



TC PipeLines, LP

NewsRelease

TC PipeLines, LP Announces Second Quarter Earnings and Declares Quarterly Distribution

Calgary, Alberta – July 20, 2000 – (Nasdaq NM: TCLPZ) – TC PipeLines, LP today announced net income of US\$8.5 million or US\$0.48 per unit for the three months ended June 30, 2000. For the six months ended June 30, 2000, TC PipeLines reported net income of US\$16.9 million or US\$0.95 per unit. This compares to US\$3.0 million of net income or US\$0.17 per unit for the Partnership’s initial period of May 28, 1999, the date of the Partnership’s initial public offering, to June 30, 1999.

The Partnership’s 30% general partner interest in Northern Border Pipeline Company (Northern Border Pipeline) generated equity income in the amount of US\$8.8 million and US\$17.4 million for the three and six months ended June 30, 2000, respectively. The Partnership has held its interest in Northern Border Pipeline since May 28, 1999.

The board of directors of TC PipeLines GP, Inc., the general partner of TC PipeLines, LP, has also declared the Partnership’s second quarter distribution in the amount of US\$0.45 per unit. This distribution is payable on August 14, 2000, to unitholders of record as of July 31, 2000.

“Today’s announcement of the Partnership’s second quarter distribution demonstrates our desire to continue generating a steady stream of distributions to our unitholders,” said Garry Mihaichuk, President and Chief Executive Officer of TC PipeLines GP, Inc. “In terms of growing the Partnership’s asset base and cash distributions, our plans to acquire a 49% general partner interest in Tuscarora Gas Transmission Company mark the first step towards achieving this objective.”

TC PipeLines, LP plans to hold a conference call with investment analysts today at 3:00 p.m. (eastern). During this call, TC PipeLines, LP’s senior executives will review the Partnership’s 2000 second quarter results and discuss the planned Tuscarora acquisition. Those interested in listening to the call can dial 1-800-273-9672. A replay of the conference call will also be available from 7:00 p.m. (eastern) today until Thursday, July 27, 2000 by dialing 1-800-408-3053 then entering passcode 499874.

TC PipeLines, LP

Financial Highlights

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

	Three months ended <u>June 30, 2000</u>	Six months ended <u>June 30, 2000</u>	May 28 ^[1] - <u>June 30, 1999</u>
Equity income [2]	8,824	17,447	3,130
Net income	8,533	16,877	2,986
Net income per unit [3]	\$0.48	\$0.95	\$0.17
Units outstanding (thousands)	17,500	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 and six months ended June 30, 2000 and the period May 28 (the date TC PipeLines acquired its general partner interest in Northern Border Pipeline) to June 30, 1999. Summarized operating and financial information of Northern Border Pipeline for the three and six months ended June 30, 2000 and the three and six months ended June 30, 1999 is as follows:

Northern Border Pipeline Company
Operating and Financial Highlights
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Operating Results:				
Gas Delivered (MMcf)	210,719	209,084	423,366	411,935
Average Throughput (MMcf/d)	2,385	2,357	2,398	2,342
Financial Results (millions of U.S. dollars):				
Operating Revenue	\$77.3	\$73.0	\$153.6	\$146.7
Depreciation and Amortization	\$14.5	\$12.9	\$29.4	\$25.7
Interest Expense	\$16.4	\$14.6	\$32.8	\$29.0
Net Income	\$29.4	\$29.0	\$58.1	\$59.3

[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.