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TECO ENERGY AND NEW MEXICO GAS COMPANY FILE FOR ACQUISITION APPROVAL FROM N.M. REGULATORS

Albuquerque, NM (July 9, 2013) - TECO Energy, Inc., New Mexico Gas Company (NMGC) and its parent company, Continental Energy Systems, LLC today filed a Joint Application with the New Mexico Public Regulation Commission (PRC) for approval of TECO's acquisition of NMGC.

In May, TECO Energy entered into a definitive stock purchase agreement with Continental Energy Systems to acquire NMGC for a purchase price of \$950 million subject to customary closing adjustments.

This filing begins the regulatory process that will transition ownership of NMGC to TECO Energy. NMGC is not requesting any change in rates, rules, forms or other tariffs as a result of this transaction. At closing, TECO will replace Continental as the parent of NMGC. TECO and NMGC are working toward completing the regulatory process with the PRC in the first quarter of 2014.

"TECO is a strong, investment grade company. I am optimistic about their reputation as responsible, experienced and prudent owners of regulated utilities in Florida. TECO has a long-term ownership plan in place and views NMGC as an excellent growth platform for its utility businesses," said NMGC President Annette Gardiner.

New Mexico Gas Co. serves approximately 509,000 natural gas customers throughout New Mexico. Upon closing of the transaction, TECO Energy subsidiaries would serve more than 1.5 million regulated electric and gas utility customers in Florida and New Mexico.

TECO Energy Inc. (NYSE: TE) is an energy-related holding company. Its principal subsidiary, Tampa Electric Company, is a regulated utility in Florida with both electric and gas divisions (Tampa Electric and Peoples Gas System). Tampa Electric serves more than 687,000 customers in West Central Florida, and Peoples Gas serves more than 345,000 customers in most of Florida's major metropolitan areas and beyond. Its other major subsidiary, TECO Coal, owns and operates coal-production facilities in Kentucky and Virginia.

New Mexico Gas Company is a subsidiary of Continental Energy Systems LLC, a utility holding company.