

Fuel Hedge Program

Fuel Hedging Program: Active Ultra-Low Sulfur Diesel (ULSD) Hedges

Date	Gallons Hedged	Percent of Expected Gallons Purchased*	Weighted Average Hedge Price for Each Month	2023 Adopted Budget (February Plan) Forecasted Commodity Price
October-23	2,854,323	53	2.66	3.06
November-23	2,659,407	52	2.72	3.06
December-23	2,479,089	47	2.76	3.06
January-24	2,756,162	56	2.79	2.72
February-24	2,703,685	53	2.80	2.72
March-24	2,798,962	50	2.78	2.72
April-24	2,576,170	50	2.76	2.72
May-24	2,644,233	50	2.71	2.72
June-24	2,696,809	50	2.63	2.72
July-24	2,551,355	50	2.63	2.72
August-24	2,824,348	50	2.57	2.72
September-24	2,646,658	50	2.56	2.72
October-24	2,446,640	46	2.54	2.72
November-24	2,136,618	42	2.52	2.72
December-24	1,982,774	37	2.49	2.72
January-25	1,642,738	33	2.47	2.57
February-25	1,493,797	29	2.46	2.57
March-25	1,399,369	25	2.46	2.57
April-25	1,073,284	21	2.46	2.57
May-25	881,269	17	2.52	2.57
June-25	674,040	12	2.59	2.57
July-25	425,055	8	2.61	2.57
August-25	235,155	4	2.65	2.57

*MTA's fuel hedging program mitigates budget risk by dollar cost averaging approximately 50% of projected fuel expenses. The goal of the program is to be 50% hedged for the next 12 months. Monthly hedges are equal to approximately 4% of the projected fuel purchases expected to occur 13-24 months from each hedge execution date. The actual percentage hedged could be higher or lower than the 50% target depending on the actual levels of fuel consumption. While the fuel hedging program includes compressed natural gas, there are currently no active hedges.

Annual Impact as of Oct 10, 2023

	<u>(\$ in millions)</u>		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Ultra Low Sulfur Diesel</u>			
Current Prices vs. 2023 Adopted Budget	\$12.166	\$2.099	\$3.508
Impact of Hedge	<u>12.366</u>	<u>(1.110)</u>	<u>0.183</u>
Net Impact: Fav/(Unfav)	\$24.532	\$0.990	\$3.691
<u>Compressed Natural Gas</u>			
Current Prices vs. 2023 Adopted Budget	\$30.125	(\$15.828)	(\$28.537)
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	\$30.125	(\$15.828)	(\$28.537)
<u>Summary</u>			
Current Prices vs. 2023 Adopted Budget	\$42.291	(\$13.728)	(\$25.028)
Impact of Hedge	<u>12.366</u>	<u>(1.110)</u>	<u>0.183</u>
Net Impact: Fav/(Unfav)	\$54.657	(\$14.838)	(\$24.845)