



TC PipeLines, LP

NewsRelease

TC PipeLines, LP Raises Quarterly Distribution to \$0.55 per unit and Schedules Earnings Teleconference and Web Cast

Calgary, Alberta – July 22, 2003 – (Nasdaq: TCLP) – TC PipeLines, LP (the Partnership) today announced that the board of directors of TC PipeLines GP, Inc., its general partner, has declared the Partnership's second quarter 2003 distribution in the amount of US\$0.55 per unit. This represents a US\$0.025 per unit or 5% increase from the Partnership's previous quarterly distribution. The second quarter distribution will be paid on August 14, 2003 to unitholders of record as of July 31, 2003.

“Today's announcement reflects our commitment to growing our cash distribution in a disciplined manner,” said Ron Turner, President and Chief Executive Officer of the general partner. “Northern Border Pipeline Company announced last week that it has successfully recontracted substantially all of the approximate 40% of capacity that was to expire this November, strongly reaffirming the pipeline system's competitive position. This, coupled with the Partnership's comfortable cash flow coverages led the board to support a recommendation to increase the distribution.”

The Partnership will release its second quarter 2003 financial results after markets close on July 24, 2003. Ron Turner will host a teleconference and audio web cast on Friday, July 25 at 9:00 a.m. (eastern) to discuss second quarter 2003 financial results and general developments concerning the Partnership. Those interested in listening to the call can dial (800) 273-9672. A replay of the conference call will also be available two hours after the conclusion of the call and until midnight, August 1, 2003, by dialing (800) 408-3053 then entering passcode 1442346.

A live web cast of the conference call will also be available through the Partnership's Internet site at www.tcpipelineslp.com. An audio replay of the call will be maintained on the Internet site until August 31, 2003.

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, which is owned 70% by Northern Border Partners, L.P., a publicly traded master limited partnership controlled by affiliates of Enron Corp., owns a 1,249-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 240-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 "TCLP". For more information about TC PipeLines, LP, visit the Partnership's Internet site at www.tcpipelineslp.com.

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Cautionary Statement Regarding Forward Looking Information

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. 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, majority control of the Northern Border Pipeline management committee by affiliates of Enron Corp., which has filed for bankruptcy protection, the failure of a shipper on either one of the Partnership's pipelines to perform its contractual obligations, including Sierra Pacific Power Company, the shipper of 68% of Tuscarora's capacity, 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 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, 2002. 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.

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