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TECO Energy Joins Chicago Climate Exchange

TAMPA, FL (August 5, 2004) – TECO Energy Inc. today announced it has become a member of the Chicago Climate Exchange (CCX), a voluntary, legally binding multi-sector market for reducing and trading greenhouse gas emissions. TECO has further committed to voluntarily reduce greenhouse gas emissions by four percent below the average of its 1998-2001 baseline by 2006, the last year of the pilot program.

“TECO Energy is a national leader among energy companies in balancing environmental responsibility with the supply and delivery of affordable, reliable electric service,” said Chuck Black, Senior Vice President-Generation, TECO Energy. “CCX is an innovative, private-sector catalyst for voluntary emissions reductions and establishing a greenhouse gas trading market for those reductions”.

CCX is designed to allow entities from the public and private sectors to use market based mechanisms to account for greenhouse gas emissions reductions. CCX will allow participants to receive credit for reductions and to buy and sell credits as a means of finding the most cost-effective way of achieving reductions.

“TECO has shown great leadership and vision by becoming a Member of CCX,” said Dr. Richard L. Sandor, the group’s chairman and CEO. “They will play a critical role in shaping the emerging carbon market and its institutions. We look forward to working with TECO as an active member of CCX.”

CCX will administer the pilot program for emissions sources, farm and forest carbon sinks, offset projects and liquidity providers in North America. TECO Energy joins AEP, Ford Motor Co., International Paper and numerous others in this effort.

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TECO Energy, Inc. (NYSE: TE) is an integrated energy-related holding company with core businesses in the utility sector, complemented by a family of unregulated businesses. Its principal subsidiary, Tampa Electric Company, is a regulated utility with both electric and gas divisions (Tampa Electric and Peoples Gas System). Other subsidiaries are engaged in waterborne transportation, coal and synthetic fuel production and independent power. For more information, visit online: tecoenergy.com.

Chicago Climate Exchange,[®] Inc. (CCX[®]) is a self-regulatory exchange that administers the world's first multi-national and multi-sector marketplace for reducing and trading greenhouse gas emissions. For more information visit www.chicagoclimatex.com.