

DPU GAS RATE CALCULATION WORKSHEET

Note: 1 MMBTU = 10 Therms

Month	San Juan Index per MMBTU	NMMEAA Adj.	Estimated Transportation per MMBTU Delivered	Estimated Fixed Transportation Cost	NMMEAA Qty	Estimated Gas Purchases (MMBTU)	Estimated Total Cost of Gas Delivered	Prior Adjustment for Actual Cost of Gas Delivered	Estimated Therms Sold	Estimated Variable Rate per Therm	Prior Month Cost Adjustment Rate per Therm	Total Estimated Variable Rate for Current Month	Actual Cost of Gas Delivered	Actual Therms Sold	monthly revenue toward gas cost	\$\$ Over/(Under)	Event Recovery Balance
Oct 2019	\$ 1.72	\$ (0.274)	\$ 0.24	\$ 8,000	59,985	74,981	\$ 138,566	\$ (14,144)	727,318	\$ 0.19	\$ (0.02)	\$ 0.17	\$ 138,226.45	310,614	52,976	\$ (339.90)	
Nov 2019	\$ 2.10	\$ (0.274)	\$ 0.24	\$ 8,000	90,000	112,500	\$ 247,675	\$ (12,864)	1,091,250	\$ 0.23	\$ (0.01)	\$ 0.22	\$ 258,935.67	675,792	147,466	\$ 11,261.17	
Dec 2019	\$ 2.50	\$ (0.295)	\$ 0.24	\$ 8,000	137,981	172,476	\$ 443,254	\$ (340)	1,673,020	\$ 0.26	\$ (0.00)	\$ 0.26	\$ 403,125.77	1,180,301	306,638	\$ (40,128.40)	
Jan 2020	\$ 2.43	\$ (0.295)	\$ 0.24	\$ 8,000	129,983	162,479	\$ 406,378	\$ 11,261	1,576,044	\$ 0.26	\$ 0.01	\$ 0.27	\$ 388,370.25	1,771,635	473,284	\$ (18,008.15)	
Feb 2020	\$ 1.58	\$ (0.295)	\$ 0.24	\$ 8,000	112,000	140,000	\$ 229,407	\$ (33,916)	1,358,000	\$ 0.17	\$ (0.02)	\$ 0.15	\$ 226,656.30	1,302,261	188,860	\$ (2,750.90)	
Mar 2020	\$ 1.42	\$ (0.295)	\$ 0.24	\$ 8,000	93,992	117,490	\$ 174,559	\$ (11,796)	1,139,653	\$ 0.15	\$ (0.01)	\$ 0.14	\$ 150,188.60	1,150,082	160,608	\$ (24,369.92)	
Apr 2020	\$ 1.08	\$ (0.295)	\$ 0.24	\$ 8,000	51,990	64,988	\$ 77,503	\$ 3,461	630,379	\$ 0.12	\$ 0.01	\$ 0.13	\$ 84,128.74	956,630	120,048	\$ 6,625.91	
May 2020	\$ 1.44	\$ (0.295)	\$ 0.24	\$ 8,000	30,008	37,510	\$ 61,944	\$ (18,158)	363,847	\$ 0.17	\$ (0.05)	\$ 0.12	\$ 27,726.89	424,035	50,925	\$ (34,216.99)	
Jun 2020	\$ 1.50	\$ (0.295)	\$ 0.24	\$ 8,000	15,000	18,750	\$ 36,117	\$ 12,838	181,875	\$ 0.20	\$ 0.07	\$ 0.27	\$ 37,683.86	230,609	62,400	\$ 1,567.11	
Jul 2020	\$ 1.50	\$ (0.295)	\$ 0.24	\$ 8,000	15,004	18,755	\$ 36,124	\$ (28,005)	181,924	\$ 0.20	\$ (0.15)	\$ 0.05	\$ 33,804.15	224,911	10,360	\$ (2,320.10)	
Aug 2020	\$ 1.62	\$ (0.295)	\$ 0.24	\$ 8,000	17,980	22,475	\$ 44,464	\$ 7,779	218,008	\$ 0.20	\$ 0.04	\$ 0.24	\$ 23,463.48	168,127	39,625	\$ (21,000.86)	
Sep 2020	\$ 2.27	\$ (0.295)	\$ 0.24	\$ 8,000	21,000	26,250	\$ 68,061	\$ 3,892	254,625	\$ 0.27	\$ 0.02	\$ 0.29	\$ 68,221.74	178,283	50,862	\$ 160.69	
Oct 2020	\$ 2.01	\$ (0.295)	\$ 0.24	\$ 8,000	59,985	74,981	\$ 159,597	\$ (14,789)	727,318	\$ 0.22	\$ (0.02)	\$ 0.20	\$ 122,906.91	314,673	62,830	\$ (36,690.18)	
Nov 2020	\$ 2.71	\$ (0.295)	\$ 0.24	\$ 8,000	90,000	112,500	\$ 316,093	\$ 6,373	1,091,250	\$ 0.29	\$ 0.01	\$ 0.30	\$ 251,910.46	561,189	166,022	\$ (64,182.04)	
DEC 2020	\$ 2.52	\$ (0.295)	\$ 0.24	\$ 8,000	137,981	172,476	\$ 446,786	\$ (30,478)	1,673,020	\$ 0.27	\$ (0.02)	\$ 0.25	\$ 365,517.46	1,193,875	300,597	\$ (81,269.02)	
Jan 2021	\$ 2.61	\$ (0.295)	\$ 0.24	\$ 8,000	129,983	162,479	\$ 436,326	\$ (57,970)	1,576,044	\$ 0.28	\$ (0.04)	\$ 0.24	\$ 433,163.30	1,404,912	341,700	\$ (3,163.18)	
Feb 2021	\$ 2.65	\$ (0.295)	\$ 0.24	\$ 8,000	112,000	140,000	\$ 382,802	\$ (75,057)	1,358,000	\$ 0.28	\$ (0.06)	\$ 0.22	\$ 1,331,882.91	1,354,723	304,447	\$ 949,080.51	\$ (1,027,436.05)
Mar 2021	\$ 2.97	\$ (0.295)	\$ 0.24	\$ 8,000	93,992	117,490	\$ 361,039	\$ 3,049	1,139,653	\$ 0.32	\$ 0.00	\$ 0.32	\$ 324,331.55	1,232,218	397,606	\$ (36,707.10)	\$ (954,161.14)
Apr 2021	\$ 2.38	\$ (0.295)	\$ 0.27	\$ 8,000	51,990	64,988	\$ 165,899	\$ 949,081	630,379	\$ 0.26	\$ 0.73	\$ 0.99	\$ 150,808.80	944,749	935,302	\$ (15,090.03)	\$ (169,667.97)
May 2021	\$ 2.68	\$ (0.295)	\$ 0.27	\$ 8,000	30,008	37,510	\$ 110,660	\$ 990,729	363,847	\$ 0.30	\$ 0.69	\$ 0.99	\$ 87,758.35	536,851	531,483	\$ (274,056.48)	\$ 274,056.48
Jun 2021	\$ 2.83	\$ (0.295)	\$ 0.27	\$ 8,000	15,000	18,750	\$ 62,197	\$ (15,090)	181,875	\$ 0.34	\$ (0.08)	\$ 0.26	\$ 75,346.62	269,326	69,225	\$ (6,121.43)	\$ 267,935.05
Jul 2021	\$ 3.48	\$ (0.295)	\$ 0.27	\$ 8,000	15,004	18,755	\$ 74,694	\$ (274,056)	181,924	\$ 0.41	\$ (0.41)	\$ -	\$ 80,944.81	215,931	-	\$ (80,944.81)	\$ 186,990.24
Aug 2021	\$ 3.90	\$ (0.295)	\$ 0.27	\$ 8,000	17,980	22,475	\$ 97,589	\$ (6,121)	218,008	\$ 0.45	\$ (0.03)	\$ 0.42					
Sep 2021	\$ 3.77	\$ (0.295)	\$ 0.27	\$ 8,000	21,000	26,250	\$ 109,142	\$ (186,990)	254,625	\$ 0.43	\$ (0.43)	\$ -					

The San Juan Index is provided to DPU by Conoco Phillips at the first of the month. This is the base price paid by DPU for the month for the NMMEAA quantity of purchased gas.

The cost of gas delivered is made up of three components: a) gas purchased via our NMMEAA contract for a fixed quantity at the San Juan Index price fixed at the beginning of each month; b) gas purchased on the spot market at the daily spot price plus suppliers' costs; and c) cost of transporting gas from the supplier through the pipeline to the border stations which are our delivery points for bulk gas purchases. The rate the customer pays is the total cost of gas delivered divided by the total therms sold. The difference between the quantity purchased and sold is due to line losses in the delivery system and service meters and timing differences between customer billing and bulk purchase billings.

Old Method: \$\$ over under equals difference between estimated cost of gas and actual cost of gas without regard for revenues or quantities
 Revised Method \$\$ over under equals difference between actual cost of gas and revenue collected through pass through rate

The difference between methods applied to "spend down" existing cash balance when rates implemented, over time. Starting July 2021 (FY22) implemented new method to try to match actual revenues for pass through to actual expenditures for cost of gas.