



TC PipeLines, LP

NewsRelease

TC PipeLines, LP Fourth Quarter Earnings Reflect Solid Financial Performance

Calgary, Alberta – January 25, 2000 – (Nasdaq NM: TCLPZ) – TC PipeLines, LP today announced 1999 fourth quarter net income of US\$8.7 million or US\$0.49 per unit. Net income is comprised of US\$9.1 million of equity income from the Partnership's 30 percent general partner interest in Northern Border Pipeline Company (Northern Border), less US\$0.4 million general and administrative expenses incurred by the Partnership.

From the commencement of operations on May 28, to December 31, 1999, TC PipeLines, LP reported net income of US\$20.2 million or US\$1.13 per unit, of which equity income from Northern Border amounted to US\$20.9 million and general and administrative expenses were US\$0.7 million.

"1999 was a significant year for TC PipeLines, LP and we are very pleased with the Partnership's financial performance to date," said Garry Mihaichuk, President and Chief Executive Officer of the general partner, TC PipeLines GP, Inc. "Last May, when we brought TC PipeLines, LP's initial public offering of 14.7 million common units to the market, we stated that one of our objectives was to deliver stable cash flows to unitholders. In the initial period of May 28 to June 30 and the two full quarters that followed, we have met this goal. As well, TC PipeLines, LP's 1999 earnings have also met expectations."

Mr. Mihaichuk added that TC PipeLines, LP continues to work at delivering on the other component of its stated strategy, which is to complete value adding acquisitions. He said this will help achieve TC PipeLines, LP's ultimate goal of increasing distributions to its unitholders.

TC PipeLines, LP plans to hold a conference call with investment analysts on Wednesday, January 26, 2000 at 9:00 a.m. (EST). During this call, TC PipeLines, LP's senior executives will review the Partnership's 1999 fourth quarter results. Those interested in listening to the call can dial 1-800-478-9326. An instant replay of the conference call will also be available from 12:00 p.m. (EST), January 26 to February 2, 2000 by dialing 1-800-408-3053 then entering passcode 390817.

TC PipeLines, LP

Financial Highlights

(unaudited; thousands of U.S. dollars except per unit amounts)

	<u>Three months ended</u> <u>December 31, 1999</u>	<u>May 28, ^[1]-</u> <u>December 31, 1999</u>
Equity income [2]	9,055	20,923
Net income	8,739	20,224
Net income per unit [3]	\$0.49	\$1.13
Units outstanding (thousands)	17,500	17,500

[1] Commencement of operations

[2] Equity income represents TC PipeLines' 30 percent share of Northern Border Pipeline Company's net income for the three months ended December 31, 1999 and the period of May 28 (the date TC PipeLines acquired its general partner interest in Northern Border) to December 31, 1999. Summarized operating and financial information of Northern Border for the three and twelve months ended December 31, 1999 is as follows:

Northern Border Pipeline Company

Operating and Financial Highlights

(unaudited)

	<u>Fourth Quarter</u> <u>1999</u>	<u>Year-to-Date</u> <u>1999</u>
Operating Results:		
Gas Delivered (MMcf)	211,136	834,833
Average Throughput (MMcf/d)	2,358	2,353
Financial Results (millions of U.S. dollars):		
Operating Revenue	\$77.8	\$298.3
Depreciation and Amortization	\$13.1	\$51.9
Interest Expense	\$15.9	\$60.3
Net Income	\$30.2	\$118.6

[3] Net income per unit is computed by dividing net income, after deduction of the general partner's allocation, by the number of common and subordinated units outstanding.