TransCanada Corporation
FEI Canada Conference 2009
“Celebrating Yesterday, Delivering Today, Building for Tomorrow”

May 28, 2009
Hal Kvisle, President and CEO
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Celebrating TransCanada’s 50 Year History
Delivering Today

Low-Risk Business Model

Predictable, Sustainable Revenue and Cash Flow Streams

Natural Gas Pipelines
- Largest North American natural gas pipeline company
- Average volume of 15 Bcf/day
- Stable, regulated business model

Power Generation
- Largest private sector power company in Canada
- Strong participant in North East U.S.A. power markets
- 25 per cent of New York City power generating capacity
Financial Highlights – Track Record of Success

Earnings per Share
(Comparable)

- $1.08 (1999)
- $2.25 (2008)
- 8.5% CAGR

Funds Generated from Operations
($Billions)

- $1.0 (1999)
- 3.0 (2008)
- 13.1% CAGR
Financial Highlights – Track Record of Success

**Dividends per Share**

- '00: $0.80
- '01 to '09: $1.52*

* Annualized amount based on Q2 2009

**7.4% CAGR**

**Dividends as Percentage of Earnings and Cash Flow**

- Earnings
- Cash Flow

* '00 '01 '02 '03 '04 '05 '06 '07 '08

* TransCanada*
Financial Strength

Consolidated Capital Structure* (at March 31, 2009)

- Debt (net of cash): 55%
- Preferred Shares: 4%
- Common Equity: 40%
- Junior sub Notes: 1%

Financial Position Remains Sound

- Raised $5.5 billion in capital since November 2008
- Balance sheet strong
- Significant cash on hand
- $3.5 billion unutilized committed credit facilities
- $5 billion debt and equity shelves available
- Manageable debt maturity profile
- ‘A’ credit ratings with ‘Stable’ outlook

Well Positioned to Fund 2009 Capital Program

* Debt includes proportionate share of joint venture debt. Common equity includes non-controlling interest in TC PipeLines, LP and Portland
Our Vision

TransCanada will be the leading energy infrastructure company in North America…

With a strong focus on pipelines and power generation opportunities…

Located in regions where we have or can develop significant competitive advantage.
Achieving Our Vision: Natural Gas Pipelines

- Unparalleled connections from traditional and emerging basins to growing markets
- Federal jurisdiction for Alberta System
- Expansion and extension of Alberta System (North Central Corridor, Horn River, Groundbirch)
- U.S. Rockies Bison project proceeding
- Growth in Michigan regulated natural gas storage
- AGIA license granted for Alaska project
- Guadalajara project awarded
Achieving Our Vision: Crude Oil Pipelines

- 1,090,000 Bbl/d capacity
- Expandable to 1,500,000 Bbl/d
- 910,000 Bbl/d committed for an average term of 18 years or 83% of total capacity
  - Includes 380,000 Bbl/d of firm contracts for U.S. Gulf Coast Expansion
- TransCanada ownership interest 79.99%
- Approx. US$12 billion
- In-service 2009 – 2012
Achieving Our Vision: Power Generation

- 19 plants, 10,900 megawatts
- Diversified portfolio consists primarily of:
  - Long term power purchase arrangements with stable, predictable earnings
  - Low-cost, base-load generation
  - Key power infrastructure assets in attractive markets
  - Bruce Power Units 1&2 restart project continuing, life extension on Units 3&4
  - Portlands Energy Centre in-service, Halton Hills 50 per cent complete, Coolidge proceeding
  - Third phase of Cartier Wind in-service, Kibby Wind under construction
Ravenswood Generating Station
Achieving Our Vision: Natural Gas Storage

2nd Largest Natural Gas Storage Provider in North America

Dominion
Kinder Morgan
NiSource
DTE Energy
WBI Holdings Inc
El Paso

Sources: AGA, Natural Gas Intelligence, CERA Insight, TransCanada
Building for Tomorrow: Large Portfolio of Attractive, Low-Risk Projects

<table>
<thead>
<tr>
<th>Pipeline Projects</th>
<th>Capital Cost Estimate</th>
<th>In-Service Date</th>
<th>Revenue Stream</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keystone (80%)</td>
<td>10.6</td>
<td>2009-2012</td>
<td>Contracted and Spot</td>
</tr>
<tr>
<td>Canadian Regulated</td>
<td>2.5</td>
<td>2009-2011</td>
<td>Cost of Service</td>
</tr>
<tr>
<td>U.S. Regulated</td>
<td>0.7</td>
<td>2009-2011</td>
<td>Contracted and Spot</td>
</tr>
<tr>
<td>Bison</td>
<td>0.6</td>
<td>2010-2011</td>
<td>Contracted and Spot</td>
</tr>
<tr>
<td>Guadalajara</td>
<td>0.3</td>
<td>2011</td>
<td>Contracted</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14.7</strong></td>
<td></td>
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# Building for Tomorrow: Large Portfolio of Attractive, Low-Risk Projects

<table>
<thead>
<tr>
<th>Energy Projects</th>
<th>Capital Cost Estimate</th>
<th>In-Service Date</th>
<th>Revenue Stream</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce Power Units 1&amp;2 (50%)</td>
<td>1.7</td>
<td>2010</td>
<td>Fully Contracted</td>
</tr>
<tr>
<td>Halton Hills</td>
<td>0.7</td>
<td>2010</td>
<td>Fully Contracted</td>
</tr>
<tr>
<td>Kibby Wind</td>
<td>0.4</td>
<td>2009-2010</td>
<td>Contracted and Spot</td>
</tr>
<tr>
<td>Cartier Wind Phases 4-6 (62%)</td>
<td>0.4</td>
<td>2010-2012</td>
<td>Fully Contracted</td>
</tr>
<tr>
<td>Coolidge</td>
<td>0.6</td>
<td>2011</td>
<td>Fully Contracted</td>
</tr>
<tr>
<td>Other</td>
<td>0.2</td>
<td>2009-2011</td>
<td>Fully Contracted</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4.0</strong></td>
<td></td>
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</tbody>
</table>
Building for Tomorrow: Developing a Portfolio of Future Growth Opportunities

Our Approach:

- Capitalize on the need for new and more efficient energy infrastructure in North America
- Focus on regions and businesses where we can build genuine competitive advantage
- Carefully select opportunities with long-term upside
- Cultivate and pursue when conditions are right

Our $60 Billion Portfolio of Opportunities Includes:

- ANR pipeline and storage opportunities
- Pathfinder, Sunstone, Palomar
- Alaska and Mackenzie
- Mexico
- Saddlebrook, Belle Plaine, Slave River
- Bruce B and future nuclear generation
- Ontario gas-fired generation opportunities
- Electric transmission
Delivering Shareholder Value

- Stable cash flows from Canadian and U.S.A. pipelines
- Proven, low-risk growth in power and gas storage
- Forthcoming dramatic growth in oil pipelines
- An outstanding portfolio of long-term opportunities
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