



TC PipeLines, LP

NewsRelease

TC PipeLines, LP Increases Quarterly Distribution and Schedules Conference Call

Calgary, Alberta – July 19, 2001 – (Nasdaq NM: TCLPZ) – The board of directors of TC PipeLines GP, Inc., the general partner of TC PipeLines, LP (the Partnership), today announced an increase in the Partnership’s quarterly distribution from \$0.475 per unit to \$0.50 per unit for the second quarter of 2001. This represents the second increase in the Partnership’s cash distribution since the commencement of operations in May 1999. The second quarter cash distribution is payable on August 14, 2001 to unitholders of record as of July 31, 2001.

“The Partnership continues to experience strong cash flows from our investments in Northern Border Pipeline Company and Tuscarora Gas Transmission Company, which is a reflection of the high quality of these assets,” said Ron Turner, President and Chief Executive Officer of the general partner. “The increase in the Partnership’s cash distribution demonstrates our commitment to generate value for our unitholders.”

The Partnership plans to release 2001 second quarter earnings on July 25, 2001 before markets open, followed by a conference call at 4:00 p.m. (eastern). Those interested in listening to the call can dial 1-800-273-9672. A replay of the conference call will also be available from 6:00 p.m. (eastern) on July 25 until August 1, 2001 by dialing 1-800-408-3053 then entering passcode 631160.

A live web cast of the conference call will also be available through the Partnership’s website at www.tcpipelineslp.com in the “Newsroom” section, under “Presentations”. An audio replay of the call will be maintained on the website until August 1, 2001.

TC PipeLines, LP is a publicly held limited partnership. It owns a 30% interest in Northern Border Pipeline Company, a Texas general partnership, and a 49% interest in Tuscarora Gas Transmission Company, a Nevada general partnership. Northern Border Pipeline owns a 1,214-mile United States interstate pipeline system that transports natural gas from the Montana-Saskatchewan border to markets in the midwestern United States. Tuscarora owns a 229-mile United States interstate pipeline system that transports natural gas from Oregon, where it interconnects with facilities of PG&E National Energy Group, Gas Transmission Northwest, to northern Nevada. TC PipeLines, LP is managed by its general partner, TC PipeLines GP, Inc., a wholly owned subsidiary of TransCanada PipeLines Limited. Subsidiaries of TransCanada also hold common and subordinated

units of the Partnership. Common units of TC PipeLines, LP are quoted on the Nasdaq Stock Market and trade under the symbol "TCLPZ". For more information about TC PipeLines, LP, visit the Partnership's website at www.tcpipelineslp.com.

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This news release includes forward-looking statements regarding future events and the future financial performance of TC PipeLines, LP. All forward-looking statements are based on the Partnership's beliefs as well as assumptions made by and information currently available to the Partnership. When used herein, words such as "believes", "expects", "intends", "forecasts", "projects", and similar expressions, identify forward-looking statements within the meaning of the Securities Litigation Reform Act. These statements reflect the Partnership's current views with respect to future events and are subject to various risks, uncertainties and assumptions including regulatory decisions, particularly those of the Federal Energy Regulatory Commission, cost of acquisitions, future demand for natural gas, overcapacity in the industry, and prevailing economic conditions, particularly conditions of the capital and equity markets, and other risks discussed in detail in the Partnership's filings with the Securities and Exchange Commission, including the Partnership's Annual Report on Form 10-K for the year ended December 31, 2000. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statement. Except as required by applicable securities laws, TC PipeLines, LP does not intend to update these forward-looking statements.