

### LAC and NMGC Residential Cost of Gas Comparison July 2021 through December 2024

	FY2022	FY2023	FY2024	FY2025	TOTALS
Variable Cost of Gas @ LAC price	\$ 3,166,614	\$ 6,771,633	\$ 1,493,899	\$451,513	\$11,883,658
Variable Cost of Gas @ NMGC price	\$ 4,207,807	\$ 3,991,591	\$ 1,978,309	\$503,777	\$10,681,485
Difference	\$(1,041,193)	\$ 2,780,042	\$ (484,410)	\$(52,264)	\$ 1,202,174

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	TOTALS
<u>NMGC Cost of gas (\$/therm)</u>	0.7156	0.766	0.7543	0.758	0.7765	0.7045	0.6382	0.6034	0.561	0.6288	1.1694	1.325	
LAC est. variable rate (\$/therm)	0.348	0.39	0.377	0.503	0.577	0.508	0.63	0.501	0.429	0.483	0.633	0.868	
LAC cost - NMGC cost (\$/therm)	-0.3676	-0.376	-0.3773	-0.255	-0.1995	-0.1965	-0.0082	-0.1024	-0.132	-0.1458	-0.5364	-0.457	
LAC residential therms	147362	118149	136677	203678	385892	800362	963373	1071259	1180415	587091	296691	189676	6,080,625
NMGC Cost (\$)	\$ 105,452	\$ 90,502	\$ 103,095	\$ 154,388	\$ 299,645	\$ 563,855	\$ 614,825	\$ 646,398	\$ 662,213	\$369,163	\$ 346,950	\$251,321	4,207,807
LAC Cost (\$)	\$ 51,282	\$ 46,078	\$ 51,527	\$ 102,450	\$ 222,660	\$ 406,584	\$ 606,925	\$ 536,701	\$ 506,398	\$283,565	\$ 187,805	\$164,639	3,166,614
Total cost difference	\$ (54,170)	\$ (44,424)	\$ (51,568)	\$ (51,938)	\$ (76,985)	\$ (157,271)	\$ (7,900)	\$ (109,697)	\$ (155,815)	\$ (85,598)	\$ (159,145)	\$ (86,682)	\$ (1,041,193)

	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	TOTALS
<u>NMGC Cost of gas (\$/therm)</u>	1.0982	1.2291	1.1888	0.9576	0.5483	0.894	1.1337	0.6744	0.0949	0.0904	0.2912	0.2921	
LAC est. variable rate (\$/therm)	0.615	0.848	0.875	0.549	0.544	1.029	3.297	1.149	0.306	0.238	0.213	0.223	
LAC cost - NMGC cost (\$/therm)	-0.4832	-0.3811	-0.3138	-0.4086	-0.0043	0.135	2.1633	0.4746	0.2111	0.1476	-0.0782	-0.0691	
LAC residential therms	121356	101394	153779	170137	474773	1114643	938132	1073148	1172473	702927	363694	216156	6,602,612
NMGC Cost (\$)	\$ 133,273	\$ 124,623	\$ 182,812	\$ 162,923	\$ 260,318	\$ 996,491	\$1,063,560	\$ 723,731	\$ 111,268	\$ 63,545	\$ 105,908	\$ 63,139	3,991,591
LAC Cost (\$)	\$ 74,634	\$ 85,982	\$ 134,557	\$ 93,405	\$ 258,277	\$1,146,968	\$3,093,021	\$1,233,047	\$ 358,777	\$167,297	\$ 77,467	\$ 48,203	6,771,633
Total cost difference	\$ (58,639)	\$ (38,641)	\$ (48,256)	\$ (69,518)	\$ (2,042)	\$ 150,477	\$2,029,461	\$ 509,316	\$ 247,509	\$103,752	\$ (28,441)	\$ (14,936)	\$ 2,780,042

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	TOTALS
<u>NMGC Cost of gas (\$/therm)</u>	0.3465	0.2812	0.6513	0.432	0.5014	0.4432	0.4507	0.4552	0.3011	0.1768	0.0593	0.0618	
LAC est. variable rate (\$/therm)	0.285	0.369	0.279	0.22	0.342	0.349	0.317	0.415	0.14	0.102	0.107	0.12	
LAC cost - NMGC cost (\$/therm)	-0.0615	0.0878	-0.3723	-0.212	-0.1594	-0.0942	-0.1337	-0.0402	-0.1611	-0.0748	0.0477	0.0582	
LAC residential therms	105672	96372	102368	139852	361411	802590	793689	1184205	729600	567942	419785	142924	5,446,410
NMGC Cost (\$)	\$ 36,615	\$ 27,100	\$ 66,672	\$ 60,416	\$ 181,211	\$ 355,708	\$ 357,716	\$ 539,050	\$ 219,683	\$100,412	\$ 24,893	\$ 8,833	1,978,309
LAC Cost (\$)	\$ 30,117	\$ 35,561	\$ 28,561	\$ 30,767	\$ 123,603	\$ 280,104	\$ 251,599	\$ 491,445	\$ 102,144	\$ 57,930	\$ 44,917	\$ 17,151	1,493,899
Total cost difference	\$ (6,499)	\$ 8,461	\$ (38,112)	\$ (29,649)	\$ (57,609)	\$ (75,604)	\$ (106,116)	\$ (47,605)	\$ (117,539)	\$ (42,482)	\$ 20,024	\$ 8,318	\$ (484,410)

	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24							TOTALS
<u>NMGC Cost of gas (\$/therm)</u>	0.1945	0.2014	0.1283	0.2983	0.2834	0.387							
LAC est. variable rate (\$/therm)	0.11	0.203	0.136	0.2	0.251	0.365							
LAC cost - NMGC cost (\$/therm)	-0.0845	0.0016	0.0077	-0.0983	-0.0324	-0.022							
LAC residential therms	95970	128590	99743	162171	402702	733629							1,622,805
NMGC Cost (\$)	\$ 18,666	\$ 25,898	\$ 12,797	\$ 48,376	\$ 114,126	\$ 283,914							503,777
LAC Cost (\$)	\$ 10,557	\$ 26,104	\$ 13,565	\$ 32,434	\$ 101,078	\$ 267,775							451,513
Total cost difference	\$ (8,109)	\$ 206	\$ 768	\$ (15,941)	\$ (13,048)	\$ (16,140)							\$ (52,264)

**Sum of Total Cost Differences \$ 1,202,174**

The historical LAC residential cost of gas under the NMMEAA discount on the monthly index settlement price is usually to the customer's benefit. The period between December 2022 and April 2023 is a notable outlier, and was driven in part by increased demand for liquefied natural gas exports from the United States, tightening the domestic gas supply and putting upward pressure on prices.