Fourth Quarter 2018 Conference Call

February 14, 2019

TransCanada

Forward Looking Information and Non-GAAP Measures

This presentation includes certain forward looking information, including future oriented financial information or financial outlook, which is intended to help current and potential investors understand management's assessment of our future plans and financial outlook, and our future prospects overall. Statements that are forward-looking are based on certain assumptions and on what we know and expect today and generally include words like anticipate, expect, believe, may, will, should, estimate or other similar words.

Forward-looking statements do not guarantee future performance. Actual events and results could be significantly different because of assumptions, risks or uncertainties related to our business or events that happen after the date of this presentation. Our forward-looking information in this presentation includes statements related to future dividend and earnings growth and the future growth of our core businesses, among other things.

Our forward looking information is based on certain key assumptions and is subject to risks and uncertainties, including but not limited to: our ability to successfully implement our strategic priorities and whether they will yield the expected benefits, our ability to implement a capital allocation strategy aligned with maximizing shareholder value, the operating performance of our pipeline and energy assets, amount of capacity sold and rates achieved in our pipeline businesses, the amount of capacity payments and revenues from our energy business due to plant availability, production levels within supply basins, construction and completion of capital projects, costs for labour, equipment and materials, the availability and market prices of commodities, access to capital markets on competitive terms, interest, tax and foreign exchange rates, performance and credit risk of our counterparties, regulatory decisions and outcomes of legal proceedings, including arbitration and insurance claims, changes in environmental and other laws and regulations, competition in the pipeline and energy sectors, unexpected or unusual weather, acts of civil disobedience, cyber security and technological developments, economic conditions in North America as well as globally and our ability to effectively anticipate and assess changes to government policies and regulations. You can read more about these risks and others in our Fourth Quarter 2018 Financial Highlights release and 2018 Annual Report filed with Canadian securities regulators and the SEC and available at www.transcanada.com.

As actual results could vary significantly from the forward-looking information, you should not put undue reliance on forward-looking information and should not use future-oriented information or financial outlooks for anything other than their intended purpose. We do not update our forward-looking statements due to new information or future events, unless we are required to by law.

This presentation contains reference to certain financial measures (non-GAAP measures) that do not have any standardized meaning as prescribed by U.S. generally accepted accounting principles (GAAP) and therefore may not be comparable to similar measures presented by other entities. These non-GAAP measures may include Comparable Earnings, Comparable Earnings per Common Share, Comparable Earnings Before Interest, Taxes, Depreciation and Amortization (Comparable EBITDA), Funds Generated from Operations, Comparable Funds Generated from Operations, Comparable Distributable Cash Flow (DCF) and Comparable DCF per Common Share. Reconciliations to the most directly comparable GAAP measures are included in this presentation and in our Fourth Quarter 2018 Financial Highlights release filed with Canadian securities regulators and the SEC and available at www.transcanada.com.

On The Call Today

TransCanada


Russ Girling


Don Marchand


Tracy Robinson

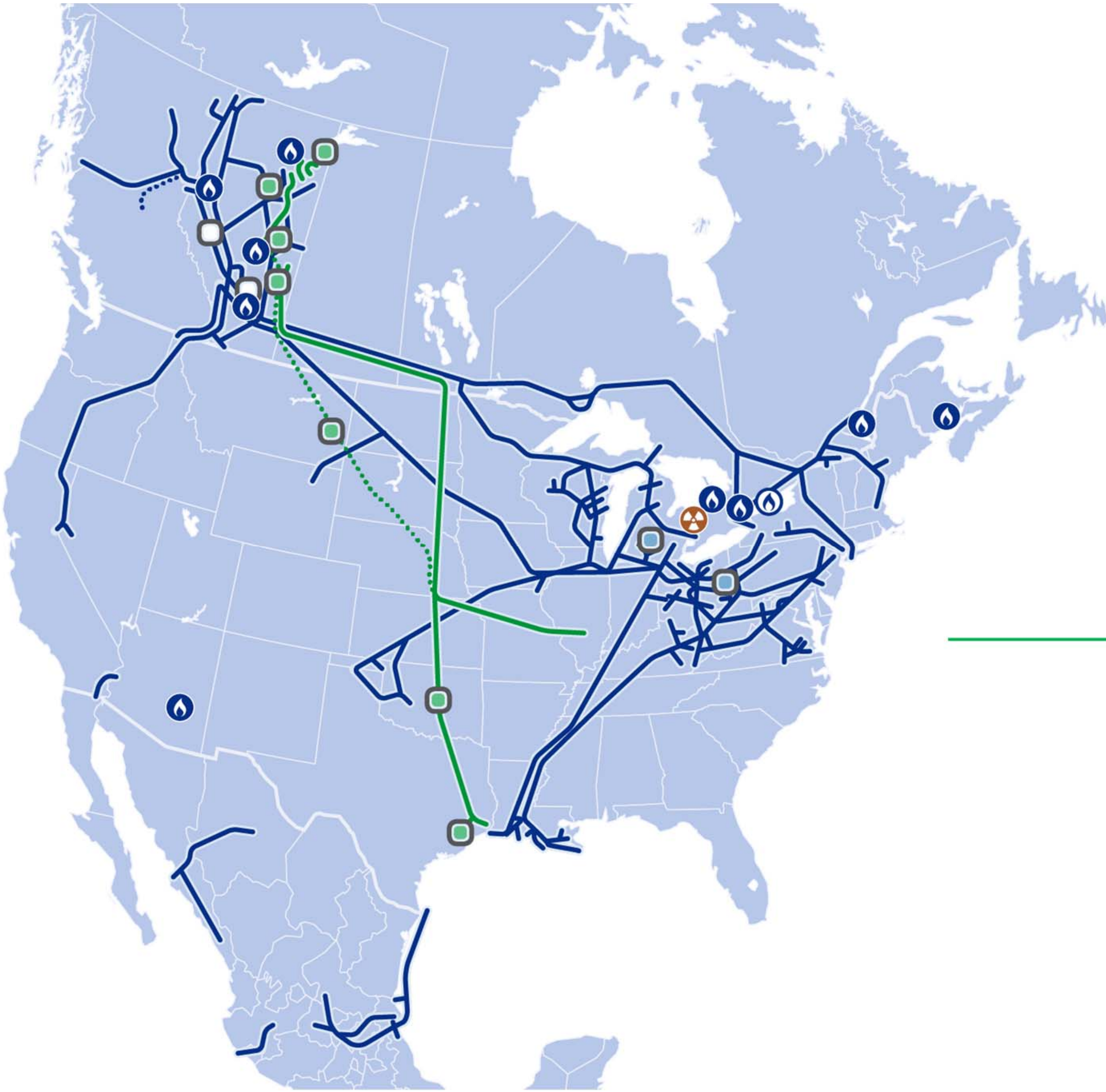

Stan Chapman


Paul Miller


Francois Poirier


Glenn Menuz


David Moneta



Russ Girling

President & CEO

TransCanada

2018 Accomplishments

Generated record financial results

- Net income attributable to common shares was $1.19 per share in the fourth quarter, $3.92 per share in 2018
- Comparable earnings were $1.03 per common share in fourth quarter, $3.86 per common share in 2018
- High-quality, diversified asset portfolio continues to benefit from supportive market fundamentals

Advanced $36 billion secured capital program

- Placed $4 billion of projects into service; another $9 billion nearing completion
- Added $12 billion of secured growth

Progressed over $20 billion of projects under development

- Includes Keystone XL and remainder of Bruce Power Life Extension program

Funded $10.9 billion capital program on compelling terms

- Issued $6.2 billion of long-term debt
- Raised $2.0 billion through the DRP and ATM program
- $1.1 billion realized from Cartier Wind sale and reimbursement of Coastal GasLink pre-FID costs
- US$465 million to be realized in 2019 from sale of Coolidge Generating Station

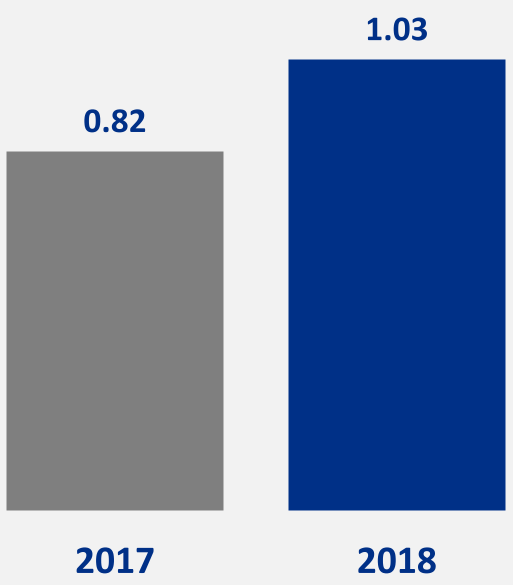
Strong performance expected to continue

- 2019 comparable earnings per share expected to be higher than 2018
- Financial position remains solid, well positioned to fund future capital programs and achieve targeted credit metrics

Financial Highlights – Three Months Ended December 31 (Non-GAAP)

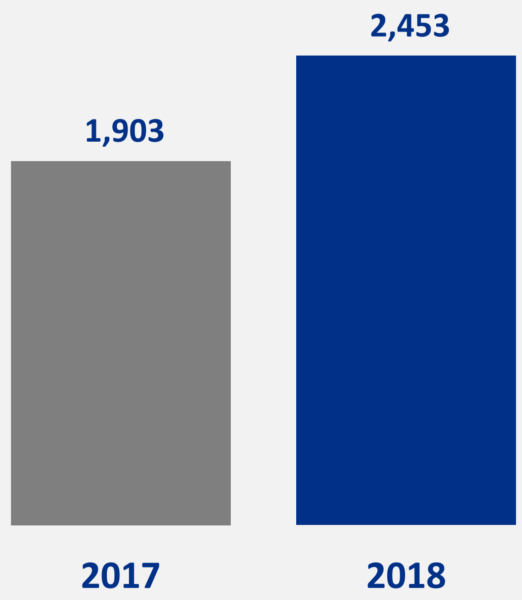
Comparable
Earnings per Common Share*
(Dollars)

26% Increase



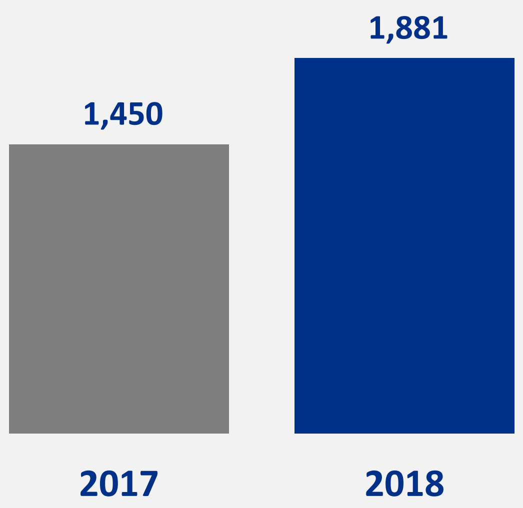
Comparable
EBITDA*
($ Millions)

29% Increase



Comparable Funds
Generated From Operations*
($ Millions)

30% Increase

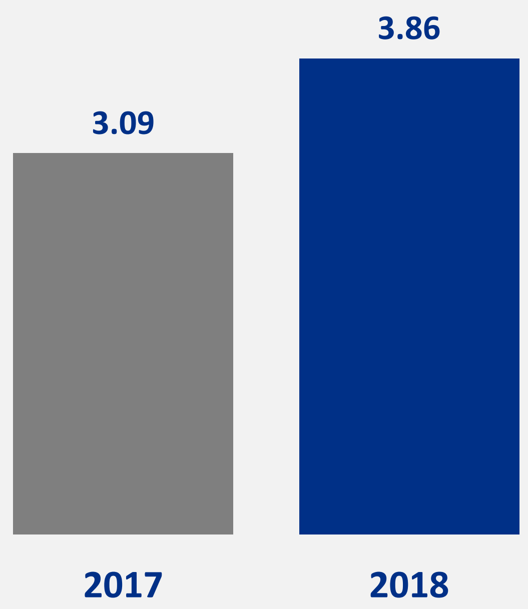


** Comparable Earnings per Common Share, Comparable EBITDA and Comparable Funds Generated from Operations are non-GAAP measures. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information.*

Financial Highlights – Year Ended December 31 (Non-GAAP)

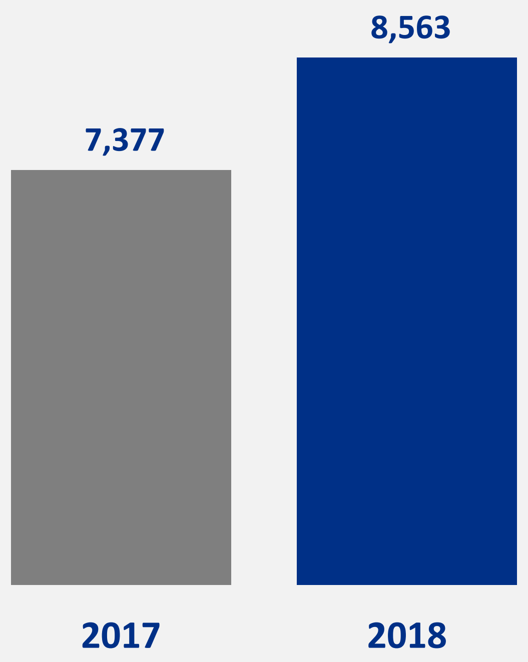
Comparable
Earnings per Common Share*
(Dollars)

25% Increase



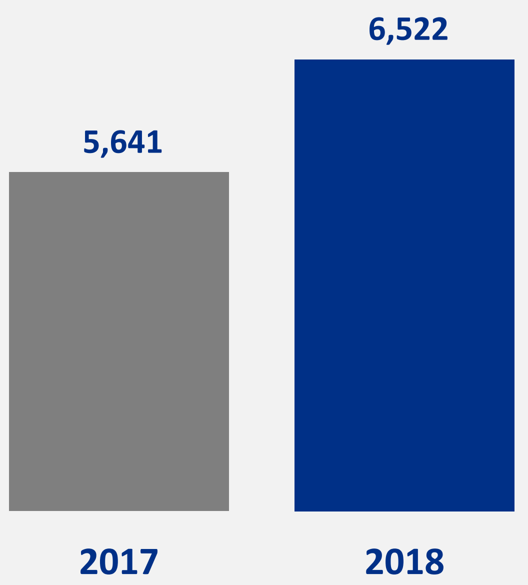
Comparable
EBITDA*
($ Millions)

16% Increase



Comparable Funds
Generated From Operations*
($ Millions)

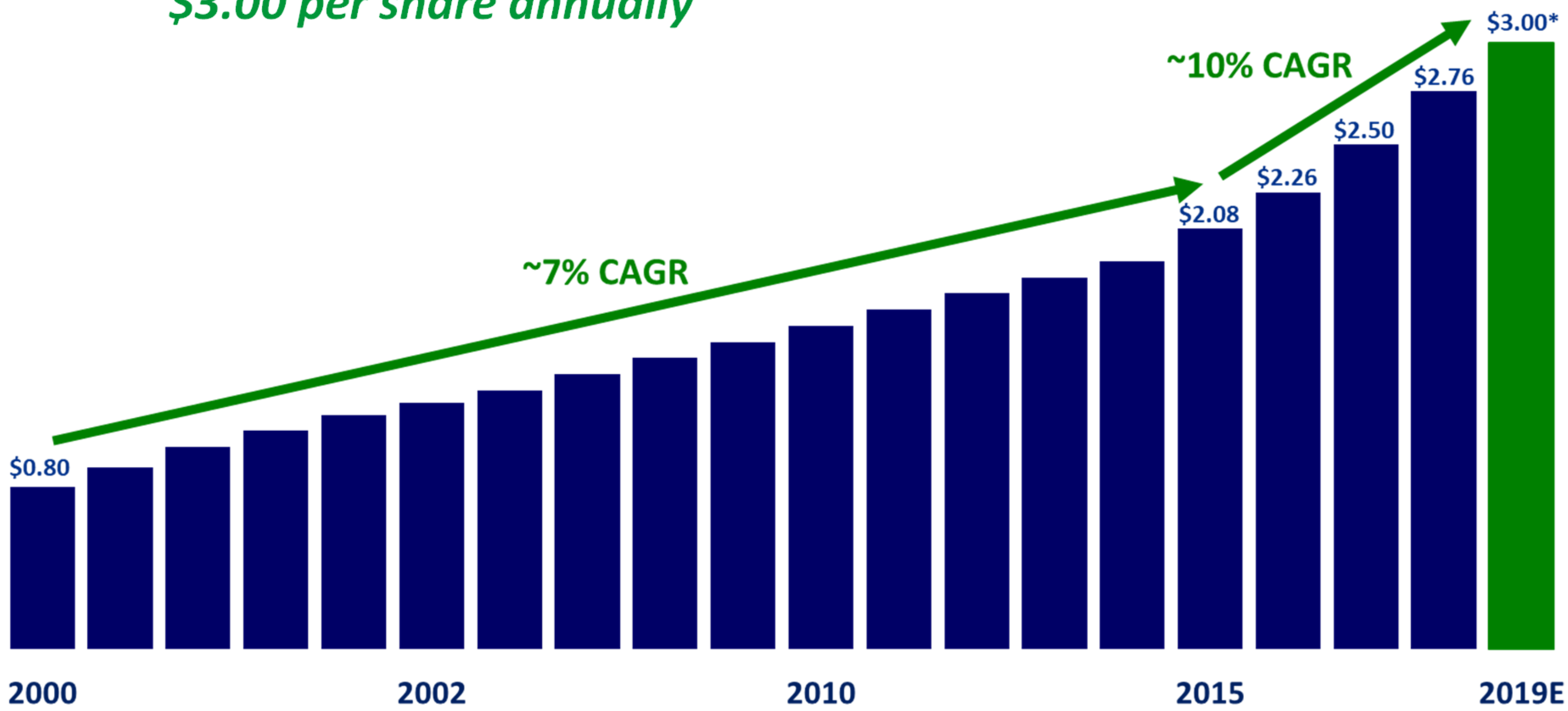
16% Increase



** Comparable Earnings per Common Share, Comparable EBITDA and Comparable Funds Generated from Operations are non-GAAP measures. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information.*

Common Share Dividend Increased 8.7 Percent Over 2018

Quarterly dividend of $0.75 per share equivalent to $3.00 per share annually



Nineteenth Consecutive Annual Dividend Increase

** Annual rate based on first quarter dividend declared of $0.75 per share*

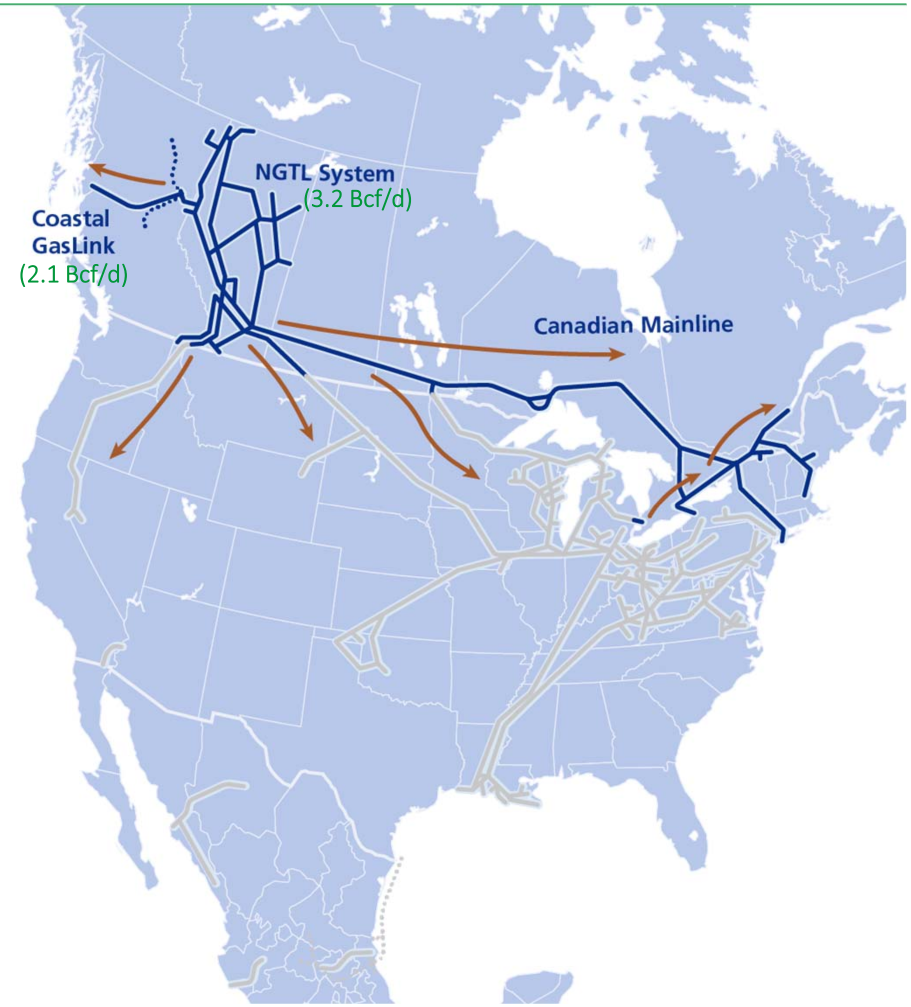
Canadian Natural Gas Pipelines

NGTL System
- Transported 12.3 Bcf/d in 2018, up from 11.4 Bcf/d in 2017
- Advancing $8.6 billion capital program which adds 3.2 Bcf/d of incremental delivery capacity by the end of 2022

Canadian Mainline
- Delivered 5.2 Bcf/d in 2018, up from 4.4 Bcf/d in 2017
- Secured 625 MMcf/d of new contracts through the North Bay Junction Long-Term Fixed Price Open Season

Coastal GasLink Pipeline Project
- 670 km (420 mi) pipeline from Dawson Creek, B.C. to Kitimat, B.C.
- Initial capacity of 2.1 Bcf/d
- $6.2 billion project proceeding following LNG Canada's positive FID
- LNG Canada's partners to make cash payments throughout construction for carrying charges on costs incurred

Extensive Network of Critical Gas Infrastructure



U.S. Natural Gas Pipelines

Broad National Network

- Strategically connected to low cost supply basins
- Unparalleled connectivity to key markets

Serves ~25% of U.S. Natural Gas Demand

- Winter deliveries averaging 24.5 Bcf/d
- Set peak day delivery record on January 30, 2019 of 33.1 Bcf

Advanced US$6.7 billion expansion program

- WB XPress (US$0.9 billion) entered service in fourth quarter
- Mountaineer XPress (US$3.2 billion) partially entered service in January. Remainder of project, along with Gulf XPress (US$0.6 billion), to enter service in February and March
- Sanctioned the Louisiana XPress project (US$0.4 billion)

Premier System Connects Prolific Gas Supplies to High Growth Markets

* *GTN, Tuscarora, North Baja, Bison, Northern Border and Portland interests, together with 46% of Great Lakes and 49% of Iroquois, are held within TC PipeLines, LP of which TransCanada's ownership is approximately 25%*

Mexico Natural Gas Pipelines

Four pipelines in operation

- Tamazunchale
- Mazatlán
- Guadalajara
- Topolobampo

Three new projects expected to enter service in 2019 and 2020

- Sur de Texas – US$1.5 billion*
- Villa de Reyes – US$0.8 billion
- Tula – US$0.7 billion

All underpinned by U.S. dollar denominated long-term contracts with the Comisión Federal de Electricidad

Well positioned to connect U.S. natural gas supply to growing power generation and industrial markets in Mexico

Developing an Integrated Natural Gas Delivery System

** TransCanada's 60% share*

Liquids Pipelines

Assets producing strong operating results

- Keystone throughput averaged ~590,000 Bbl/d in 2018
- U.S. Gulf Coast segment capacity increased throughout 2018
    - Fourth quarter volumes averaged ~700,000 Bbl/d
- Liquids marketing benefiting from improved volumes and margins
- Intra-Alberta pipelines underpinned by long-term contracts

Keystone XL continues to advance

- Secured commercial support for all available capacity
- Nebraska Supreme Court expected to reach a decision in first quarter 2019 on challenge to Public Service Commission's route approval
- Participating, with the U.S. Department of Justice, in lawsuits commenced in Montana to defend legal challenges to the U.S. Presidential Permit and the environmental assessments

Contiguous Path From Supply to Market

Energy

Napanee Power Plant (900 MW)

- Construction is substantially complete and commissioning activities are underway
- Expected to enter service in second quarter 2019

Bruce Power Unit 6 Major Component Replacement

- Work expected to start in early 2020 and be completed in late 2023
- TransCanada expects to invest ~$2.2 billion in the project and ongoing asset management program through 2023
- Current contract price of ~$68 per MWh expected to increase to ~$75 per MWh in April 2019 to reflect the capital to be invested in these programs and inflation

Other Recent Developments

- Closed the sale of Cartier Wind for $630 million in October
- Announced sale of Coolidge Generating Station for US$465 million. Transaction expected to close in mid-2019

~95% of Generating Capacity Underpinned By Long-Term Contracts

Plant	Capacity (MW)*	Counterparty	Contract Expiry
Coolidge**	575	Salt River Project	2031
Bécancour	550	Hydro-Québec	2026
Grandview	90	Irving Oil	2024
Halton Hills	683	IESO	2030
Portlands	275	IESO	2029
Bruce Power Units 1-8	3,094	IESO	Up to 2064
Napanee (under construction)	900	IESO	20 Years from In-Service
Alberta plants	127	various	2022-2027

** Our proportionate share of power generation capacity*
*** Coolidge subject to sale agreement*

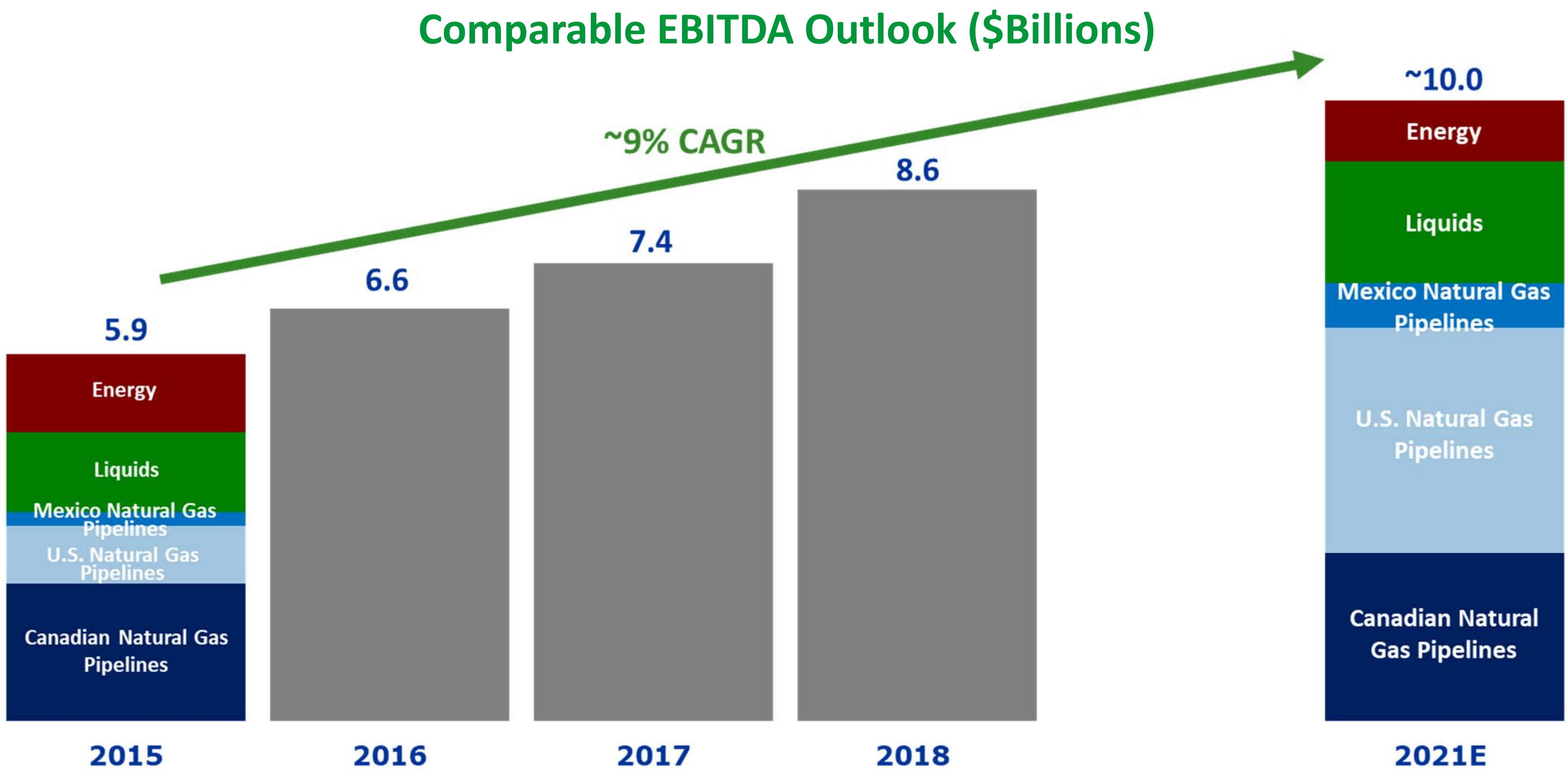
Advancing $36 Billion Secured Capital Program Through 2023

Project	Estimated Capital Cost*	Invested to Date*	Expected In-Service Date*
Mountaineer XPress	US 3.2	US 2.9	2019
Gulf XPress	US 0.6	US 0.5	2019
Sur de Texas**	US 1.5	US 1.4	2019
Napanee	1.7	1.6	2019
NGTL System	2.8	1.4	2019
Villa de Reyes	US 0.8	US 0.6	2019
White Spruce	0.2	0.1	2019
Modernization ll	US 1.1	US 0.5	2019-2020
Canadian Mainline	0.3	-	2019-2021
Canadian Natural Gas Pipelines Regulated Maintenance	1.8	-	2019-2021
U.S. Natural Gas Pipelines Regulated Maintenance	US 2.0	-	2019-2021
Liquids Pipelines Recoverable Maintenance	0.1	-	2019-2021
Non-recoverable Maintenance	0.7	0.2	2019-2021
Other U.S. Natural Gas Pipelines**	US 0.9	US 0.1	2019-2022
Bruce Power Life Extension**	2.2	0.6	2019-2023
NGTL System	1.7	0.2	2020
Tula	US 0.7	US 0.6	2020
Other Liquids Pipelines	0.1	-	2020
NGTL System	2.8	-	2021
NGTL System	1.3	-	2022
Coastal GasLink	6.2	0.1	2023
Foreign Exchange Impact (1.36 exchange rate)	3.9	2.4	-
Total Canadian Equivalent	**36.6**	**13.2**	

Approximately $9 Billion of Projects Nearing Completion

** Billions of dollars. Certain projects are subject to various conditions including corporate and regulatory approvals. ** Our proportionate share.*

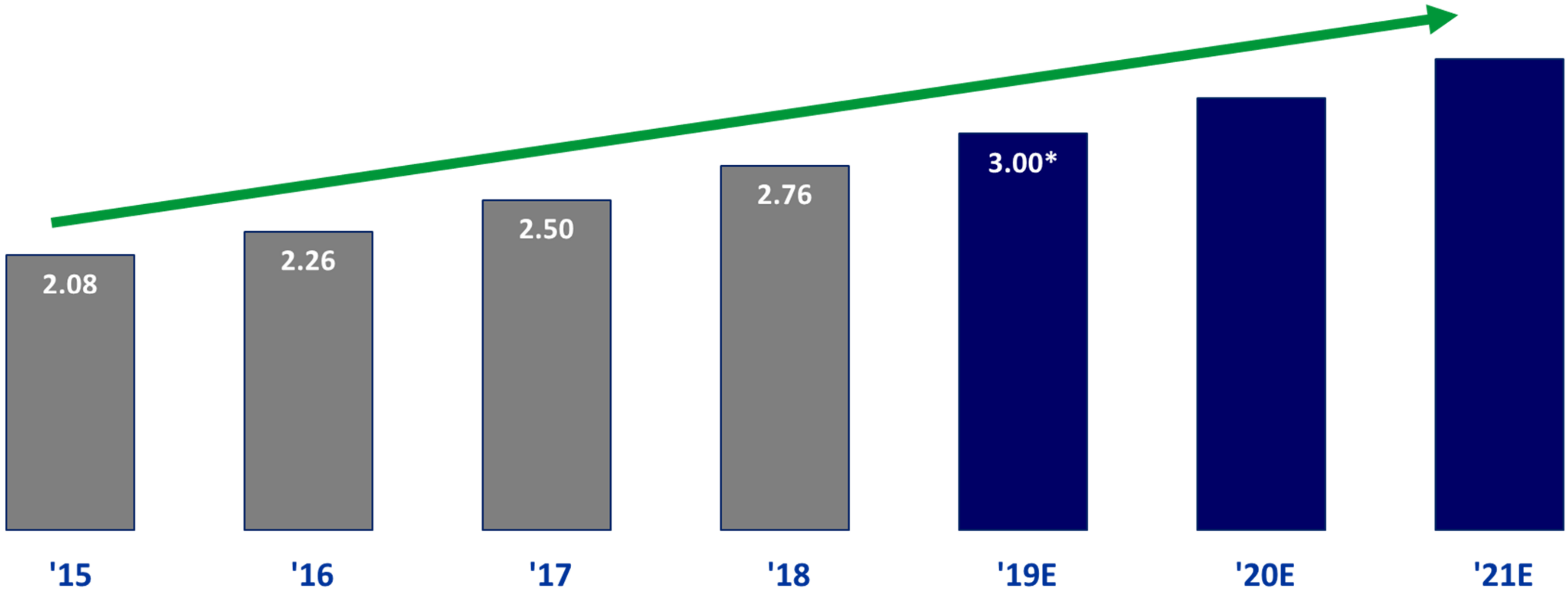
Secured Capital Program Drives Significant Growth



~95% of Comparable EBITDA to come from Regulated Assets or Long-Term Contracts

Dividend Growth Outlook

Annual Growth of 8 to 10 Per Cent through 2021



Supported by Expected Growth in Earnings and Cash Flow and Continued Strong Coverage Ratios

** Annual rate based on first quarter dividend declared of $0.75 per share*

Key Takeaways

Proven Strategy – Low Risk Business Model

- ~95% of Comparable EBITDA from regulated assets or long-term contracts

Businesses Produced Record Results in 2018

- Strong performance expected to continue in 2019

Visible Growth

- Advancing $36 billion of secured growth projects
- Over $20 billion of projects under development
- Additional organic growth expected from existing businesses

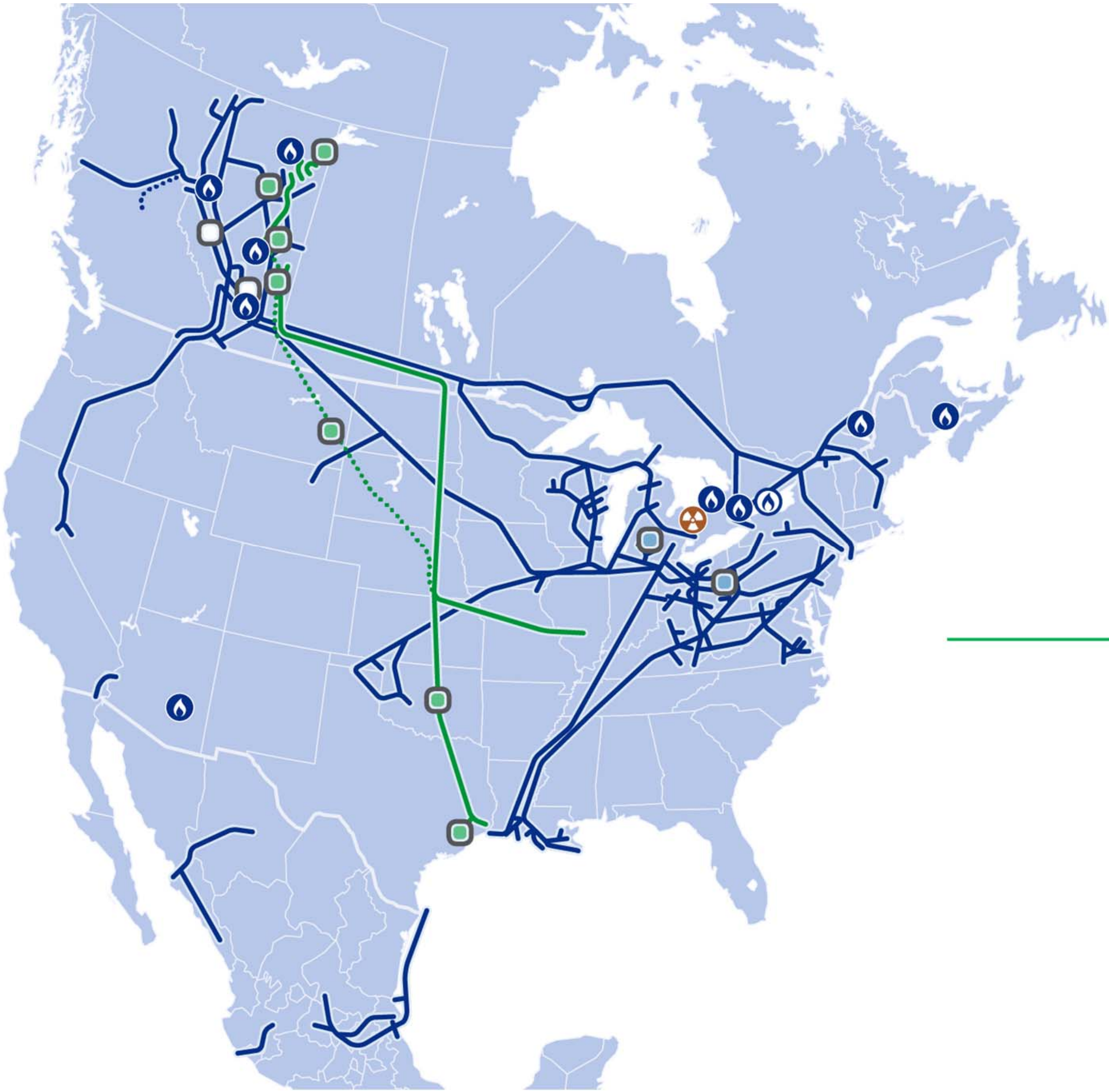
Dividend Increased by 8.7 Percent

- Expect annual growth of 8 to 10% through 2021

Financial Strength and Flexibility

- Numerous levers available to fund growth
- On track to achieve targeted credit metrics

Delivered 12% Annual Total Shareholder Return Since 2000



Don Marchand

Executive VP & CFO

TransCanada

Consolidated Results of Operations
(millions of dollars, except per share amounts)

	Three months ended December 31		Three months ended December 31		Year ended December 31		Year ended December 31	
	2018	2017	2018	2017	2018	2017	2018	2017
			Per Common Share				Per Common Share	
Net Income Attributable to Common Shares	1,092	861	$1.19	$0.98	3,539	2,997	$3.92	$3.44
Specific items (net of tax):								
Gain on sale of Cartier Wind power facilities	(143)	-	(0.16)	-	(143)	-	(0.16)	-
MLP regulatory liability write-off	(115)	-	(0.13)	-	(115)	-	(0.13)	-
U.S. Tax Reform	(52)	(804)	(0.06)	(0.92)	(52)	(804)	(0.06)	(0.92)
Net gain on sales of U.S. Northeast power generation assets	(27)	(64)	(0.03)	(0.08)	(27)	(307)	(0.03)	(0.34)
Bison contract terminations	(25)	-	(0.03)	-	(25)	-	(0.03)	-
Bison asset impairment	140	-	0.16	-	140	-	0.16	-
Tuscarora goodwill impairment	15	-	0.02	-	15	-	0.02	-
U.S. Northeast power marketing contracts	7	-	0.01	-	4	-	0.01	-
Gain on sale of Ontario solar assets	-	(136)	-	(0.16)	-	(136)	-	(0.16)
Energy East impairment charge	-	954	-	1.09	-	954	-	1.09
Keystone XL asset costs	-	9	-	0.01	-	28	-	0.03
Keystone XL income tax recoveries	-	-	-	-	-	(7)	-	(0.01)
Integration and acquisition related costs – Columbia	-	-	-	-	-	69	-	0.08
Risk management activities	54	(101)	0.06	(0.10)	144	(104)	0.16	(0.12)
Comparable Earnings[1]	946	719	$1.03	$0.82	3,480	2,690	$3.86	$3.09
Weighted Average Basic Common Shares Outstanding (millions)			915	877			902	872

(1) Non-GAAP measure, excluding specific items. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information.

Business Segment Results[1]
(millions of dollars)

	Three months ended December 31		Year ended December 31	
	2018	2017	2018	2017
Comparable EBITDA[2]				
Canadian Natural Gas Pipelines	818	569	2,379	2,144
U.S. Natural Gas Pipelines	812	604	3,035	2,357
Mexico Natural Gas Pipelines	152	116	607	519
Liquids Pipelines	538	401	1,849	1,348
Energy	167	214	752	1,030
Corporate	(34)	(1)	(59)	(21)
Total	2,453	1,903	8,563	7,377

Fourth quarter 2018 Comparable EBITDA increased $550 million compared to same period in 2017. Principal variances included:

- **Canadian Natural Gas Pipelines -** Higher primarily due to the recovery of increased depreciation as a result of higher rates approved in both the Mainline NEB 2018 Decision and the NGTL 2018-2019 Settlement along with increased flow-through taxes and incentive earnings
- **U.S. Natural Gas Pipelines -** Higher due to Columbia growth projects placed in service, additional contract sales on ANR and Great Lakes, and the amortization of net regulatory liabilities recorded at the end of 2017 following U.S. Tax Reform
- **Mexico Natural Gas Pipelines -** Higher primarily due to changes in timing of revenue recognition
- **Liquids Pipelines -** Higher mainly due to greater volumes on the Keystone Pipeline System and increased contribution from liquids marketing activities from improved volumes and margins
- **Energy -** Lower earnings from Bruce Power primarily due to lower volumes resulting from higher outage days and the sale of Cartier Wind and Ontario Solar

(1) For more information see the Fourth Quarter 2018 Financial Highlights release; (2) Non-GAAP measure, excluding specific items. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information.

Other Income Statement Items[1]
(millions of dollars)

	Three months ended December 31		Year ended December 31	
	2018	2017	2018	2017
Comparable EBITDA[2]	2,453	1,903	8,563	7,377
Depreciation and amortization	(681)	(516)	(2,350)	(2,048)
Comparable EBIT[2]	1,772	1,387	6,213	5,329
Interest expense[3]	(603)	(541)	(2,265)	(2,068)
Allowance for funds used during construction	161	140	526	507
Interest income and other[3]	11	56	177	159
Income tax expense[3]	(268)	(234)	(693)	(839)
Net income attributable to non-controlling interests[3]	(86)	(49)	(315)	(238)
Preferred share dividends	(41)	(40)	(163)	(160)
Comparable Earnings[2]	946	719	3,480	2,690

Principal variances between fourth quarter 2018 and the same period in 2017 included:

- **Depreciation and amortization -** Increased depreciation rates approved in the Mainline NEB 2018 Decision and the NGTL 2018-2019 Settlement (with amounts fully recovered as reflected in the increase in EBITDA described previously) and higher depreciation related to new projects placed into service in 2017 and 2018
- **Interest expense [3] -** Higher due to new long-term debt and junior subordinated notes issuances, net of maturities
- **Interest income and other [3] -** Lower mainly due to realized losses in 2018 compared to gains in 2017 on derivatives used to manage net exposure to foreign exchange rate fluctuations on U.S. dollar-denominated income
- **Income tax expense [3] -** Higher primarily due to increased comparable earnings before income taxes and higher flow-through income taxes in Canadian rate-regulated pipelines partially offset by lower income tax rates as a result of U.S. Tax Reform

(1) For more information see the Fourth Quarter 2018 Financial Highlights release; (2) Non-GAAP measures, excluding specific items. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information; (3) Excludes specific items to arrive at comparable earnings.

Comparable Distributable Cash Flow

(millions of dollars, except per share amounts)

	Three months ended December 31		Year ended December 31	
	2018	2017	2018	2017
Comparable Funds Generated From Operations[1]	1,881	1,450	6,522	5,641
Dividends on preferred shares	(40)	(39)	(158)	(155)
Distributions paid to non-controlling interests	(51)	(68)	(225)	(283)
Non-recoverable maintenance capital expenditures[2]	(63)	(71)	(254)	(240)
Comparable Distributable Cash Flow[1]	1,727	1,272	5,885	4,963
Comparable Distributable Cash Flow Per Common Share[1]	$1.89	$1.45	$6.52	$5.69
Dividends Declared per Common Share	$0.69	$0.625	$2.76	$2.50
Coverage Ratio	2.7x	2.3x	2.4x	2.3x

(1) Non-GAAP measure. See the forward looking information and non-GAAP measures slide at the front of this presentation for more information.

(2) Includes non-recoverable maintenance capital expenditures from all segments including cash contributions to fund our proportionate share of maintenance capital expenditures for our equity investments which are primarily related to Bruce Power.

Fourth Quarter 2018 Funding Activity

Strong, predictable and growing cash flow from operations

- Comparable funds generated from operations of $1.9 billion in the quarter; $6.5 billion for the year

Access to capital markets on compelling terms

- Issued US$1.4 billion of Senior Unsecured Notes in October including US$1 billion of 30-year notes at 5.10 per cent and US$400 million of 10-year notes at 4.25 per cent

Closed sale of Cartier Wind power facilities for $630 million in October

Received reimbursement of $470 million of Coastal GasLink pre-FID development costs in November

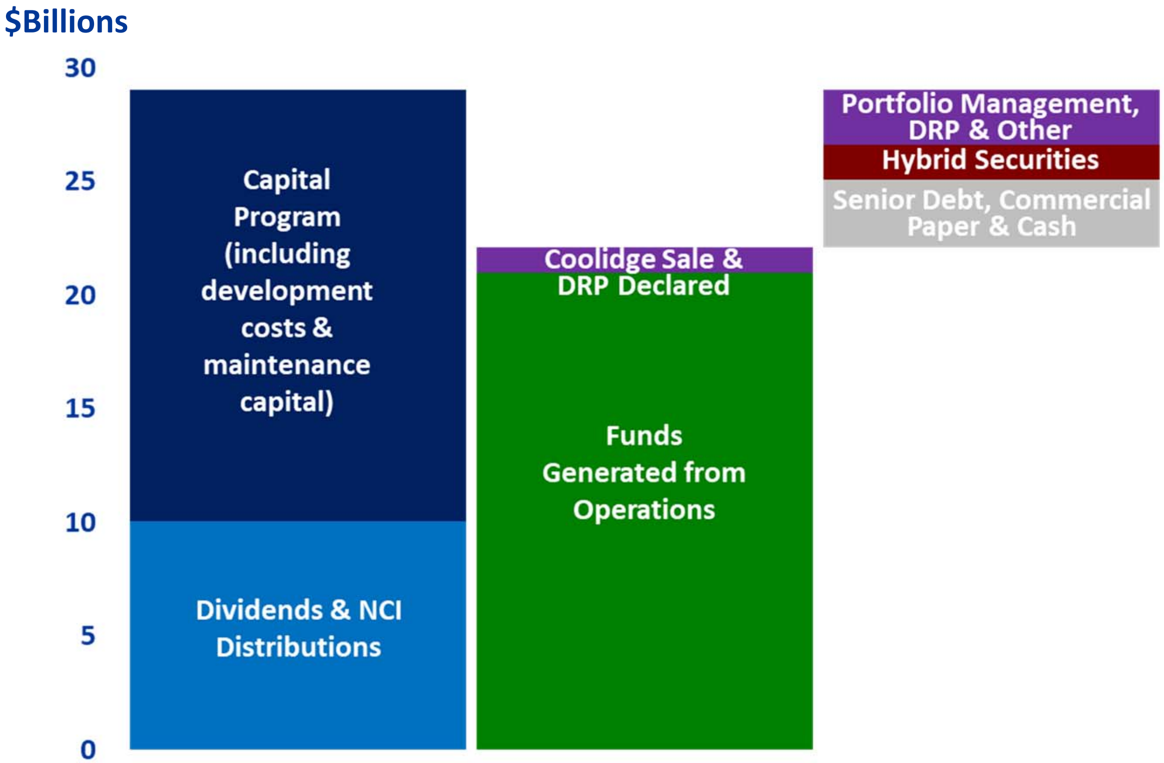
Entered agreement to sell Coolidge Generating Station for US$465 million in December

Significant ongoing DRP participation supports simultaneous large capital program and de-leveraging

- Approximately 34 per cent or $215 million of common dividends reinvested in common shares in quarter

Program Highlights Diversity and Depth of Funding Levers

Funding Program Outlook 2019-2021



Numerous Levers Available to Fund Secured Capital Program

- Strong, predictable and growing cash flow from operations
- Dividend Reinvestment Plan
- Access to capital markets including:
  - Senior debt
  - Hybrid securities and preferred shares
- Portfolio management

Moving Back to Historical Self-Funding Model

Completion of Secured Capital Program Does Not Require Discrete Equity

Assumes 25% ownership interest in Coastal GasLink, reflecting expected TransCanada equity cash contribution, accounting treatment may differ from this outlook

2019 Comparable Earnings Per Share and Capital Spending Outlook

Canadian Natural Gas Pipelines	⬆	Higher primarily due to growth in NGTL's average investment base
U.S. Natural Gas Pipelines	⬆	Higher driven by Columbia Gas and Columbia Gulf projects coming in service
Mexico Natural Gas Pipelines	⬆	Sur de Texas entering service
Liquids Pipelines	⬌	Consistent with 2018 as a result of significant take-or-pay contracts and continued high demand for capacity
Energy	⬆	Higher due to increased contract pricing at Bruce Power and completion of Napanee, partially offset by Cartier Wind sale and the expected sale of Coolidge
Other Items Impacting Earnings	⬇	Dilutive impact of common shares issued in 2018 under DRP and ATM program and DRP in 2019, higher interest expense due to long-term debt issuance and lower capitalized interest on projects entering service
Capital Spending Outlook*		~$8 billion including $1 billion for 100% of Coastal GasLink - seeking joint venture partners for up to 75% of the project

2019 Comparable Earnings per Share Expected to be Higher than 2018

** Includes growth projects, maintenance capital expenditures and contributions to equity investments*

Delivering Long-Term Shareholder Value

Track Record	Visible Growth	Attractive, Growing Dividend	Strong Financial Position
12% average annual total shareholder return since 2000	$36 billion secured to 2023 Advancing over $20 billion of additional projects in development	Dividend raised 8.7% in February 2019 5.4% yield 8-10% expected CAGR through 2021	Numerous levers available to fund future growth Simple, understandable corporate structure

Proven Resilience Through all Points of the Business Cycle

Question & Answer Period

Russ Girling

Don Marchand

Tracy Robinson

Stan Chapman

Paul Miller

Francois Poirier

Glenn Menuz

David Moneta

Fourth Quarter 2018 Conference Call

February 14, 2019

TransCanada

Appendix – Reconciliation of Non-GAAP Measures
(millions of dollars)

	Three months ended December 31		Year ended December 31	
	2018	2017	2018	2017
Comparable EBITDA[1]	2,453	1,903	8,563	7,377
Depreciation and amortization	(681)	(516)	(2,350)	(2,048)
Comparable EBIT[1]	1,772	1,387	6,213	5,329
Specific items:				
Bison asset impairment	(722)	-	(722)	-
Tuscarora goodwill impairment	(79)	-	(79)	-
U.S. Northeast power marketing contracts	(10)	-	(5)	-
Gain on sale of Cartier Wind power facilities	170	-	170	-
Bison contract terminations	130	-	130	-
Foreign exchange gain – inter-affiliate loan	57	64	5	63
Energy East impairment charge	-	(1,256)	-	(1,256)
Keystone XL asset costs	-	(11)	-	(34)
Gain on sale of Ontario solar assets	-	127	-	127
Net gain on sales of U.S. Northeast power generation assets	-	15	-	484
Integration and acquisition related costs – Columbia	-	-	-	(91)
Risk management activities	96	164	52	62
Segmented Earnings	1,414	490	5,764	4,684

(1) Comparable EBITDA and Comparable EBIT are non-GAAP measures. See the non-GAAP measures slide at the front of this presentation for more information.

Appendix – Reconciliation of Non-GAAP Measures continued
(millions of dollars)

	Three months ended December 31		Year ended December 31	
	2018	2017	2018	2017
Net Cash Provided by Operations	2,039	1,390	6,555	5,230
(Decrease)/Increase in operating working capital	(28)	49	102	273
Funds Generated from Operations[1]	2,011	1,439	6,657	5,503
Specific items:				
Bison contract terminations	(122)	-	(122)	-
Net (gain)/loss on sales of U.S. Northeast power generation assets	(14)	-	(14)	20
U.S. Northeast power marketing contracts	6	-	1	-
Keystone XL asset costs	-	11	-	34
Integration and acquisition related costs – Columbia	-	-	-	84
Comparable Funds Generated from Operations[1]	1,881	1,450	6,522	5,641

(1) Funds Generated from Operations and Comparable Funds Generated from Operations are non-GAAP measures. See the non-GAAP measures slide at the front of this presentation for more information.