

NM one of the cheapest states for energy by household

Written by By Matthew Reichbach NM Political Report
Friday, 14 July 2017 04:07

There is a list in which New Mexico doesn't rank near the bottom: How much energy costs residents in the state.

The website WalletHub ranked New Mexico as the eighth-cheapest place in the United States for energy. The website ranked the average monthly energy bills in each state and Washington D.C. New Mexico's total average monthly energy bills came out to \$256, sandwiched between Nebraska and California.

New Mexico's electricity rank is cheapest in the country, at just \$90 per month. New Mexico is also one of 21 states with no average monthly home heating oil costs. The states with heating-oil costs are largely in the northeastern part of the country.

New Mexico is one of the most expensive states for monthly motor-fuel costs, at \$135 per month. Wyoming is the most expensive, at \$172 per month, nearly \$40 higher than second place North Dakota (\$136).

New Mexico's ranking for natural-gas cost is near the midpoint, at \$31 per month or 28th-highest in the country. The two states with the lowest natural gas costs are Florida (\$3 per month) and Hawaii (\$4 per month). The most expensive is Michigan (\$60 per month) followed by Alaska (\$58 per month).

Timothy Fitzgerald, an associate professor of business economics at Texas Tech University, was among the experts who answered several questions for WalletHub and explained why energy costs vary by state.

One reason, Fitzgerald said, is just the differences in states.

"It costs more to heat in Fairbanks, Alaska than in San Diego, California—and more to cool in Houston, Texas than Denver, Colorado," he said.

NM one of the cheapest states for energy by household

Written by By Matthew Reichbach NM Political Report
Friday, 14 July 2017 04:07

He also said that “rural residents tend to drive more than urban residents” which will result higher gasoline expenses each month.

Another reason is the type of energy used.

“Electricity is relatively inexpensive in the Pacific Northwest because of large hydroelectric generating capacity,” Fitzgerald explained. “Home heating is relatively expensive in New England because of the reliance on heating oil. Oil and derived products are traditionally less expensive in producing states like Texas, but very expensive in Hawaii, where they must be shipped in from elsewhere.”

Syracuse University College of Law Professor David M. Driesen was more succinct.

“Energy is often cheapest where states have low cost renewable options, like abundant hydropower,” he said. “Some states have supported nuclear power, which is very expensive.”

The cheapest place in the United States for energy is the District of Columbia at \$219 per month on average. This is led by the lowest motor-fuel cost rank in the country, at just \$63 per month.

The most expensive place in the country for energy is Connecticut, at \$380 per month, led by \$76 per month in heating oil costs, second in the country, and \$166 per month in electricity costs, third-highest in the country.

Visit: nmpoliticalreport.com

By Matthew Reichbach

NM one of the cheapest states for energy by household

Written by By Matthew Reichbach NM Political Report
Friday, 14 July 2017 04:07

NM Political Report