

Developing North America's Energy Future



2013 Calgary Real Estate Conference

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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, regulatory decisions and outcomes, outcomes of legal proceedings, including arbitration, 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, cybersecurity and technological developments. You can read more about these risks and others in our most recent Quarterly Report to Shareholders and 2012 Annual Report filed with Canadian securities regulators and the U.S. Securities and Exchange Commission (SEC) and available at www.transcanada.com.

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.

TransCanada – a leading North American Energy Infrastructure Company

Natural Gas Pipeline Network

- 68,500 km (42,500 mi) of pipeline
- 14 Bcf/d or 20% of N.A. demand

Third Largest Natural Gas Storage Operator

- 406 Bcf of capacity

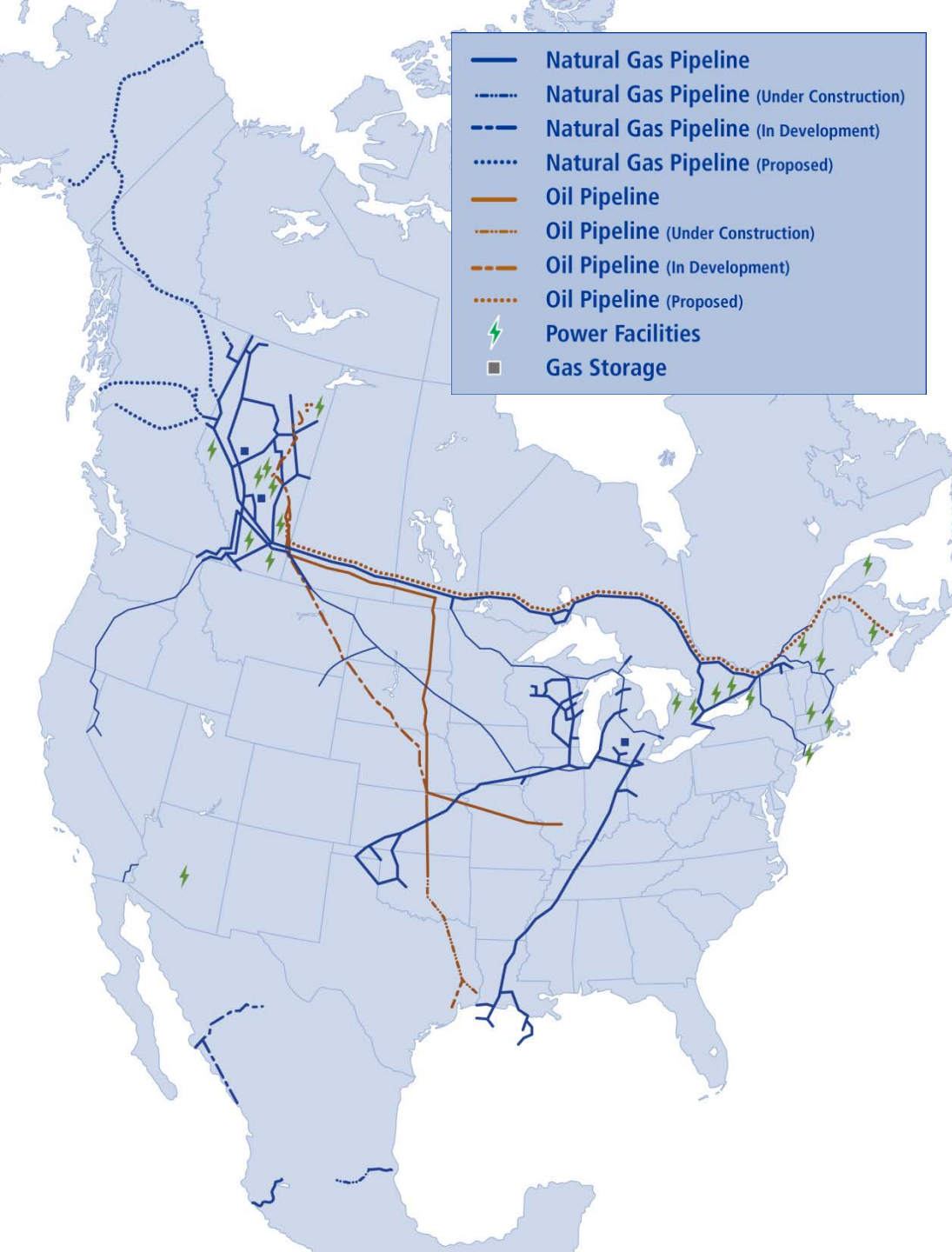
Largest Private Sector Power Generator in Canada

- 21 power plants, 11,800 MW

Premier Oil Pipeline System

- 1.4 million bbl/d ultimate capacity
- 33% of Canadian exports

Enterprise Value ~ \$59 billion

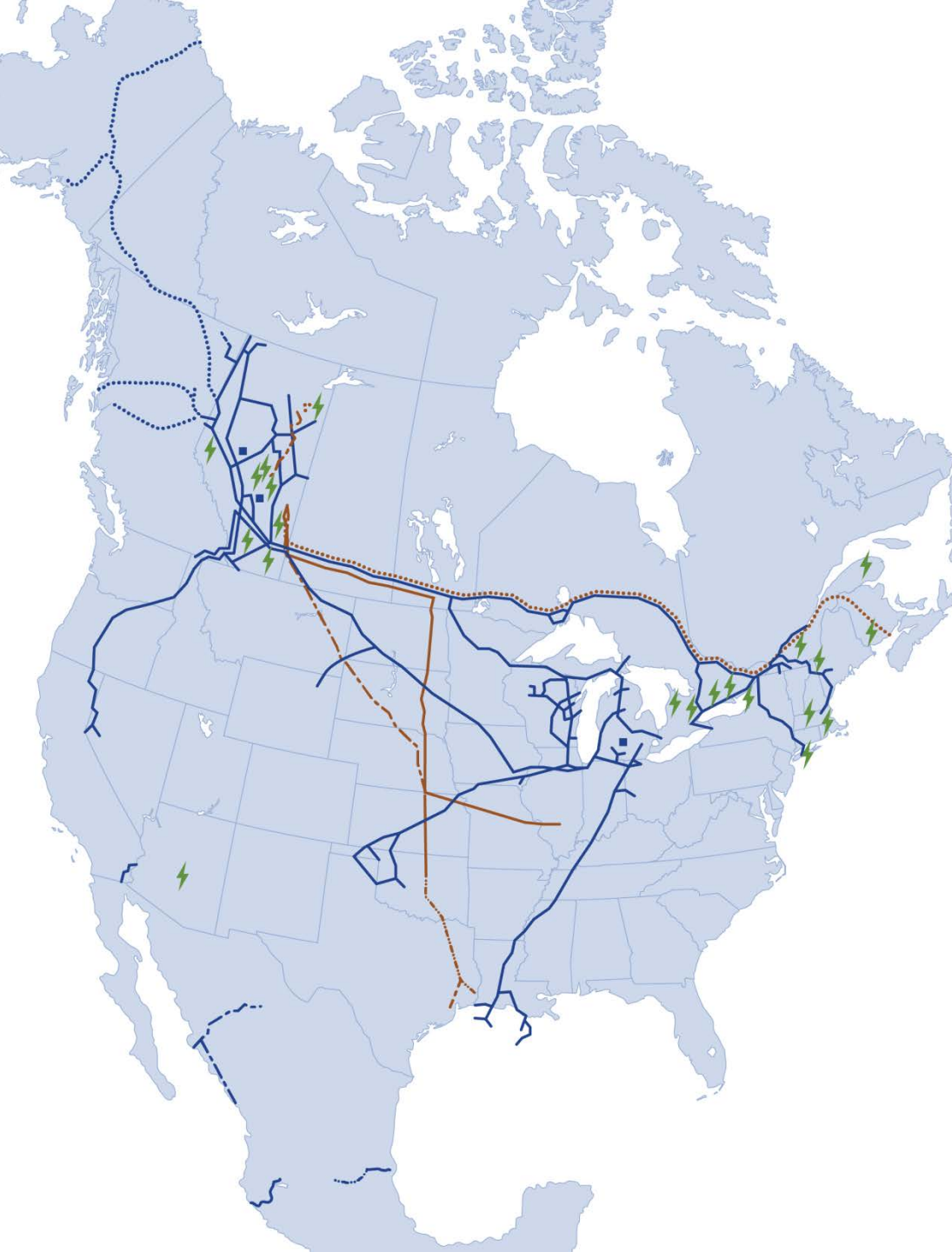


A Leading North American Energy Infrastructure Company

Enterprise value of \$59 billion

Three core businesses:

- Natural Gas Pipelines
- Energy
- Oil Pipelines



Developing North America's Energy Future

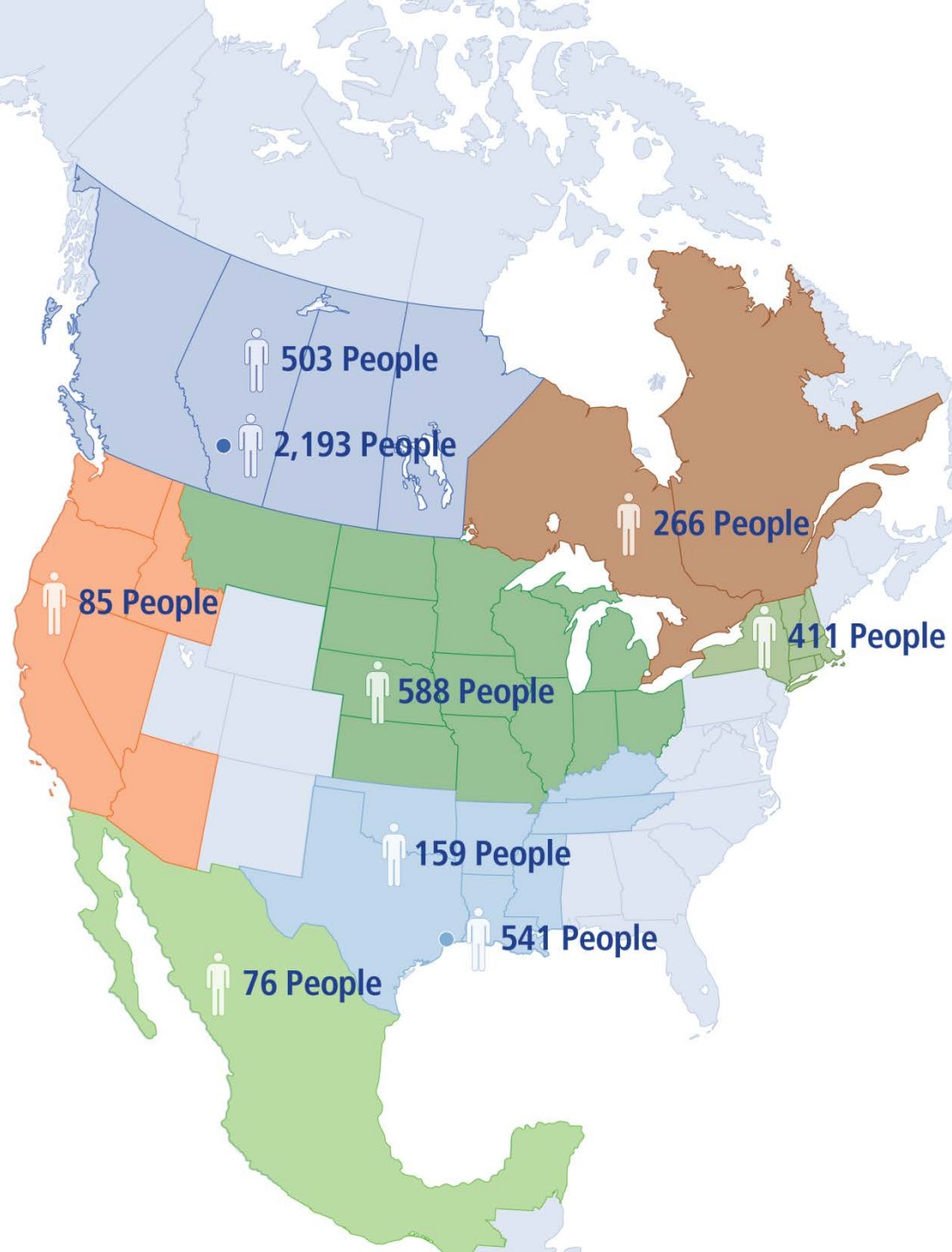


Placed \$13 billion of new assets into service in last three years

TransCanada Employees

4,900 dedicated employees in:

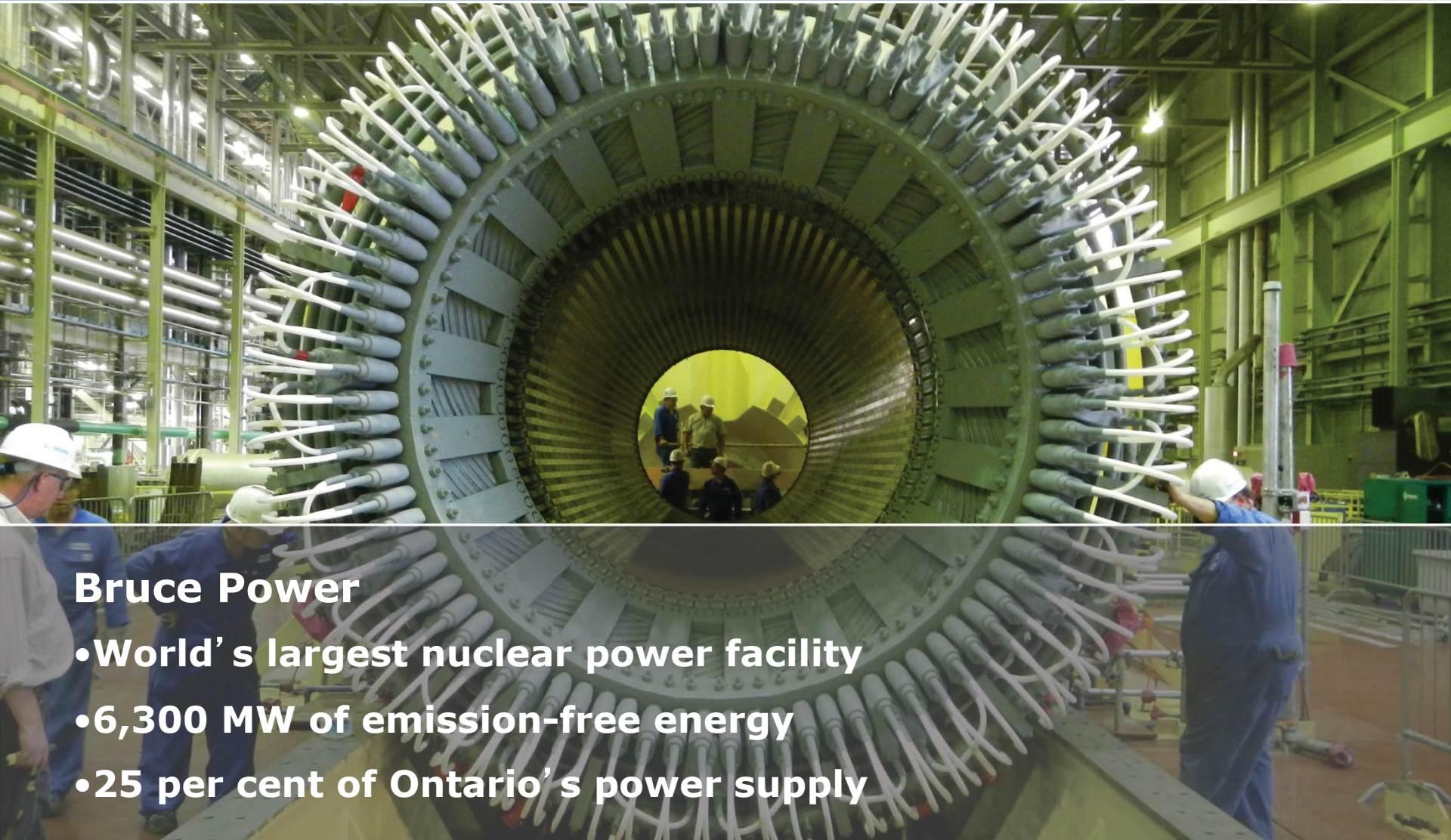
- Seven Provinces
- 31 States
- Mexico



Energy

- Canada's largest private sector power generator
- 21 power facilities operating or in development
- Generating capacity 11,800 MW, enough for 12 million homes

TransCanada Energy Projects



Bruce Power

- World's largest nuclear power facility
- 6,300 MW of emission-free energy
- 25 per cent of Ontario's power supply

TransCanada Energy Projects



Cartier Wind

- Canada's largest wind farm
- 590 MW under 20-year PPA with Hydro Québec

TransCanada Energy Projects



Canadian Solar

- \$476-million investment
- 86 MW at nine sites

TransCanada Energy Projects



Nappanee Generating Station

- \$1-billion investment
- 900 MW combined-cycle, natural gas power plant
- Expected to begin operation by 2018

Natural Gas Pipelines

- 68,500 kilometres of pipeline
- Delivering 20 per cent of North America's gas supply
- Third-largest natural gas storage provider

West Coast LNG Pipeline Projects

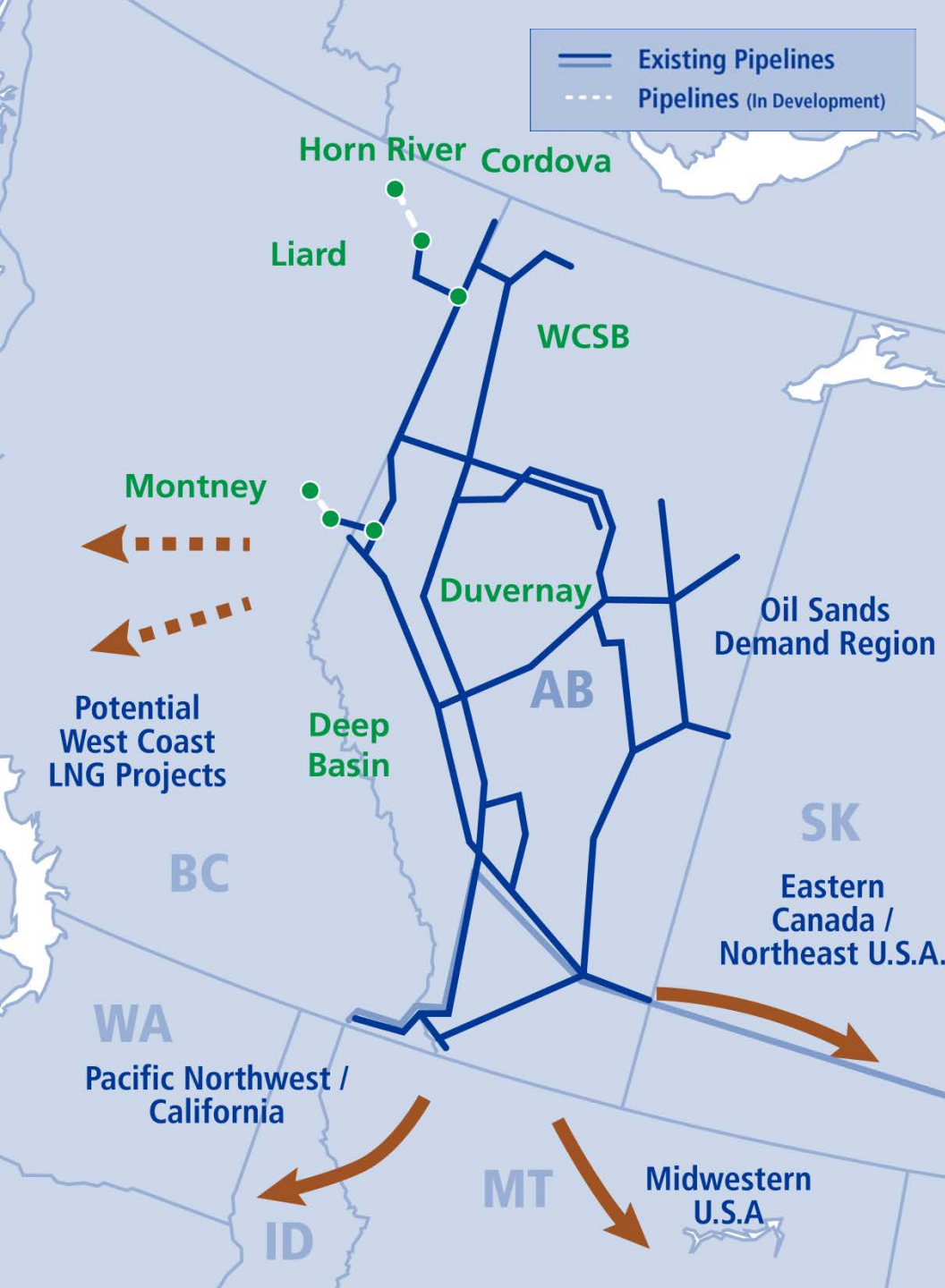
Coastal GasLink

- Approx. \$4 Billion investment
- Initial capacity of more than 1.7 Bcf/d
- Serve LNG facility proposed by Shell, Korea Gas, Mitsubishi and PetroChina
- Estimated to be in-service toward the end of the decade

Prince Rupert Gas Transmission

- Approx. \$5 Billion investment
- Initial capacity of 2.0 Bcf/d
- Serve LNG facility proposed by Progress Energy/Petronas
- Estimated to be in-service by end of 2018



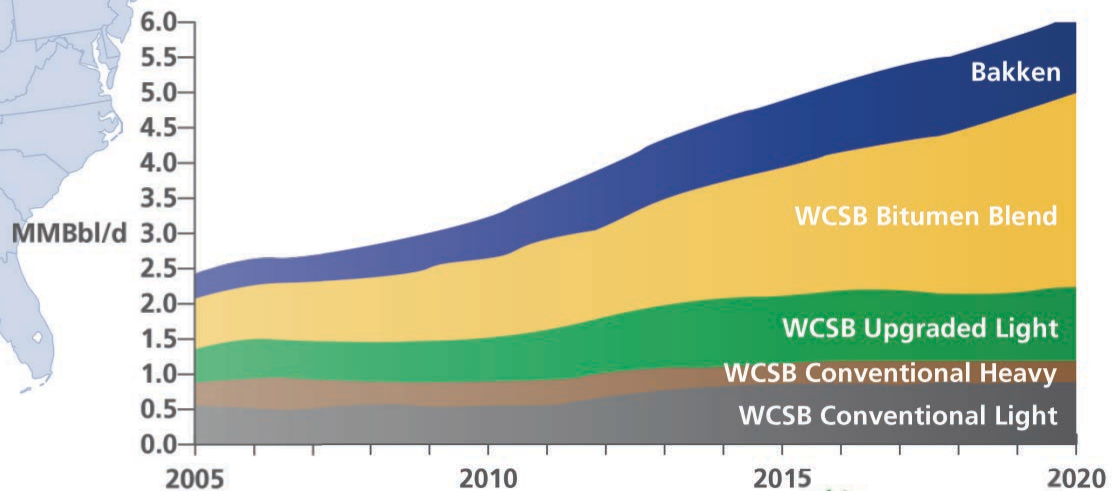
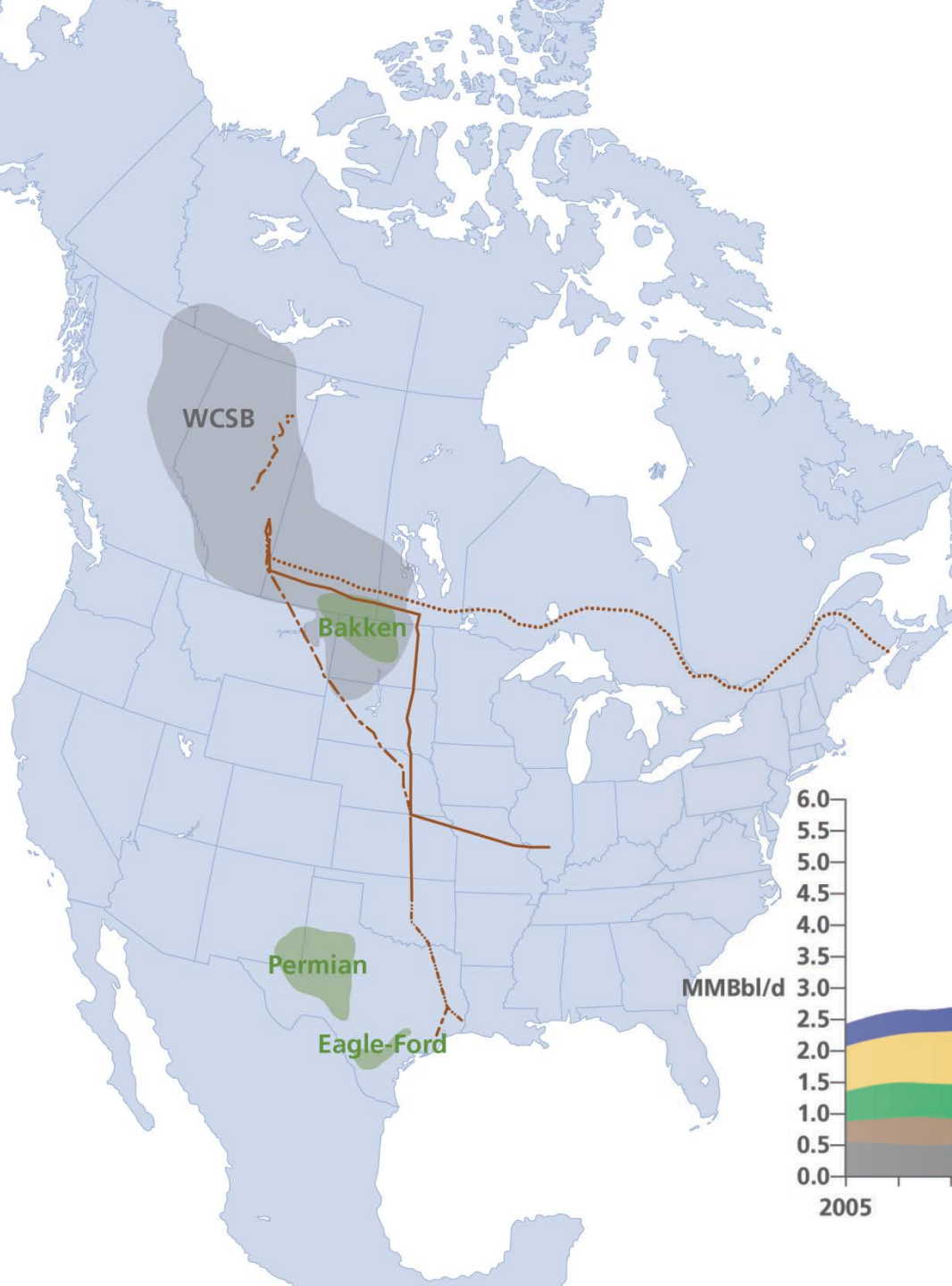


NGTL System

- Transports approx 10 Bcf/d or 70% of WCSB supply
- \$2.2 billion of new investments
 - \$740 million of NEB approved projects
 - \$1.5 billion associated with Prince Rupert Gas Transmission project
- Linking WCSB gas to proposed West Coast LNG Projects
- Provider of gas to growing Alberta oil sands region
- NIT hub provides customers optionality and liquidity

Growing Oil Production

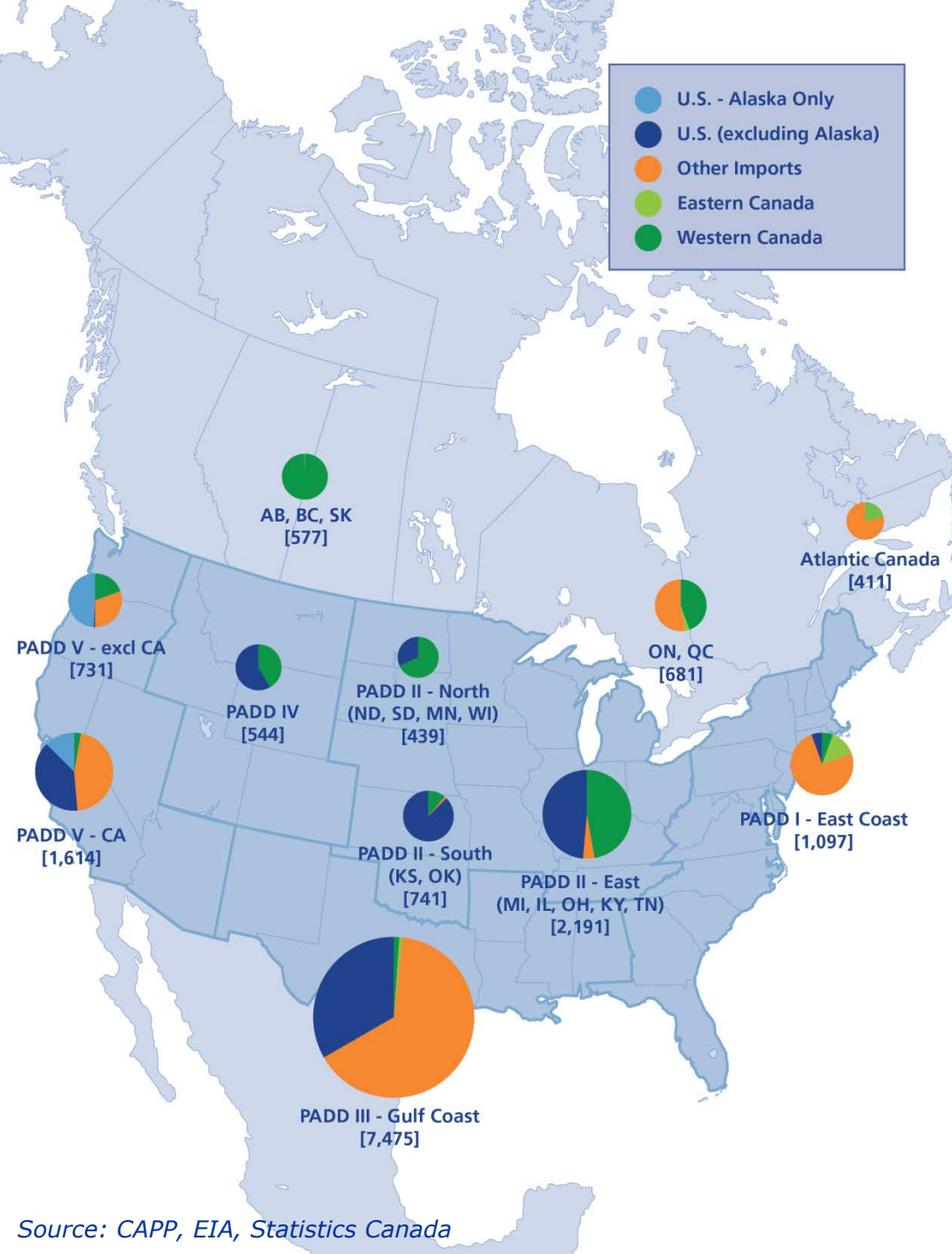
- Crude oil production to grow three million bbl/d by 2020



Where Will the Oil Go?

Displacing offshore imports:

- U.S. Gulf Coast imports 4.5 million bbl/d
- Eastern Canada imports 700,000 bbl/d
- U.S. East Coast imports 900,000 bbl/d



Oil Pipelines

- Keystone delivers 20 per cent of Canadian oil to U.S. markets
- Growing upstream system to connect wellheads to refineries
- Pursuing Energy East Pipeline to connect Western producers with Eastern markets

Energy East, Grand Rapids and Northern Courier Projects



Energy East

- Converting Mainline capacity to oil service
- Delivery terminals Montreal, Québec City and Saint John
- Very strong commercial interest and political support

Northern Courier & Grand Rapids

- Connecting growing oil sands production
- projects underpinned by long-term contracts

Keystone Pipeline



- 
- Began operation in July 2010
 - Safely delivered more than 400 million barrels to U.S. markets

Gulf Coast Pipeline

- US\$2.5 billion project
- Construction is 77 per cent complete
- Will begin transporting 700,000 barrels per day when placed in service at the end of this year

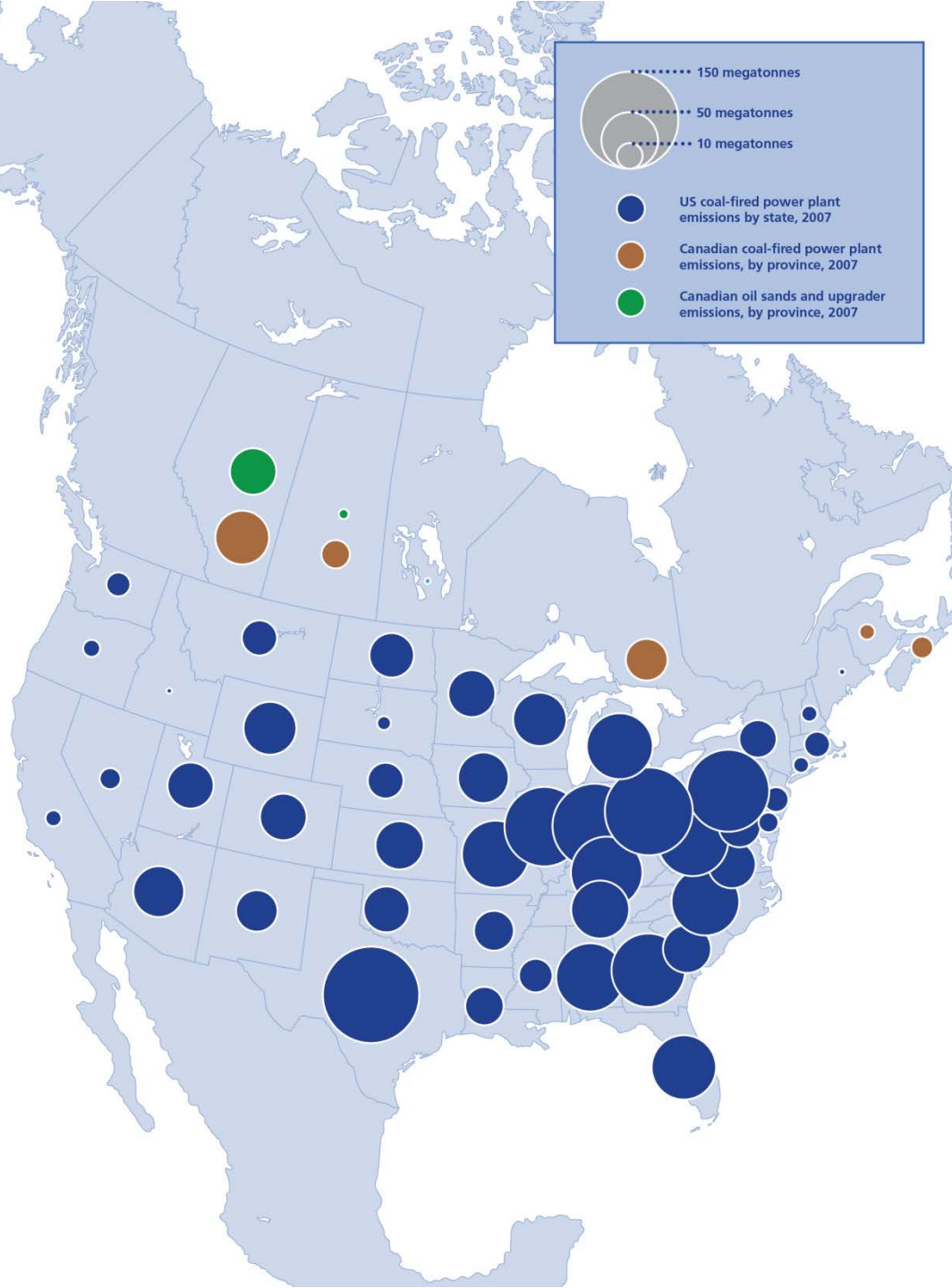




Keystone XL

- 830,000 barrels per day capacity
- Will displace overseas crude imports
- DOS issued SDEIS on March 1, 2013
- Awaiting issuance of a Final EIS before commencing the National Interest Determination period
- 12,000 pages
- Over four years of exhaustive study

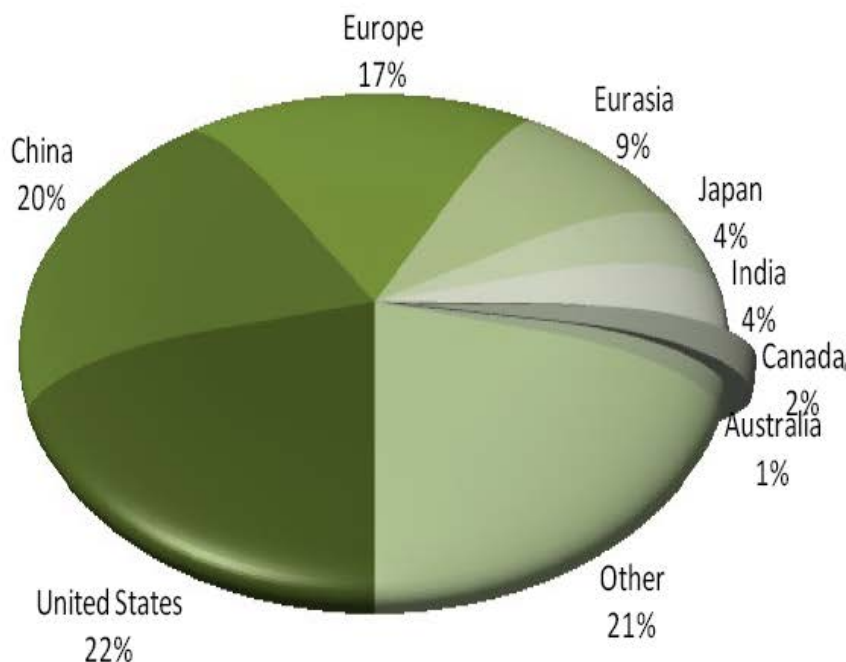
Moving Off Coal



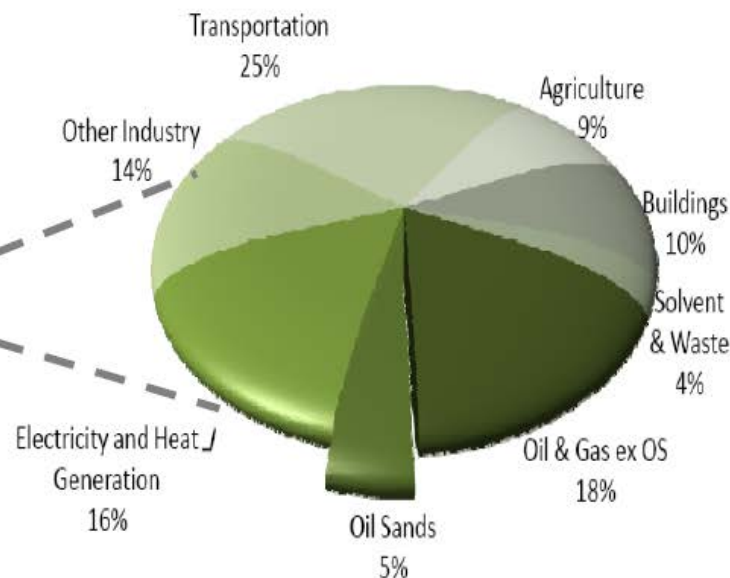
- Coal-fired power generation is the #1 source of electricity in the U.S. and #1 source of GHGs
- Emissions from oil sands only 3.5 per cent of U.S. coal fleet



Global Energy Related Emissions By Country



Canada's GHG Emissions By Sector



GHG emissions from oil sands:

- less than 0.1% of global GHG emissions
- 5% of Canada's GHG emissions
- GHG intensity reduced by 33% from 1990 to 2007

Source: CAPP, Achieving Balance, The Canadian Oil Sands Story, Insight Energy Conference, (February 2, 2010)



The Claim: Mining the oil sands will clear-cut an area of Canada's boreal forest the size Florida



• **Land Use:**

- Only 3% of total oil sands land area could ever be impacted by the mining method of extracting oil sands
- 97% of total oil sands are recoverable using drilling (in situ) methods, which require very little surface and land disturbance

• **Water Use:**

- Oil sands producers recycle 80% to 95% of water used
- Production uses only 0.5% of total river flows from the Athabasca River



Committed to Safety and Responsible Development



We're very proud of this crop.

(And our high-tech pipeline under it.)

At TransCanada we believe in leaving the land just the way we found it. About a year after construction of the Keystone pipeline, this land in Nebraska is back to producing healthy crops. From land reclamation to safety and protecting the environment, we're committed to doing what's right.



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Vision for the Future



- Secured \$16 billion in new projects in the past year
- \$25 billion for completion by 2020

Changing Energy Landscape – Three Themes



- **Abundant natural gas supply**
- **Growing oil supply**
- **Shift away from coal-fired power**

Committed to Safety and Responsible Development

