



**JUNE 2009**

Figures appearing in these statements are presented as general information and not in connection with any sale or offer to sell or solicitation of an offer to buy any securities, nor are they intended as a representation by the company of the value of its securities. All figures reported are subject to adjustments as the annual audit by independent accountants may determine to be necessary and to the explanatory notes affecting income and balance sheet accounts contained in the company's Annual Report on Form 10-K. Reference should also be made to information contained in that and other reports filed by TECO Energy, Inc. and Tampa Electric Company with the Securities and Exchange Commission.

**TECO ENERGY, Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**  
(All significant intercompany transactions have been eliminated in the consolidated financial statements.)

(millions except share data)	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Regulated electric and gas	\$662.9	\$730.0	\$1,316.7	\$1,370.2	\$2,724.7	\$2,828.4
Unregulated	162.3	157.2	332.5	308.7	620.8	698.9
Total revenues	<b>825.2</b>	887.2	<b>1,649.2</b>	1,678.9	<b>3,345.5</b>	3,527.3
<b>Expenses</b>						
Regulated operations						
Fuel	225.5	176.2	454.2	339.8	933.8	798.1
Purchased power	56.1	115.9	98.3	197.8	205.9	346.6
Cost of natural gas sold	50.9	133.8	139.2	252.8	363.0	442.6
Other	81.0	71.9	158.0	143.2	292.4	297.6
Operation other expense						
Mining related costs	110.9	116.8	229.4	224.0	446.0	464.9
Waterborne transportation costs	0.0	0.0	0.0	0.0	0.0	97.4
Other	4.3	5.6	8.4	9.9	16.8	18.9
Maintenance	46.2	45.6	98.6	91.6	180.8	178.7
Depreciation and amortization	71.3	64.9	141.0	129.9	277.2	255.2
Loss / (Gain) on sale, net of transaction related costs	0.0	0.0	0.0	0.9	0.0	(236.7)
Taxes, other than income	55.9	54.1	116.3	109.0	218.8	213.5
Total expenses	<b>702.1</b>	784.8	<b>1,443.4</b>	1,498.9	<b>2,934.7</b>	2,876.8
<b>Income from operations</b>	<b>123.1</b>	102.4	<b>205.8</b>	180.0	<b>410.8</b>	650.5
<b>Other income (expense)</b>						
Allowance for other funds used during construction	2.5	1.7	5.8	3.0	9.1	4.7
Other income	6.1	4.0	20.1	9.3	32.2	46.8
Loss on debt exchange / extinguishment	0.0	0.0	0.0	0.0	0.0	(32.9)
Income from equity investments	12.9	21.6	21.7	39.0	55.6	72.6
Total other income	<b>21.5</b>	27.3	<b>47.6</b>	51.3	<b>96.9</b>	91.2
<b>Interest charges</b>						
Interest expense	57.4	56.6	115.0	114.8	231.5	240.4
Allowance for borrowed funds used during construction	(1.0)	(0.7)	(2.3)	(1.2)	(3.5)	(1.8)
Total interest charges	<b>56.4</b>	55.9	<b>112.7</b>	113.6	<b>228.0</b>	238.6
<b>Income before provision for income taxes</b>	<b>88.2</b>	73.8	<b>140.7</b>	117.7	<b>279.7</b>	503.1
Provision for income taxes	27.3	22.4	45.1	35.5	104.0	192.6
<b>Income before Noncontrolling Interest</b>	<b>60.9</b>	51.4	<b>95.6</b>	82.2	<b>175.7</b>	310.5
Noncontrolling Interest	0.0	0.0	0.0	0.0	0.0	38.4
<b>Net income</b>	<b>\$60.9</b>	\$51.4	<b>\$95.6</b>	\$82.2	<b>\$175.7</b>	\$348.9
Average common shares outstanding - basic (millions)	211.7	210.4	211.6	210.1	211.4	209.7
Average common shares outstanding - diluted (millions)	212.5	212.1	212.3	211.6	212.1	211.1
<b>Earnings per average common share outstanding:</b>						
Earnings per share -- basic	0.29	0.24	0.45	0.39	0.82	1.65
Earnings per share -- diluted	0.29	0.24	0.45	0.39	0.82	1.65

**TECO ENERGY, Inc.**  
**CONSOLIDATED BALANCE SHEETS (Unaudited)**

(All significant intercompany transactions have been eliminated in the consolidated financial statements.)

(millions)	June 30, 2009	December 31, 2008
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$28.0	\$12.2
Short-term investments	0.0	2.4
Receivables	309.7	285.9
Inventories at average cost		
Fuel	142.9	90.2
Materials and supplies	67.5	72.8
Current derivative assets	0.2	0.0
Income tax receivables	0.5	3.5
Prepayments and other current assets	25.1	25.8
Current regulatory assets	172.4	272.6
<b>Total current assets</b>	<b>746.3</b>	<b>765.4</b>
<b>Property, plant and equipment</b>		
Utility plant in service		
Electric	5,743.5	5,528.3
Gas	993.3	964.4
Construction work in progress	460.7	463.5
Other property	366.9	354.8
Property plant and equipment at original cost	7,564.4	7,311.0
Accumulated depreciation	(2,155.8)	(2,089.7)
<b>Total property, plant and equipment, net</b>	<b>5,408.6</b>	<b>5,221.3</b>
<b>Other assets</b>		
Deferred income taxes	278.5	333.8
Other investments	9.8	21.3
Long-term regulatory assets	319.2	325.3
Investment in unconsolidated affiliates	273.6	284.0
Goodwill	59.4	59.4
Long-term derivative assets	0.6	0.1
Deferred charges and other assets	134.1	136.8
<b>Total other assets</b>	<b>1,075.2</b>	<b>1,160.7</b>
<b>Total assets</b>	<b>\$7,230.1</b>	<b>\$7,147.4</b>
<b>Liabilities and capital</b>		
<b>Current liabilities</b>		
Long-term debt due within one year		
Recourse	\$5.5	\$5.5
Non-recourse	1.4	1.4
Notes payable	188.0	93.0
Accounts payable	264.5	304.4
Other current liabilities	15.6	15.3
Customer deposits	148.6	144.6
Current derivative liabilities	113.7	132.1
Interest accrued	48.1	45.1
Taxes accrued	46.2	21.2
Current regulatory liabilities	26.9	21.7
<b>Total current liabilities</b>	<b>858.5</b>	<b>784.3</b>
<b>Other liabilities</b>		
Investment tax credits	11.0	11.2
Long-term regulatory liabilities	579.8	588.2
Long-term derivative liabilities	10.3	19.4
Deferred credits and other liabilities	527.9	530.0
Long-term debt, less amount due within one year		
Recourse	3,199.0	3,199.0
Non-recourse	6.2	7.6
<b>Total other liabilities</b>	<b>4,334.2</b>	<b>4,355.4</b>
<b>Total Liabilities</b>	<b>5,192.7</b>	<b>5,139.7</b>
<b>Capital</b>		
Common equity	213.7	212.9
Additional paid in capital	1,523.9	1,518.2
Retained earnings	332.9	322.6
Accumulated other comprehensive loss	(33.1)	(46.0)
<b>Total capital</b>	<b>2,037.4</b>	<b>2,007.7</b>
<b>Total liabilities and capital</b>	<b>\$7,230.1</b>	<b>\$7,147.4</b>
<b>Book Value Per Share</b>	<b>\$9.53</b>	<b>\$9.43</b>

**TECO ENERGY, Inc.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**

(All significant intercompany transactions have been eliminated in the consolidated financial statements.)

(millions)	Three Months Ended		Six Months Ended		Twelve Months Ended	
	June 30,		June 30,		June 30,	
	2009	2008	2009	2008	2009	2008
<b>Cash flows from operating activities</b>						
Net income	<b>\$60.9</b>	\$51.4	<b>\$95.6</b>	\$82.2	<b>\$175.7</b>	\$348.9
Adjustments to reconcile net income to net cash from operating activities:						
Depreciation and amortization	<b>71.3</b>	64.9	<b>141.0</b>	129.9	<b>277.2</b>	255.2
Deferred income taxes	<b>27.4</b>	24.2	<b>45.5</b>	39.7	<b>101.2</b>	186.9
Investment tax credits, net	<b>(0.1)</b>	(0.3)	<b>(0.2)</b>	(1.0)	<b>(0.2)</b>	(2.2)
Allowance for other funds used during construction	<b>(2.5)</b>	(1.7)	<b>(5.8)</b>	(3.0)	<b>(9.1)</b>	(4.7)
Non-cash stock compensation	<b>2.9</b>	3.7	<b>4.7</b>	6.1	<b>8.4</b>	10.2
Gain on sales of business / assets, pretax	<b>0.1</b>	(0.1)	<b>(18.6)</b>	(1.1)	<b>(19.1)</b>	(202.7)
Noncash debt extinguishment / exchange, pretax	<b>0.0</b>	0.0	<b>0.0</b>	0.0	<b>0.0</b>	2.6
Equity in earnings of unconsolidated affiliates, net of cash distributions on earnings	<b>7.4</b>	(21.6)	<b>0.3</b>	(6.8)	<b>(15.7)</b>	(10.8)
Noncontrolling interest	<b>0.0</b>	0.0	<b>0.0</b>	0.0	<b>0.0</b>	(38.4)
Derivatives marked to market	<b>0.0</b>	0.0	<b>0.0</b>	0.0	<b>0.0</b>	(70.4)
Deferred recovery clause	<b>16.4</b>	(81.0)	<b>83.3</b>	(92.4)	<b>59.9</b>	4.6
Receivables, less allowance for uncollectibles	<b>(14.7)</b>	(20.9)	<b>(23.8)</b>	(34.0)	<b>20.1</b>	(32.3)
Inventories	<b>(19.7)</b>	(15.1)	<b>(47.4)</b>	(7.9)	<b>(48.5)</b>	49.2
Prepayments and other current assets	<b>(4.5)</b>	(3.1)	<b>0.7</b>	(2.1)	<b>0.0</b>	3.5
Taxes accrued	<b>14.1</b>	14.4	<b>27.2</b>	15.7	<b>(3.3)</b>	(3.4)
Interest accrued	<b>(30.6)</b>	(17.7)	<b>3.0</b>	15.0	<b>0.4</b>	(3.6)
Accounts payable	<b>13.8</b>	82.5	<b>(9.6)</b>	76.9	<b>(94.8)</b>	68.7
Other	<b>7.1</b>	<b>5.9</b>	<b>32.1</b>	21.3	<b>25.1</b>	(2.4)
	<b>149.3</b>	85.5	<b>328.0</b>	238.5	<b>477.3</b>	558.9
<b>Cash flows from investing activities</b>						
Capital expenditures	<b>(176.8)</b>	(128.8)	<b>(367.8)</b>	(265.7)	<b>(691.5)</b>	(488.1)
Allowance for other funds used during construction	<b>2.5</b>	1.7	<b>5.8</b>	3.0	<b>9.1</b>	4.7
Net proceeds from sale of business / assets	<b>0.1</b>	0.0	<b>29.2</b>	(7.3)	<b>37.0</b>	352.5
Restricted cash	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	0.0	<b>0.1</b>	29.9
Distributions from unconsolidated affiliates	<b>0.0</b>	0.0	<b>0.0</b>	13.2	<b>0.0</b>	26.7
Other investments	<b>7.3</b>	(0.1)	<b>9.7</b>	76.2	<b>9.6</b>	121.9
	<b>(166.9)</b>	(127.2)	<b>(322.9)</b>	(180.6)	<b>(635.7)</b>	47.6
<b>Cash flows from financing activities</b>						
Dividends	<b>(42.7)</b>	(42.4)	<b>(85.3)</b>	(83.5)	<b>(170.4)</b>	(165.6)
Proceeds from sale of common stock	<b>1.4</b>	18.7	<b>2.4</b>	20.0	<b>4.2</b>	25.5
Proceeds from long-term debt	<b>0.0</b>	137.1	<b>0.0</b>	327.9	<b>0.0</b>	451.1
Repayment of long-term debt / Purchase in lieu of redemption	<b>0.0</b>	0.0	<b>(1.4)</b>	(288.1)	<b>(7.2)</b>	(977.8)
Debt exchange premiums	<b>0.0</b>	0.0	<b>0.0</b>	0.0	<b>0.0</b>	(21.2)
Noncontrolling interest	<b>0.0</b>	0.0	<b>0.0</b>	0.0	<b>0.0</b>	33.4
Net increase (decrease) in short-term debt	<b>52.0</b>	(18.0)	<b>95.0</b>	(25.0)	<b>188.0</b>	0.0
	<b>10.7</b>	95.4	<b>10.7</b>	(48.7)	<b>14.6</b>	(654.6)
Net increase (decrease) in cash and cash equivalents	<b>(6.9)</b>	53.7	<b>15.8</b>	9.2	<b>(143.8)</b>	(48.1)
Cash and cash equivalents at beginning of period	<b>34.9</b>	118.1	<b>12.2</b>	162.6	<b>171.8</b>	219.9
Cash and cash equivalents at end of period	<b>\$28.0</b>	\$171.8	<b>\$28.0</b>	\$171.8	<b>\$28.0</b>	\$171.8

# TECO ENERGY, Inc.

## SEGMENT INFORMATION (Unaudited)

<i>(millions)</i>	Tampa Electric	Peoples Gas	TECO Coal	TECO Guatemala	TECO Transport	Other & Eliminations	TECO Energy
<b>Three months ended June 30,</b>							
<b>2009</b>							
Revenues - outsiders	\$ 563.2	\$ 99.7	\$ 160.2	\$ 2.0	\$ -	\$ 0.1	\$ 825.2
Sales to affiliates	0.4	3.4	-	-	-	(3.8)	-
Total revenues	563.6	103.1	160.2	2.0	-	(3.7)	825.2
Equity Earnings in Unconsolidated Affiliates	-	-	-	12.9	-	-	12.9
Depreciation	49.3	11.0	10.8	0.2	-	-	71.3
Total interest charges <sup>(1)</sup>	28.6	4.8	1.9	3.1	-	18.0	56.4
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	1.7	3.1	-	(4.8)	-
Provision (Benefit) for income taxes	27.8	2.9	1.7	-	-	(5.1)	27.3
Net income (loss) from continuing operations	\$ 48.5	\$ 4.6	\$ 10.1	\$ 7.9	\$ -	\$ (10.2)	\$ 60.9
<b>2008</b>							
Revenues - outsiders	\$ 545.7	\$ 184.3	\$ 155.2	\$ 2.0	\$ -	\$ -	\$ 887.2
Sales to affiliates	0.4	-	-	-	-	(0.4)	-
Total revenues	546.1	184.3	155.2	2.0	-	(0.4)	887.2
Equity Earnings in Unconsolidated Affiliates	-	-	-	21.6	-	-	21.6
Depreciation	45.0	10.3	9.3	0.2	-	0.1	64.9
Total interest charges <sup>(1)</sup>	27.9	4.5	2.0	3.7	-	17.8	55.9
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	1.5	3.6	-	(5.1)	-
Provision (Benefit) for income taxes	23.6	3.4	0.2	2.1	-	(6.9)	22.4
Net income (loss) from continuing operations	\$ 40.2	\$ 5.3	\$ 4.2	\$ 14.9	\$ -	\$ (13.2)	\$ 51.4
<b>Six months ended June 30,</b>							
<b>2009</b>							
Revenues - outsiders	\$ 1,070.5	\$ 246.2	\$ 328.3	\$ 4.1	-	0.1	\$ 1,649.2
Sales to affiliates	0.7	9.9	-	-	-	(10.6)	-
Total revenues	1,071.2	256.1	328.3	4.1	-	(10.5)	1,649.2
Equity Earnings in Unconsolidated Affiliates	-	-	-	21.7	-	-	21.7
Depreciation	97.3	21.8	21.4	0.4	-	0.1	141.0
Total interest charges <sup>(1)</sup>	56.8	9.5	3.7	6.3	-	36.4	112.7
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	3.2	6.2	-	(9.4)	-
Provision (Benefit) for income taxes	37.2	10.1	3.0	9.6	-	(14.8)	45.1
Net income (loss) from continuing operations	\$ 66.8	\$ 15.8	\$ 18.1	\$ 21.1 <sup>(2)</sup>	-	\$ (26.2) <sup>(3)</sup>	\$ 95.6
<b>2008</b>							
Revenues - outsiders	\$ 1,006.9	\$ 363.3	\$ 304.3	\$ 4.3	\$ -	\$ 0.1	\$ 1,678.9
Sales to affiliates	0.7	-	-	-	-	(0.7)	-
Total revenues	1,007.6	363.3	304.3	4.3	-	(0.6)	1,678.9
Equity Earnings in Unconsolidated Affiliates	-	-	-	39.0	-	-	39.0
Depreciation	90.2	20.6	18.5	0.4	-	0.2	129.9
Total interest charges <sup>(1)</sup>	57.3	8.7	4.5	7.5	-	35.6	113.6
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	3.8	7.4	-	(11.2)	-
Provision (Benefit) for income taxes	32.1	9.8	2.1	4.0	-	(12.5)	35.5
Net income (loss) from continuing operations	56.1	15.3	11.7	25.4	-	(26.3)	\$ 82.2
<b>Twelve months ended June 30,</b>							
<b>2009</b>							
Revenues - outsiders	\$ 2,153.5	\$ 571.2	\$ 612.4	\$ 8.2	\$ -	\$ 0.2	\$ 3,345.5
Sales to affiliates	1.4	9.9	-	-	-	(11.3)	-
Total revenues	2,154.9	581.1	612.4	8.2	-	(11.1)	3,345.5
Equity Earnings in Unconsolidated Affiliates	-	-	-	55.2	-	0.4	55.6
Depreciation	192.8	43.0	40.4	0.8	-	0.2	277.2
Total interest charges <sup>(1)</sup>	114.2	19.0	7.3	14.1	-	73.4	228.0
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	6.0	13.9	-	(19.9)	-
Provision (Benefit) for income taxes	87.0	17.6	3.1	20.4	-	(24.1) <sup>(3)</sup>	104.0
Net income (loss) from continuing operations	\$ 146.3 <sup>(4)</sup>	\$ 27.6	\$ 24.4	\$ 32.6 <sup>(2)</sup>	\$ -	\$ (55.2) <sup>(3)(5)</sup>	\$ 175.7
<b>2008</b>							
Revenues - outsiders	\$ 2,177.7	\$ 650.6	\$ 594.1	\$ 8.3	\$ 96.3	\$ 0.3	\$ 3,527.3
Sales to affiliates	1.6	-	-	-	40.9	(42.5)	-
Total revenues	2,179.3	650.6	594.1	8.3	137.2	(42.2)	3,527.3
Equity Earnings in Unconsolidated Affiliates	-	-	-	72.8	(0.2)	-	72.6
Depreciation	175.0	41.0	38.3	0.5	-	0.4	255.2
Total interest charges <sup>(1)</sup>	114.2	17.4	10.8	15.2	2.2	78.8	238.6
Allocated interest expense (income) included above <sup>(1)</sup>	-	-	9.7	14.9	1.2	(25.8)	-
Provision (Benefit) for income taxes	86.8	15.9	20.7	8.5	7.3	53.4	192.6
Net income (loss) from continuing operations	\$ 149.8	\$ 25.5	\$ 39.4	\$ 47.0	\$ 18.0	\$ 69.2 <sup>(6)(7)</sup>	\$ 348.9

(1) Segment net income is reported on a basis that includes internally allocated financing costs. Allocated interest is included in "Total interest charges".

(2) Results for the 6 and 12 months ended June 30, 2009 include a \$8.7 million gain related to the sale of Navega in the first quarter of 2009. Additionally, the 12 months ended June 30, 2009 results include \$9.6 million in taxes related to the repatriated cash and investments from Guatemala in the fourth quarter of 2008.

(3) Results for the 6 and 12 months ended June 30, 2009 include a \$3.6 million loss related to the auction rate security valuation allowance in the first quarter of 2009. Additionally, the 12 months ended June 30, 2009 includes a \$12.0 million valuation allowance in consolidated income taxes related to the cash and investments repatriated from Guatemala in the fourth quarter of 2008.

(4) Results for the 12 months ended June 30, 2009 include a \$1.9 million after-tax charge related to a settlement in the fourth quarter of 2008 with the Florida Public Service Commission Staff of issues involving waterborne coal transportation services provided by a former affiliate company (TECO Transport).

(5) Results for the 12 months ended June 30, 2009 include a \$3.2 million tax benefit booked in the fourth quarter of 2008 related to the sale of TECO Transport.

(6) Results for the 12 months ended June 30, 2008 include \$6.9 million in after-tax transaction costs related to the sale of TECO Transport (\$3.0 million in the third quarter of 2007, \$3.3 million in the fourth quarter of 2007, and \$0.6 million in the first quarter of 2008).

(7) Results for the 12 months ended June 30, 2008 include the \$149.4 million gain on the sale of TECO Transport and \$20.2 million of debt extinguishment costs.

**TAMPA ELECTRIC COMPANY**  
**ELECTRIC OPERATING STATISTICS (Unaudited)**

Three Months Ended June 30,	Operating Revenues*			Sales -- Kilowatt-hours*		
	2009	2008	Percent Change	2009	2008	Percent Change
Residential	\$ 257,656	\$ 247,254	4.2	2,057,076	2,153,445	(4.5)
Commercial	173,257	161,872	7.0	1,563,588	1,621,521	(3.6)
Industrial -- Phosphate	19,867	16,468	20.6	220,302	240,165	(8.3)
Industrial -- Other	29,344	30,353	(3.3)	287,059	324,242	(11.5)
Other sales of electricity	50,469	46,811	7.8	450,328	463,998	(2.9)
	<b>530,593</b>	<b>502,758</b>	<b>5.5</b>	<b>4,578,353</b>	<b>4,803,371</b>	<b>(4.7)</b>
Deferred and other revenues	7,366	13,027	(43.5)	--	--	--
Sales for resale	13,065	19,144	(31.8)	121,116	230,654	(47.5)
Other operating revenue	12,416	10,100	22.9	--	--	--
SO <sub>2</sub> Allowance Sales	92	999	(90.8)	--	--	--
	<b>\$ 563,532</b>	<b>\$ 546,028</b>	<b>3.2</b>	<b>4,699,469</b>	<b>5,034,025</b>	<b>(6.6)</b>
Average customers	<b>666,376</b>	<b>667,617</b>	<b>(0.2)</b>	--	--	--
Retail Net Energy For Load				<b>5,100,730</b>	<b>5,275,859</b>	<b>(3.3)</b>
Total Degree Days				<b>1,254</b>	<b>1,216</b>	<b>3.1</b>
Six Months Ended June 30,	Operating Revenues*			Sales -- Kilowatt-hours*		
	2009	2008	Percent Change	2009	2008	Percent Change
Residential	\$ 508,664	\$ 454,250	12.0	3,944,774	3,931,532	0.3
Commercial	339,539	309,345	9.8	2,963,450	3,089,536	(4.1)
Industrial -- Phosphate	40,825	33,090	23.4	467,147	484,801	(3.6)
Industrial -- Other	58,623	57,672	1.6	559,220	630,073	(11.2)
Other sales of electricity	100,464	89,417	12.4	864,840	882,583	(2.0)
	<b>1,048,115</b>	<b>943,774</b>	<b>11.1</b>	<b>8,799,431</b>	<b>9,018,525</b>	<b>(2.4)</b>
Deferred and other revenues	(25,122)	5,771	(535.3)	--	--	--
Sales for resale	25,200	35,181	(28.4)	266,653	419,800	(36.5)
Other operating revenue	22,903	20,892	9.6	--	--	--
SO <sub>2</sub> Allowance Sales	93	1,962	(95.3)	--	--	--
	<b>\$ 1,071,189</b>	<b>\$ 1,007,580</b>	<b>6.3</b>	<b>9,066,084</b>	<b>9,438,325</b>	<b>(3.9)</b>
Average customers	<b>666,844</b>	<b>668,280</b>	<b>(0.2)</b>	--	--	--
Retail Net Energy For Load				<b>9,463,371</b>	<b>9,633,596</b>	<b>(1.8)</b>
Total Degree Days				<b>1,845</b>	<b>1,736</b>	<b>6.3</b>
Twelve Months Ended June 30,	Operating Revenues*			Sales -- Kilowatt-hours*		
	2009	2008	Percent Change	2009	2008	Percent Change
Residential	\$ 1,036,127	\$ 1,017,527	1.8	8,559,710	8,871,862	(3.5)
Commercial	669,165	656,108	2.0	6,272,633	6,574,056	(4.6)
Industrial -- Phosphate	73,800	69,911	5.6	951,481	1,014,195	(6.2)
Industrial -- Other	112,193	117,081	(4.2)	1,164,882	1,291,105	(9.8)
Other sales of electricity	196,765	183,870	7.0	1,821,805	1,819,904	0.1
	<b>2,088,050</b>	<b>2,044,497</b>	<b>2.1</b>	<b>18,770,511</b>	<b>19,571,122</b>	<b>(4.1)</b>
Deferred and other revenues	(49,186)	(53,318)	(7.7)	--	--	--
Sales for resale	59,704	71,035	(16.0)	730,824	903,746	(19.1)
Other operating revenue	46,358	41,692	11.2	--	--	--
SO <sub>2</sub> Allowance Sales	9,925	75,424	(86.8)	--	--	--
	<b>\$ 2,154,851</b>	<b>\$ 2,179,330</b>	<b>(1.1)</b>	<b>19,501,335</b>	<b>20,474,868</b>	<b>(4.8)</b>
Average customers	<b>666,548</b>	<b>667,805</b>	<b>(0.2)</b>	--	--	--
Retail Net Energy For Load				<b>19,728,560</b>	<b>20,501,153</b>	<b>(3.8)</b>
Total Degree Days				<b>4,032</b>	<b>4,276</b>	<b>(5.7)</b>

\* in thousands

**PEOPLES GAS SYSTEM**  
**GAS OPERATING STATISTICS (Unaudited)**

Three Months Ended June 30,	Operating Revenues*			Therms*		
	2009	2008	Percent Change	2009	2008	Percent Change
<i>By Customer Segment:</i>						
Residential	\$ 27,065	\$ 32,182	(15.9)	13,724	14,819	(7.4)
Commercial	33,256	38,065	(12.6)	91,566	90,783	0.9
Industrial	1,806	2,271	(20.5)	45,391	53,432	(15.0)
Off System Sales	26,295	97,806	(73.1)	62,172	82,109	(24.3)
Power generation	2,601	3,789	(31.4)	144,936	132,920	9.0
Other revenues	9,998	8,591	16.4	-	-	--
	\$ 101,021	\$ 182,704	(44.7)	357,789	374,063	(4.4)

<i>By Sales Type:</i>						
System supply	\$ 69,500	\$ 151,672	(54.2)	88,951	111,010	(19.9)
Transportation	21,523	22,441	(4.1)	268,838	263,053	2.2
Other revenues	9,998	8,591	16.4	-	-	--
	\$ 101,021	\$ 182,704	(44.7)	357,789	374,063	(4.4)

Average customers	335,524	336,283	(0.2)	--	--	--
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Six Months Ended June 30,	Operating Revenues*			Therms*		
	2009	2008	Percent Change	2009	2008	Percent Change
<i>By Customer Segment:</i>						
Residential	\$ 86,466	\$ 80,953	6.8	46,792	42,605	9.8
Commercial	80,489	82,430	(2.4)	201,663	197,780	2.0
Industrial	3,984	4,490	(11.3)	92,289	100,154	(7.9)
Off System Sales	52,710	166,380	(68.3)	113,185	160,651	(29.5)
Power generation	5,355	7,159	(25.2)	253,032	239,644	5.6
Other revenues	22,962	18,430	24.6	-	-	--
	\$ 251,966	\$ 359,842	(30.0)	706,961	740,834	(4.6)

<i>By Sales Type:</i>						
System supply	\$ 183,243	\$ 294,358	(37.7)	191,183	234,932	(18.6)
Transportation	45,761	47,054	(2.7)	515,778	505,902	2.0
Other revenues	22,962	18,430	24.6	-	-	--
	\$ 251,966	\$ 359,842	(30.0)	706,961	740,834	(4.6)

Average customers	335,565	336,204	(0.2)	--	--	--
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Twelve Months Ended June 30,	Operating Revenues*			Therms*		
	2009	2008	Percent Change	2009	2008	Percent Change
<i>By Customer Segment:</i>						
Residential	\$ 155,971	\$ 135,744	14.9	78,565	69,099	13.7
Commercial	153,613	149,167	3.0	379,764	369,102	2.9
Industrial	7,736	9,232	(16.2)	181,891	186,675	(2.6)
Off System Sales	203,831	298,758	(31.8)	276,317	335,514	(17.6)
Power generation	10,863	15,477	(29.8)	468,758	528,734	(11.3)
Other revenues	41,030	35,527	15.5	-	-	--
	\$ 573,044	\$ 643,905	(11.0)	1,385,295	1,489,124	(7.0)

<i>By Sales Type:</i>						
System supply	\$ 444,861	\$ 517,534	(14.0)	414,026	464,226	(10.8)
Transportation	87,153	90,844	(4.1)	971,269	1,024,898	(5.2)
Other revenues	41,030	35,527	15.5	-	-	--
	\$ 573,044	\$ 643,905	(11.0)	1,385,295	1,489,124	(7.0)

Average customers	334,817	334,875	0.0	--	--	--
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\* in thousands