
NewsRelease

TC PipeLines, LP Increases Second Quarter Cash Distribution and Schedules Earnings Teleconference and Webcast

Calgary, Alberta – July 24, 2007 – (Nasdaq: TCLP) – TC PipeLines, LP (the Partnership) today announced the board of directors of TC PipeLines GP, Inc., its general partner, has declared the Partnership's second quarter 2007 cash distribution in the amount of US\$0.655 per unit, increasing the current annual distribution from \$2.60 per unit to \$2.62 per unit. This distribution is payable on August 14, 2007 to unitholders of record as of July 31, 2007.

The cash distribution is the 33rd consecutive quarterly distribution paid by the Partnership and represents the third increase over the last twelve months for an approximately 14 per cent increase over the distribution declared for the second quarter 2006.

“Within the last year and a half, the Partnership successfully closed three significant acquisitions. Also during the last four quarters, the Partnership's quarterly distributions to unitholders increased by a total of \$0.08 per unit, or \$0.32 per unit per annum, to the current annual cash distribution level of \$2.62 per unit,” said Russ Girling, Chairman and CEO of TC PipeLines, GP, Inc. “We are very pleased with the Partnership's performance over the last year and anticipate strong cash flow coverage which will continue to support the Partnership's goal of delivering stable, sustainable and growing cash distributions to unitholders.”

The Partnership will release its second quarter 2007 financial results after markets close on Wednesday, August 1, 2007. Analysts, members of the public, the media and other interested parties are invited to participate in a teleconference and audio webcast on Thursday, August 2, 2007 at 12 p.m. (Eastern). Mark Zimmerman, president of the general partner, will discuss the second quarter 2007 financial results and general developments and issues concerning the Partnership. To participate, please call (866) 898-9626. A replay of the conference call will also be available two hours after the conclusion of the call and until midnight, Thursday, August 9, 2007, by dialing (800) 408-3053, then entering pass code 3227685#.

A live webcast of the conference call will also be available through the Partnership's website at www.tcpipelineslp.com. An audio replay of the call will be maintained on the website.

TC PipeLines, LP is a publicly traded limited partnership. TC PipeLines, LP has interests in more than 3,600 miles of federally regulated U.S. interstate natural gas pipelines including Great Lakes Gas Transmission Limited Partnership (46.45 per cent ownership), Northern Border Pipeline Company (50 per cent ownership) and Tuscarora Gas Transmission Company (99 per cent owned or controlled). Great Lakes is a 2,115-mile pipeline serving markets in Minnesota, Wisconsin, Michigan and eastern Canada. The 1,249-mile Northern Border Pipeline transports natural gas from the Montana-Saskatchewan border to markets in the midwestern United States. Tuscarora owns a 240-mile pipeline system that transports natural gas from Oregon where it interconnects to TransCanada's Gas Transmission Northwest System. TC PipeLines, LP is

managed by its general partner, TC PipeLines GP, Inc., an indirect wholly owned subsidiary of TransCanada Corporation. TC PipeLines GP, Inc., also holds common 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 website at www.tcpipelineslp.com.

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