



TD Securities London Energy Conference January 11, 2016

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Forward Looking Information and Non-GAAP Measures



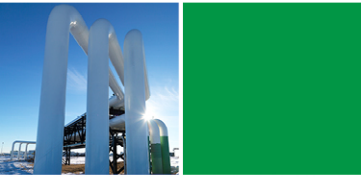
This presentation includes certain forward looking information to help current and potential investors understand management's assessment of our future plans and financial outlook, and our future prospects overall. Statements that are forward-looking are based on certain assumptions and on what we know 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, Funds Generated from Operations and Distributable Cash Flow. 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.

Key Themes



Proven Strategy – Low Risk Business Model

- 90%+ of EBITDA derived from regulated assets or long-term contracts
- Volumetric, commodity and various other risks are known and contained

Financial Discipline

- Finance long-term assets with long-term capital
- Value 'A' grade credit rating
- Corporate structure is simple and understandable

Three Complementary Businesses Performed Well in 2015

- Comparable EBITDA and FGFO expected to exceed 2014

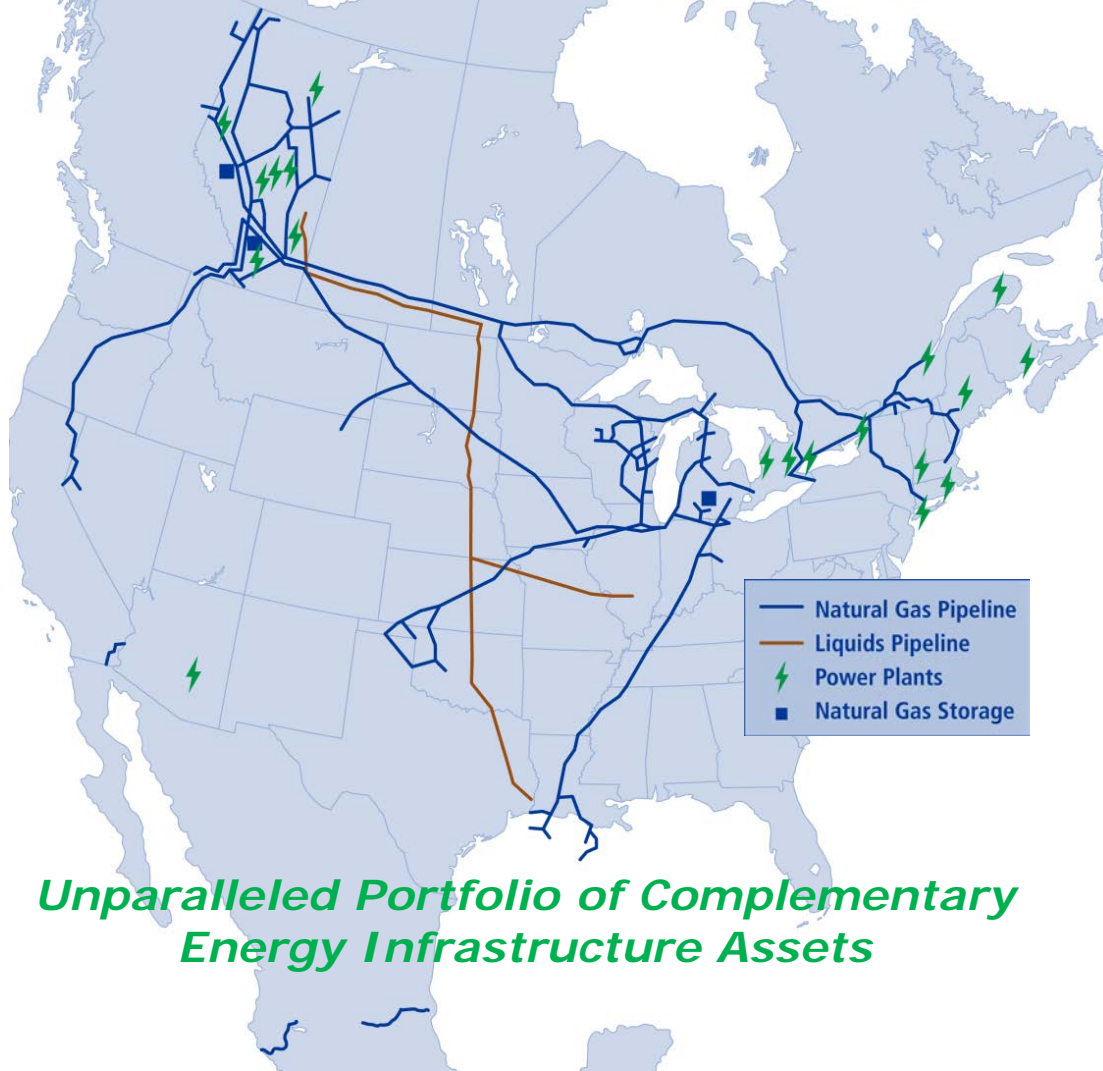
Visible Growth Through 2018 and Beyond

- \$14 billion of near-term projects
- \$45 billion of commercially secured long-term projects

Dividend Poised to Grow Through 2020

- 8-10% average annual growth rate expected

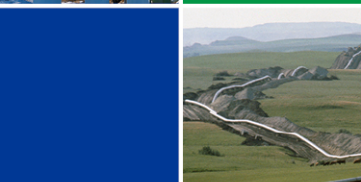
TransCanada Today



*Unparalleled Portfolio of Complementary
Energy Infrastructure Assets*

- **One of North America's Largest Natural Gas Pipeline Networks**
 - 68,000 km (42,000 mi) of pipeline
 - 368 Bcf of storage capacity
 - 14 Bcf/d or 20% of continental demand
- **Premier Liquids Pipeline System**
 - 4,250 km (2,600 mi) of pipeline
 - 545,000 bbl/d or 20% of Western Canadian exports
- **Largest Private Sector Power Generator in Canada**
 - 19 power plants, 11,500 MW
- **Total Assets ~ \$66 billion**

We Have Made Significant Progress Since 2010



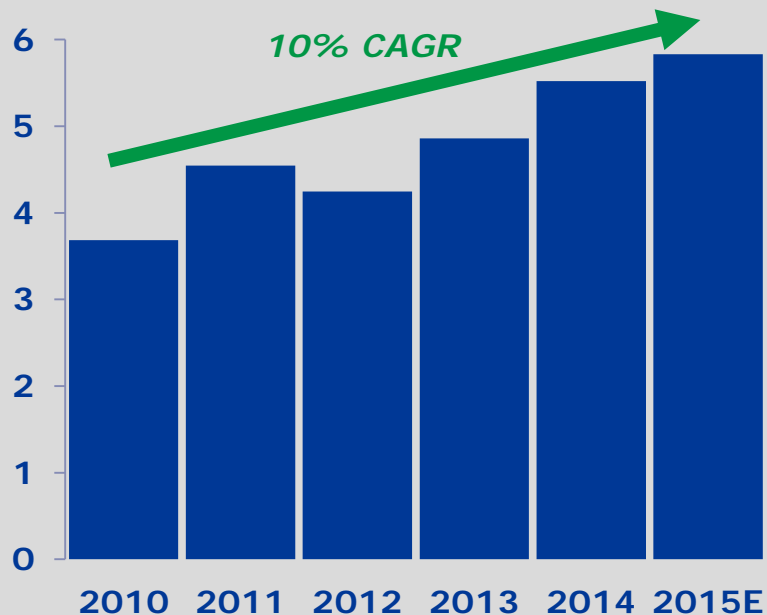
- \$20 billion of assets placed into service
- \$50 billion of new commercially secured projects
- \$10 billion of financing completed, net of maturities
- US\$2.5 billion of assets dropped down to TC PipeLines, LP
- \$6 billion of dividends paid
- Common shares outstanding largely unchanged
- 'A' grade credit rating maintained
- Canadian Mainline, ANR and Ravenswood commercial issues addressed
- Operational efficiencies being identified

More to the TransCanada Story than Keystone XL

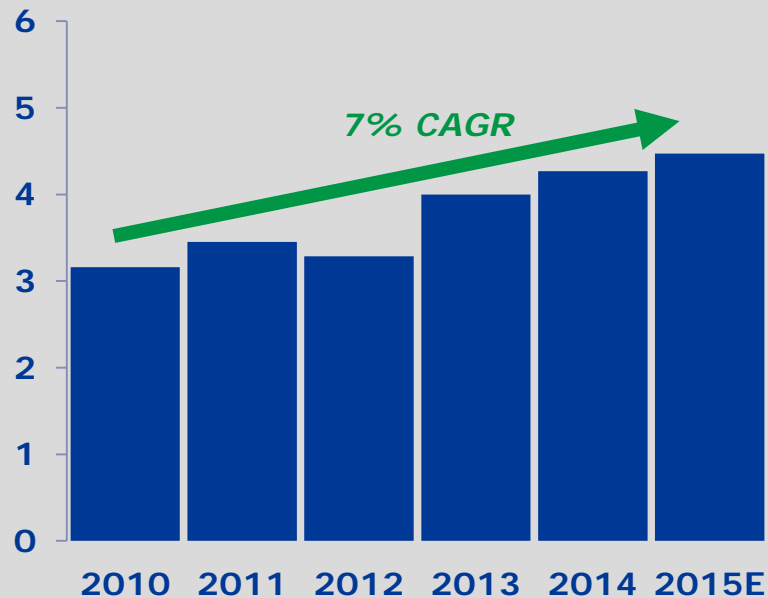
Capital Investment Drives Strong Financial Performance



Comparable EBITDA
(\$Billions)



Funds Generated from Operations
(\$Billions)



**Significant Growth in
Comparable EBITDA and Funds Generated from Operations**

\$14 Billion of Visible Near-Term Growth Projects



Project	Capital Cost*	Expected In-Service Date*
Houston Lateral & Terminal	US0.6	2016
Ironwood Acquisition	US0.7	2016
Topolobampo	US1.0	2016
Mazatlan	US0.4	2016
Canadian Mainline	0.4	2015-2016
NGTL System	5.5	2015-2018
Grand Rapids	1.5	2016-2017
U.S. Natural Gas Pipelines	US0.5	2016-2018
Tuxpan-Tula	US0.5	2017
Northern Courier	1.0	2017
Napanee	1.0	2017-2018
Bruce Power Life Extension	1.4	2015-2020
Total	14.5	

* TransCanada share in billions of dollars. Certain projects are subject to various conditions including corporate and regulatory approvals.



Small to Medium-Sized Projects Drive Significant Growth



EBITDA Outlook* 2015E – 2018E

\$Billions

8

7

6

5

4

2015E

2018E

■ Natural Gas Pipelines ■ Liquids Pipelines ■ Energy & Corporate ■ Consolidated Total

NGTL and
Canadian
Mainline
Expansions

Mexico
Pipelines

U.S.
Pipelines

Liquids
Pipelines

Napanee,
Ironwood,
Bruce Power
Life Extension

~8% CAGR

Augmented by:

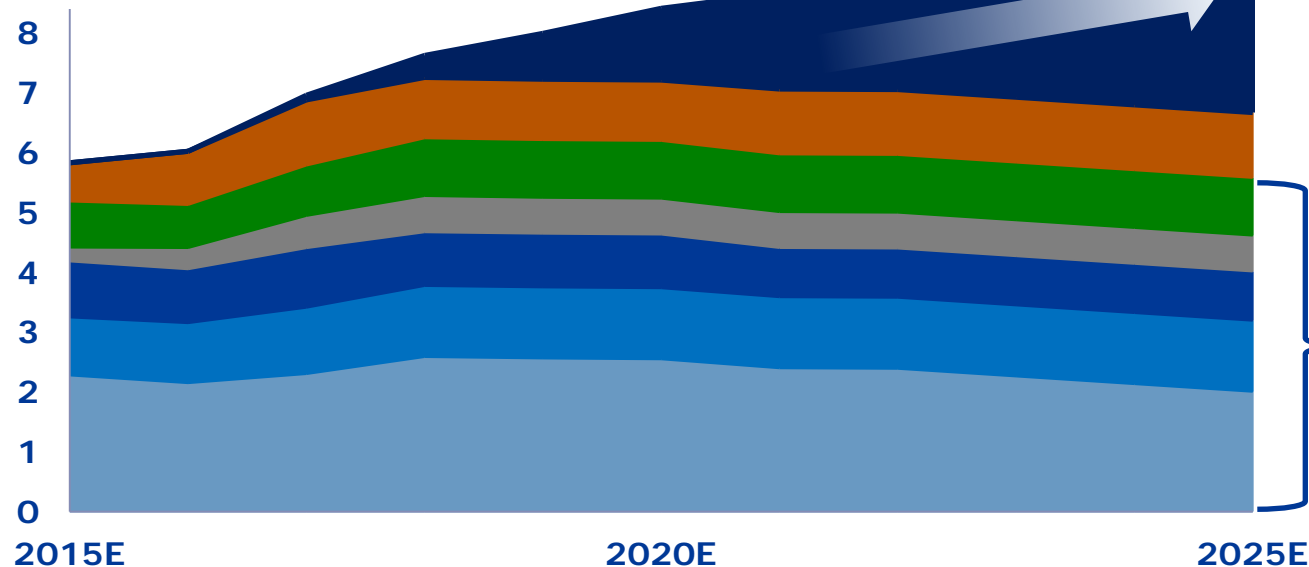
- Capacity available to invest in new growth opportunities
- Operating efficiencies

* Includes existing assets, non-controlling interests in U.S. Natural Gas Pipelines and \$14 billion of commercially secured projects largely expected to be in service by 2018, subject to various conditions including corporate and regulatory approvals

Stability and Longevity of Core Asset Base + \$14 Billion of Visible Growth with Upside



EBITDA
(\$Billions)



Generated by predictable cost of service and long-term contracted cash flow streams supported by:

- Solid counterparties
- Minimal volumetric risk
- No commodity price risk



* Includes pipeline capacity not under long-term contract, merchant power and unregulated natural gas storage. Assumes no change in EBITDA contribution beyond 2015 for merchant power or gas storage.

Committed to 8-10% Annual Dividend Growth Through 2020

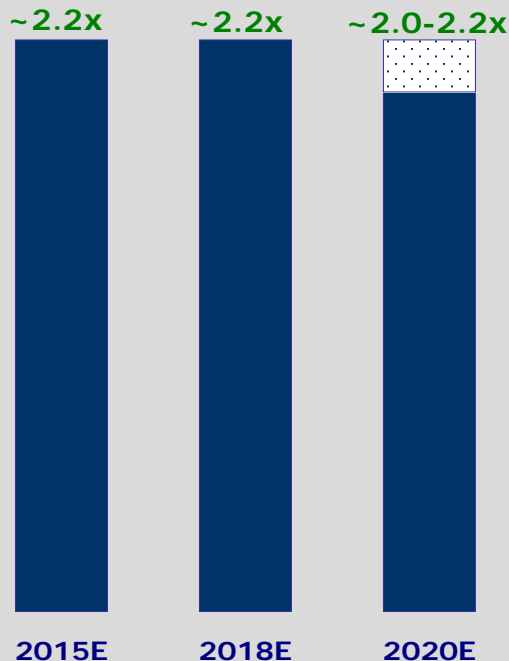


Dividends Per Share



Dividend Coverage

(Based on DCF per share)

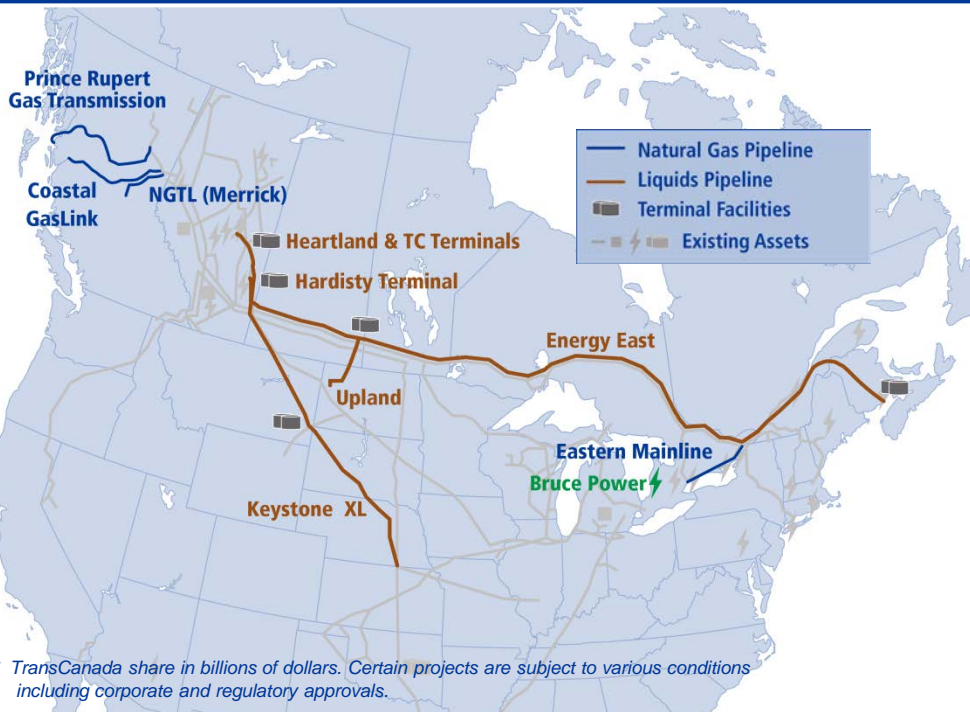


Supported by:

- High-quality asset base generating predictable and long-life cash flow
- \$14 billion of near-term growth projects
- Proven ability to find attractive investment opportunities
- Strong dividend coverage

Success in Advancing Other Growth Initiatives Extends and Augments Future Dividend Growth

\$45 Billion of Commercially Secured Long-Term Projects*



• Includes four transformational projects

- Energy East (\$15.7 billion) and related Eastern Mainline Expansion (\$2.0 billion)
- Keystone XL (US\$8 billion)
- Prince Rupert Gas Transmission (\$5 billion)
- Coastal GasLink (\$4.8 billion)

• Establish us as leaders in the transportation of crude oil and natural gas for LNG export

- 2 million bbl/d of liquids pipeline capacity
- 4+ Bcf/d of natural gas pipeline export capacity

• Bruce Power Life Extension Agreement

- Asset Management and Major Component Replacement post-2020 (\$5.3 billion)
- Extends operating life of facility to 2064



Disciplined Capital Allocation to Maximize Shareholder Value

- Significant opportunities in our core businesses and geographies, including large-scale projects
- Financial strength to execute at any point of the economic cycle
- Sustainable dividend growth
- Will accelerate return of capital if attractive low-risk investment opportunities do not materialize

Focused on Per Share Economics to Maximize Short- and Long-Term Shareholder Returns



Certain projects are subject to various conditions including corporate and regulatory approvals



Track Record of Delivering Long-Term Shareholder Value

13% average annual return since 2000

Visible Growth Portfolio

*\$14 billion through 2018
Additional opportunity set
includes \$45 billion of
long-term projects*

Attractive, Growing Dividend

*4.8% yield at current rate
8-10% CAGR through 2020*

Strong Financial Position

*'A' grade credit rating
Numerous levers available
to fund growth*

Attractive Valuation Relative to North American Peers



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