First quarter 2020 conference call

May 6, 2020

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 potential impairment charges, decreases in demand on our pipeline systems, increases in operating and compliance costs, the outcome of rate proceedings, the impact of recently issued and future accounting updates and other changes in accounting policies, potential changes in the taxation of MLP investments by state or federal governments such as the elimination of pass-through taxation or tax deferred distributions, our ability to identify and complete expansion and growth opportunities, operating hazards beyond our control, the impact of a potential slowdown in construction activities or delay in completion of our capital projects including increase in costs and availability of labor, equipment and materials, the impact of downward changes in oil and natural gas prices, including any effects on the creditworthiness of our shippers or the availability of natural gas in a low oil price environment, uncertainty surrounding the impact of global health crises that reduce commercial and economic activity, including the recent outbreak of the COVID-19 virus, the potential impact on our business and our ability to access debt and equity markets that negatively impacts the Partnership’s ability to finance its capital spending, 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, 2019, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

We use the non-GAAP financial measures “EBITDA”, “Adjusted EBITDA” and ‘‘Distributable cash flow” as a supplement to our GAAP financial statements. “EBITDA” and “Adjusted EBITDA” are approximate measures of our operating cash flow during the current earnings period and “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

Continued to reliably deliver essential energy services across our systems during this unprecedented time

- Business continuity plans implemented with a focus on the health and safety of employees, contractors and the communities where we work in light of the COVID-19 pandemic
- Allowed us to continue to effectively operate our assets and execute on our capital programs

Generated solid first quarter results

- Net income attributable to controlling interests of $88 million
- EBITDA of $134 million, adjusted EBITDA of $138 million and distributable cash flow of $88 million
- Cash distributions of $47 million or $0.65 per common unit paid together with $8 million paid to Class B units

Declared 2020 first quarter cash distribution of $0.65 per common unit

Progressed construction activities on our organic growth projects across our portfolio – GTN, Tuscarora and PNGTS

Strong metrics in volatile markets

- Bank leverage ratio approximately 3.4 times
- Distribution coverage of 1.9 times for first quarter

Committed to responsible environmental, social and governance practices

Outlook largely unchanged as a result of our low-risk business model

Commercial update

Continued solid operations across our asset portfolio during the current period of uncertainty

- Overall steady results on all of our pipelines

Expect consistent performance going forward

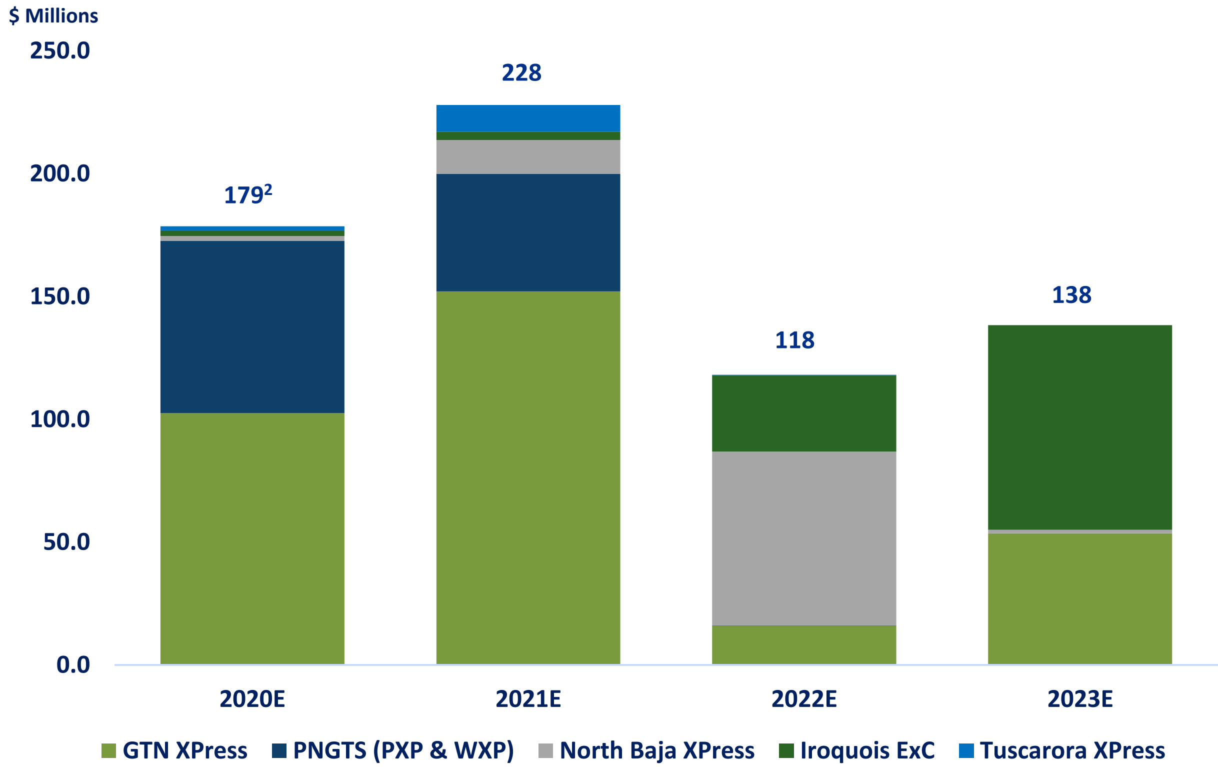
- High contract levels and ongoing market demand for natural gas transportation from prolific supply basins
- High utilization rates on our pipelines
- Our assets continue to be critical conduits linking natural gas production from competitive low-cost supply basins to important market demand centers

Optimizing existing assets

- Northern Border tariff amendment
- Bison outlook
- Great Lakes update

Ongoing stable operations

Project update[1] and capital expenditure outlook



- Capex will be funded through asset level debt and TC PipeLines contributions
- TC PipeLines has the capacity to make contributions from cash from operations and our revolving senior credit facility – no new equity issuances are anticipated
- In 2020, we also expect to invest approximately $113 million into maintenance of existing assets[3]. All capex, including maintenance, is expected to be recovered through fixed negotiated rate contracts and/or recourse rates over time

[1] *Estimated as at Mar. 31, 2020 and exclusive of AFUDC; values represent TC PipeLines' proportionate share of estimated capex based on ownership and are subject to change as projects are developed. All projects are subject to customary regulatory approvals, North Baja XPress is also subject to shipper Final Investment Decision and Iroquois ExC is subject to certain other additional approvals.*
[2] *Estimated growth capex in 2020 includes $102 million related to Phase I costs of GTN XPress and excludes capex for smaller projects across our portfolio of assets.*
[3] *Represents TC PipeLines' proportionate share of total expected maintenance capex in 2020 of $152 million.*

First quarter 2020 financial results

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

	Three months ended 31-Mar 2020	2019
Net income	**94**	**100**
Net income attributable to controlling interests	**88**	**93**
Net income per common unit – *basic and diluted* [(a)]	**$1.21**	**$1.28**
EBITDA [(b)]	**134**	**142**
Adjusted EBITDA [(b)]	**138**	**152**
Cash distributions paid	**(47)**	**(47)**
Class B distributions paid	**(8)**	**(13)**
Distributable cash flow [(b)]	**88**	**116**
Cash distributions declared per common unit	**$0.65**	**$0.65**
Weighted average common units outstanding *(millions)*	**71.3**	**71.3**
Common units outstanding, end of period *(millions)*	**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 TC PipeLines GP, Inc. (the General Partner) and Class B units, by the weighted average number of common units outstanding.

(b) EBITDA, Adjusted EBITDA and Distributable cash flow are non-GAAP financial measures. The reconciliations of these measures to the comparable GAAP measures are available on our website under the supplemental schedules published as part of our first quarter earnings release. Beginning in Q1 2020, we redefined Adjusted EBITDA to equal EBITDA less (1) earnings from our equity investments, plus (2) distributions from our equity investments, and plus or minus (3) certain non-recurring items (if any) that are significant but not reflective of our underlying operations.

First quarter 2020 financial results

(unaudited, millions of dollars)

	Three months ended 31-Mar	
	2020	2019
Transmission revenues	101	113
Equity earnings	55	54
Operating, maintenance and administrative	(23)	(25)
Depreciation and amortization	(20)	(20)
Financial charges and other	(19)	(22)
Net income	94	100
Net income attributable to non-controlling interests	6	7
Net income attributable to controlling interests	88	93

Solid financial position

Investor Focus	Action
Strong balance sheet	✓ Solid capital structure indicative of quality assets within portfolio ✓ Investment-grade credit ratings by both S&P and Moody's
Self-funding growth	✓ Significantly reduced debt in 2019 ✓ Bank leverage ratio approximately 3.4 times ✓ Paying down debt with available cash in order to create capacity to self-fund future growth
Prudent distribution level	✓ Right-sized distribution in 2018 and maintained in 2019 and Q1 of 2020
Strong distribution coverage	✓ Coverage of 1.9 times for first quarter 2020
Executing growth program	✓ Continued work on GTN XPress and Tuscarora XPress projects ✓ Portland and Westbrook XPress projects continued to advance
Finding new opportunities	✓ Sourcing new expansion opportunities ✓ North Baja XPress, Iroquois ExC and other potential near-term projects

Long-term take-or-pay contracts underpin our healthy financial metrics
Well positioned to self-fund growth

TC PipeLines, LP – Key takeaways

Strong cash flows

Healthy financial metrics

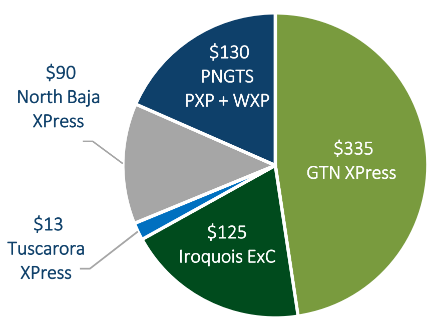
1.9x

2020 Q1 Distribution coverage

3.4x

Mar 31/20 Bank leverage ratio

Approximately $700 million of growth projects



Proven strategy – low risk business model

- ~90% of cash flow underpinned by long-term contracts

Confident that our high quality assets will generate strong cash flows

- Cash flow derived from stable assets substantially backed by long-term, take-or-pay contracts
- Strong competitive position

Capital discipline – healthy balance sheet 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 credit ratings
- Strong liquidity position with full access to $500 million revolving credit facility
- Self-fund growth – no need to access equity capital markets

Delivering significant growth across our portfolio

- Existing infrastructure provides a strong platform for low-impact future growth
- Visible growth from current projects, Portland, Westbrook, GTN and Tuscarora XPress
- Line of sight to additional organic growth opportunities

Strong distribution coverage indicative of resilient business and solid financial performance

Question & answer period

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