAY 29, 2018

COMPANIES

LISTED SPC Power Corp. said comprehensive income dropped 7.3 percent to P495.1 million in the first three months of the year against P543 million in the same period last year due to lower generation and margins.

“First quarter decrease is mainly due to KSPC [KEPCO SPC Power Corp.] lower generation brought about by planned overhaul of generating units and the expiration of Income Tax Holiday [ITH] in February 2017,” SPC Power Senior Vice President for Finance and Administration Jaime Balisacan told reporters in a text message on Monday.

In its quarterly report, the energy player said the slowdown in its first quarter performance was primarily attributed to the scheduled major maintenance of the group’s 100-megawatt (MW) power plant, as well lower margins in their power supply business caused by the combined effect of lower market price and temporary under-recovery of pass-through costs of fuel and purchased electricity due to timing difference.

SPC Power also mentioned certain operating costs pending application for recovery under true-up mechanisms promulgated by the Energy Regulatory Commission (ERC) and the full impact of its ITH expiration earlier this year that was previously enjoyed by its major associate.

Revenues from power generation and distribution increased 2.5 percent to P560.1 million versus P546.6 million in the same quarter last year.

It said equity share from the earnings of its investee firms decreased 18.1 percent to P324.4 million from P396 million in the first quarter of 2016.

SPC Power (formerly Salcon Power Corp.), together with its subsidiaries, generates and distributes electricity in the Philippines.

Incorporated in 1994, it has a rehabilitation, operation, maintenance and management (ROMM) agreement with state-firm National Power Corp. (Napocor) for the 203.8-megawatt Naga power plant complex in Colon, Naga, Cebu.

SPC Power’s subsidiaries are SPC Island Power Corp., Cebu Naga Power Corp., SPC Malaya Power Corp.; while its distribution companies are Bohol Light Co., Inc.; SPC Light Co., Inc.; and SPC Electric Co. Its associates are Mactan Electric Co., Inc. and KEPCO SPC Power Corp.

On Monday, shares of SPC Power ended flat at P5.48 apiece.