

Electricity provider raises feed-in rates for renewables – new rates effective June 1



Starting June 1, the feed-in tariff for households in Cuba will increase significantly (Source: [Cubadebate](#)/AI-scaled)

Starting June 1, 2026, the Cuban electricity provider Unión Eléctrica (UNE) will pay 90 Cuban pesos (15 euro cents) per kilowatt-hour of electricity fed into the grid from renewable sources—up to 30 times more than before. The measure is intended to provide a new incentive for increased solar power production by households and businesses.

This replaces the previous feed-in tariff from 2023, which offered little incentive to sell electricity with rates of three pesos per kilowatt-hour for non-residential use and six pesos for private households. The [new flat rate](#) of 90 pesos applies without distinction based on time of day or user type to everyone who feeds electricity from solar, wind, or other renewable sources into the grid. By comparison: In Germany, the solar feed-in tariff for surplus electricity [currently](#) stands at 7.78 cents per kWh, or 12.34 cents if all electricity is fed into the grid.

According to Deputy Finance Minister Yenisley Ortiz Mantecón, the old rates “did not accurately reflect the actual costs and expenses.” In addition to the rate increase, revenue from electricity sales will be fully exempt from the service tax in the future. This tax exemption requires no additional paperwork: taxpayers can simply deduct the corresponding amount from their monthly digital tax payment—provided they keep their contract and invoice as proof.

Mario Castillo Salas, Deputy Director of UNE, explained the practical implementation: Existing contracts will automatically be switched to the new rate starting June 1, without customers having to take any action. New applicants can submit an application online or in person at a UNE office starting May 28. UNE commits to completing the entire process—from the application through the mandatory technician visit to the signing of the contract and

the installation of a bidirectional electricity meter—within ten days. Such a bidirectional meter, which records both electricity consumed and fed into the grid, is technically mandatory. UNE has sufficient equipment for this purpose, according to Castillo Salas.

The first billing under the new system is scheduled for the period between June 20 and 30, with payment to be made between July 1 and 10.

Castillo Salas pointed out an important technical limitation to interested parties: Solar systems cannot feed energy into the grid during a power outage because the circuit is interrupted. Energy fed into the grid—and thus compensated—only flows when the respective circuit is active. This makes feeding into certain priority circuits (e.g., those that also supply hospitals) potentially more attractive.

The measure comes during a phase of acute energy crisis. In recent days, the supply deficit during peak load times has repeatedly hovered [around 2,000 megawatts](#)—a critical level exceeding half of demand, at which the power grid could collapse at any moment. While the island has received only one crude oil shipment from Russia since January due to the U.S. energy blockade, there has recently been more bad news from the power plants: As the French left-wing politician Jean-Luc Mélenchon [explained](#), the French shipping company CMA CGM is refusing to deliver spare parts for the Antonio Guiteras thermal power plant in Matanzas—Cuba's most important and powerful power plant—even though the French government had officially promised to deliver them. The move is a direct consequence of the [tightening of U.S. sanctions on May 1](#), which also led the German shipping company Hapag-Lloyd to suspend its business with Cuba.

Cuba has announced plans to build a total of 92 solar parks with a combined capacity of 2,000 megawatts by 2028. Furthermore, in the wake of the energy crisis over the past few months, numerous households, businesses, and public institutions have installed solar panels, and imports from China have skyrocketed since 2025. Currently, solar energy accounts for about 10 percent of electricity generation; however, during peak solar hours at midday, the sun can already cover about half of the demand. One problem is the current lack of battery storage capacity, which is only just being developed. This capacity is necessary so that the grid can stably absorb larger amounts of solar energy. Ortiz Mantecón emphasized that the initiative has no time limit, but called for rapid participation in light of the situation. ([Cubaheute](#))