First quarter 2019 conference call

May 8, 2019

TC PipeLines, LP

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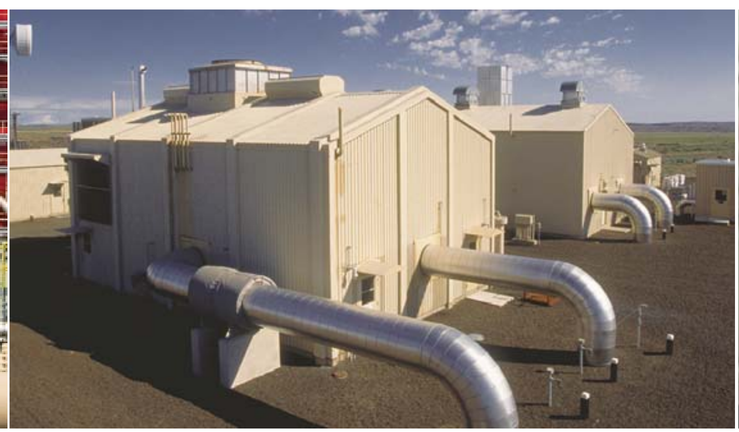
Nathan Brown, President

Janine Watson, VP and General Manager

Chuck Morris, Principal Financial Officer

Rhonda Amundson, Investor Relations


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, 2018, 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.

First quarter highlights

- Net income attributable to controlling interests of $93 million
- EBITDA of $142 million
- Distributable cash flow of $116 million
- Cash distributions of $60 million including $13 million paid to Class B units
- Declared cash distribution of $0.65 per common unit
- Organic growth projects moving forward – Portland XPress and Westbrook XPress
- Regulatory progress continued across portfolio
- Reduced long-term debt balance by $32 million – no outstanding balance under Senior Credit Facility
- Bank leverage ratio reduced to approximately 3.0 times
- Solid distribution coverage of 2.5 times for first quarter

Operating and regulatory update

Continued solid performance from our portfolio of assets

- Continued strong contracting on GTN from higher flows out of Canada, partially offset by scheduled rate decrease in settlement agreement
- Additional revenue from Phase 1 of PNGTS' Portland XPress project
- Increased short-term firm services at Northern Border, partially offset by scheduled rate reductions
- Continued stable performance from the remainder of our assets

Regulatory response to FERC's 2018 Actions concluded

- Received FERC approval for both Iroquois' and Tuscarora's rate settlements in early May
- Northern Border filed with FERC to amend its 2017 settlement

Commercial update and outlook

Pipelines benefit from increasing natural gas flows out of Canada

Organic growth progressing

- Portland and Westbrook XPress continue to advance on-time and on-budget
- Positioned to fund future growth and maintain our credit metrics

Outlook

- Expect our assets to perform consistently due to high contract levels and ongoing market demand for natural gas transportation from prolific supply basins
- Working on the next wave of growth opportunities, including North Baja XPress

First quarter 2019 financial results

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

	Three months ended 31-Mar	
	2019	2018
Net income	100	102
Net income attributable to controlling interests	93	96
Net income per common unit – *basic and diluted* [(a)]	$1.28	$1.32
EBITDA [(b)]	142	150
Cash distributions paid	(47)	(76)
Class B distributions paid	(13)	(15)
Distributable cash flow [(b)]	116	112
Cash distributions declared per common unit	$0.65	$0.65
Weighted average common units outstanding *(millions)*[(c)]	71.3	71.2
Common units outstanding, end of period *(millions)*[(c)]	71.3	71.3

(a) Net income per common unit is computed by dividing net income attributable to controlling interests, after deduction of net income attributable to the General Partner, by the weighted average number of common units outstanding.

(b) Distributable cash flow and EBITDA 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 first quarter earnings release.

(c) Under the ATM program, no common units were issued during the three months ended March 31, 2019 (2018 – 732,973 units were issued).

First quarter 2019 financial results

(unaudited, millions of dollars)

	Three months ended 31-Mar 2019	2018
Transmission revenues	113	115
Equity earnings	54	59
Operating, maintenance and administrative	(25)	(24)
Depreciation	(20)	(24)
Financial charges and other	(22)	(23)
Net income before taxes	100	103
Income taxes	-	(1)
Net income attributable to non-controlling interests	7	6
Net income attributable to controlling interests	93	96

Solid financial position

Investment grade credit ratings

- Solid capital structure
- Indicative of quality assets within portfolio

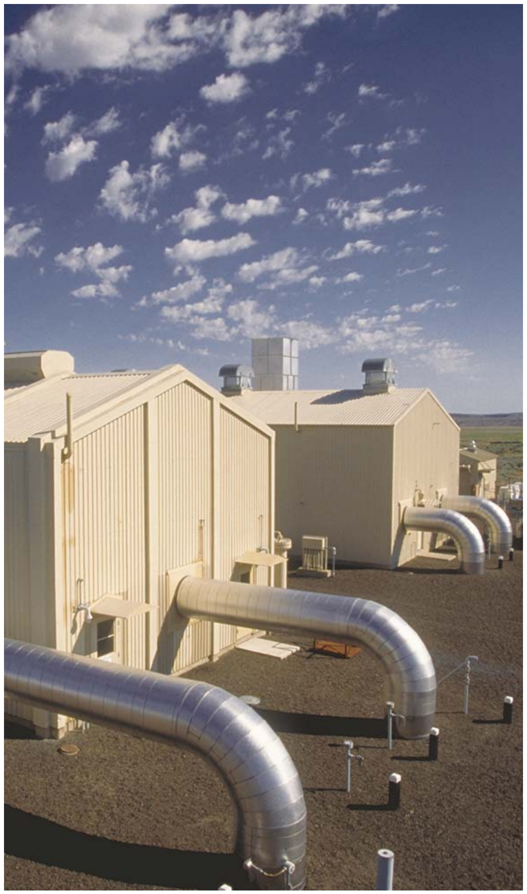
Liquidity and flexibility

- Credit facility of $500 million; $500 million available as at May 8, 2019
- Bank leverage ratio approximately 3.0 times

Solid distribution coverage

- 2.5 times for the quarter ended March 31, 2019

TC PipeLines, LP – Key takeaways



High quality assets generate strong cash flows

- EBITDA derived from stable assets substantially backed by long-term, ship-or-pay contracts
- Strong competitive position

Healthy financial position maximizes value over the long term

- Bank leverage ratio targeted in the high 3 to low 4 times range
- Distribution coverage ratio targeted at approximately 1.3 to 1.4 times
- Investment-grade with low IDRs
- No need to access equity capital markets

Organic growth opportunities

- "Steel-in-the-ground" advantage provides a strong platform for future growth
- Visible growth from current projects, Portland XPress and Westbrook XPress
- Line of sight to additional organic growth opportunities

Advancing organic growth projects across our portfolio

Question & answer period

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