Southeast Florida Clean Cities Coalition

Kenneth Hernandez
July 22, 2016
### Tampa Electric
- Regulated electric utility
- Serves >725,000 customers in West Central Florida
- Owns and operates four power plants located in Florida
- Expected rate base growth of 10% through 2017, and 6% through 2019
- Total generation fleet capacity is ~4.7GW
- Expanding generation into renewables

### Peoples Gas
- Regulated gas utility
- Largest gas utility in Florida
- Serves >365,000 customers in all major metropolitan areas of the state
- 2015 annual gas throughput of ~1.8bn therms
- ~12,000 pipeline miles

### New Mexico Gas
- Regulated gas utility
- Largest gas utility in New Mexico
- Serves >520,000 customers
- Expected rate base growth of ~5%
- ~12,000 pipeline miles

### Business Mix
- New Mexico Gas: 32%
- Tampa Electric: 45%
- Peoples Gas: 23%
- Total customers: ~1,600,000
# TECO Energy and Emera

## Regulated Utilities

<table>
<thead>
<tr>
<th>Utility</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nova Scotia Power</td>
<td>Vertically integrated utility serving 500,000 customers in Nova Scotia, Canada.</td>
</tr>
<tr>
<td>Emera Maine</td>
<td>Transmission and distribution utility serving 150,000 customers in northern and southern Maine, USA.</td>
</tr>
<tr>
<td>Emera Caribbean</td>
<td>Vertically integrated utilities serving 180,000 customers in the Caribbean through Barbados Light &amp; Power, Grand Bahama Power and Dominica Electricity Services. Includes a minor investment in St. Lucia Electricity Services.</td>
</tr>
<tr>
<td>Emera Newfoundland &amp; Labrador</td>
<td>Delivering the Maritime Link and managing Emera’s investments in associated projects.</td>
</tr>
</tbody>
</table>

## Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emera Energy</td>
<td>Energy marketing and trading, asset management and optimization. Owns natural-gas fired generation fleet in Canada and the northeastern USA.</td>
</tr>
<tr>
<td>Emera Utility Services</td>
<td>Utility services contractor working in Atlantic Canada and other regions.</td>
</tr>
</tbody>
</table>

## Pipelines

<table>
<thead>
<tr>
<th>Pipeline</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emera New Brunswick</td>
<td>Manages the Brunswick Pipeline, a 145km natural gas pipeline in New Brunswick, Canada.</td>
</tr>
<tr>
<td>Maritimes &amp; Northeast Pipeline</td>
<td>Emera owns 12.5% of this natural gas pipeline connecting Maritime Canada and the northeast USA.</td>
</tr>
</tbody>
</table>

## Other Investments

<table>
<thead>
<tr>
<th>Investment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algonquin Power</td>
<td>Emera’s 5% equity interest in APUC allows for a share in APUC’s clean, renewable electric generation and sustainability utility distribution businesses.</td>
</tr>
<tr>
<td>Cape Sharp Tidal</td>
<td>Cape Sharp Tidal is a joint venture between Emera and OpenHydro to deliver tidal energy to Nova Scotia.</td>
</tr>
<tr>
<td>Open Hydro</td>
<td>Emera owns a 3.3% interest in tidal energy developer.</td>
</tr>
</tbody>
</table>
Where we are
Emera + TECO

Map showing locations in Canada and the United States, including:
- Emera Newfoundland & Labrador
- Emera New Brunswick
- Emera Nova Scotia Power
- Emera Maine
- Emera Energy
- New Mexico Gas
- Tampa Electric and Peoples Gas
- Grand Bahama Power
- DOMLEC
- LUCELEC
- Barbados Light & Power

TECO
PEOPLES GAS
AN EMERA COMPANY
Where Have We Been?
Where Do We Rank?

Florida tied for 8th place!!!

U.S. CNG Data

<table>
<thead>
<tr>
<th></th>
<th>Existing</th>
<th>Planned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>1,693</td>
<td>136</td>
</tr>
<tr>
<td>Last Month</td>
<td>1,693</td>
<td>144</td>
</tr>
<tr>
<td>Monthly Net Change</td>
<td>0</td>
<td>-8</td>
</tr>
<tr>
<td>Change since end of 2015</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Current Percent Public</td>
<td>55%</td>
<td></td>
</tr>
</tbody>
</table>

Source: DOE Alternative Fuel Data Center

US TOP 10 CNG STATES

<table>
<thead>
<tr>
<th>STATE</th>
<th>CNG TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>326</td>
</tr>
<tr>
<td>TX</td>
<td>145</td>
</tr>
<tr>
<td>OK</td>
<td>126</td>
</tr>
<tr>
<td>NY</td>
<td>118</td>
</tr>
<tr>
<td>UT</td>
<td>93</td>
</tr>
<tr>
<td>PA</td>
<td>90</td>
</tr>
<tr>
<td>OH</td>
<td>62</td>
</tr>
<tr>
<td>FL</td>
<td>61</td>
</tr>
<tr>
<td>WI</td>
<td>61</td>
</tr>
<tr>
<td>IL</td>
<td>55</td>
</tr>
<tr>
<td>Total</td>
<td>1137</td>
</tr>
</tbody>
</table>
## TECO Peoples Gas – Growth

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016 Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. of Vehicles</strong></td>
<td>300</td>
<td>412</td>
<td>732</td>
<td>1,024</td>
<td>1,397</td>
<td>1,485</td>
</tr>
<tr>
<td><strong>No. of Stations</strong></td>
<td>8</td>
<td>12</td>
<td>25</td>
<td>31</td>
<td>42</td>
<td>47</td>
</tr>
<tr>
<td><strong>Petroleum Gallons Displaced</strong></td>
<td>1,052,528</td>
<td>2,970,976</td>
<td>6,357,129</td>
<td>12,388,025</td>
<td>15,769,241</td>
<td>19,366,650</td>
</tr>
</tbody>
</table>
End Use Fleet Customers

City of Hollywood
Veolia Waste
Bonita Springs Utilities
Tampa International Airport
EPC of Hillsborough County
Precision Automotive Center
Republic Services (3)
Saddle Creek
Waste Management (5)
City of Saint Petersburg
City of Tampa
Dillon Transport (2)
Gulfcoast Seafood
Premier Transportation
Progressive Waste
Marion County
Respitek
Waste Pro (3)

Champion Brands
City of Hallandale
Hillsborough Area Regional Transit
J.R. Leonard Construction
Mayport C&C Fisheries
Phoenix Energy
Polk County
JJ Taylor Distributing (2)
WCA
City of Orlando
Champion Brands
Jacksonville Transportation Authority
Pepsi
Frito Lay
NFI Transportation
Core-Mark
LYNX
The Current Environment

JULY 13, 2016

Retail price of regular gasoline forecast to average $2.25 per gallon this summer

Summer average retail price of regular gasoline (2015 and 2016)

<table>
<thead>
<tr>
<th></th>
<th>2015 summer</th>
<th>April forecast for 2016 summer</th>
<th>July forecast for 2016 summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail margin and taxes</td>
<td>$2.63/gal</td>
<td>$2.04/gal</td>
<td>$2.25/gal</td>
</tr>
<tr>
<td>Wholesale margin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brent crude oil</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Short-Term Energy Outlook forecasts for 2016 summer average
Utility service for providing compression with PGS-owned facilities on customer’s premises

- **No upfront cost to Customer.** (PGS is responsible for all capital costs.)
- PGS is also responsible for any ongoing maintenance and all required repairs to ensure reliable operation of equipment
- Monthly facilities fee = 1.6% of gross capital investment
- Customer purchases gas commodity directly from supplier and pays electricity bill directly to electric utility
- **Customer receives full $0.50 per GGE Federal Excise Tax Credit**
Time-fill station capable of fueling 46 trucks

Two 150 hp ANGI compressors
Flow capacity 380 SCFM (760 SCFM total)
54 GGE direct-fill storage
Defueling post
Station operational as of Jan. 2016
Where Are We Going

- Public–Private Partnerships
  - JTA/Clean Energy
  - Nopetro/LYNX
- Consolidating Market
  - Westport/IMPCO (vehicles)
  - Love’s/Trillium
- Return to environmental benefits
  - Cummins Westport Inc. (CWI) Near Zero Emission Engine
  - Renewable Natural Gas (RNG)
Thank you

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