

New Mexico Gas Company

Presentation to New Mexico Legislative Jobs Council Subcommittee

Aug. 18, 2016

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Overview

- On July 1, 2016, New Mexico Gas Company (NMGC) was acquired by Emera Inc., a geographically diverse energy and services company headquartered in Halifax, Nova Scotia.
- Emera is a Top 20 North American Utility
- Emera companies and investments are working in Canada, the USA and in four Caribbean countries.
- Following the acquisition of TECO Energy - which had previously owned NMGC - the combined companies have approximately \$27.5 billion (CAD) in assets and 2015 pro-forma revenues of \$6.3 billion.

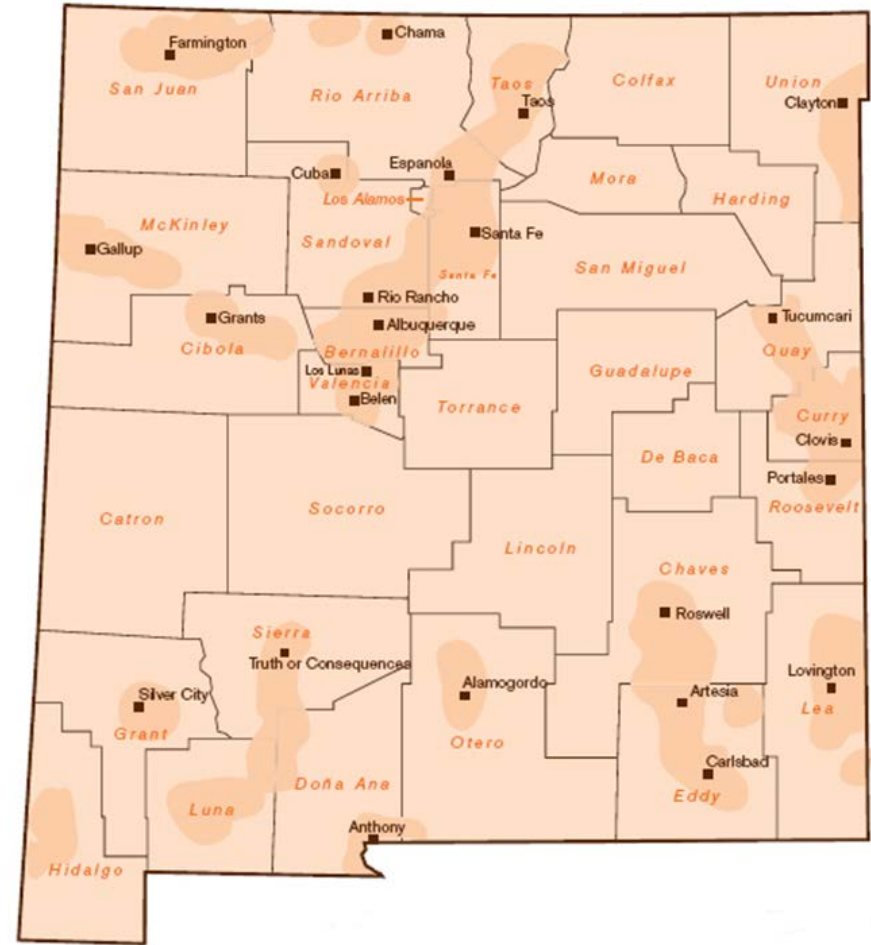


Our investments are in:

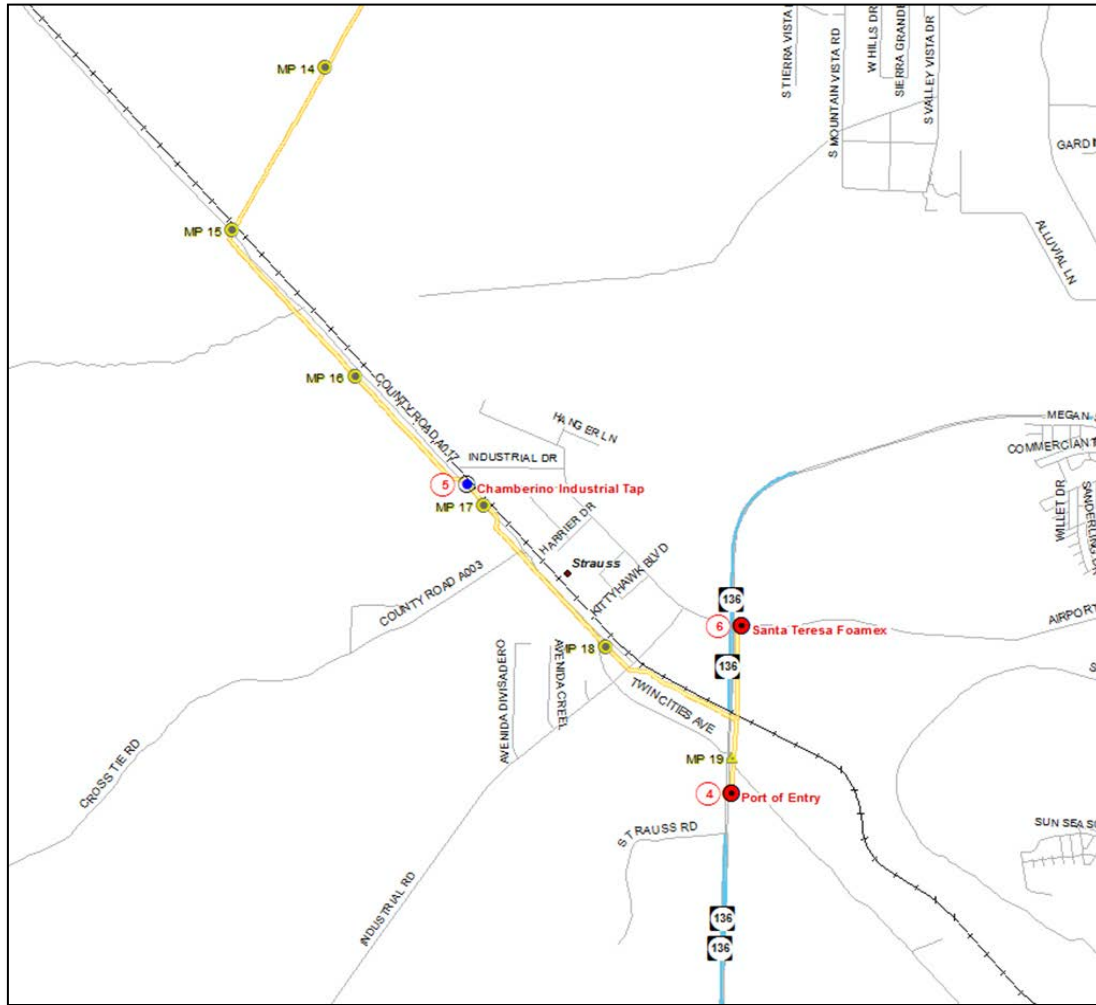
- Electricity generation, transmission & distribution
- Gas transmission & distribution
- Utility energy services

Service Territory

- The NMGC natural gas service territory covers 6,501 square miles
- NMGC serves approximately 514,000 customers, and is the state's largest utility
- NMGC serves 23 of the state's 33 counties, or roughly 60% of our population
- Residential customers comprise 92% of the customer base
- NMGC has 22 regional offices
- NMGC maintains 12,000 miles of transmission/distribution pipelines



Infrastructure Projects



As part of the purchase of NMGC, Emera agreed to construct – at shareholder expense – a natural gas pipeline from its current system to the New Mexico/Mexican border to enhance the state’s ability to export gas to Mexico.

The high-pressure pipeline is expected to cost \$5 million.

Market Development



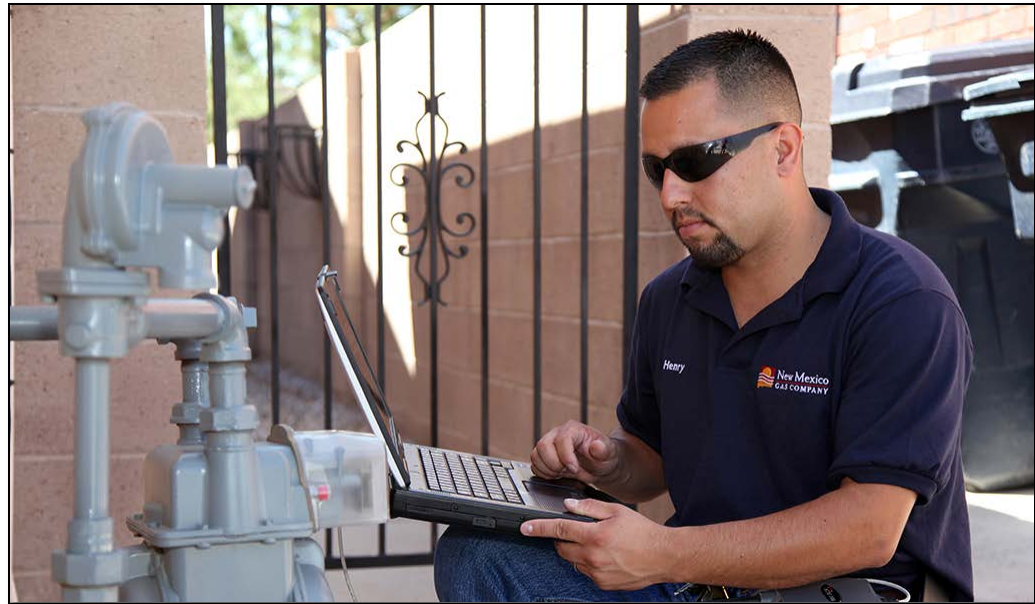
Additionally, NMGC will establish a \$10 million matching fund to extend its natural gas infrastructure to existing communities in New Mexico that are underserved or unserved.

The funding also will be at shareholder expense, and not impact the rate base.

Economic Development

NMGC also will contribute \$5 million - within five years - to economic development projects or programs throughout the state of New Mexico.

NMGC will increase its commitment to charitable contributions and enterprises engage in economic and business development in New Mexico to \$800,000 annually for three years.



Questions?

Thank you

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