

TC PipeLines, LP
First Quarter 2011 Conference Call
GTN and Bison Acquisition

April 27, 2011



Forward Looking Information



This presentation may include forward-looking statements regarding future events and the future financial performance of TC PipeLines, LP. Words such as “believes,” “expects,” “intends,” “forecasts,” “projects,” and similar expressions identify forward-looking statements. All forward-looking statements are based on the Partnership’s current beliefs as well as assumptions made by and information currently available to the Partnership. These statements reflect the Partnership’s current views with respect to future events. The Partnership assumes no obligation to update any such forward-looking statement to reflect events or circumstances occurring after the date hereof. Important factors that could cause actual results to materially differ from the Partnership's current expectations include our ability to identify, negotiate and finance potential business opportunities, market conditions, and other risks inherent in an investment in us as 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, 2010 and the Partnership’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2011.

Agenda



1. Review of First Quarter 2011 Financial Results and Discussion on Recent Partnership Developments

2. Review of GTN and Bison Acquisition Announcement

3. Question and Answer Period



Recent Developments

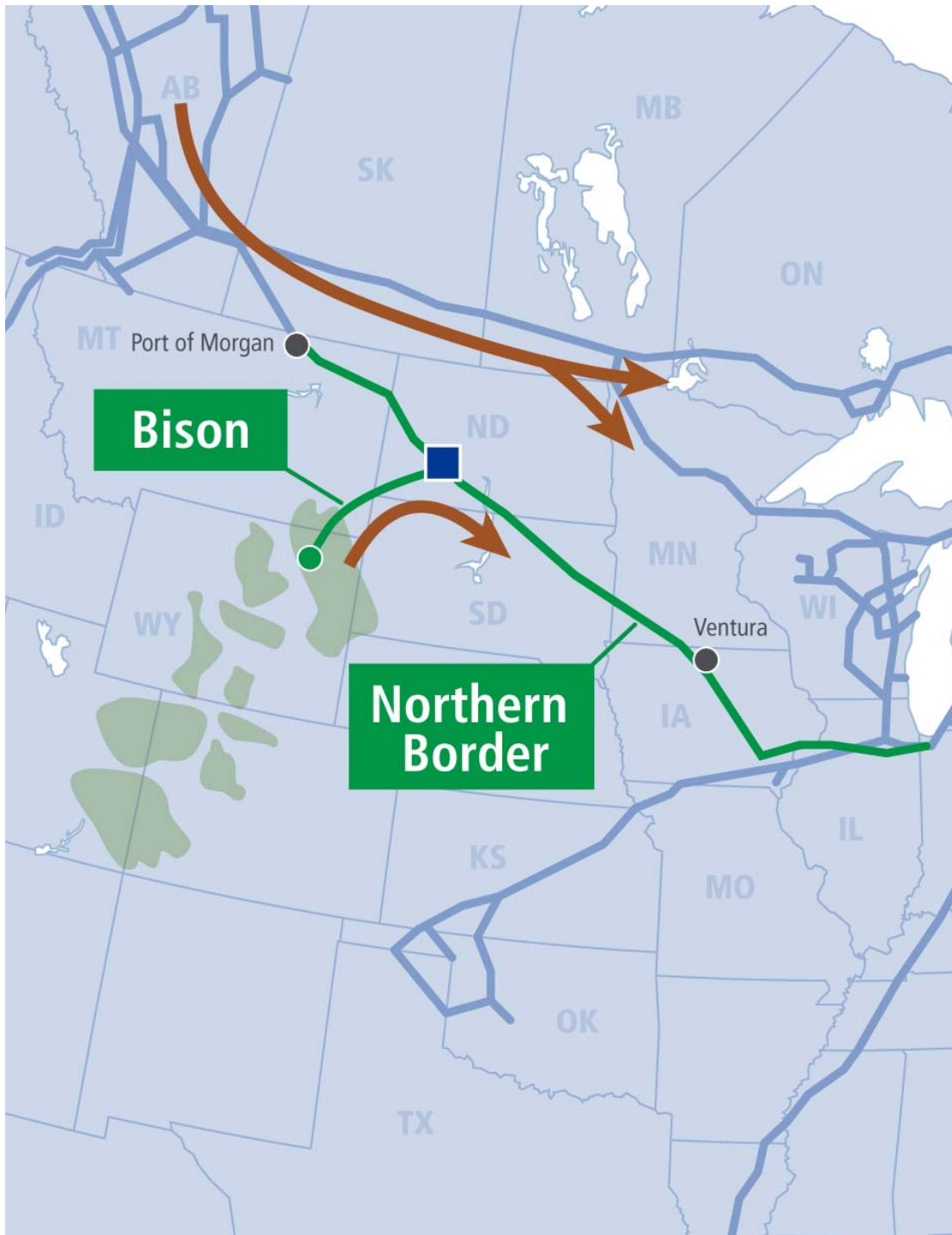
Steve Becker, President



Q1 2011 Financial Highlights



- Partnership Q1 2011 cash flows of \$48.3 million
– an increase of 31 percent over Q1 2010
- Cash distributions paid of \$35.4 million
- Q1 2011 net income of \$42.3 million or \$0.90 per unit
– an increase of 26 percent over Q1 2010
- On April 19, 2011 declared Q1 2011 cash distribution of \$0.75 per unit



Northern Border Now Transporting Rockies Gas via Bison

- Rockies gas shipped to market via Northern Border
In service Jan 14, 2011
- 10 year contracts on Northern Border with Bison shippers for 407 MMcf/d of capacity from Port of Morgan, MT to Ventura, IA
- Diversifies Northern Border's gas supply and lengthens its contract profile



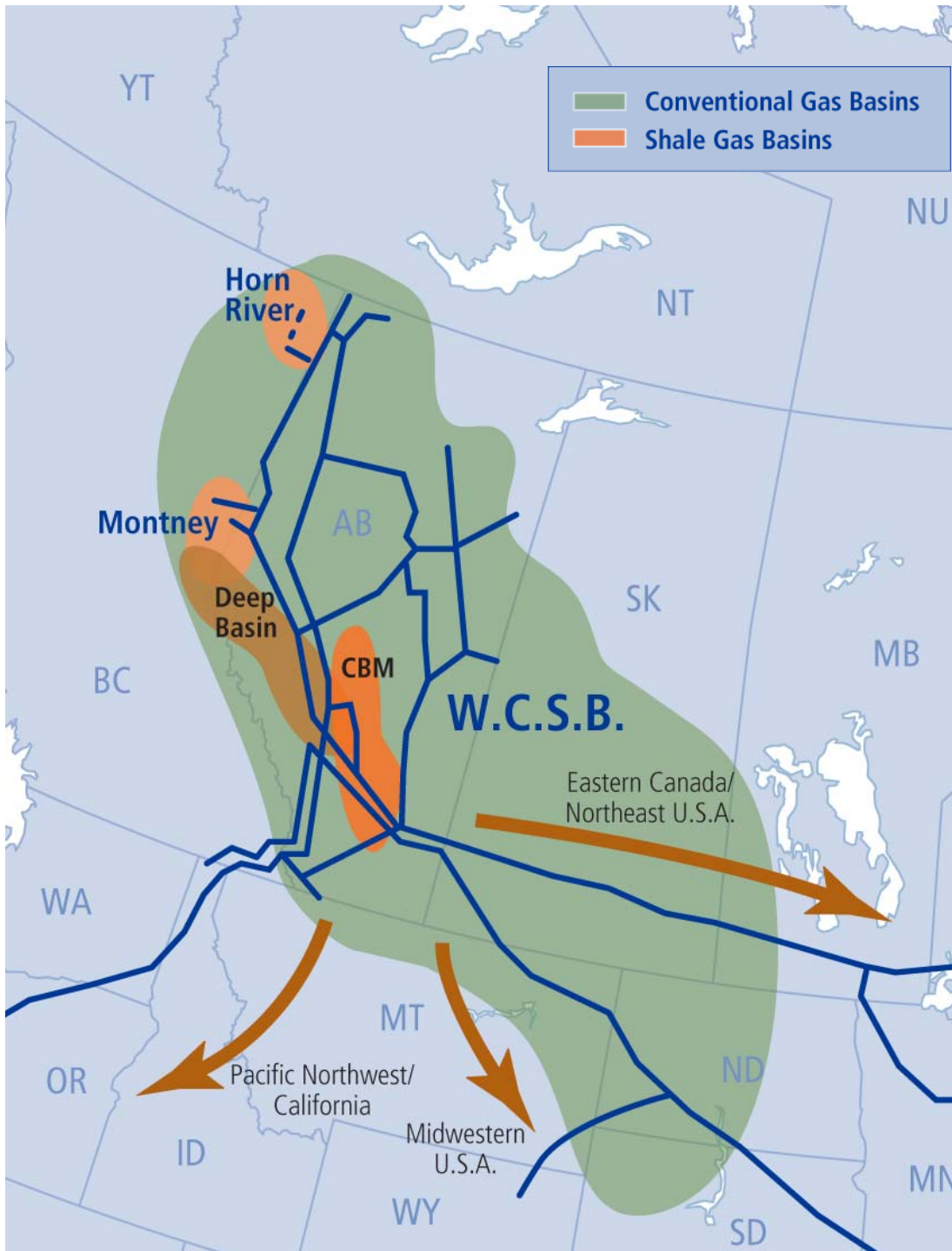
Northern Border's Princeton lateral project

- Finalizing engineering details and implementation plan
– in service still expected in Q4 2011

Contracting status on long-haul pipelines

- Northern Border - essentially fully contracted through Q1 2012
- Great Lakes – essentially fully contracted through Q3 2011

TransCanada Connecting New Western Canadian Supply



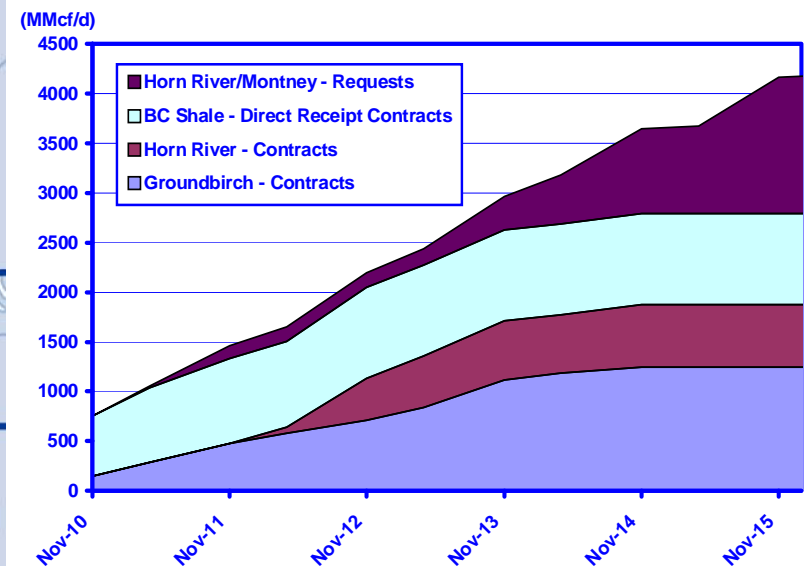
Montney/Groundbirch Project

- Commitments for 1.24 Bcf/d by 2014
- Placed in-service December 2010

Horn River Project

- Commitments for 0.63 Bcf/d by 2014
- Expected in-service Q2 2012

Request for additional transportation ~ 2.3 Bcf/d





First Quarter 2011 Results

Rob Jacobucci, Principal Financial Officer



First Quarter 2011 Financial Results

(unaudited, millions of dollars except per common unit amounts)



	Three months ended Mar 31	
Partnership cash flows ^(a)	48.3	36.8
Cash distribution paid	35.4	34.4
Cash distributions declared per common unit ^(b)	\$ 0.75	\$ 0.73
Net income	42.3	33.7
Net income per common unit ^(c)	\$ 0.90	\$ 0.71
Weighted average common units outstanding (millions)	46.2	46.2
Common units outstanding, end of period (millions)	46.2	46.2

(a) Partnership cash flows is a non-GAAP financial measure.

(b) The Partnership's 2011 first quarter cash distribution will be paid on May 13, 2011 to unitholders of record as of the close of business on April 30, 2011.

(c) Net income per common unit is computed by dividing net income, after deduction of the general partner's allocation, by the weighted average number of common units outstanding. The general partner's allocation is computed based upon the general partner's two percent interest plus an amount equal to incentive distributions.

Liquidity and Capital Resources



Generated \$48.3 million in Partnership cash flows and paid cash distributions of \$35.4 million in Q1 2011

\$250 million revolving credit facility

- No borrowings as of March 31, 2011
- Average interest rate was 4.0 percent for the three months ending March 31 – includes hedging impact

Renewal of Senior Credit Facility is expected prior to its December 12, 2011 maturity

Partnership's financial position remains strong



GTN & Bison Acquisition

Steve Becker, President



Acquisition Overview



Acquiring from TransCanada a 25% ownership interest in both:

- Gas Transmission Northwest LLC (GTN), and
- Bison Pipeline LLC (Bison)

\$605 million aggregate purchase price

- \$405 million for GTN, reflects \$81 million of GTN debt
- \$200 million for Bison
- Transaction expected to close in May, 2011

Expect acquisition to be accretive to cash flows and earnings

Acquisition Highlights



GTN and Bison provide:

- Sustainable cash flows and earnings underpinned by long-term contracts
- Gas supply and market diversity
- Growth potential from lateral and compression expansions

TC PipeLines' portfolio impact:

- Increases contracted revenue percentage
- Increases to six FERC regulated internal natural gas pipelines

Partnership continues to be an attractive financing option for TransCanada

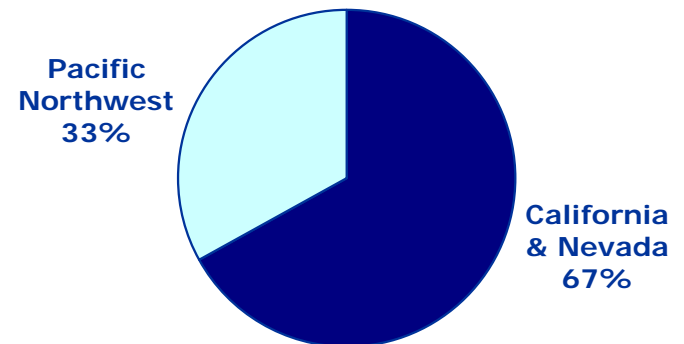
GTN Pipeline System

- TC PipeLines LP, wholly & partially owned pipeline assets
- TransCanada wholly & partially owned pipeline assets



- Acquisition price \$405 million
- 2010 EBITDA \$43 million (25% interest)
- 1,353 mile transmission system, FERC regulated
- Design Capacity of 2.9 Bcf/d
- 1.5 Bcf/d of long-term contracts that mature between 2015 and 2028
- Desirable customer mix

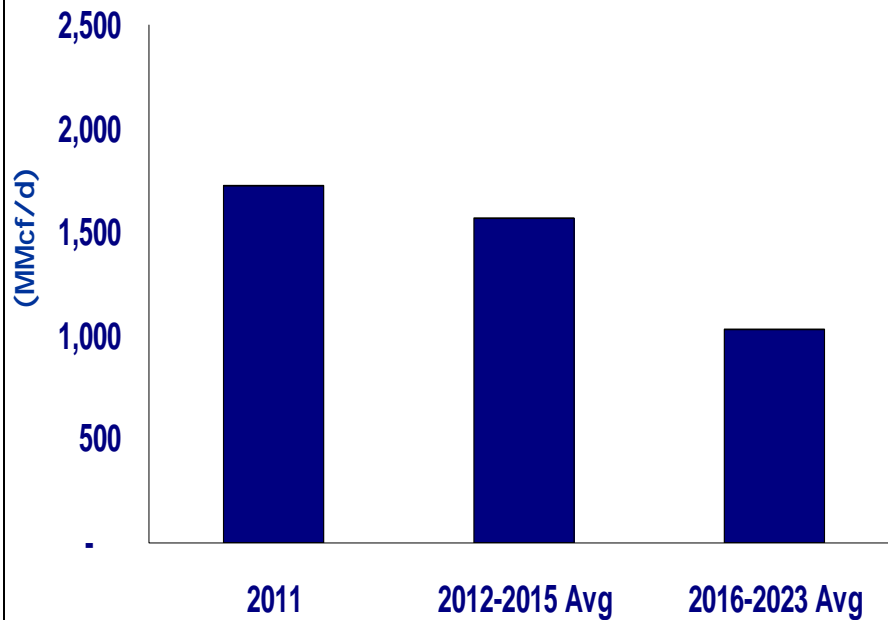
Market Volume Demand Mix



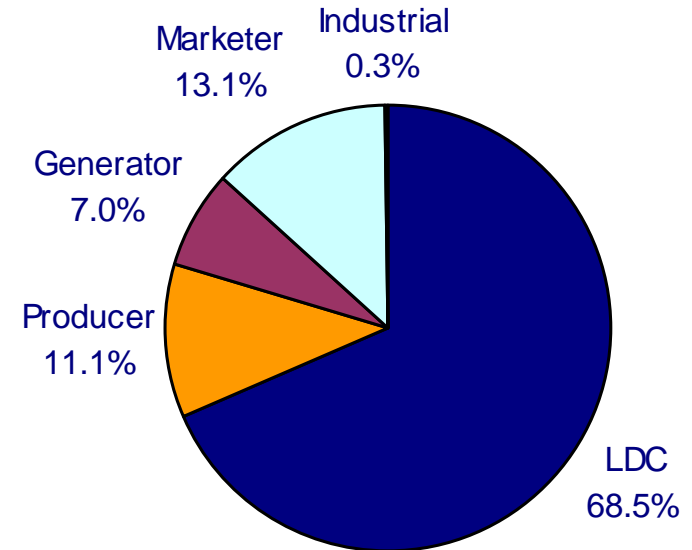
GTN Long-Term Contract Profile and Customer Mix



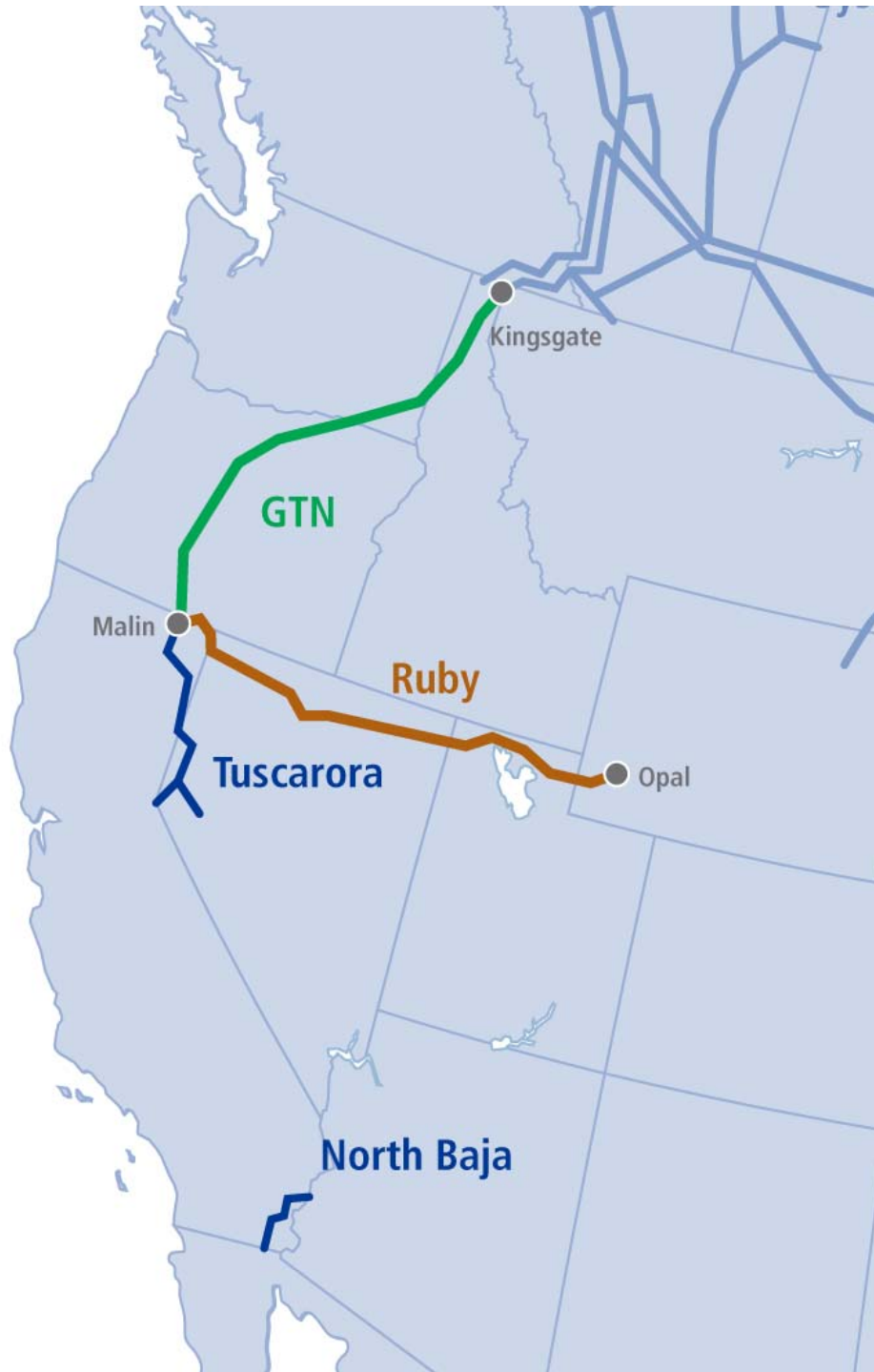
Long-Term Contract Profile



Contracted Customer Mix

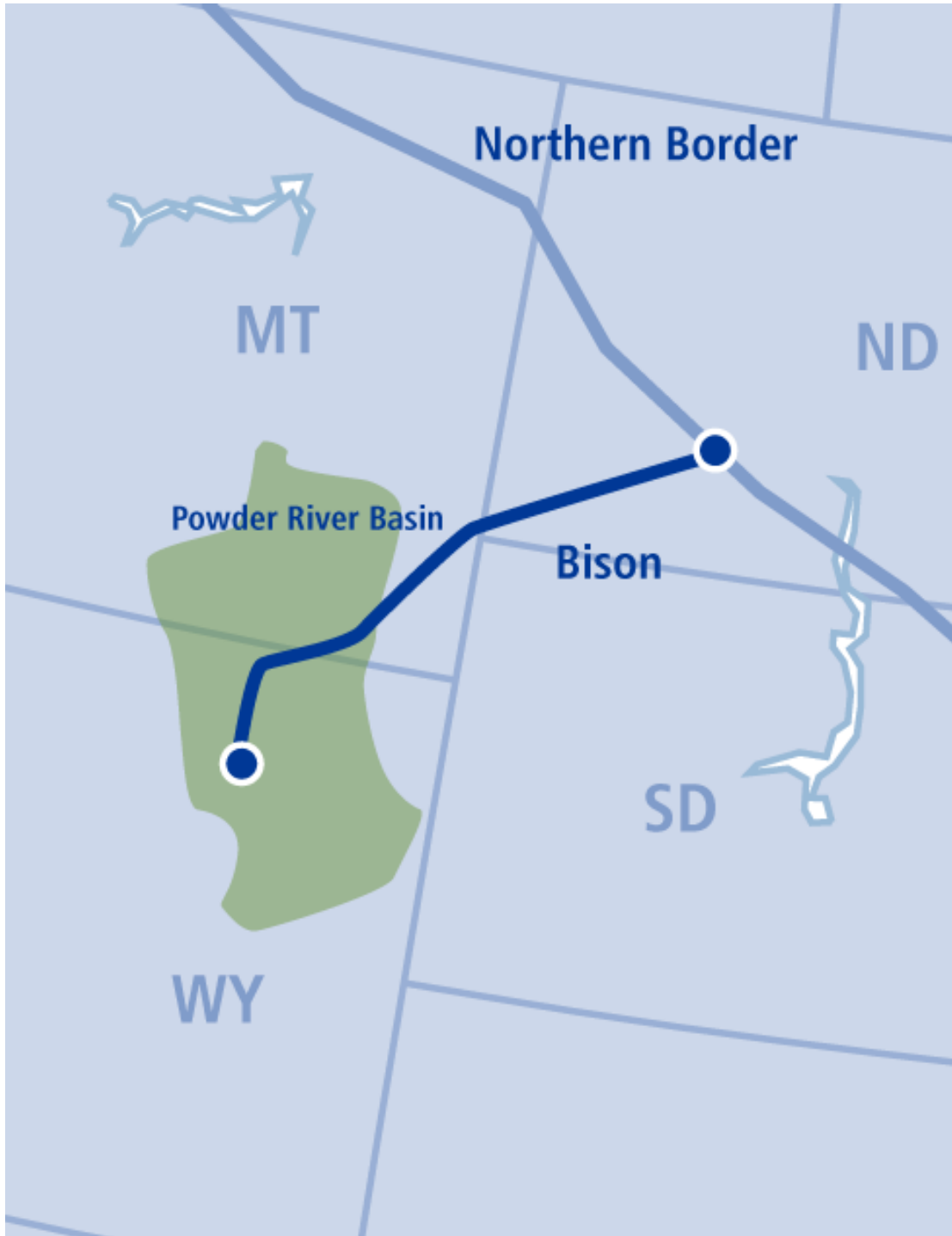


LDCs are stable and secure customers that need contracts to ensure they can meet demands during peak loads



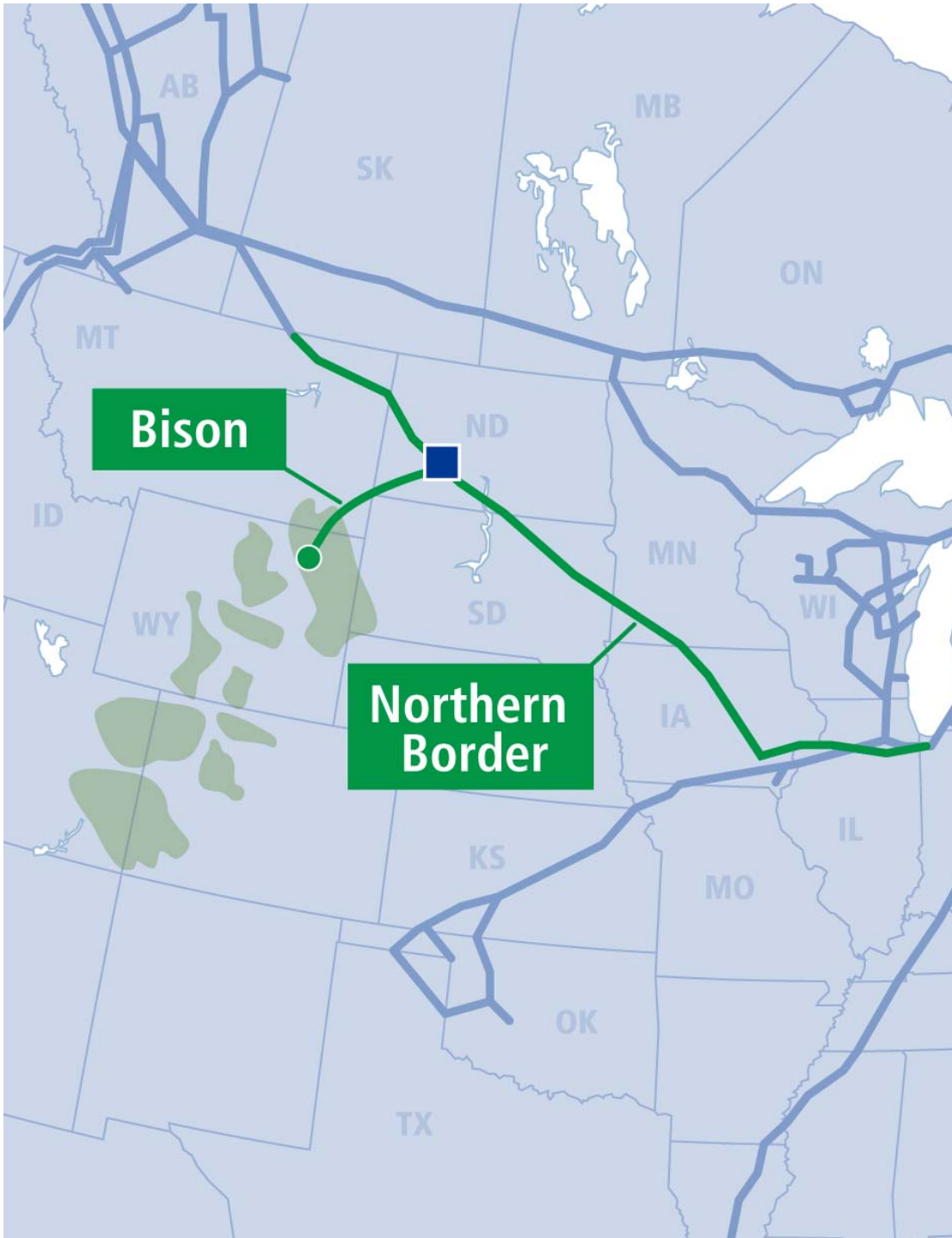
Competitive Advantages of GTN

- Long-term contracts to Malin through 2023 extend beyond Ruby's 10 year contracts
- Alberta hub pricing is currently lower than Rockies pricing at Opal hub
 - Strong netback to producers utilizing GTN
 - Lower delivered costs to LDCs buying WCSB gas
- 1/3 of GTN's volumes serve Pacific Northwest markets through interconnection with Northwest Pipeline, power generation and local markets along pipeline route



Bison Pipeline

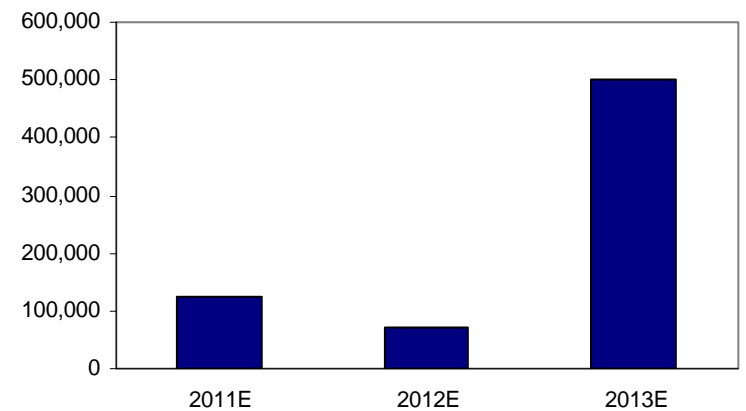
- Acquisition price \$200 million
- Estimated FY 2011 EBITDA of \$16 million (25% interest)
- 303 mile FERC regulated interstate natural gas pipeline
- In service Jan 14, 2011
- Pipeline capacity of 0.4 Bcf/d
- 10 year contracts for essentially all of its capacity with 4 shippers

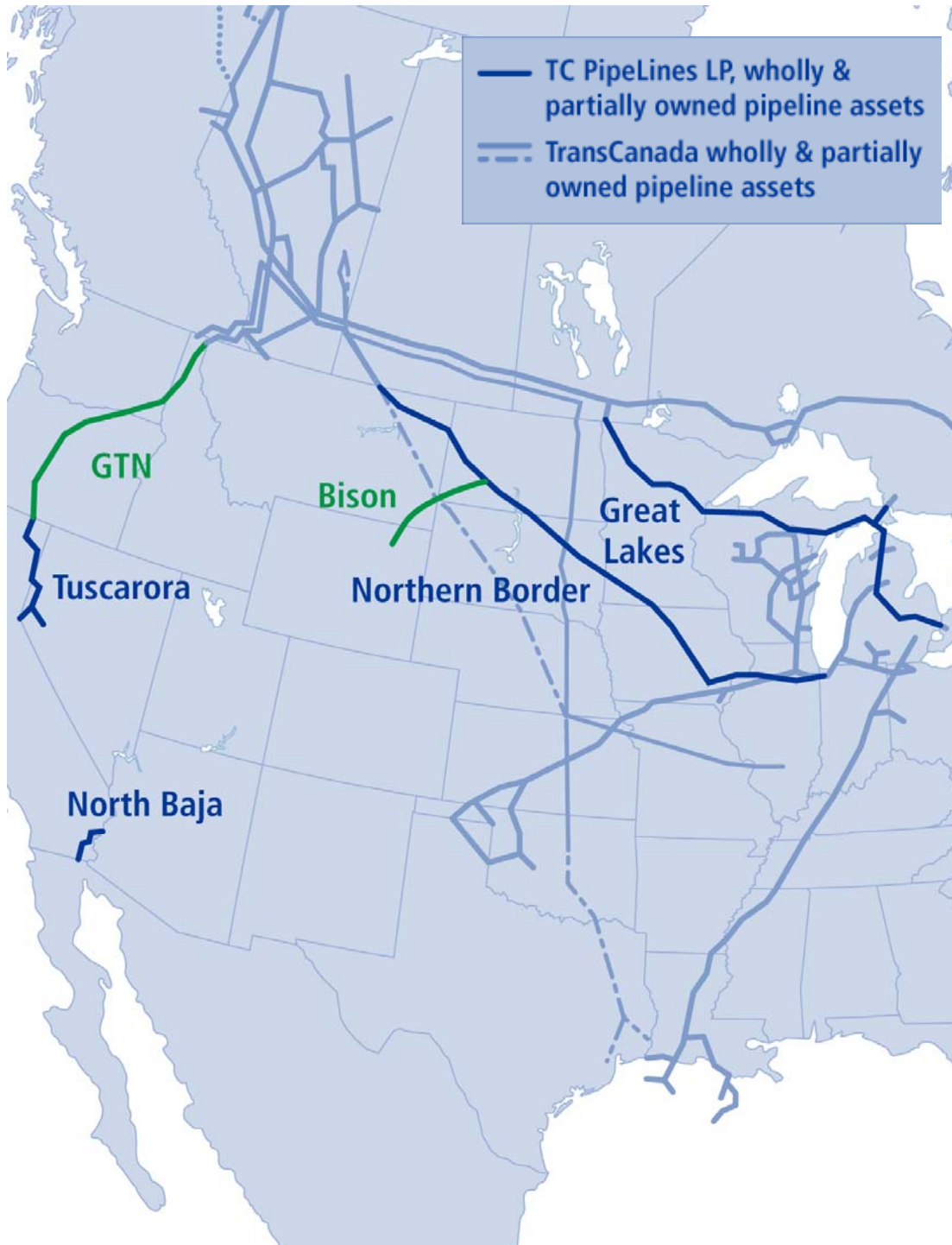


Future Bison Opportunities

- Cost effective expandability through additional compressor stations
- Potential for increased volumes from:
 - Expansions deeper into basin
 - Capture more Rockies gas on Bison/Northern Border route

Contract Expirations on Other Pipelines (MMcf/d)





New Asset Portfolio

- Six FERC regulated interstate natural gas pipelines
- Focused on West Coast and Mid-west markets
- Capacity of 8.9 Bcf/d
- Diversified portfolio of supply basin sources

TC PipeLines, LP - Investment Highlights



History of Providing Stable and Growing Cash Distributions

- Close to 12 Years of growing distributions
- Solid cash distribution coverage ratio

Strong Stewardship from Sponsor TransCanada

- North America's largest natural gas pipeline operator
- Significant ownership interest in the Partnership
- Operates the Partnership's assets
- Future potential drop-downs to the LP as a means to fund TransCanada's capital program



Future Growth Opportunities

- Opportunistic when looking at acquisition growth and organic expansions





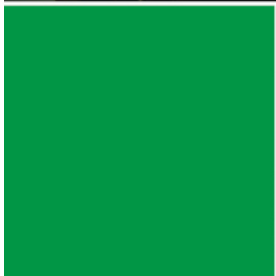
Question & Answer Period

Steve Becker, President

Rob Jacobucci, Principal Financial Officer

Lee Evans, Manager Investor Relations





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