



FOR IMMEDIATE RELEASE

FOR MORE INFORMATION, CONTACT:

December 13, 2021

Tim Korte
(505) 697-3643
Tim.Korte@nmgco.com

**NEW MEXICO GAS COMPANY REQUESTS 2023 RATE ADJUSTMENT
AVERAGE RESIDENTIAL BILL WOULD INCREASE \$5.63 A MONTH**

ALBUQUERQUE – New Mexico Gas Company has submitted a request to the New Mexico Public Regulation Commission for a rate increase in 2023 to allow recovery of planned investments by the Company, and for the recovery of increasing operating costs.

“Our objective is to serve our customers safely, reliably and efficiently,” said New Mexico Gas President Ryan Shell. “Meeting this objective requires ongoing investments to maintain our natural gas delivery systems and related infrastructure, and to ensure we meet customer expectations. If our requested rate adjustment is approved, we will continue to have among the lowest rates for natural gas utilities in our region. We do know any increase is challenging, and we will continue to work with customers who need help with payment options or assistance programs.”

The request to the Public Regulation Commission, if approved in the second half of next year, would result in an average-use residential customer paying an additional \$5.63 on an average monthly bill. This represents a 9.1% increase on that average monthly bill. Actual increases for each customer would depend on their actual usage. If approved, the requested new rates are anticipated to take effect in January 2023. The requested increase is for the Company’s services and does not reflect increased costs of natural gas. The cost of the gas delivered by New Mexico Gas Company is passed through to customers, at cost and without markup.

The requested rate change reflects a revenue increase of approximately \$40.7 million compared to the Company’s current forecast for cost-of-service revenues in 2023.

Much of the requested increase is related to the Company’s ongoing investments for its pipeline integrity program, cybersecurity programs, maintenance to ensure the reliability of its statewide system, customer service and technology, and initiatives to reduce greenhouse gas emissions, including some of the cost of a pilot project where hydrogen will be blended with natural gas. The request also addresses increasing operating costs resulting from inflation and requirements from various regulatory agencies regarding system operations.

In addition to system and reliability improvements, the Company's request includes new employee positions focused on customer service, and the opening of a new walk-in customer service center in Albuquerque.

"The company is always focused on managing controllable operating costs," Shell said. "Our operations and maintenance costs have remained relatively stable over the past 12 years, and the new employee positions we're proposing are important in meeting customer needs."

###

About New Mexico Gas Company

As the largest natural gas distribution utility in the state, New Mexico Gas Company provides service to 540,000 homes and businesses and about 1.3 million people throughout New Mexico. The Company has more than 700 employees in 26 offices, who are responsible for safely and reliably operating 12,300 miles of pipelines across the state. New Mexico Gas is a subsidiary of Emera Inc. Visit our website at www.nmgco.com.

About Emera

Emera Inc. is a geographically diverse energy and services company headquartered in Halifax, Nova Scotia, with approximately \$31 billion in assets and 2020 revenues of more than \$5.5 billion. The company primarily invests in regulated electricity generation and electricity and gas transmission and distribution with a strategic focus on transformation from high carbon to low carbon energy sources. Emera has investments throughout North America, and in four Caribbean countries. Emera's common and preferred shares are listed on the Toronto Stock Exchange and trade respectively under the symbol EMA, EMA.PR.A, EMA.PR.B, EMA.PR.C, EMA.PR.E, EMA.PR.F and EMA.PR.H. Depositary receipts representing common shares of Emera are listed on the Barbados Stock Exchange under the symbol EMABDR and on The Bahamas International Securities Exchange under the symbol EMAB. Additional Information can be accessed at www.emera.com or at www.sedar.com.