First Quarter 2016 Conference Call

April 29, 2016

TransCanada
In business to deliver

Forward Looking Information

This presentation includes "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") which is intended to provide potential investors with information regarding TransCanada Corporation ("TransCanada" or the "Corporation"), including management's assessment of our future plans and financial outlook. In some cases 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 information in this presentation may include, but is not limited to, statements regarding: anticipated business prospects; our financial and operational performance, including the performance of our subsidiaries; expectations or projections about strategies and goals for growth and expansion; expected cash flows and future financing options available to us; expected costs for planned projects, including projects under construction and in development; expected schedules for planned projects (including anticipated construction and completion dates); expected regulatory processes and outcomes; expected impact of regulatory outcomes; expected capital expenditures and contractual obligations; expected operating and financial results; expected industry, market and economic conditions; the planned acquisition of Columbia Pipeline Group, Inc. (the "Acquisition") including the expected closing thereof; plans regarding financing for the Acquisition, and the repayment of Acquisition credit facilities through planned divestitures; planned changes in the Corporation's business including the divestiture of certain assets; expected impacts of the Acquisition on EBITDA composition, earnings, cash flow and dividend growth; transportation services to the liquefied natural gas sector and growth opportunities and modernization initiatives relating to Columbia Pipeline Group, Inc.'s ("Columbia") business.

This forward-looking information reflects our beliefs and assumptions based on information available at the time the information was stated and as such is not a guarantee of future performance. By its nature, forward-looking information is subject to various assumptions, risks and uncertainties which could cause our actual results and achievements to differ materially from the anticipated results or expectations expressed or implied in such statements.

Key assumptions on which our forward-looking information is based include, but are not limited to, assumptions about: the timing and completion of the Acquisition including receipt of regulatory and Columbia stockholder approval; the planned monetization of TransCanada's U.S. Northeast merchant power business and of a minority interest in its Mexican natural gas pipeline business; 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 and Columbia's pipeline and energy assets; integrity and reliability of our assets; access to capital markets; anticipated construction costs, schedules and completion dates; acquisitions and divestitures; and the realization of the anticipated benefits and synergies of the Acquisition to TransCanada including impacts on growth and accretion in various financial metrics.

The risks and uncertainties that could cause actual results or events to differ materially from current expectations include, but are not limited to: our ability to successfully implement our strategic initiatives; whether our strategic initiatives will yield the expected benefits; the operating performance of our and Columbia's pipeline and energy assets; amount of capacity sold and rates achieved in our and Columbia's pipeline business; the availability and price of energy commodities; 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 and credit risk of our counterparties; changes in market commodity prices; changes in the political environment; changes in environmental and other laws and regulations; competitive factors in the pipeline and energy sectors; construction and completion of capital projects; costs for labour, equipment and material; access to capital markets; interest, tax and foreign exchange rates; weather; cybersecurity; technological developments; economic conditions in North America as well as globally; uncertainty regarding the length of time to complete the Acquisition and uncertainty regarding the ability of TransCanada to realize the anticipated benefits of the Acquisition; and the timing and execution of TransCanada's planned asset sales. Additional information on these and other factors are discussed in our Quarterly Report to Shareholders dated April 28, 2016, 2015 Annual Report and final short form prospectus dated March 28, 2016 (the "Prospectus") filed with Canadian securities regulators and the SEC and available at www.transcanada.com.

Readers are cautioned against placing undue reliance on forward-looking information, which is given as of the date it is expressed in this presentation or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. We undertake no obligation to publicly update or revise any forward-looking information in this presentation or otherwise, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Measures and Additional Information

Certain information presented in this presentation with respect to TransCanada and Columbia includes certain financial measures which do not have any standardized meaning as prescribed by U.S. GAAP and therefore may not be comparable to similar measures presented by other entities. Prospective readers are cautioned that these measures should not be construed as an alternative to U.S. GAAP-based audited consolidated financial statements. These non-GAAP measures are Comparable Earnings, Comparable Earnings per Share, Comparable Earnings Before Interest and Taxes (EBIT), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), Comparable EBITDA, Adjusted EBITDA, Distributable Cash Flow, Comparable Distributable Cash Flow, Comparable Distributable Cash Flow per Share and Funds Generated from Operations.

A description of the purpose of providing non-GAAP measures and a reconciliation of non-GAAP measures in this presentation to the most closely related GAAP measures can be found in our Quarterly Report to Shareholders dated April 28, 2016 or in the case of Adjusted EBITDA in the Prospectus, in each case filed with Canadian securities regulators and the SEC and available at www.transcanada.com.

Adjusted EBITDA reflects an adjustment to historical and pro forma EBITDA for the year ended December 31, 2015 related to (i) a non-cash impairment charge incurred by TransCanada relating to Keystone XL and related projects, including the Keystone Hardisty Terminal, in connection with the November 6, 2015 denial of the U.S. Presidential permit, and (ii) a non-cash impairment charge incurred by TransCanada relating to certain energy turbine equipment previously purchased for a power development project that did not proceed, each as recorded in the Corporation's audited consolidated financial statements as at December 31, 2015. TransCanada believes that Adjusted EBITDA is a useful measure for evaluating our historical and unaudited pro forma financial results, given the exceptional nature of these one-time asset impairment charges.

Additional Information and Where to Find it:

This presentation may be deemed to be solicitation material in respect of the proposed acquisition of Columbia by TransCanada. In connection with the proposed merger transaction, Columbia filed a preliminary proxy statement with the SEC on April 8, 2016 with respect to a special meeting of its stockholders to be convened to approve the merger transaction, and intends to file other relevant documents with the SEC, including a proxy statement in definitive form (which Columbia expects to commence disseminating to its stockholders on or about May 18, 2016). BEFORE MAKING ANY VOTING DECISION, COLUMBIA STOCKHOLDERS ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED MERGER OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.

Investors and security holders will be able to obtain, free of charge, a copy of the definitive proxy statement (when available) and other relevant documents filed with the SEC from the SEC's website at http://www.sec.gov. In addition, the proxy statement and Columbia's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Exchange Act will be available free of charge through Columbia's website at https://www.cpg.com/ as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC.

Participants in the Merger Solicitation:
Columbia and its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed merger. Information regarding Columbia's directors and executive officers can be found in Columbia's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 filed with the SEC on February 18, 2016, as amended by Amendment No. 1 thereto on Form 10-K/A, filed with the SEC on April 7, 2016. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests in the merger, which may be different than those of Columbia's stockholders generally, will be contained in the proxy statement and other relevant materials to be filed with the SEC when they become available.

Recent Developments

Russ Girling, President & CEO

Highlights

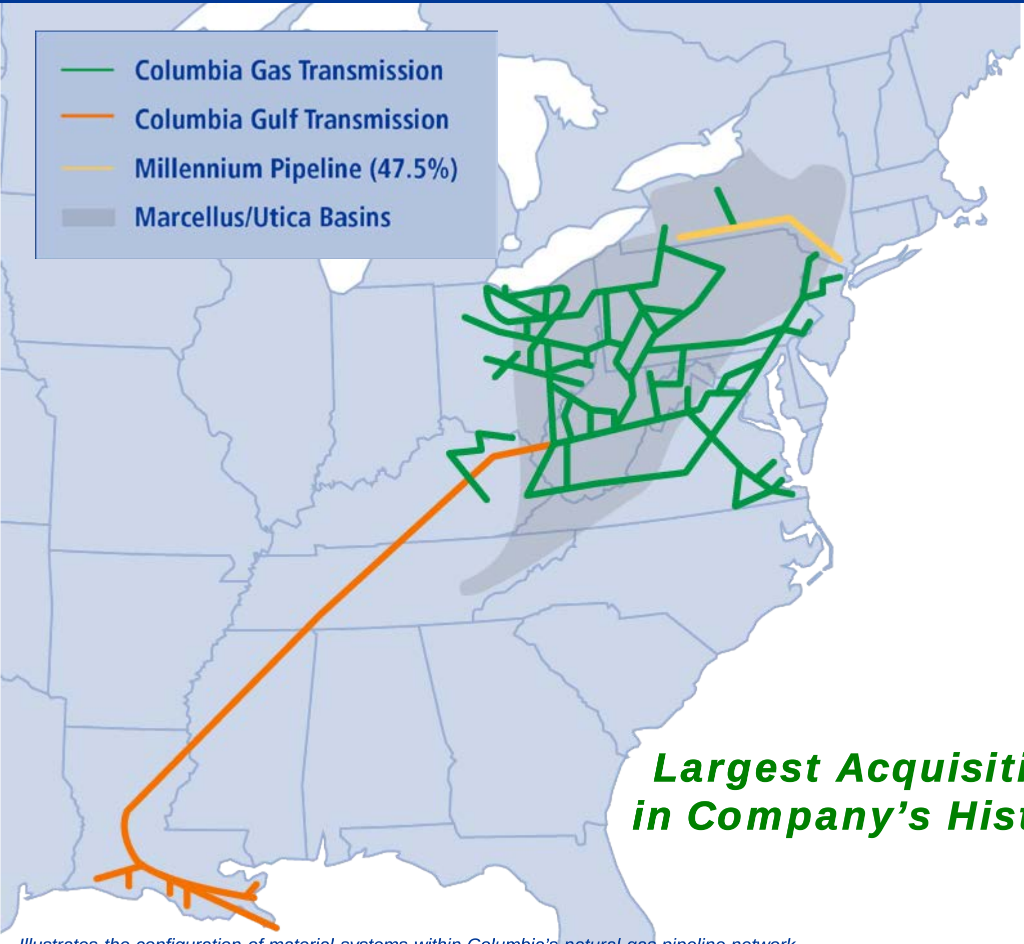
“Strength and Stability”

- Energy infrastructure assets performing well in a challenging environment
- Company delivered record comparable earnings and funds generated from operations in 2015
- US$13 billion Columbia Pipeline Group acquisition represents a transformational change
- Creates an industry-leading $24 billion pro-forma near-term growth portfolio that supports and may augment expected eight to 10 per cent annual dividend growth through 2020
- $45 billion in medium to long-term projects have the potential to further transform the company

First Quarter Financial Highlights

- Comparable earnings up six per cent over Q1 2015 to $494 million or 70 cents per share
- Comparable EBITDA of $1.5 billion and funds generated from operations of $1.1 billion
- Declared a quarterly dividend of 56.5 cents per common share for the quarter ending June 30, 2016

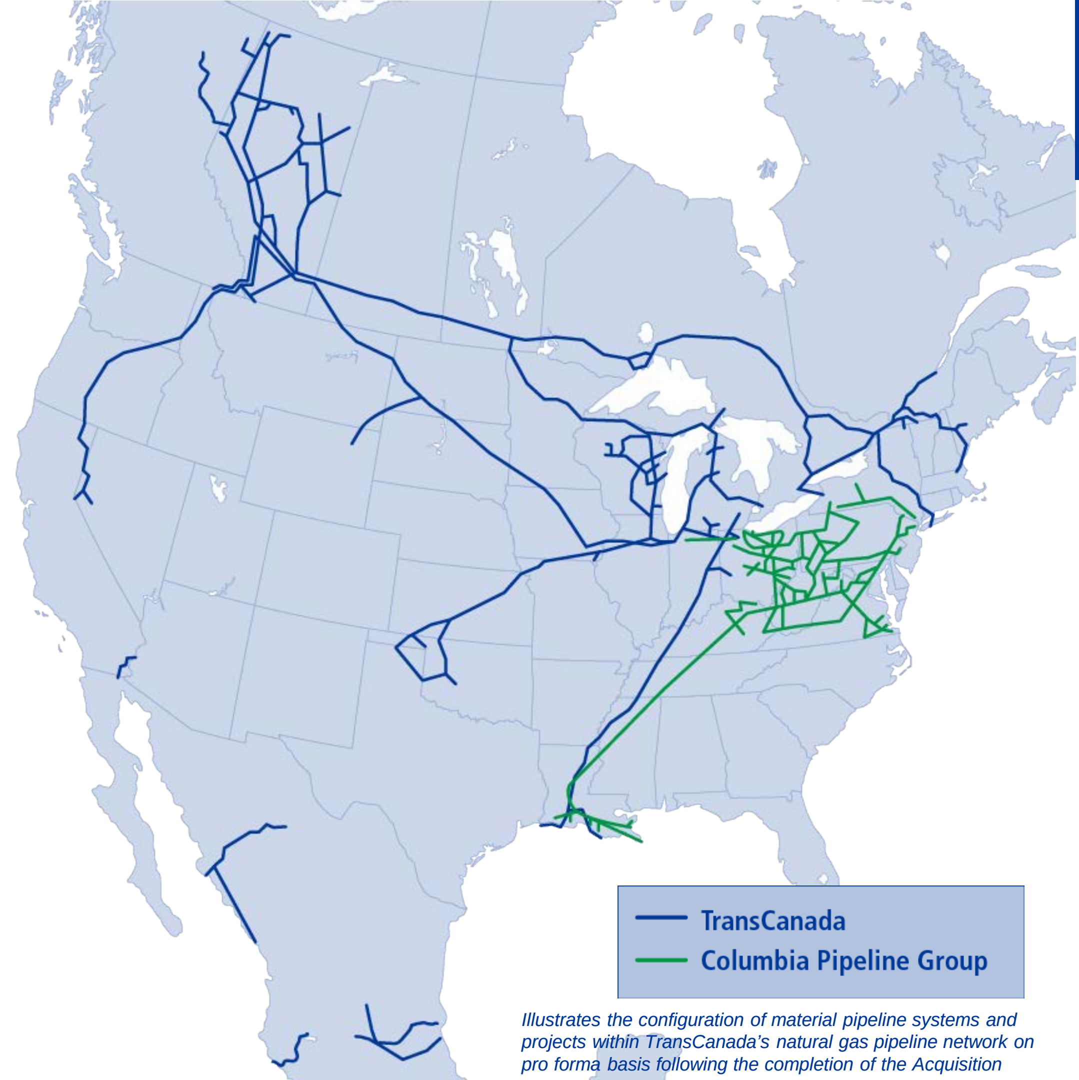
Acquisition of Columbia Pipeline Group - Strategic Rationale



Illustrates the configuration of material systems within Columbia's natural gas pipeline network

Largest Acquisition in Company's History

- Entered into an agreement and plan of merger March 17, 2016 to acquire Columbia Pipeline Group
- Columbia owns one of the largest interstate natural gas pipeline systems in the U.S.
- Acquisition provides us the rare opportunity to invest in a growth pipeline network in the fastest growing gas production basins in North America
- Columbia is advancing US$7.3 billion ($9.6 billion in Canadian dollars) of commercially secured projects and modernization investments, bringing our pro-forma near-term growth portfolio to $24 billion
- Columbia shareholders would receive US$25.50 per share - represents a transaction value of US$13 billion, including assumption of US$2.8 billion of debt



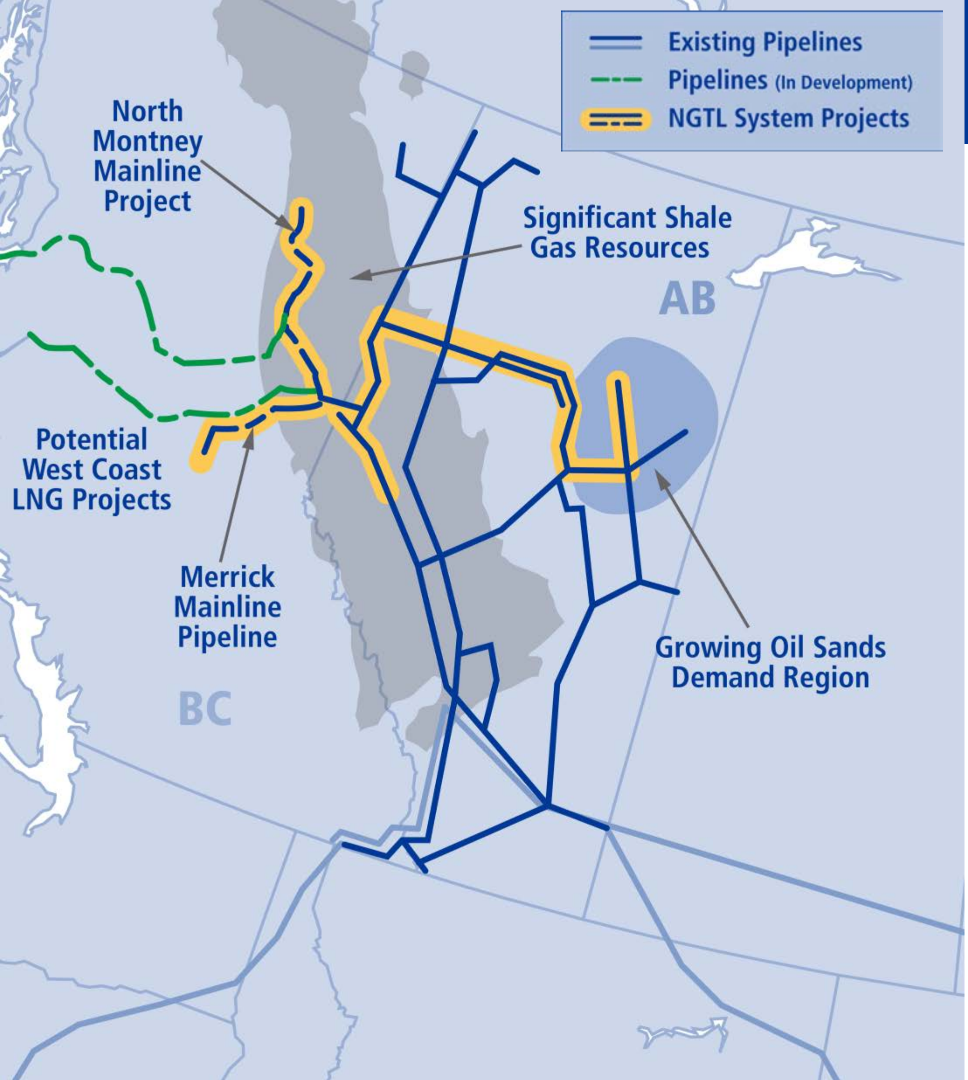
Illustrates the configuration of material pipeline systems and projects within TransCanada's natural gas pipeline network on pro forma basis following the completion of the Acquisition

Columbia Pipeline Group Acquisition

- Columbia has scheduled a special meeting for June 22, 2016 where shareholders will vote on the transaction
- Filed a Hart-Scott-Rodino notification with the U.S. Federal Trade Commission
- Also submitted a filing with the Committee on Foreign Investment in the U.S.
- We expect acquisition to close in second half of 2016
- This addition will improve the stability and predictability of earnings and cash flow with 92 per cent of 2015 adjusted pro-forma EBITDA coming from regulated and long-term contracted assets
- Acquisition expected to be accretive in the first full year of ownership

Mexico Natural Gas Pipelines

- On April 11 awarded contract to build, own and operate the US$550 million Tula-Villa de Reyes pipeline
- Expected to be operational early in 2018
- In November 2015 awarded contract to build, own and operate US$500 million Tuxpan-Tula pipeline
- Construction expected to begin in 2016, pipeline should be operational in Q4 2017
- US$1 billion Topolobampo pipeline and US$400 million Mazatlan natural gas pipeline are in the final stages of construction
- Both expected to be operational in 2016
- Investment in Mexico would grow to US$3.5 billion



NGTL System Expansions

- $100 million of new facilities became operational in the first quarter of this year, $600 million more under construction
- $7.3 billion of supply and demand facilities being developed, $2.5 billion have received regulatory approval, $1.9 billion under regulatory review
- Applications for approval to build and operate an additional $2.9 billion of facilities have yet to be filed
- Earlier this month, we filed a request with the NEB for a one-year extension of the CPCN for the North Montney Mainline Project
- Request ensures our regulatory approvals remain valid and do not expire before the final investment decision (FID) for the PNW LNG project

Industry Leading Pro-Forma Near-Term Capital Program

Project	Estimated Capital Cost*	Expected In-Service Date*
Columbia Pipeline Group	US7.3	2016-2021
Topolobampo	US1.0	2016
Mazatlan	US0.4	2016
Tuxpan-Tula	US0.5	2017
Tula-Villa de Reyes	US0.6	2018
Canadian Mainline	0.7	2016-2017
NGTL System	5.4	2016-2018
Houston Lateral & Terminal	US0.6	2016
Grand Rapids	0.9	2017
Northern Courier	1.0	2017
Napanee	1.0	2017 or 2018
Bruce Power Life Extension	1.2	2016-2020
Total Canadian Equivalent (1.32 exchange rate)	CAD23.9	

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

Illustrates the configuration of TransCanada's pro forma near-term projects following the completion of the Acquisition

$45 Billion of Commercially Secured Long-Term Projects*

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

- **Bruce Power Life Extension Agreement**
  - Asset Management and Major Component Replacement post-2020 ($5.3 billion)
  - Extends operating life of facility to 2064
- **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

Key Takeaways

Track Record of Delivering Long-Term Shareholder Value

13% average annual return since 2000

Visible Growth Portfolio

$24 billion pro-forma to 2020
Additional opportunity set includes $45 billion of long-term projects

Attractive, Growing Dividend

4.4% yield at current rate
8-10% CAGR expected through 2020

Strong Financial Position

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

Attractive Valuation Relative to North American Peers



First Quarter 2016
Financial Results

Don Marchand, EVP, Corporate Development & CFO







Consolidated Results of Operations
(unaudited) (millions of dollars, except per share amounts)

	Three months ended March 31	
	2016	2015
Net Income Attributable to Common Shares	252	387
Specific items (net of tax):		
Alberta PPA terminations	176	-
Acquisition costs - Columbia Pipeline Group	26	-
Keystone XL asset costs	6	-
TC Offshore loss on sale	3	-
Risk management activities	31	78
Comparable Earnings(1)	494	465
Net Income Per Common Share	$0.36	$0.55
Specific items (net of tax):		
Alberta PPA terminations	0.25	-
Acquisition costs - Columbia Pipeline Group	0.04	-
Keystone XL asset costs	0.01	-
TC Offshore loss on sale	-	-
Risk management activities	0.04	0.11
Comparable Earnings Per Common Share(1)	$0.70	$0.66
Average Common Shares Outstanding (millions)	702	709

(1) Non-GAAP measure. For additional information on these items see the April 29, 2016 First Quarter News Release

Business Segment Results
(unaudited) (millions of dollars)

	Three months ended March 31	
	2016	2015
Natural Gas Pipelines		
Canadian Pipelines	507	514
U.S. and International Pipelines	398	368
Business Development	(7)	(18)
Natural Gas Pipelines Comparable EBITDA[1]	898	864
Liquids Pipelines		
Keystone Pipeline System	307	311
Business Development	(7)	(6)
Liquids Pipelines Comparable EBITDA[1]	300	305
Energy		
Canadian Power	221	224
U.S. Power	102	163
Natural Gas Storage and other	9	3
Business Development	(3)	(4)
Energy Comparable EBITDA[1]	329	386
Corporate Comparable EBITDA[1]	(25)	(24)
Comparable EBITDA[1]	1,502	1,531

(1) Non-GAAP measure. For additional information on these items see the April 29, 2016 First Quarter News Release

Other Income Statement Items
(unaudited) (millions of dollars)

	Three months ended March 31	
	2016	2015
Comparable EBIT[(1)]	1,048	1,097
Comparable interest expense[(1)]	(420)	(318)
Comparable interest income and other[(1)]	148	15
Comparable income tax expense[(1)]	(180)	(247)
Net income attributable to non-controlling interests	(80)	(59)
Preferred share dividends	(22)	(23)
Comparable Earnings[(1)]	494	465
Specific items (net of tax):		
Alberta PPA terminations	(176)	-
Acquisition costs - Columbia Pipeline Group	(26)	-
Keystone XL asset costs	(6)	-
TC Offshore loss on sale	(3)	-
Risk management activities	(31)	(78)
Net Income Attributable to Common Shares	252	387

(1) Non-GAAP measure. For additional information on these items see the April 29, 2016 First Quarter News Release

Comparable Distributable Cash Flow

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

	Three months ended March 31	
	2016	2015
Funds Generated From Operations[1]	1,125	1,153
Dividends on preferred shares	(23)	(22)
Distributions paid to non-controlling interests	(62)	(54)
Distributions received in excess of equity earnings	88	46
Maintenance capital expenditures including equity investments	(190)	(167)
Distributable Cash Flow[1]	938	956
Specific items (net of tax):		
Acquisition costs - Columbia Pipeline Group	26	-
Keystone XL asset costs	6	-
Comparable Distributable Cash Flow[1]	970	956
Per Common Share[1]	$ 1.38	$ 1.35

(1) Non-GAAP measure. For additional information on these items see the April 29, 2016 First Quarter News Release

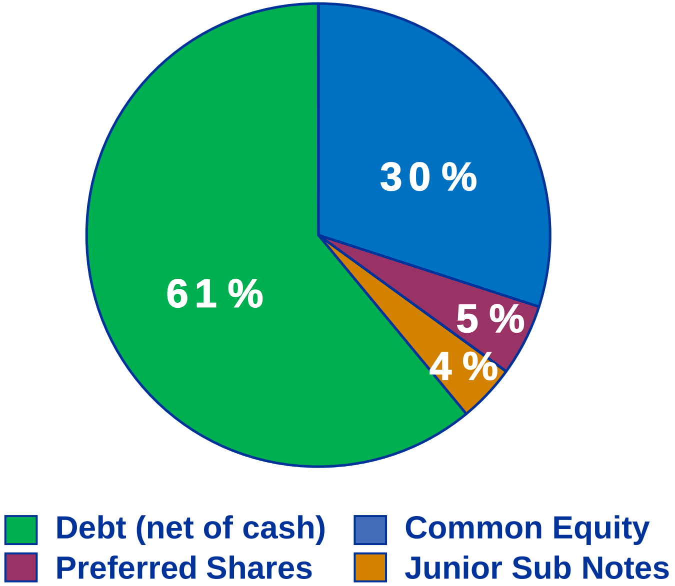
Investing Activities
(unaudited) (millions of dollars)

	Three months ended March 31	
	2016	2015
Investing Activities:		
Capital spending	(903)	(969)
Contributions to equity investments	(170)	(93)
Acquisitions, net of cash acquired	(995)	-

Financial Position Remains Strong

Consolidated Capital Structure*

(at March 31, 2016)



- Significant financial flexibility
- 'A' grade credit ratings
- $1.2 billion cash on hand
- Issued $500 million of preferred shares in April
- Well positioned to finance our industry leading capital program with multiple attractive funding options

Common equity includes non-controlling interests in TC PipeLines, LP and Portland. Excludes impact of subscription receipts, which will be reflected once they convert to common shares upon closing of the acquisition of Columbia Pipeline Group, Inc.

Financing of Columbia Pipeline Group Acquisition

- US$13 billion acquisition of Columbia Pipeline Group includes approximately US$2.8 billion of assumed debt
- Balance to be funded with:
  - Subscription receipts of $4.4 billion (offering completed April 1, 2016)
  - Monetization of U.S. Northeast power assets
  - Monetization of minority interest in Mexican gas pipeline business
- US$6.9 billion bridge facility in place pending asset sales

TransCanada Key Takeaways

- Resilient business model and blue-chip portfolio producing strong financial results in a challenging market environment
- Subscription receipts offering well received
- Well positioned to fund near-term projects and advance longer-term projects underpinned by enduring financial strength
- Acquisition of Columbia Pipeline Group supports and may augment 8 to 10 per cent expected annual dividend growth through 2020

Question & Answer Period

Russ Girling

Don Marchand

Alex Pourbaix

Karl Johannson

Paul Miller

Bill Taylor

Glenn Menuz

David Moneta

First Quarter 2016 Conference Call

April 29, 2016

TransCanada
In business to deliver