

Forward Looking Information and Non-GAAP Measures



This presentation includes certain forward looking information 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 is based on the following key assumptions: inflation rates, commodity prices and capacity prices, timing of financings and hedging, regulatory decisions and outcomes, foreign exchange rates, interest rates, tax rates, planned and unplanned outages and the use of our pipeline and energy assets, integrity and reliability of our assets, access to capital markets, anticipated construction costs, schedules and completion dates, acquisitions and divestitures.

Our forward looking information is subject to risks and uncertainties, including but not limited to: our ability to successfully implement our strategic initiatives and whether they will yield the expected benefits, the operating performance of our pipeline and energy assets, economic and competitive conditions in North America and globally, the availability and price of energy commodities and changes in market commodity prices, the amount of capacity sold and rates achieved in our pipeline businesses, the amount of capacity payments and revenues we receive from our energy business, regulatory decisions and outcomes, outcomes of legal proceedings, including arbitration and insurance claims, performance of our counterparties, changes in the political environment, changes in environmental and other laws and regulations, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and foreign exchange rates, weather, cyber security and technological developments. You can read more about these risks and others in our most recent Quarterly Report to Shareholders and 2014 Annual Report filed with Canadian securities regulators and the U.S. Securities and Exchange Commission (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 Share, Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), Comparable EBITDA, Earnings Before Interest and Taxes (EBIT), Comparable EBIT, Comparable Interest Expense, Comparable Interest Income and Other, Comparable Income Taxes and Funds Generated from Operations. Reconciliations to the most closely related GAAP measures are included in our most recent Quarterly Report to Shareholders filed with Canadian securities regulators and the SEC and available at www.transcanada.com.



Recent Developments

Russ Girling, President & CEO





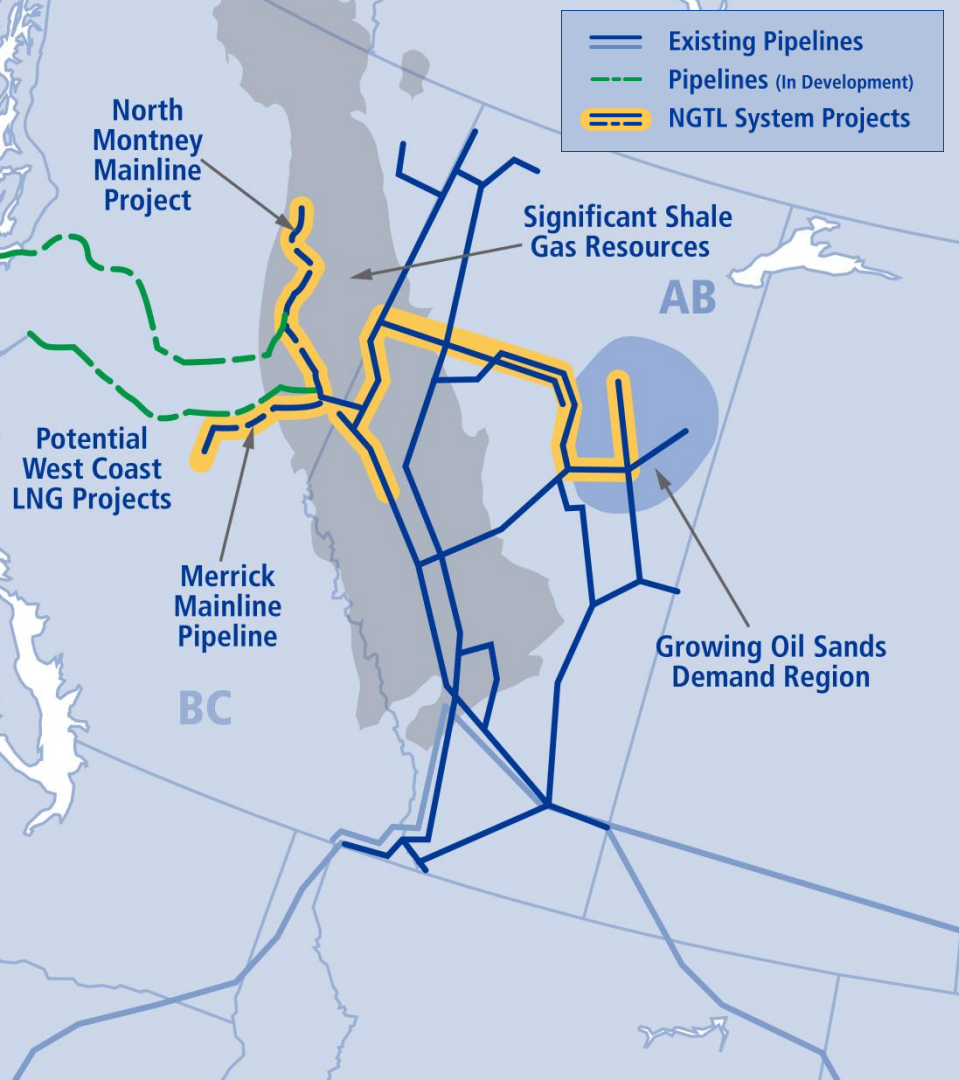
‘Delivering Results, Positioned for Growth’

- TransCanada well-positioned for sustained, long-term growth
- \$64 billion in high-quality assets across North America allows TransCanada to take advantage of unprecedented opportunities and deal with challenges
- By advancing \$46 billion portfolio of commercially secured short-term and long-term projects, we will enhance our competitive position in each of our three core businesses, delivering significant growth in earnings, cash flow and dividends

First Quarter 2015 Highlights



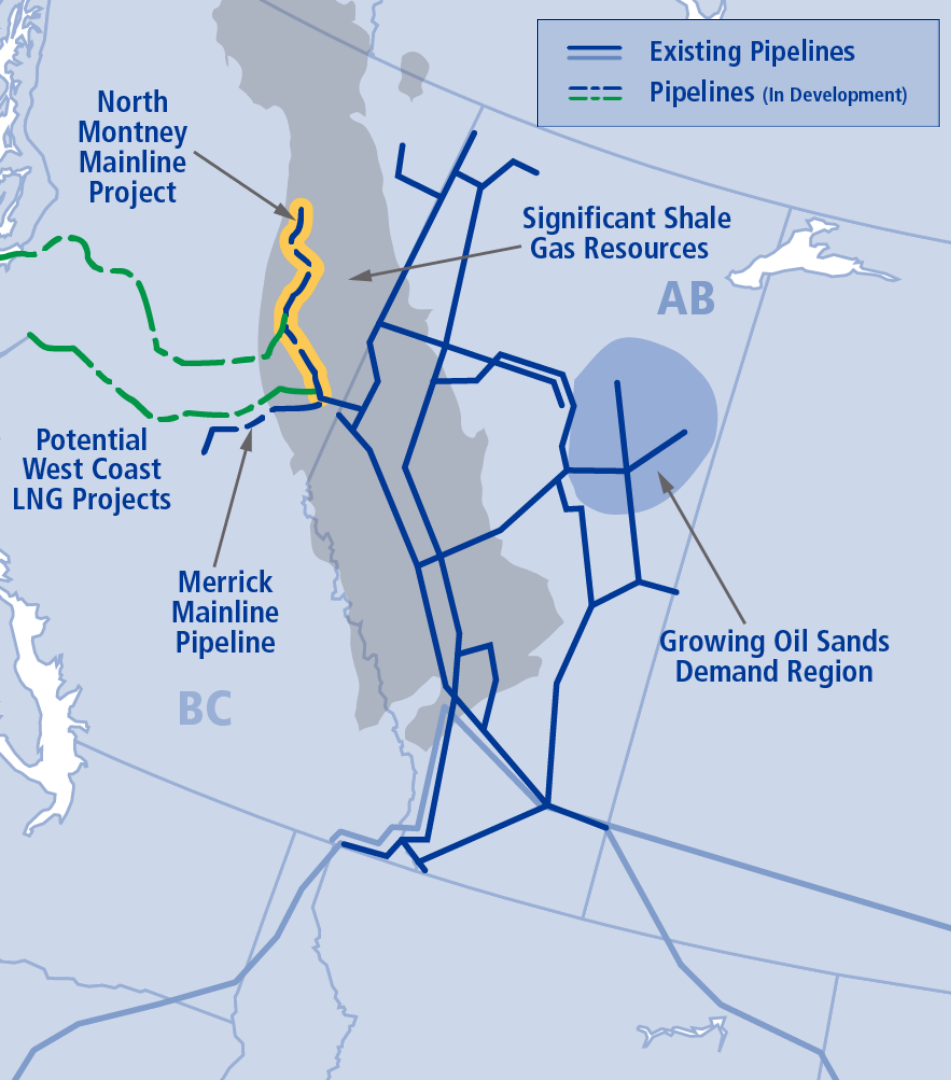
- Comparable earnings were up 10 per cent over Q1 2014 to \$465 million or 66 cents per share
- Comparable EBITDA was also up 10 per cent to \$1.5 billion and funds generated from operations were up five per cent to \$1.2 billion
- Strong performance from Keystone, Eastern Canadian Power and U.S. Power off-set lower Alberta Power prices – clearly demonstrates the value of our large and diverse asset portfolio
- Board of Directors declared a quarterly dividend of 52 cents per common share for the quarter ending June 30, 2015



NGTL System Expansions

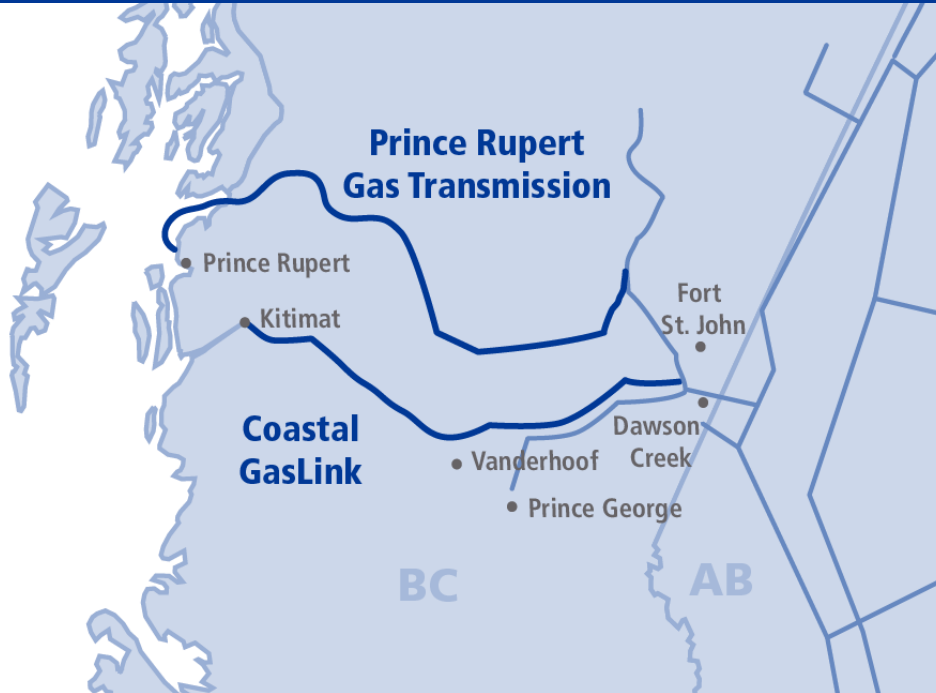
- Poised to almost double NGTL rate base with nearly \$7 billion of new supply and demand facilities being developed
- NEB regulatory applications filed in Q1 2015 to advance several projects, process will continue through 2015
- TransCanada has received further requests for firm receipt service, should increase overall capital spend on NGTL System
- In-service dates for majority of projects run through 2016, 2017 and 2018

NGTL North Montney Project



- National Energy Board recommended approval of North Montney project in April 2015
- \$1.7 billion natural gas pipeline would provide substantial new capacity on the NGTL System to meet the needs of the rapidly expanding Montney basin in NE B.C.
- North Montney will include an interconnection with Prince Rupert Gas Transmission Project. PRGT would supply gas to proposed Pacific Northwest LNG liquefaction and export facility near Prince Rupert, B.C.
- Expect to phase North Montney into operation in 2016 and 2017. NEB approval is subject to certain conditions, including a positive FID on LNG facility

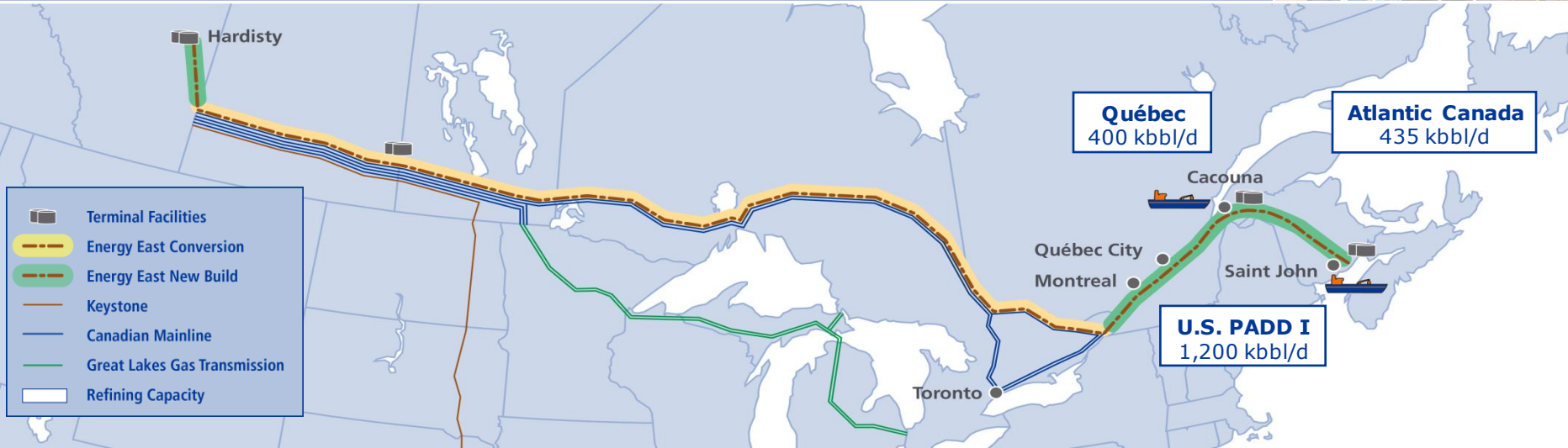
West Coast LNG Pipeline Projects



- Expect decisions on PRGT B.C. Oil and Gas Commission permits in Q2 2015
- Continue to work with Progress/Petronas and our contractors refining project costs in anticipation of an FID later this year
- Anticipate hearing a decision on B.C. Oil and Gas Commission permits as well for Coastal GasLink in Q2 2015
- Project subject to regulatory approvals and a FID expected in early 2016



Energy East Pipeline Project



- In early April TransCanada decided not to build a marine terminal and associated tank terminals at Cacouna, Québec. Potential alternative export terminal options in Québec being reviewed
- Crude oil deliveries to Montreal, Québec City and St. John refineries, and St. John export terminal will not be impacted by this review
- Decision the result of recommended change in status of the beluga whales to an endangered species and ongoing stakeholder discussions
- NEB advised of our decision. Amendments expected to be filed in Q4 2015. In-service date now 2020
- 1.1 million barrel per day oil pipeline underpinned by firm contracts for approximately 1 million bbl/d

Keystone XL

- Continue to work through permitting process
- Preparing for South Dakota Public Utility Commission hearing to determine certification of Keystone XL's existing state permit authority
- Timing of Presidential Permit decision remains uncertain. Shippers remain 100 per cent committed to project
- US\$8 billion estimated capital cost
- US\$2.4 billion invested to date and recorded US\$400 million of capitalized interest



Napanee Generating Station



- Construction started in January 2015 on our 900 MW Napanee power facility
- \$1 billion facility expected to be operational in late 2017 or early 2018
- Power production fully contracted with the Ontario Independent Electricity System Operator



Key Takeaways



- Four key priorities remain the same:
 - Maximize the value of our \$64 billion asset base
 - Move our \$46 billion capital program from concept to cash flow
 - Continue to cultivate new opportunities to re-invest our discretionary cash flow, and
 - Maintain our financial flexibility and discipline to ensure we can continue to fund our growth in all market conditions
- These priorities have guided TransCanada's growth for 15 years. Continued execution of these priorities will result in growth in earnings, cash flow and dividends – growing shareholder value for years to come





First Quarter 2015 Financial Results

Don Marchand, EVP & CFO



Consolidated Results of Operations

(unaudited) (millions of dollars, except per share amounts)



	Three months ended March 31	
	2015	2014
Net Income Attributable to Common Shares	387	412
Specific items (net of tax):		
Risk management activities	78	10
Comparable Earnings⁽¹⁾	465	422
Net Income Per Common Share	\$0.55	\$0.58
Specific items (net of tax):		
Risk management activities	0.11	0.02
Comparable Earnings Per Common Share⁽¹⁾	\$0.66	\$0.60
Average Common Shares Outstanding (millions)	709	708

(1) Non-GAAP measure. For additional information on these items see the April 30, 2015 Quarterly Report to Shareholders

Business Segment Results

(unaudited) (millions of dollars)



	Three months ended March 31	
	2015	2014
Natural Gas Pipelines		
Canadian Pipelines	522	566
U.S. and International Pipelines	370	291
Business Development	(18)	(9)
Natural Gas Pipelines Comparable EBITDA⁽¹⁾	874	848
Liquids Pipelines		
Keystone Pipeline System	314	248
Business Development	(5)	(7)
Liquids Pipelines Comparable EBITDA⁽¹⁾	309	241
Energy		
Canadian Power	225	229
U.S. Power	164	94
Natural Gas Storage and other	3	27
Business Development	(4)	(5)
Energy Comparable EBITDA⁽¹⁾	388	345
Corporate Comparable EBITDA⁽¹⁾	(40)	(38)
Comparable EBITDA⁽¹⁾	1,531	1,396

(1) Non-GAAP measure. For additional information on these items see the April 30, 2015 Quarterly Report to Shareholders

Other Income Statement Items

(unaudited) (millions of dollars)



	Three months ended March 31	
	2015	2014
Comparable EBIT ⁽¹⁾	1,097	1,003
Comparable interest expense ⁽¹⁾	(318)	(274)
Comparable interest income and other ⁽¹⁾	15	(6)
Comparable income tax expense ⁽¹⁾	(247)	(224)
Net income attributable to non-controlling interests	(59)	(54)
Preferred share dividends	(23)	(23)
Comparable Earnings ⁽¹⁾	465	422
Specific items (net of tax):		
Risk management activities	(78)	(10)
Net Income Attributable to Common Shares	387	412

(1) Non-GAAP measure. For additional information on these items see the April 30, 2015 Quarterly Report to Shareholders

Cash Flow and Investing Activities

(unaudited, millions of dollars)



Three months ended March 31

	2015	2014
--	------	------

Funds Generated From Operations ⁽¹⁾	1,153	1,102
--	-------	-------

Investing Activities:

Capital spending	1,007	848
------------------	-------	-----

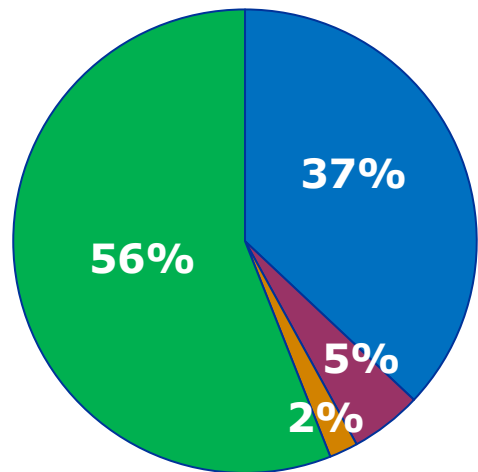
Equity investments	93	89
--------------------	----	----

Financial Position Remains Strong



Consolidated Capital Structure*

(at March 31, 2015)



■ Debt (net of cash) ■ Common Equity
■ Preferred Shares ■ Junior Sub Notes

- Significant financial flexibility
- 'A' grade credit ratings
- \$1.8 billion cash on hand
- \$5 billion of undrawn committed credit lines and two well supported commercial paper programs
- Issued US\$500 million of three-year fixed senior notes at 1.875% and US\$250 million of floating rate senior notes at LIBOR + 79 basis points in January
- Raised \$250 million from issuance of 3.80% Series 11 Preferred Shares in March
- Issued US\$750 million of 30-year senior notes at 4.60% in March
- On April 1, 2015, closed sale of the remaining 30 per cent interest in GTN to TC PipeLines, LP for US\$446 million

* Common equity includes non-controlling interests in TC PipeLines, LP and Portland.

TransCanada - Key Takeaways



- **Solid first quarter financial results from a diverse suite of blue-chip assets**
 - Comparable earnings up ten per cent
 - Funds generated from operations up five per cent
- **Well positioned to fund \$12 billion of small to medium-sized projects**
- **Advancing a broad portfolio of investment opportunities, including \$34 billion of commercially secured projects**
- **Expect to grow sustainable earnings, cash flow and dividends as we deliver on our capital program**



Question & Answer Period



Russ Girling



Don Marchand



Alex Pourbaix



Karl Johannson



Paul Miller



Bill Taylor



Glenn Menuz



David Moneta

