



Energy East Pipeline

**Economic
Developer's
Association of
Canada
Conference**

**Energy
Program**

September 29, 2014

 **TransCanada**

Forward-looking Information

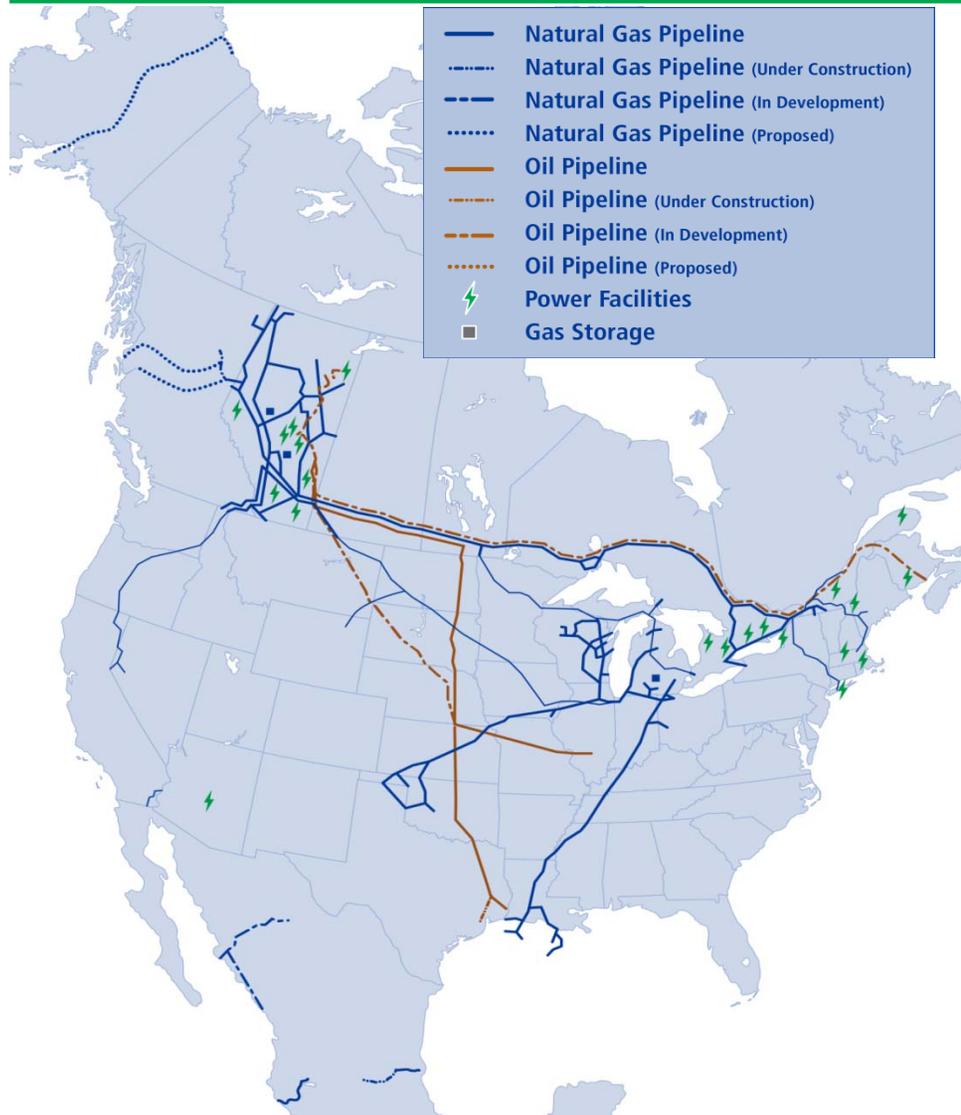
This presentation contains certain information that is forward looking and is subject to important risks and uncertainties. The words "anticipate", "expect", "believe", "may", "will", "should", "estimate", "project", "outlook", "forecast", "intend", "target", "plan" or other similar words are used to identify such forward-looking information. Forward-looking statements in this presentation are intended to provide TransCanada security holders and potential investors with information regarding TransCanada and its subsidiaries, including management's assessment of TransCanada's and its subsidiaries' future plans and financial outlook. Forward-looking statements in this presentation may include, but are not limited to, statements regarding anticipated business prospects; financial performance of TransCanada and its subsidiaries and affiliates; expectations or projections about strategies and goals for growth and expansion; expected cash flows; expected costs; expected costs for projects under construction; expected schedules for planned projects (including anticipated construction and completion dates); expected regulatory processes and outcomes; expected outcomes with respect to legal proceedings, including arbitration; expected capital expenditures; expected operating and financial results; and expected impact of future commitments and contingent liabilities.

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The risks and uncertainties that could cause actual results or events to differ materially from current expectations include, but are not limited to the ability of TransCanada to successfully implement its strategic initiatives and whether such strategic initiatives will yield the expected benefits; the operating performance of the Company's pipeline and energy assets; the availability and price of energy commodities; amount of capacity payments and revenues from the Company's energy business; regulatory decisions and outcomes; outcomes with respect to legal proceedings, including arbitration; counterparty performance; changes in environmental and other laws and regulations; competitive factors in the pipeline and energy sectors; construction and completion of capital projects; labour, equipment and material costs; access to capital markets; interest and currency exchange rates; weather; technological developments; and economic conditions in North America.

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TransCanada: Leading North American Energy Infrastructure Company



One of North America's Largest Natural Gas Pipeline Networks

- 68,500 km of pipeline
- 14 Bcf/d or 20% of demand

Third Largest Natural Gas Storage Operator

- 406 Bcf of capacity

Largest Private Sector Power Generator in Canada

- 19 power plants, 10,800 MW

Premier Oil Pipeline System

- 2.5 million bbl/d ultimate longhaul capacity

Energy East Pipeline

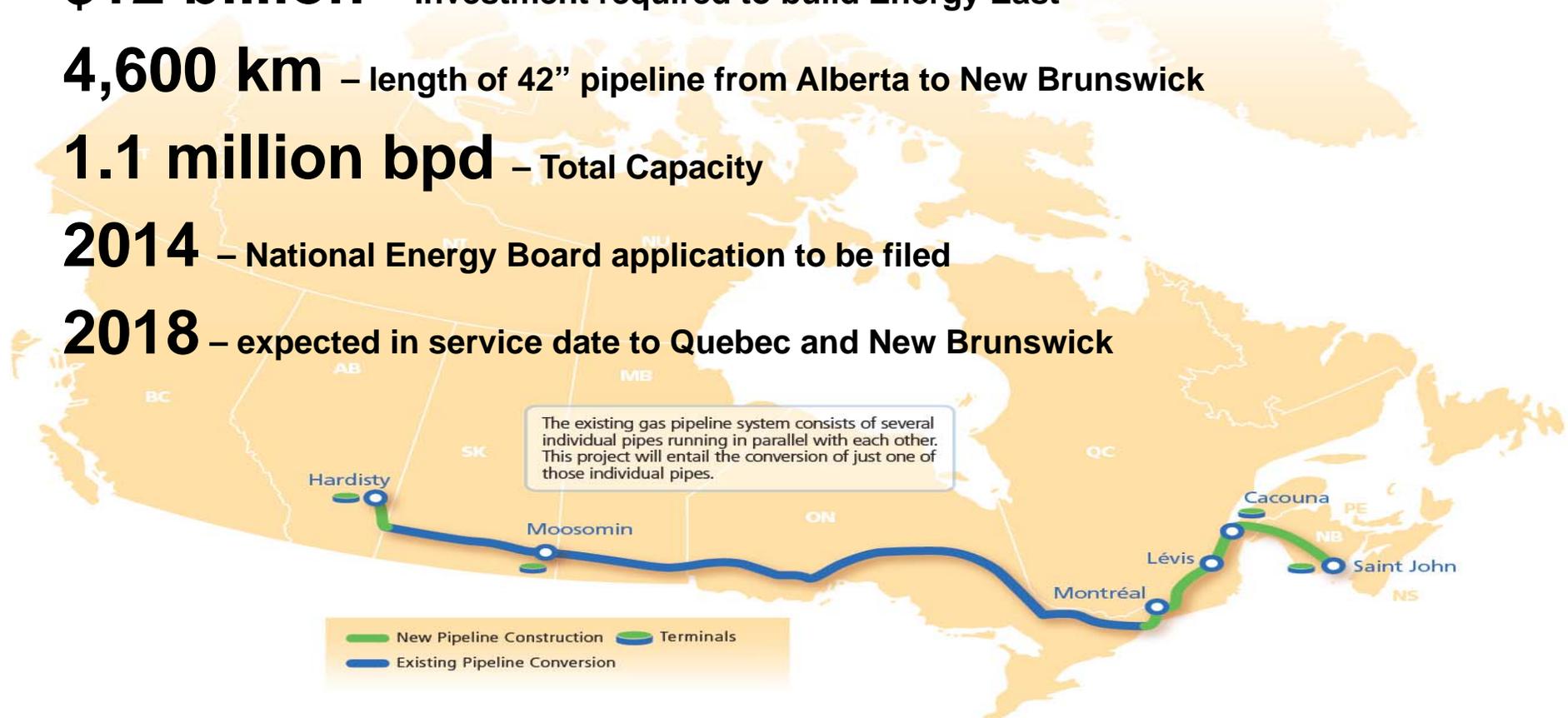
\$12 billion - Investment required to build Energy East

4,600 km - length of 42" pipeline from Alberta to New Brunswick

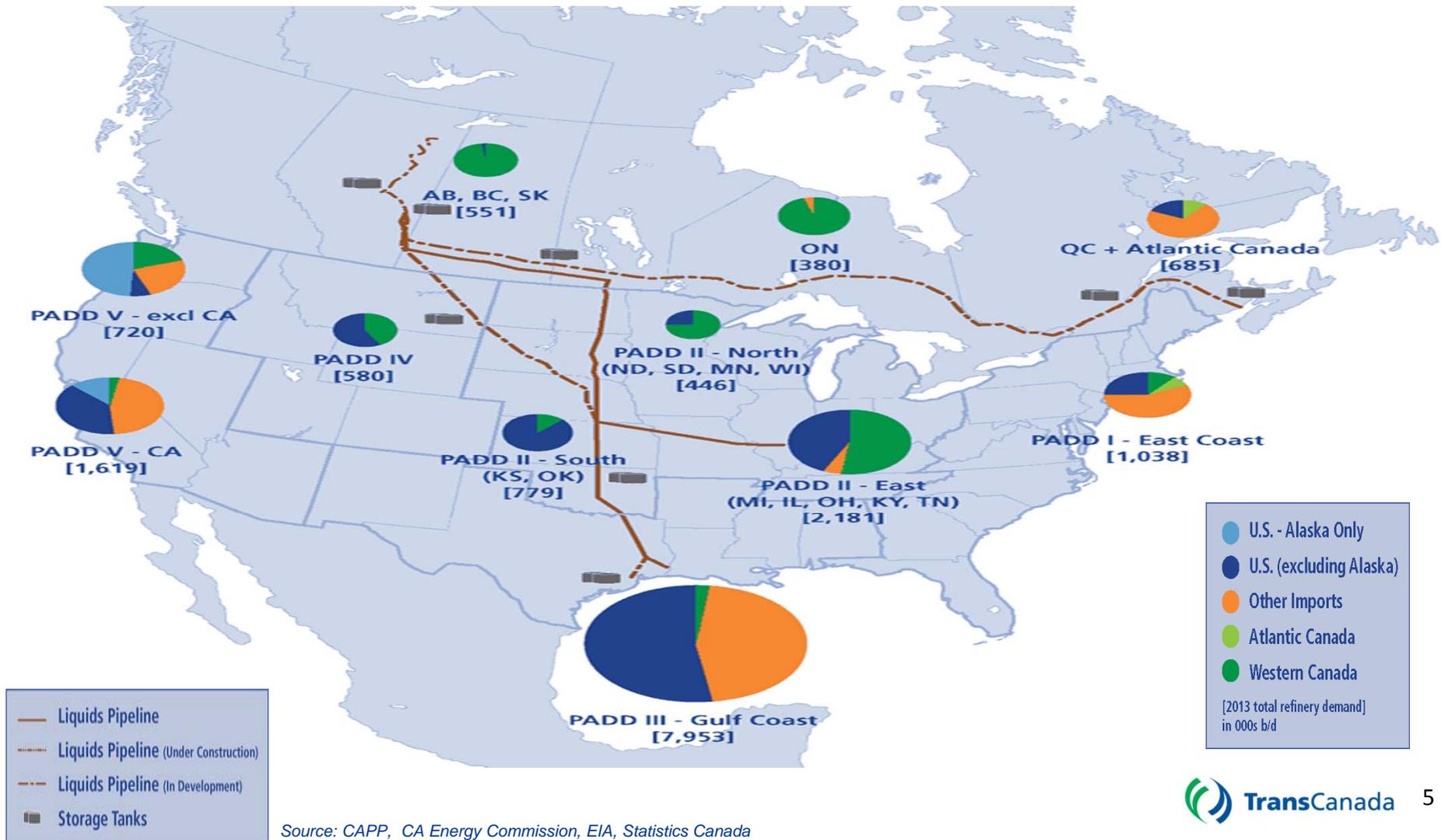
1.1 million bpd - Total Capacity

2014 - National Energy Board application to be filed

2018 - expected in service date to Quebec and New Brunswick

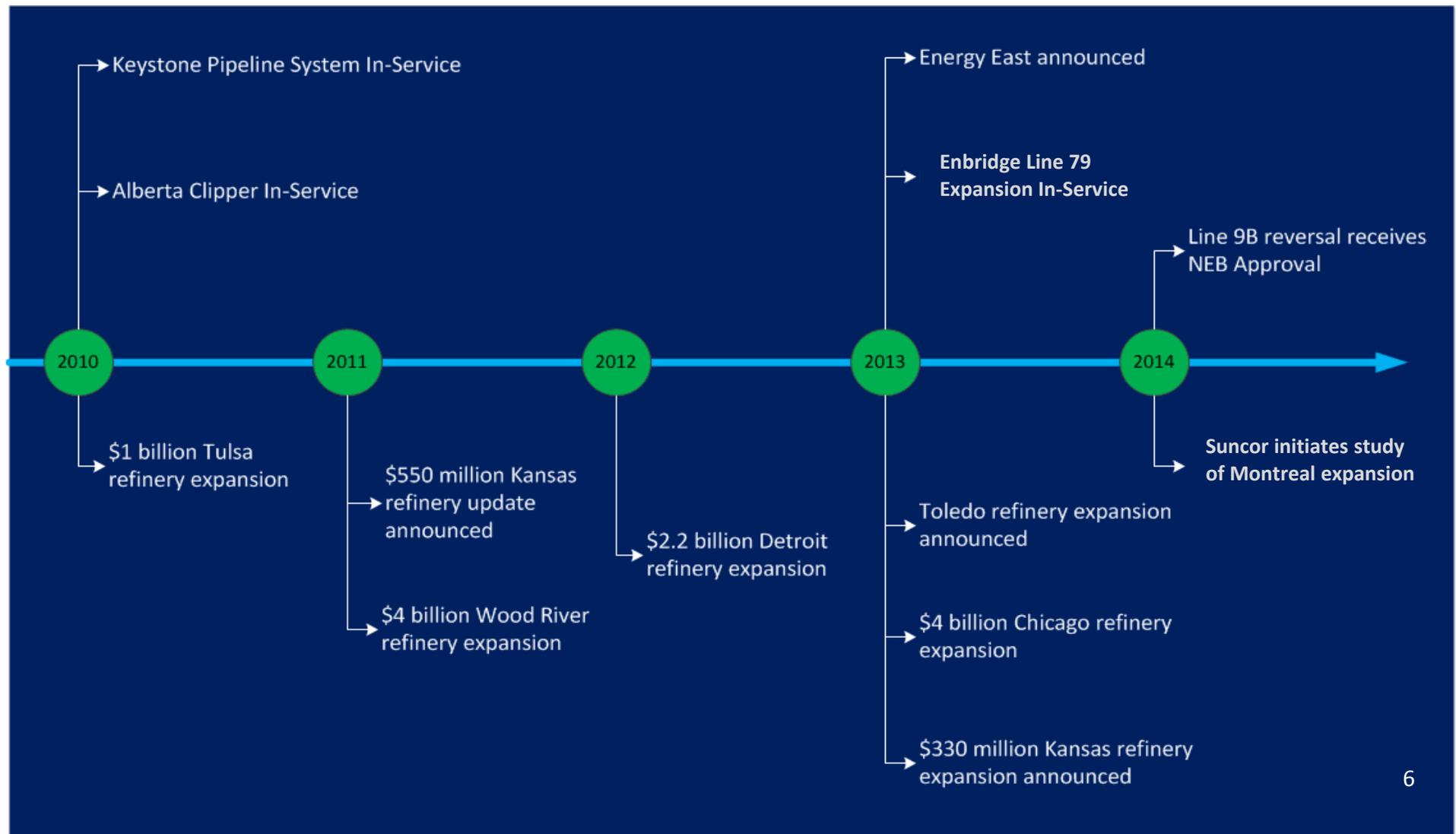


Access to Eastern Canada and export markets



Source: CAPP, CA Energy Commission, EIA, Statistics Canada

Pipeline development is a precursor to refinery expansion



Energy independence benefits Canadians

Domestic source of crude oil for eastern refineries

- Displace higher cost foreign imports
- Expansion and upgrade opportunities

Increased crude oil capacity from Western Canada

- Access to new Eastern Canadian and export markets
- Reduced price discount

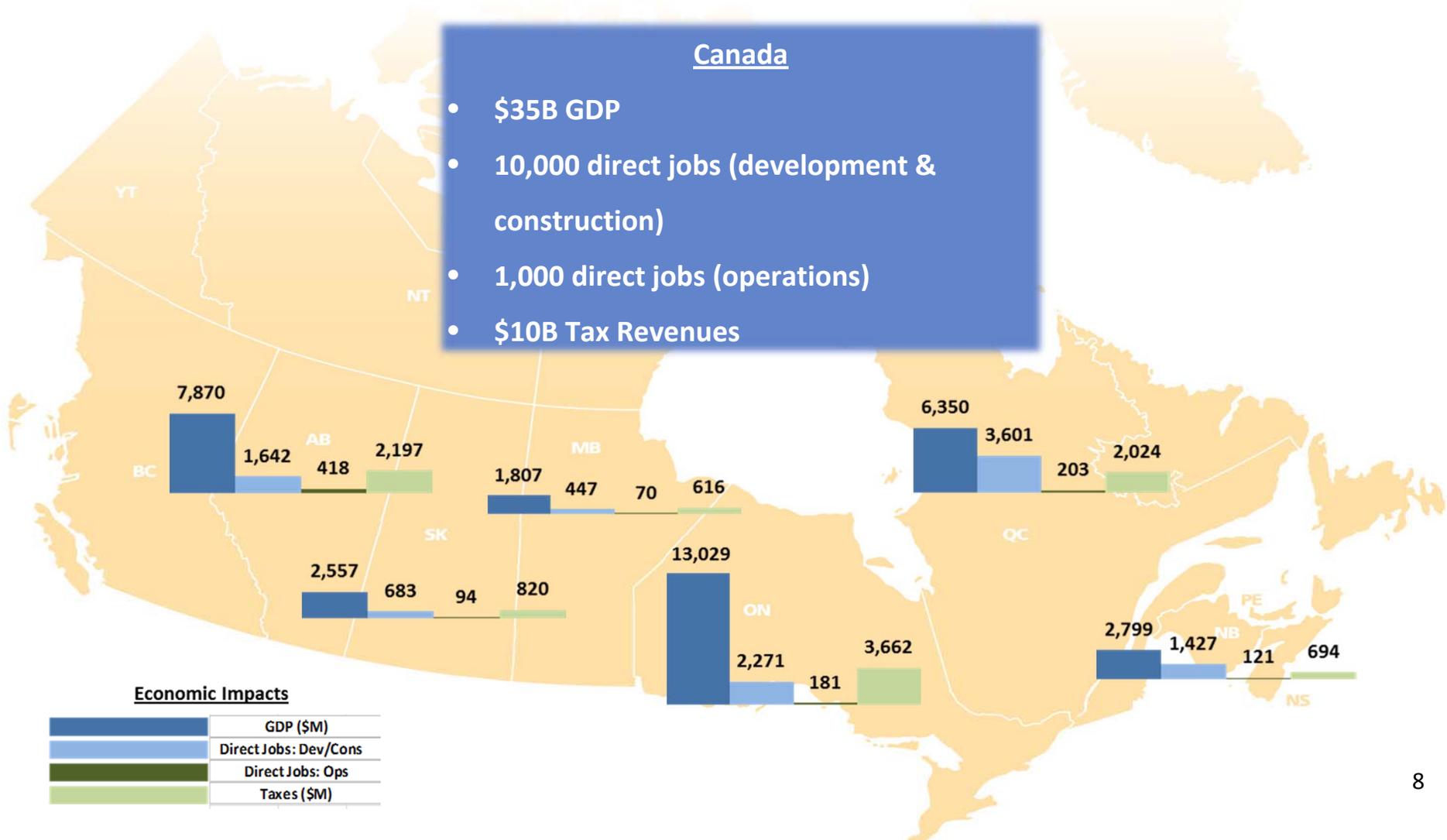
Re-purposing gas pipeline to oil service

- Minimize constructing new pipeline
- Significantly reduced environmental impact

Energy East: Economic Analysis

Canada

- \$35B GDP
- 10,000 direct jobs (development & construction)
- 1,000 direct jobs (operations)
- \$10B Tax Revenues



Early and extensive engagement

- **Meetings with landowners, elected officials, municipalities, Aboriginal groups and other stakeholders**
- **Information sessions and Open Houses for local stakeholders and residents**
- **Engagement across Canada**
 - 491 Municipalities
 - 155 Aboriginal Communities and Organizations
 - More than 5,500 landowners
 - More than 7,000 registered guests in 87 Open Houses
- **Social responsibility is a TransCanada core value**



Dispelling Myths

MYTHS	FACTS
This pipeline will put my community's drinking water source at risk.	The Energy East project team will take special measures when crossing bodies of water.
Pipelines are unsafe.	Pipelines are the safest way of transporting large quantities of crude oil over land.
Pipeline companies do not accept responsibility for spills.	TransCanada is 100 per cent responsible for responding, cleaning and restoring the site in the unlikely event of a pipeline leak.
Diluted bitumen is corrosive to pipeline steel.	Dilbit is <u>no</u> more corrosive than conventional crude oils.
Oil from the oil sands is harder to clean up after a spill in a waterway.	Dilbit behaves the same way as conventional crude oil, which floats on water.

Delivering energy safely



Commitment to the Environment

We protect the environment and the communities along our pipeline – we live and work in these communities too.



World-Class Integrity

TransCanada spent an average of \$900 million per year over the past three years on maintenance and integrity programs.



Monitoring 24/7

From the control center in Calgary, to aerial patrols, to ground personnel – we continuously monitor and can take immediate action.



Ready to Respond

In 2013, TransCanada conducted over 90 emergency drills and exercises. Consultations with local emergency responders along the Energy East route are underway.

Building partnerships



Energy East – Key Messages

- **Safety is TransCanada's top priority.**
- **Economic benefits from the project are significant.**
- **Energy independence benefits Canadians.**
- **We are on the ground and engaging locally.**

Contact us

→ We encourage your input and invite interested stakeholders to contact us.

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