
NewsRelease

TC PipeLines, LP Declares Fourth Quarter Cash Distribution and Schedules Earnings Teleconference and Webcast

Calgary, Alberta – January 20, 2009 – (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 fourth quarter 2008 cash distribution in the amount of US\$0.705 per common unit. This cash distribution is equivalent to the third quarter 2008 distribution and represents a 6 per cent increase from the fourth quarter 2007 distribution of US\$0.665 per common unit.

“Despite the current uncertain economic times, the Partnership is well positioned to continue to deliver solid financial results,” said Russ Girling, chairman and chief executive officer of TC PipeLines GP, Inc. “Our strong financial position also gives us the capacity to pursue opportunities to grow in a sustained and disciplined manner for the long term benefit of our unitholders.”

This cash distribution is the 39th consecutive quarterly distribution paid by the Partnership. This distribution is payable on February 13, 2009 to unitholders of record as of January 30, 2009.

The Partnership will release its fourth quarter 2008 financial results on Friday, February 20, 2009. Analysts, members of the public, the media and other interested parties are invited to participate in a teleconference and audio webcast on Friday, February 20, 2009 at 10:00 a.m. (Mountain) and 12:00 p.m. (Eastern). Mark Zimmerman, president of the general partner, will discuss fourth quarter 2008 financial results and general developments and issues concerning the Partnership. To participate, please call (866) 225-0198. A replay of the conference call will also be available two hours after the conclusion of the call and until 10:00 p.m. (Mountain) and midnight (Eastern), Friday, February 27, 2009, by dialing (800) 408-3053, then entering pass code 3280527#.

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 (100 per cent ownership). 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 TC PipeLines, LP. 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.

Cautionary Statement Regarding Forward-Looking Information

This news release 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, 2007 and the Partnership's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

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