Second Quarter 2018 Conference Call

August 2, 2018

TC PipeLines, LP

Nathan Brown, President

Janine Watson, VP and General Manager

Chuck Morris, Principal Financial Officer

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Forward Looking Information and Non-GAAP Measures

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 the impact of the Tax Cuts and Jobs Act of 2017 (the Tax Act) and the FERC orders issued on March 15, 2018 and July 18, 2018 (2018 FERC Actions) on our pipeline’s rates and the Partnership’s revenues, cash flow and cash available for distributions, debt payments and covenant compliance, ability to mitigate the impact of the Tax Act and 2018 FERC Actions, initiation of Section 5 proceedings or other acceleration of rate resets, availability of drop downs, non-renewal or replacement of expiring transportation agreements, 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, 2017, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

We use the non-GAAP financial measures “EBITDA” and ‘‘Distributable cash flow” as a supplement to our GAAP financial statements. “EBITDA” is an approximate measure of our operating cash flow during the current earnings period. “Distributable cash flow” provides a measure of distributable cash generated during the current earnings period. These measures are performance measures presented to assist investors in the evaluation of our business performance. We believe these measures provide additional meaningful information in evaluating our financial performance and cash generating capacity. These non-GAAP financial measures are provided as a supplement to GAAP financial results and are not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. The reconciliations of these measures to the most directly comparable GAAP measure, Net Income, are available on our website under the supplemental schedules published as part of our quarterly earnings releases. These measures do not have any standardized meaning prescribed by GAAP. They are, therefore, considered to be non-GAAP measures and are unlikely to be comparable to similarly titled measures presented by other entities.

Second Quarter 2018 Highlights

- **Net income attributable to controlling interests of $73 million**
- **Distributable cash flow of $101 million**
- **Cash distributions paid of $47 million or $0.65 per common unit**
- **Declared cash distribution of $0.65 per common unit, consistent with the first quarter 2018 distribution**
- **FERC issued its final rulemaking on July 18, 2018 clarifying tax questions for MLPs and the upcoming regulatory process, providing a measure of flexibility for the industry**

2018 FERC Actions

- **FERC announcements on July 18 to clarify and rule on March 15 pronouncements:**
  - Provides TCP with the option to either:
    1) Include 21% tax allowance in a pipeline's rates and defend that position in future rate proceeding, or
    2) Claim no tax allowance and eliminate the ADIT deduction from our cost-of-service calculations
  - Option 1 clarifies that a corporate conversion could successfully preserve the 21% corporate tax allowance
  - Option 2 foregoes the collection of taxes but in certain circumstances may allow for a pipeline's revenue requirement to increase by roughly an equivalent amount
- **TC PipeLines' actions:**
  - Determined an updated range of impact at approximately negative $40 to $60 million per year
  - Maintained distribution at $0.65 per unit for second quarter 2018
    - Continues to be prudent given remaining uncertainty around timing of regulatory actions
    - Utilize retained cash to manage leverage metrics and fund ongoing capital expenditures
  - Assessing strategic options to best position the Partnership for the long term
    - Preferred approach may not include the need for a corporate restructuring

Partnership and Market Update

- **Continued solid performance from our portfolio of assets**
  - GTN revenues continued to benefit from higher contracting resulting from increased gas flows out of Canada
  - PNGTS benefited from incremental contracting from its Continent-to-Coast contracts
  - Consistent solid second quarter performance from Great Lakes and Northern Border
    - Great Lakes realized incremental seasonal winter sales and the elimination of its revenue sharing mechanism beginning in 2018 as a result of its 2017 settlement with its shippers
  - Continued stable performance from the remainder of our assets
- **Outlook**
  - Expect our assets to perform consistently due to high contract levels
  - PNGTS opportunities for recontracting and expansion
  - GTN continuing to benefit from upstream debottlenecking activities over time
  - Potential for additional Great Lakes contracting with TransCanada's Mainline

Second Quarter 2018 Financial Results
(unaudited, millions of dollars except per common unit amounts)

	Three months ended 30-Jun 2018	Three months ended 30-Jun 2017
Net income	75	55
Net income attributable to controlling interests	73	55
Net income per common unit – *basic and diluted* [(a)]	$1.00	$0.73
Cash distributions paid	(47)	(68)
Cash distributions declared per common unit	$0.65	$1.00
EBITDA[(b)]	124	100
Distributable cash flow [(b)]	101	82
Weighted average common units outstanding *(millions)* [(c)]	71.3	68.9
Common units outstanding, end of period *(millions)* [(c)]	71.3	69.0

(a) Net income per common unit is computed by dividing net income attributable to controlling interests, after deduction of net income attributable to PNGTS' former parent and amounts attributable to the General Partner and Class B units, by the weighted average number of common units outstanding.

(b) EBITDA and Distributable cash flow are non-GAAP financial measures. The reconciliations of these measures to the most directly comparable GAAP measure, Net Income, are available on our website under the supplemental schedules published as part of our second quarter earnings release.

(c) Under the ATM program, the Partnership issued 732,973 units during the six months ended June 30, 2018 (none during the three months ended June 30, 2018).

Second Quarter 2018 Financial Results
(unaudited, millions of dollars)

	Three months ended 30-Jun	
	2018	2017
Transmission revenues	111	101
Equity earnings	36	24
Operating, maintenance and administrative	(25)	(26)
Depreciation	(24)	(25)
Financial charges and other	(23)	(19)
Net income	75	55
Net income attributable to non-controlling interests	(2)	-
Net income attributable to controlling interests	73	55

Solid Financial Position

- **Investment grade credit ratings**
  - Solid capital structure
  - Indicative of quality assets within portfolio
- **Liquidity and flexibility**
  - Credit facility of $500 million; $410 million available as at August 2, 2018
  - Right to request increase in credit facility by $500 million
- **Solid distribution coverage**

TC PipeLines, LP – Key Takeaways

Critical Energy Infrastructure Assets

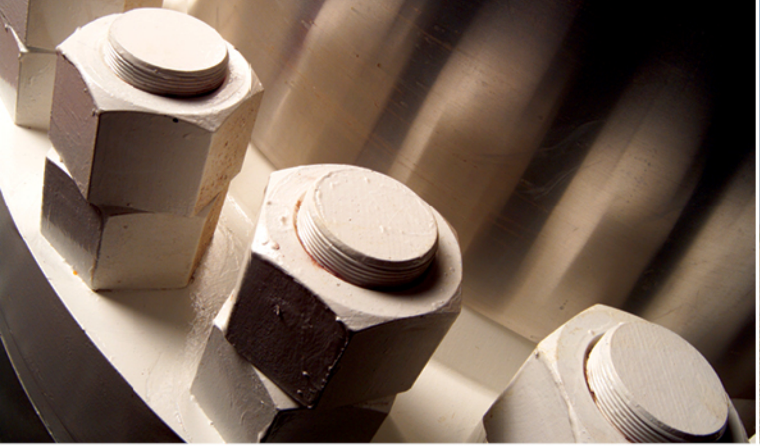
- Geographically diverse portfolio of inter-state natural gas pipelines
- Substantially backed by long-term, ship-or-pay contracts with strong counterparties
- Investment grade credit ratings

Proactively Managed to Maximize Value over the Long Term

Organic Growth Opportunities

- Continue to pursue organic growth on our pipelines and leverage the value of “steel-in-the-ground” serving critical markets
- Portland XPress project under development

Maximizing the long-term value of our assets to generate stable, predictable results





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