TransCanada's Mainline in an Evolving Supply, Market and Infrastructure Environment

LDC Gas Forum – Montreal – November 13, 2009

Steve Pohlod, VP - Commercial East

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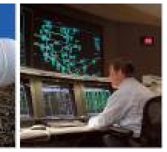
Agenda



- **Supply / Demand Outlook**
- **Mainline Evolution**
  - **The History**
  - **The Future**
- **Mainline Initiatives**

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Forward-Looking Information

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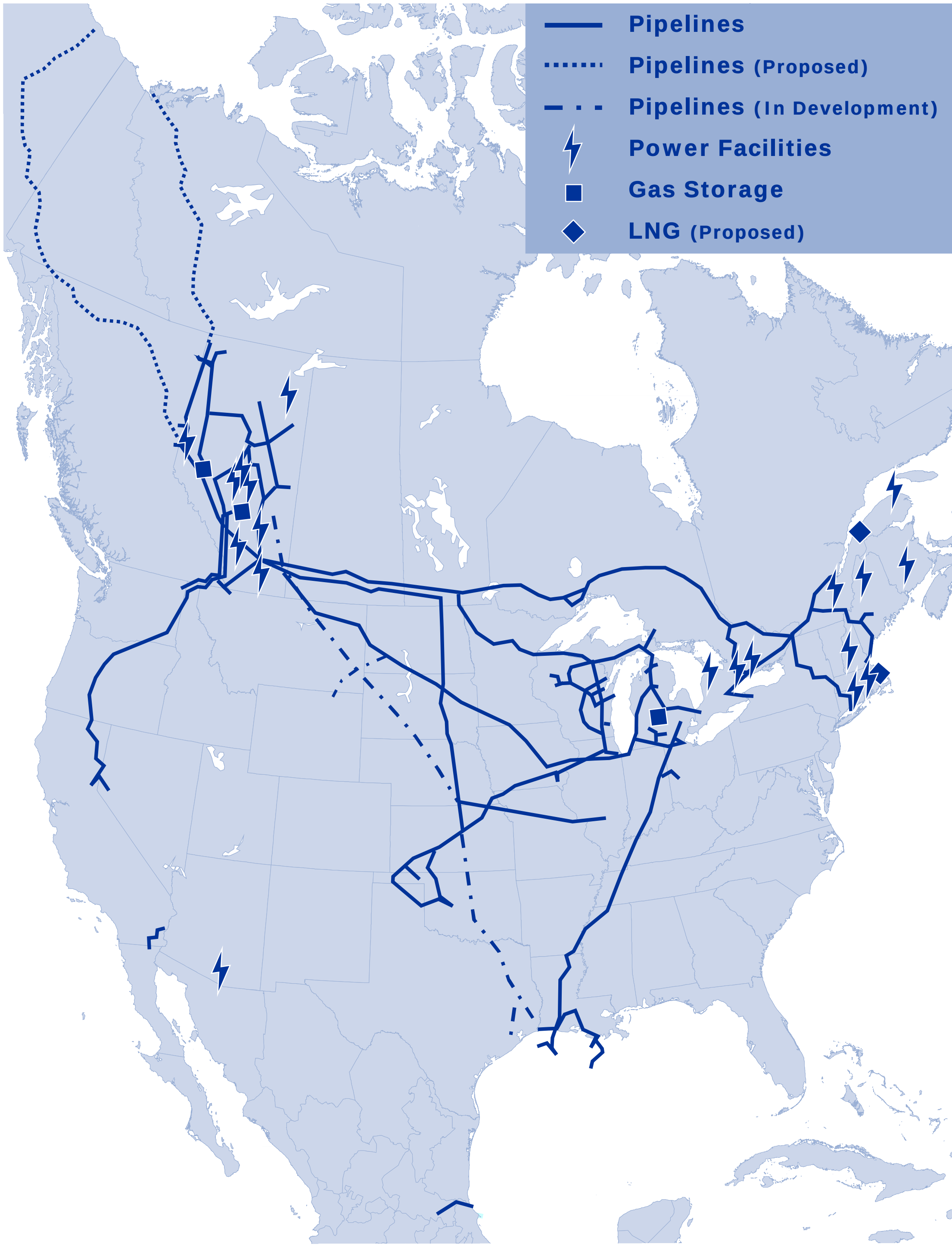

TransCanada Corporation (TSX / NYSE: TRP)

Gas Pipelines

- 59,000 km wholly owned
- 7,800 km partially owned
- 250 Bcf of regulated natural gas storage capacity
- Average volume of 15 Bcf / d

Oil Pipelines

- Keystone 1.1 million Bbl / d
- Expandable to 1.5 million Bbl / d

Energy

- 19 power plants, 10,900 MW
- Diversified portfolio, primarily low-cost, base-load generation
- 120 Bcf of non-regulated natural gas storage capacity

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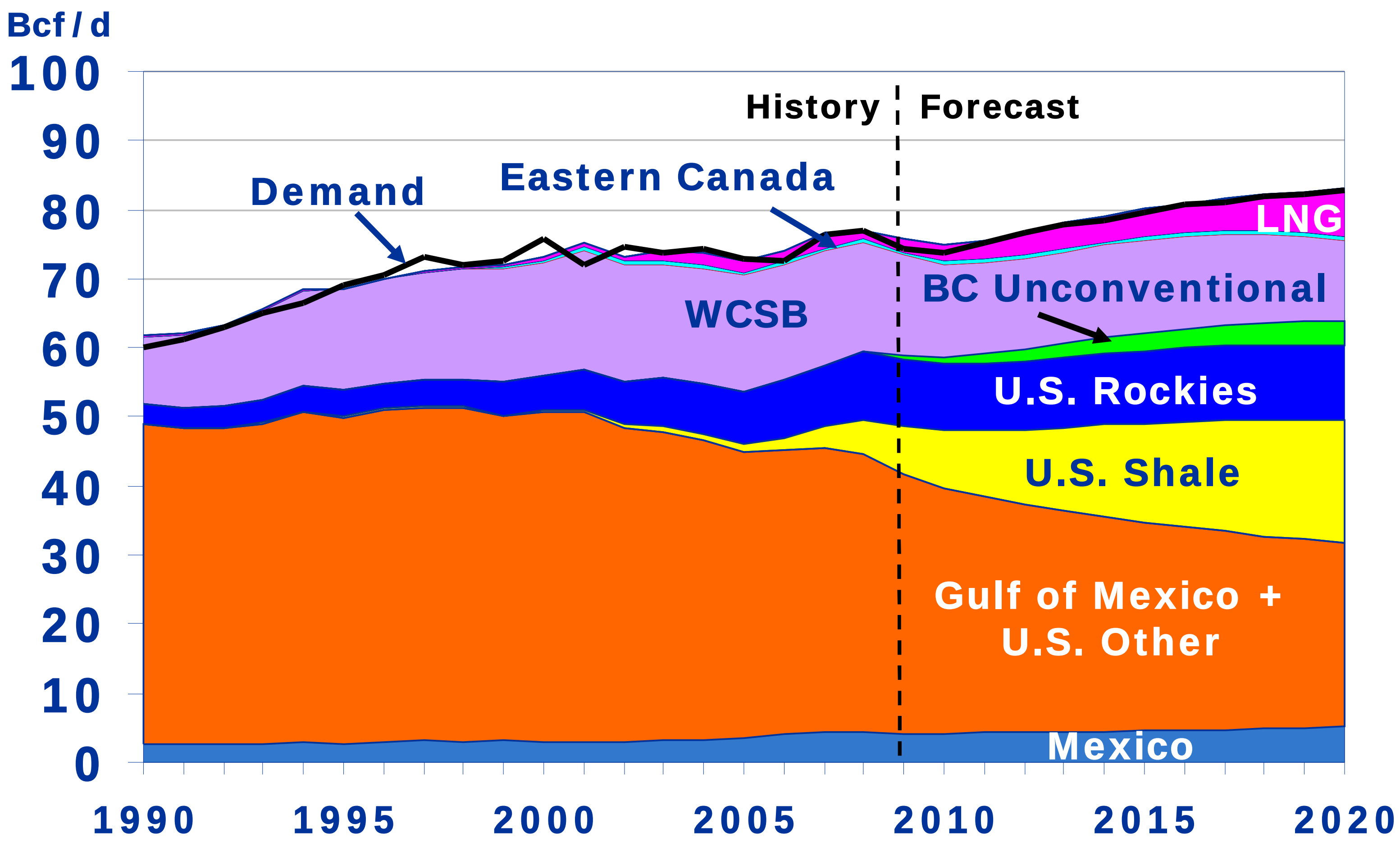
North American Supply / Demand Balance



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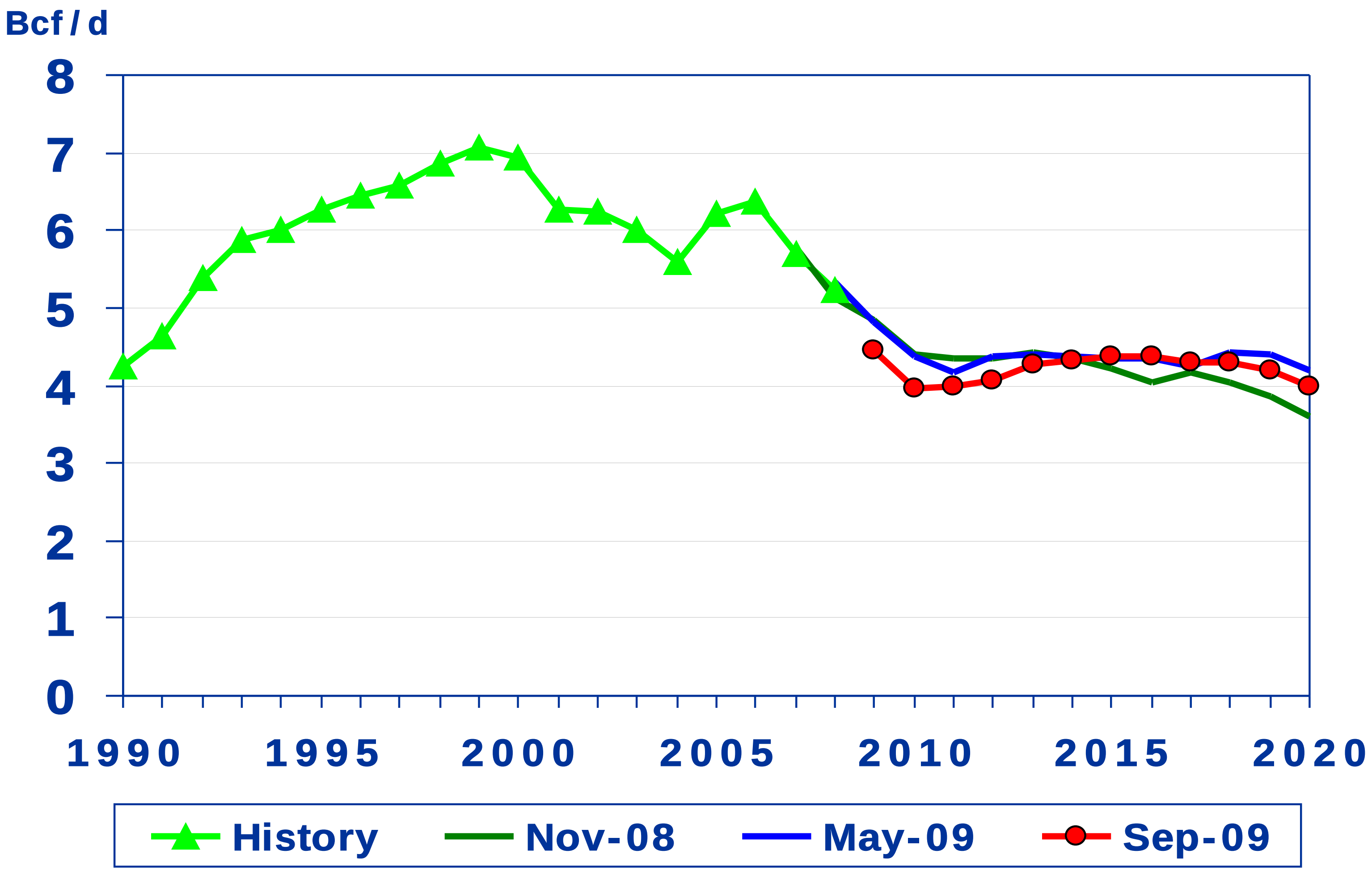
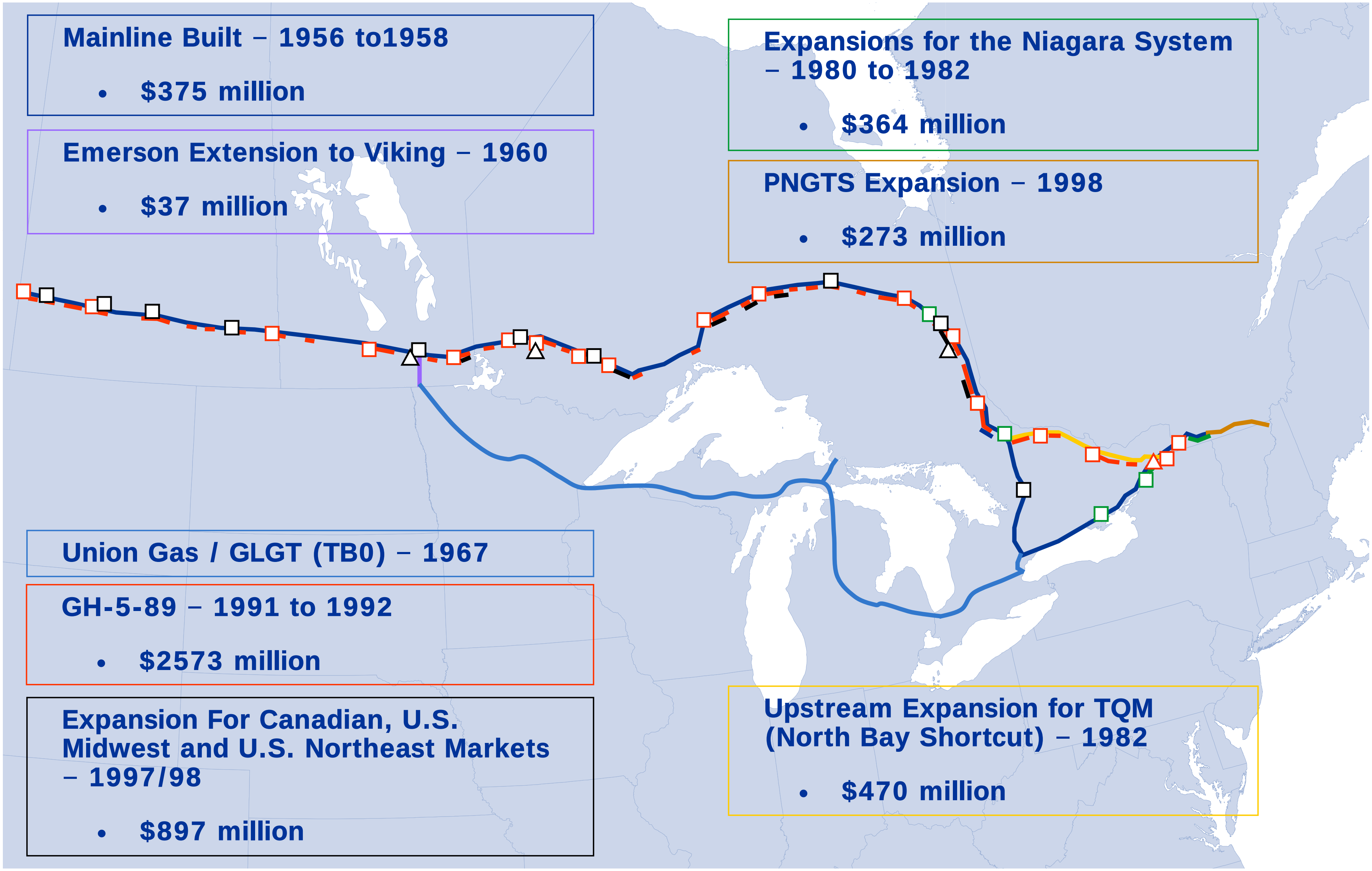
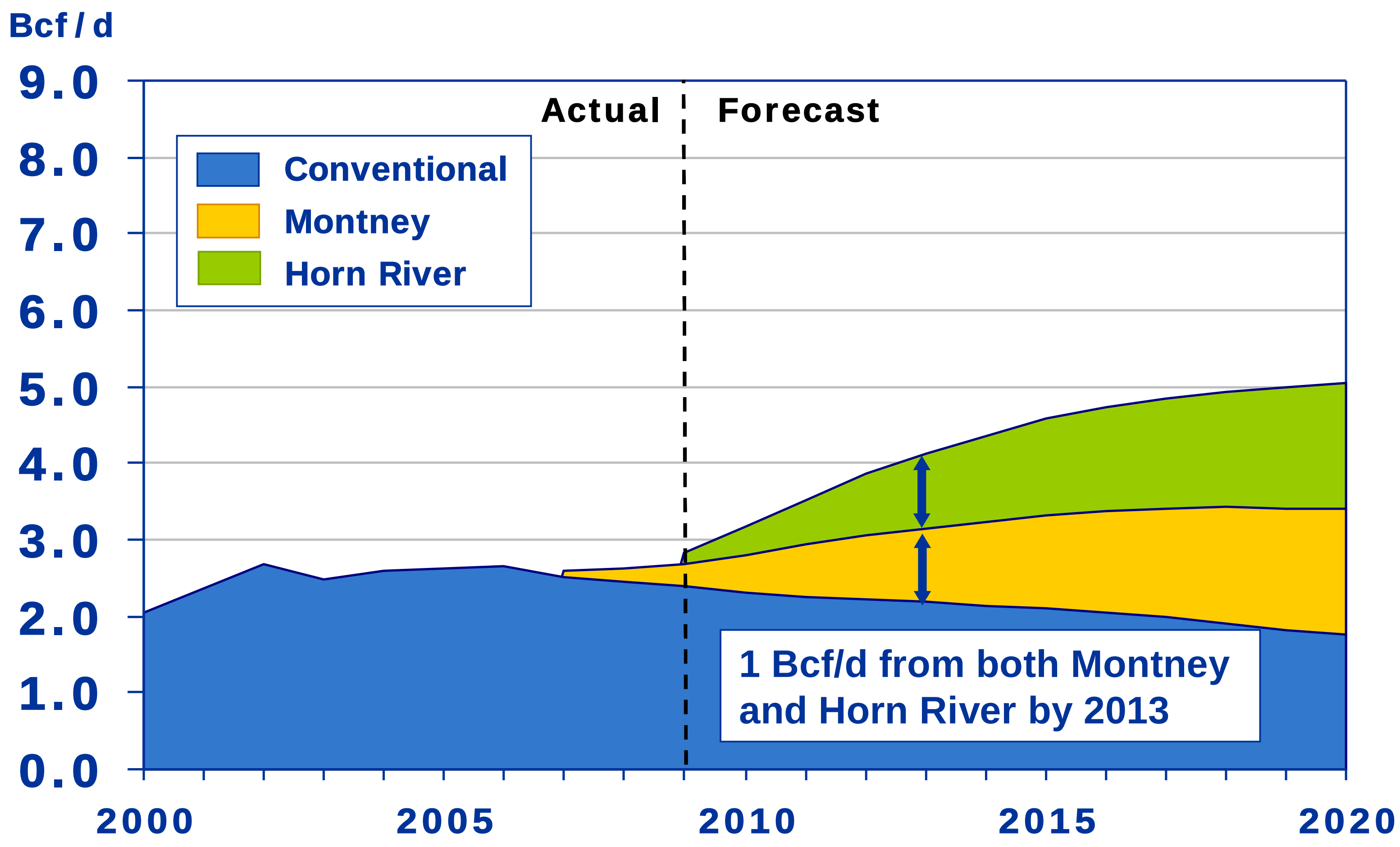
Mainline Flows



TransCanada’s Mainline Evolution

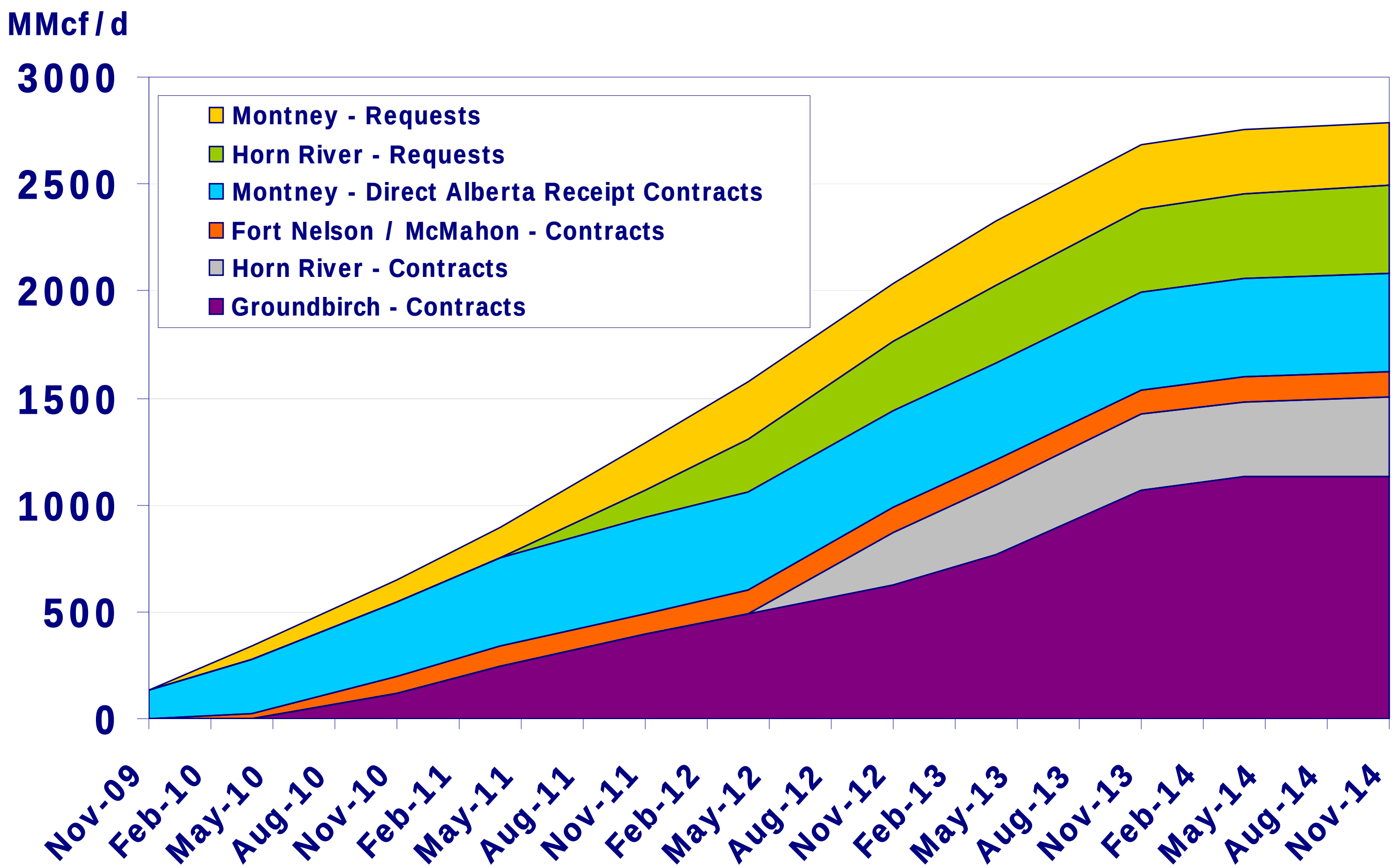


B.C. Production Forecast



Source: TransCanada

Alberta System



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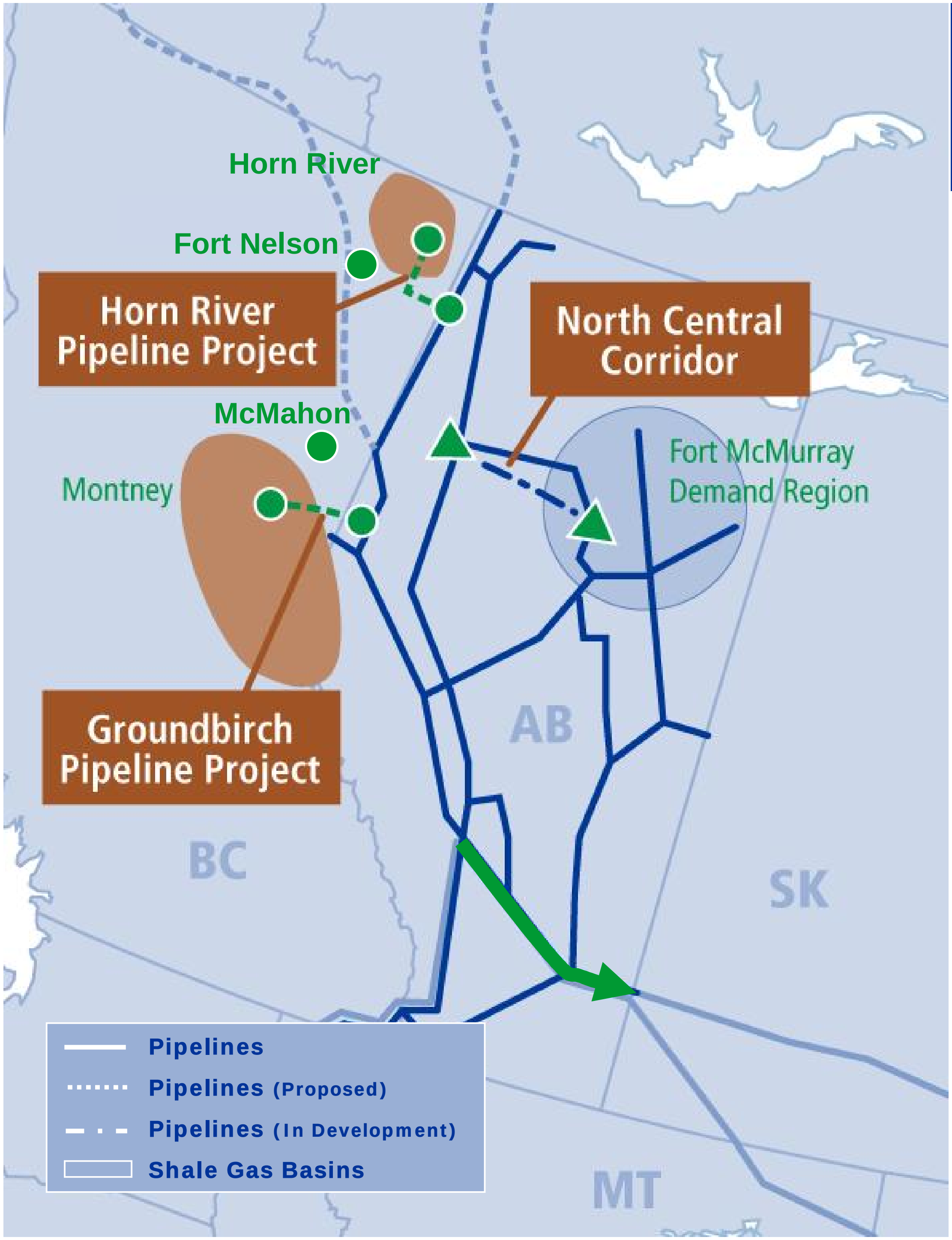

Alberta System Update

North Central Corridor

- 300 km of 42-inch pipe
- 26 MW of compression
- Approximately $925 million
- In-service 2010

Groundbirch Pipeline Project

- Commitments for 1.1 Bcf/d by 2014
- 77 km, 36-inch pipe
- Approximately $250 million
- Expected in-service Q4 2010

Horn River Pipeline Project

- Commitments for 378 MMcf/d in 2013
- 155 km combination of NPS 30 and existing pipe
- Approximately $340 million
- Expected in-service Q2 2012

AB Jurisdiction Application Approved

- Extend Alberta system across provincial borders
- Integrated service to AB and BC customers, and Northern gas producers

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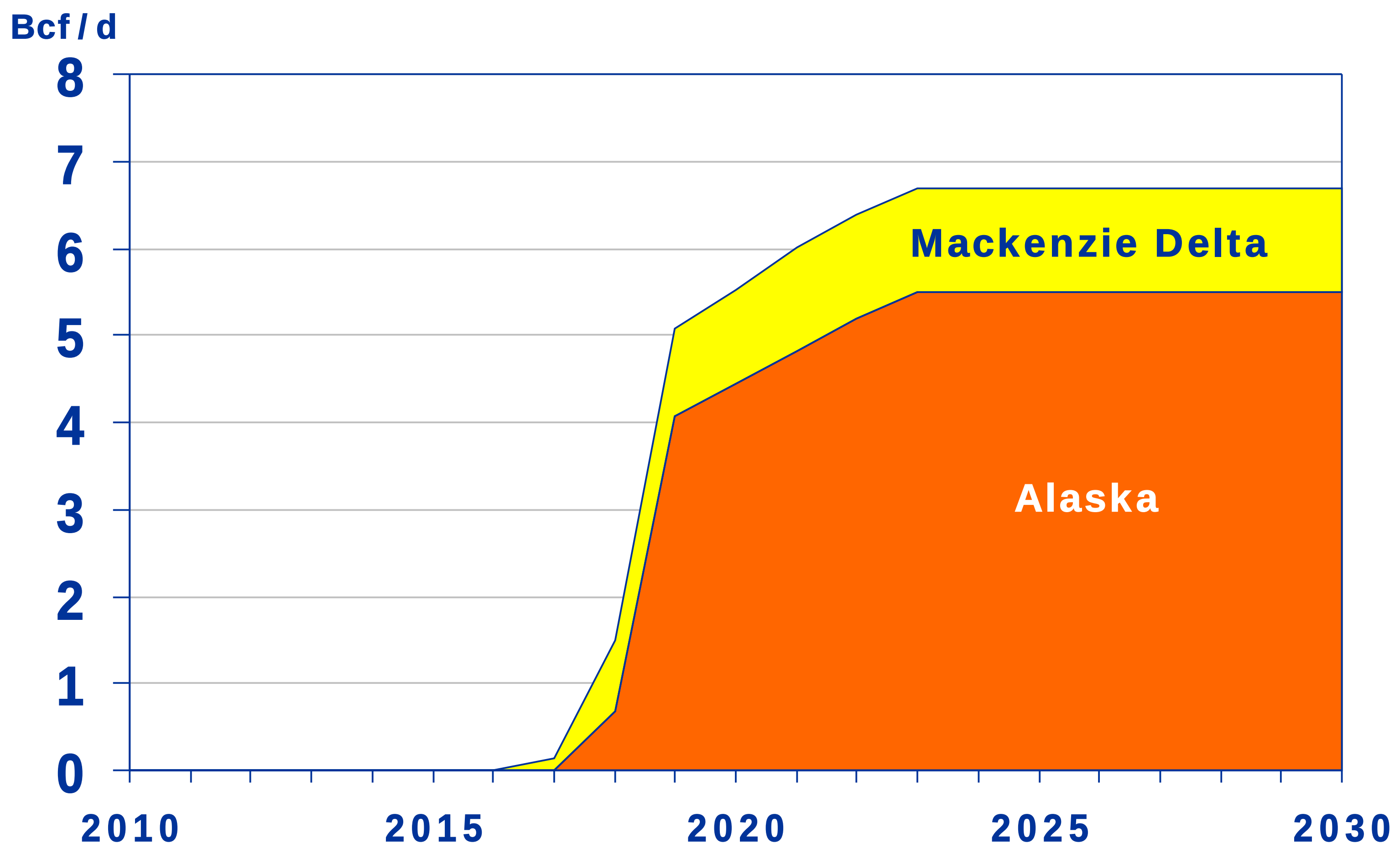
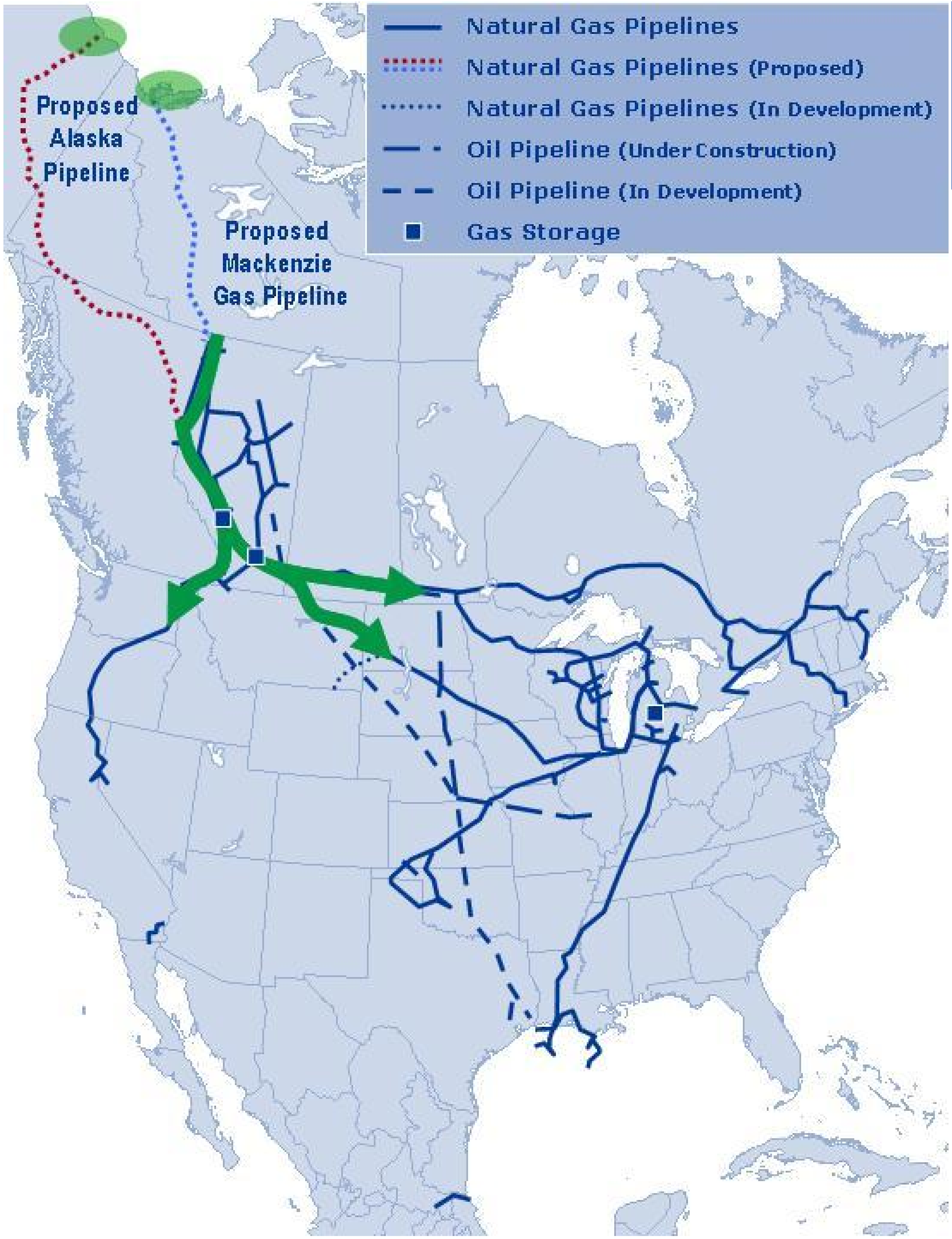
Northern Gas: Mackenzie Delta & Alaska





Northern Projects: Recent Developments

Mackenzie Gas Project

- **Joint Review Panel report – Dec 2009**
- **NEB Reasons for Decision on MGP application – Sept 2010**
- **Financial restructuring discussions on-going**

Alaska Pipeline Project

- **AGIA license issued Dec 2008**
- **June 2009 - TransCanada and ExxonMobil joint venture**
- **All AGIA commitments remain with TransCanada**
- **Next step is open season mid-2010**

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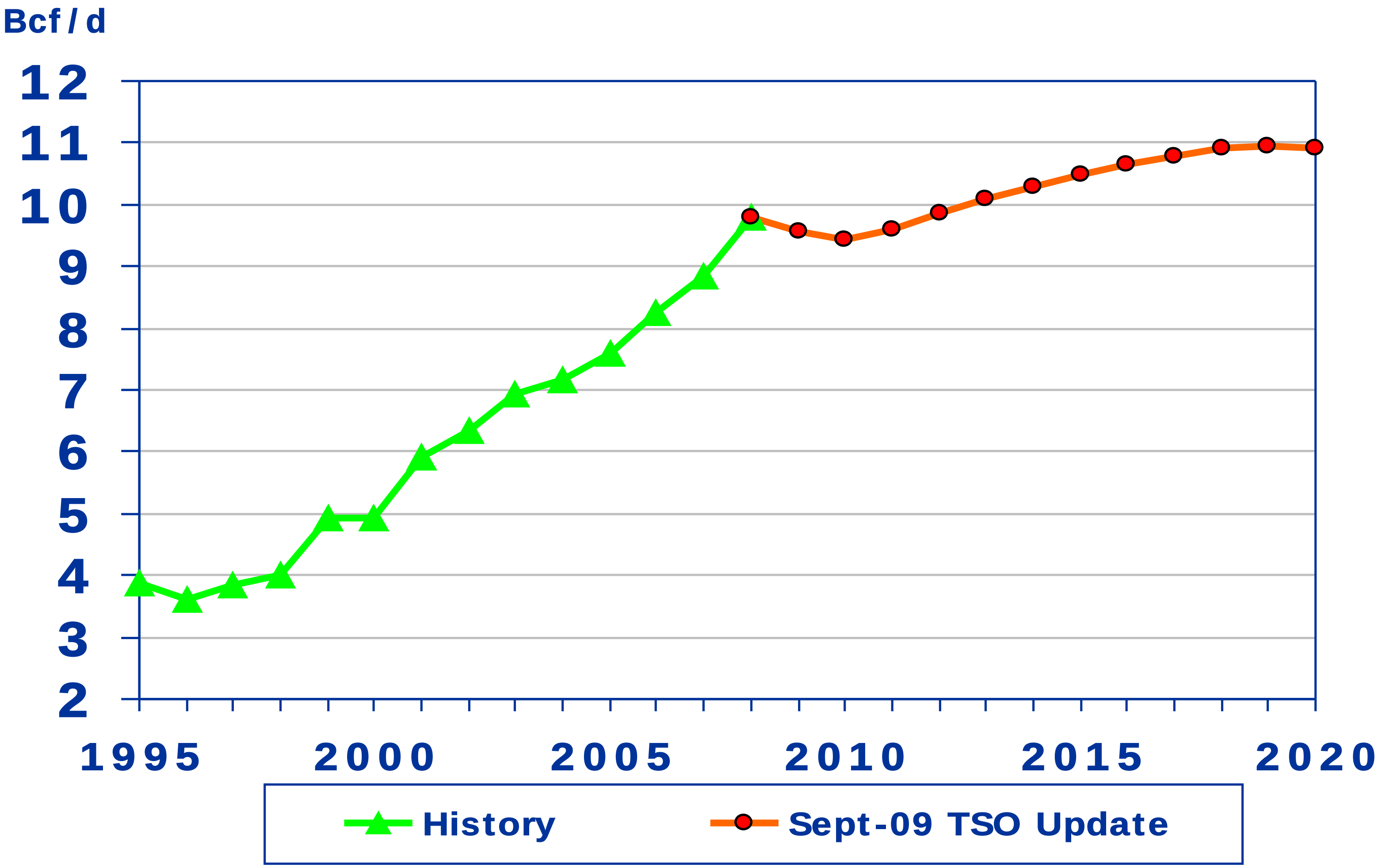
Rockies Supply



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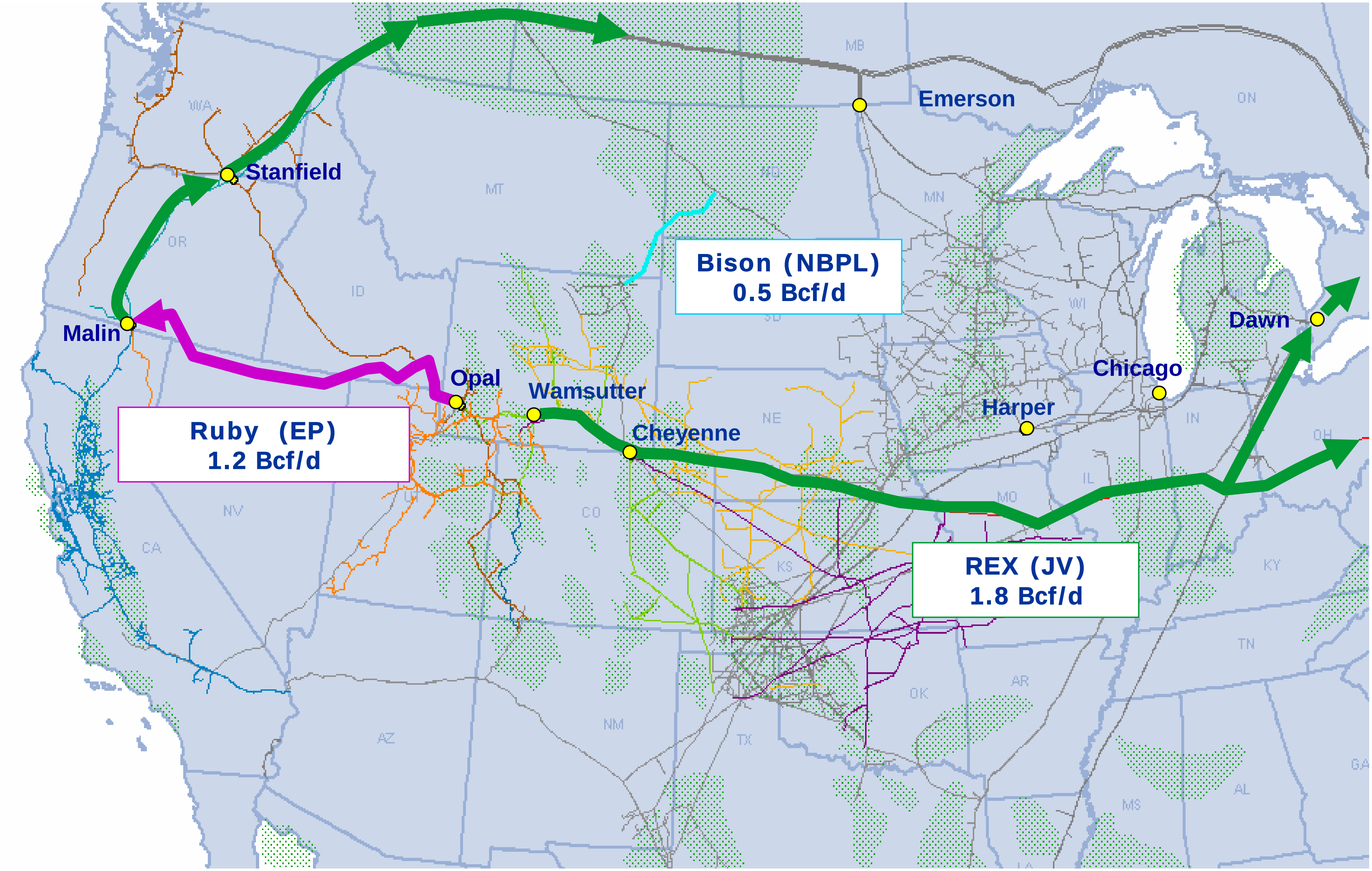
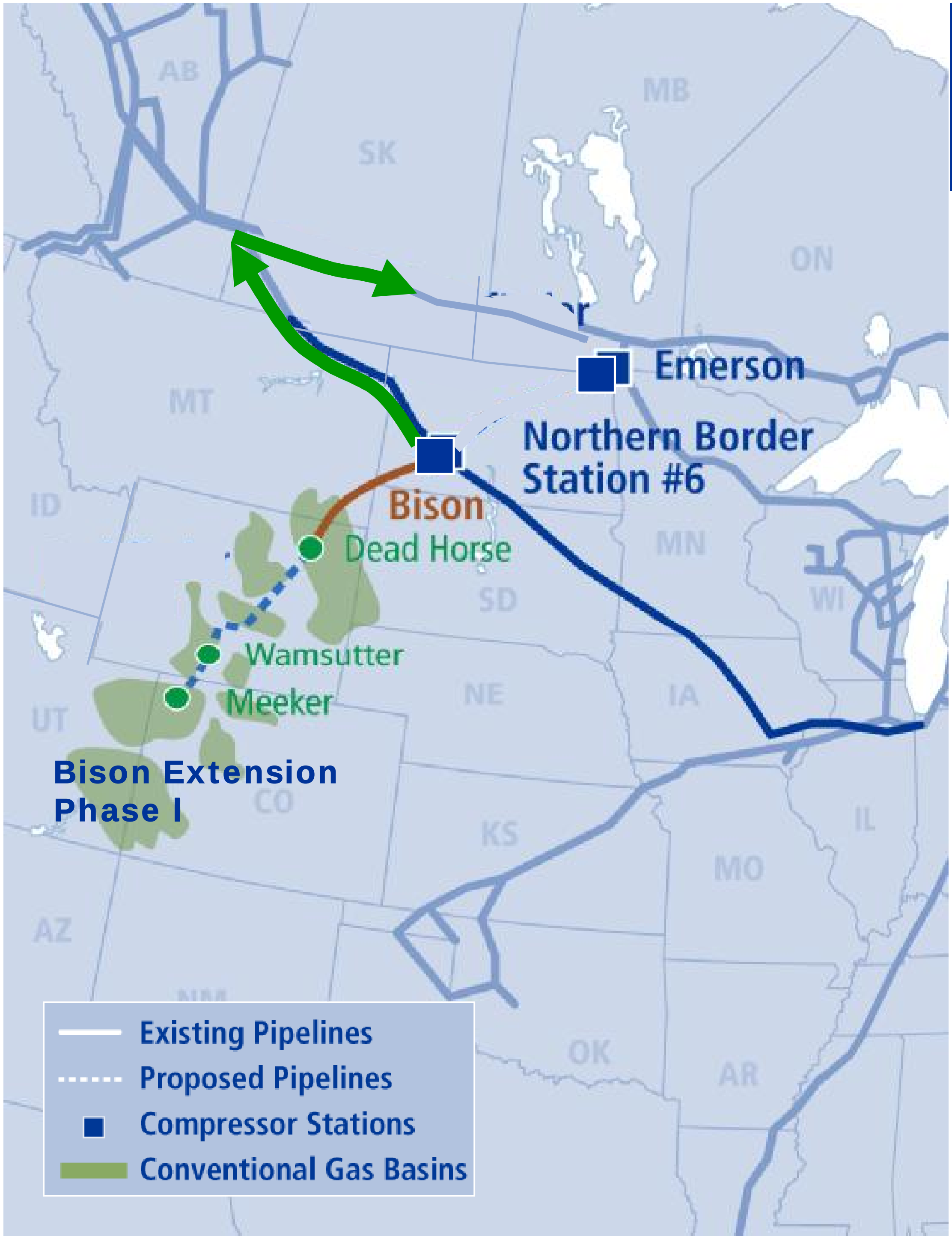
Supply / Throughput Initiatives: Rockies Gas – New Capacity Options





Rockies East Projects

Bison

- 302 mile natural gas pipeline
- 477 MMcf/d contracted
- Initial capacity 400 MMcf/d to 500 MMcf/d
- Proposed in-service date November 2010
- Future expansion up to 1.0 Bcf/d and extension potential

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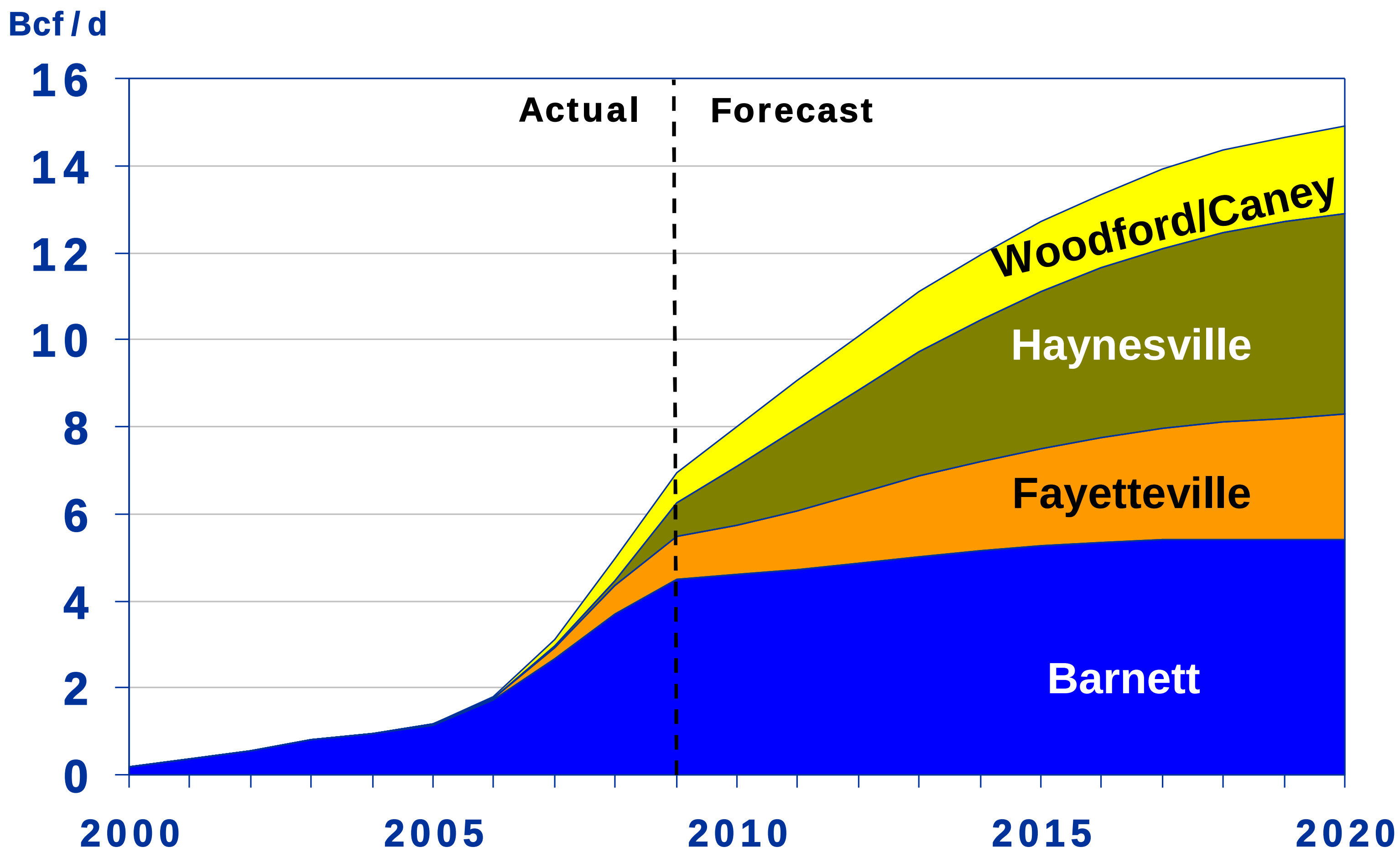
Lower 48 Shale Gas Production



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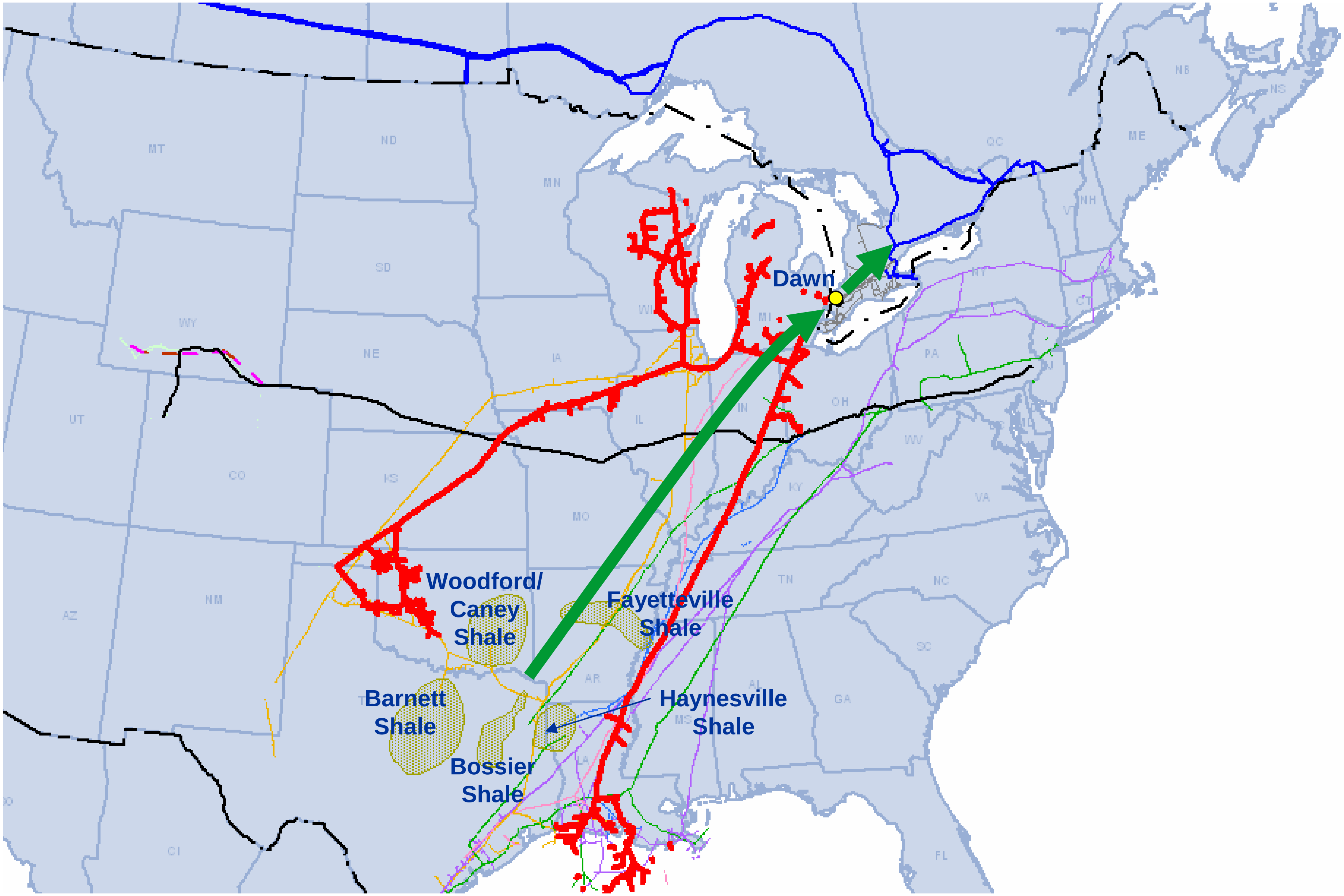
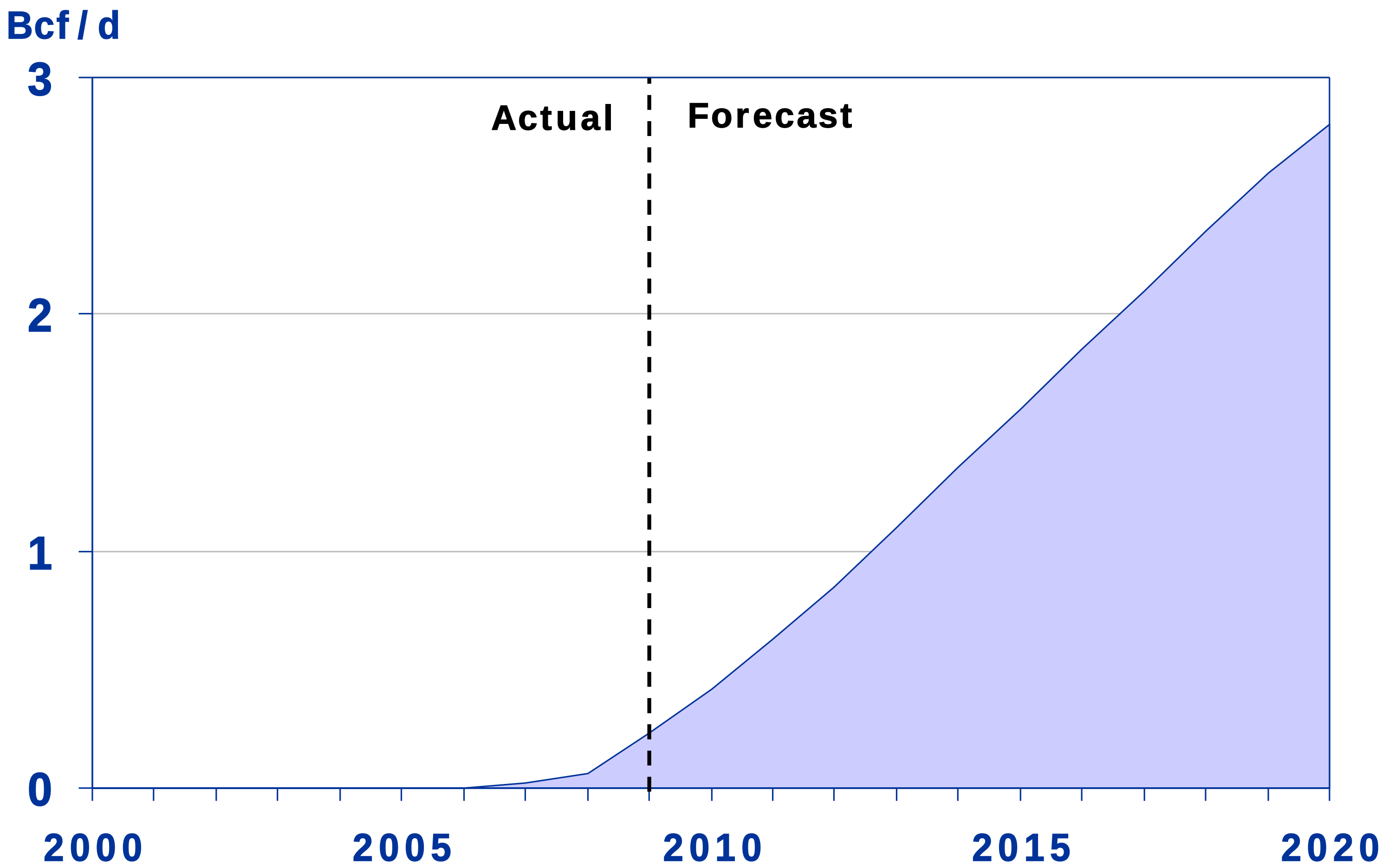
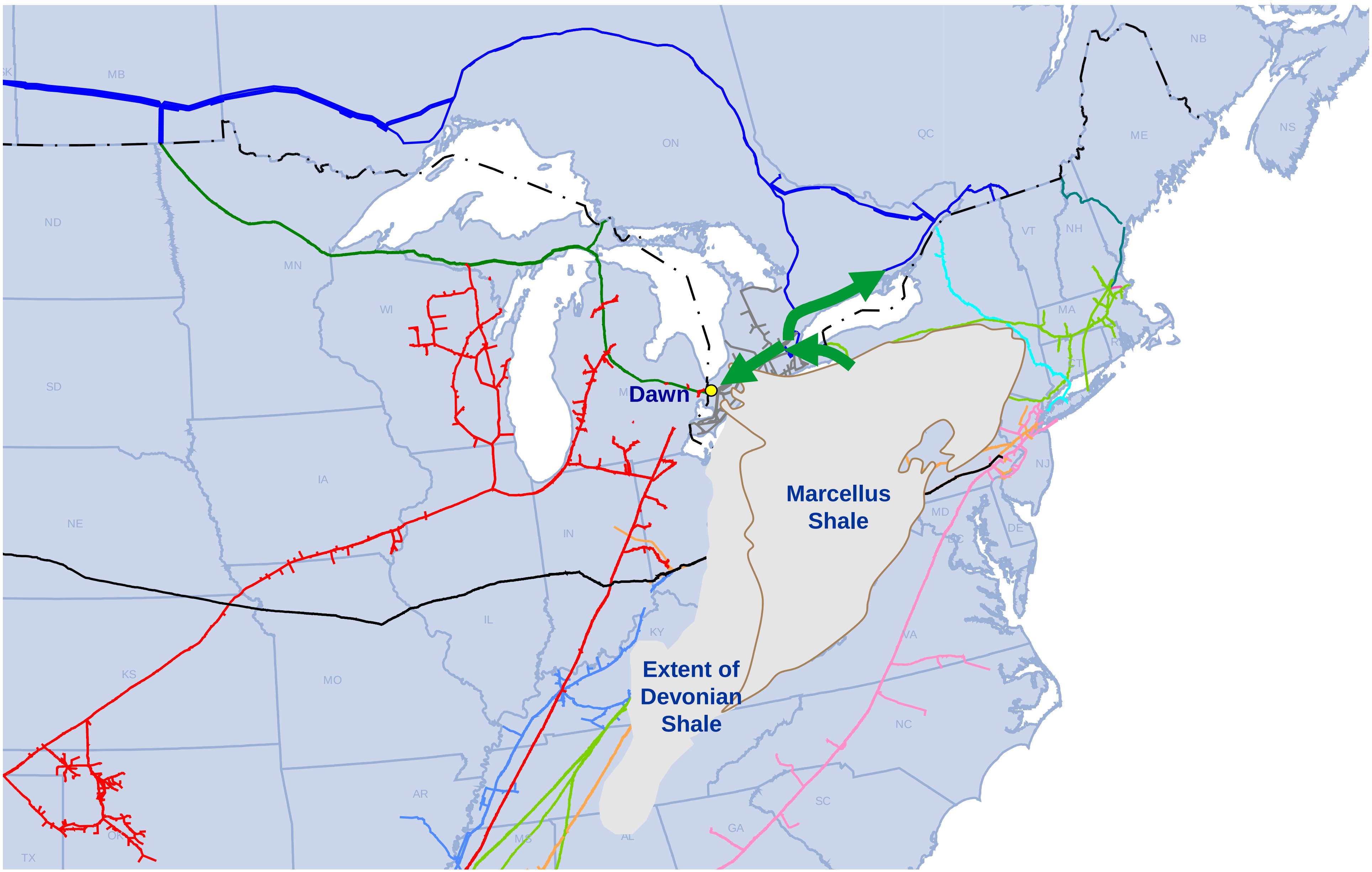
Mid-Continent Shales – Barnett, Woodford / Caney, Bossier, Fayetteville & Haynesville



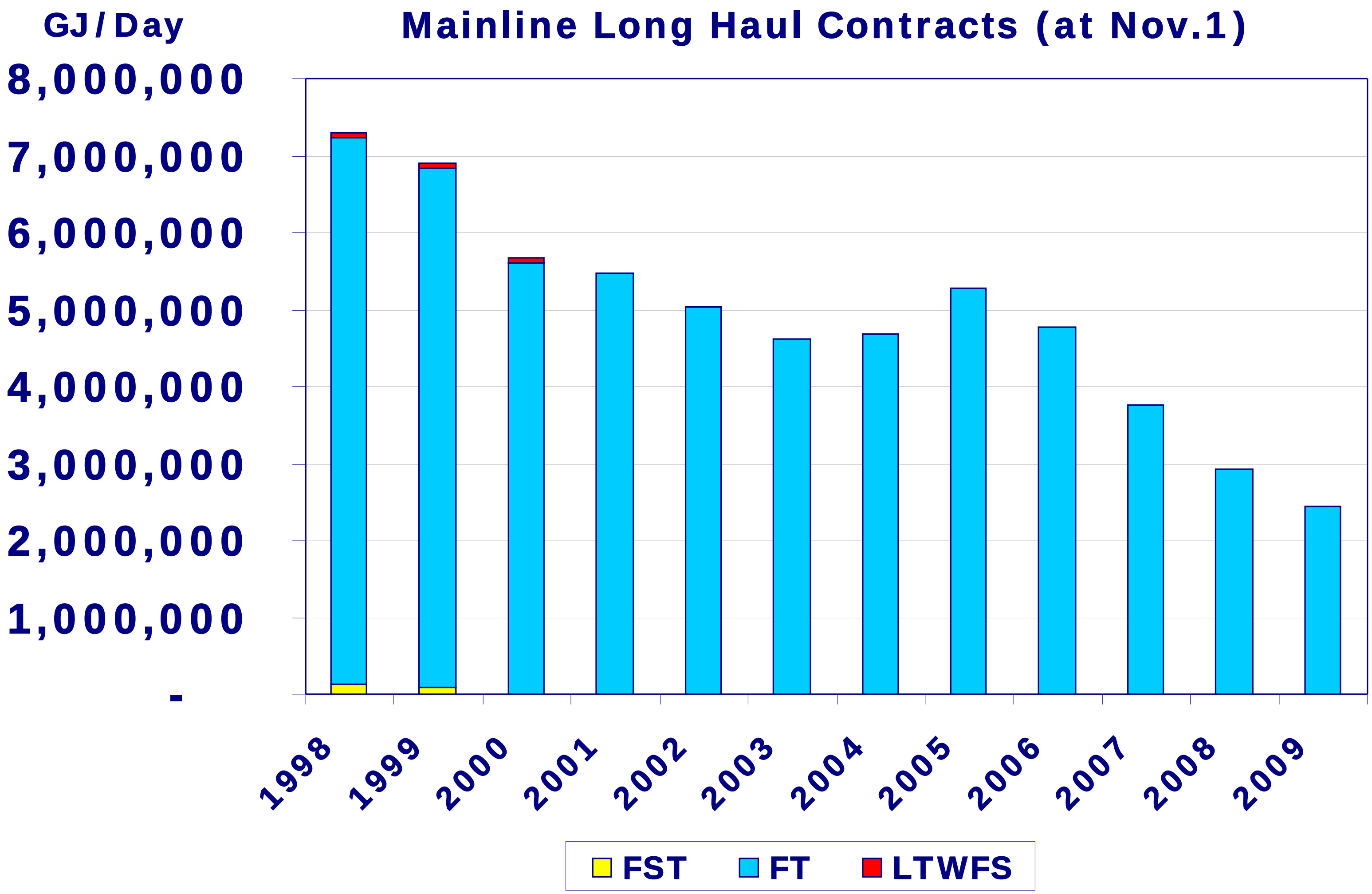
Marcellus Shale Gas Production



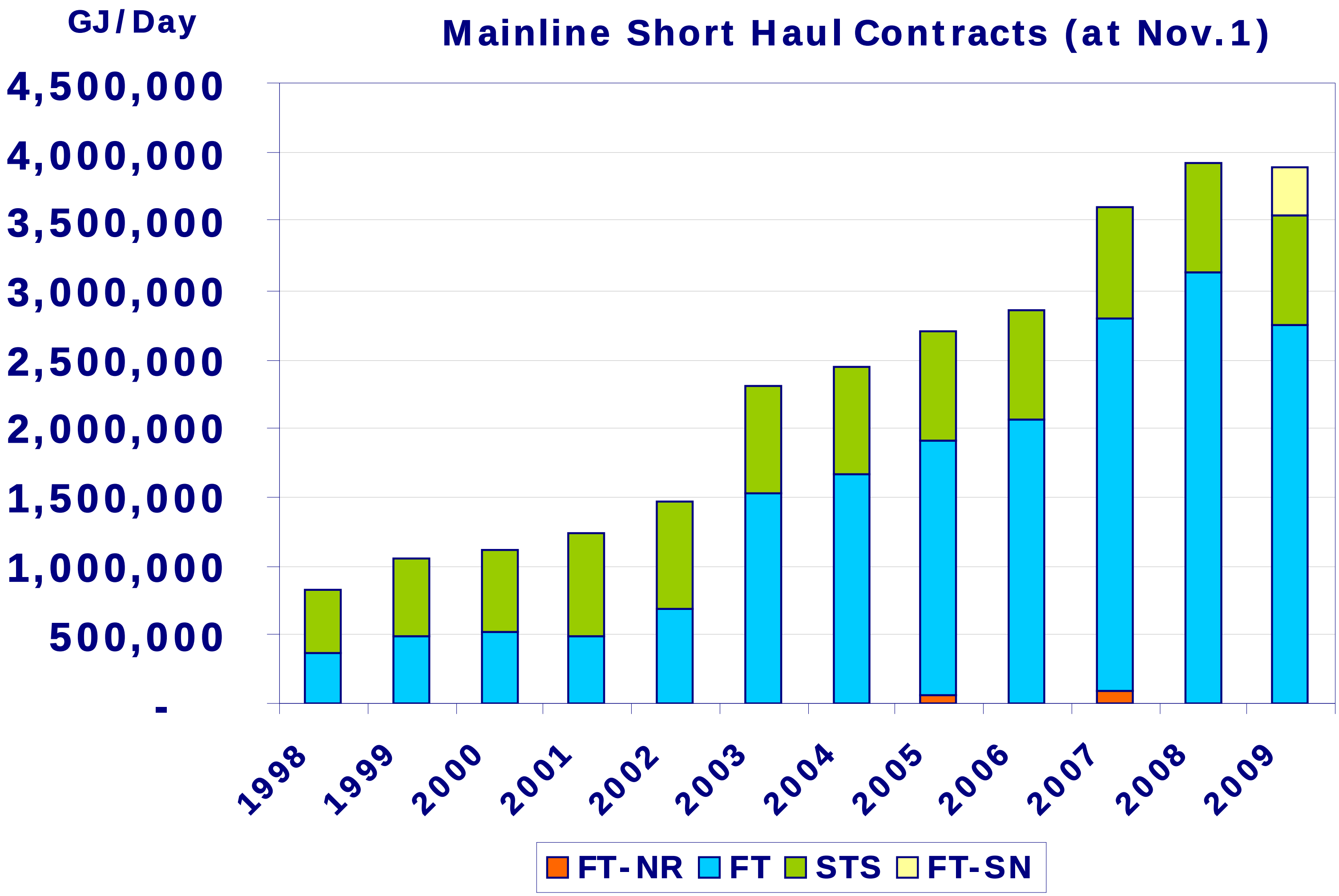
Mid-Continent Shales – Marcellus



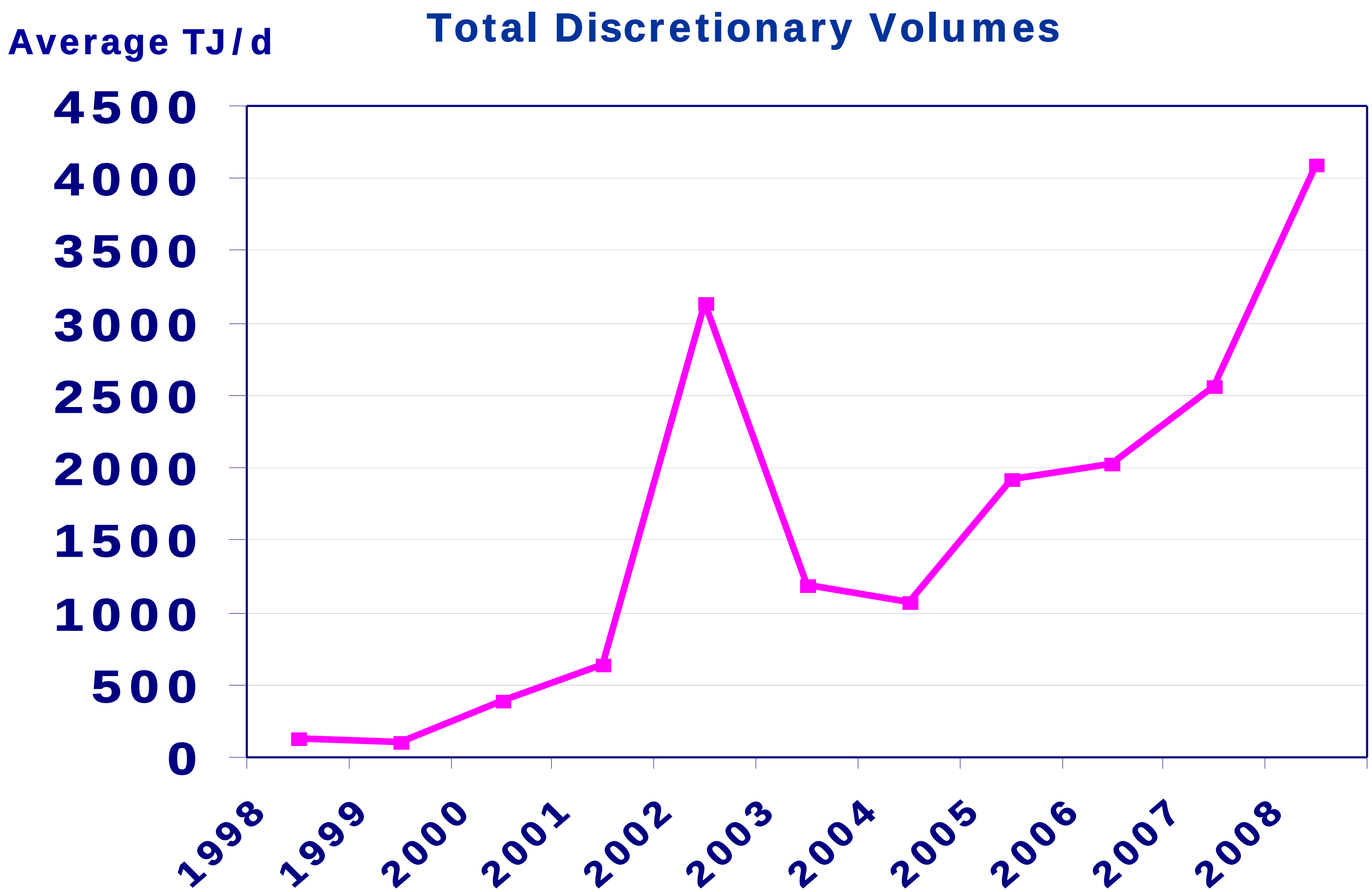
Long Haul Firm Contracts



Short Haul Firm Contracts



Discretionary Service Use Evolution



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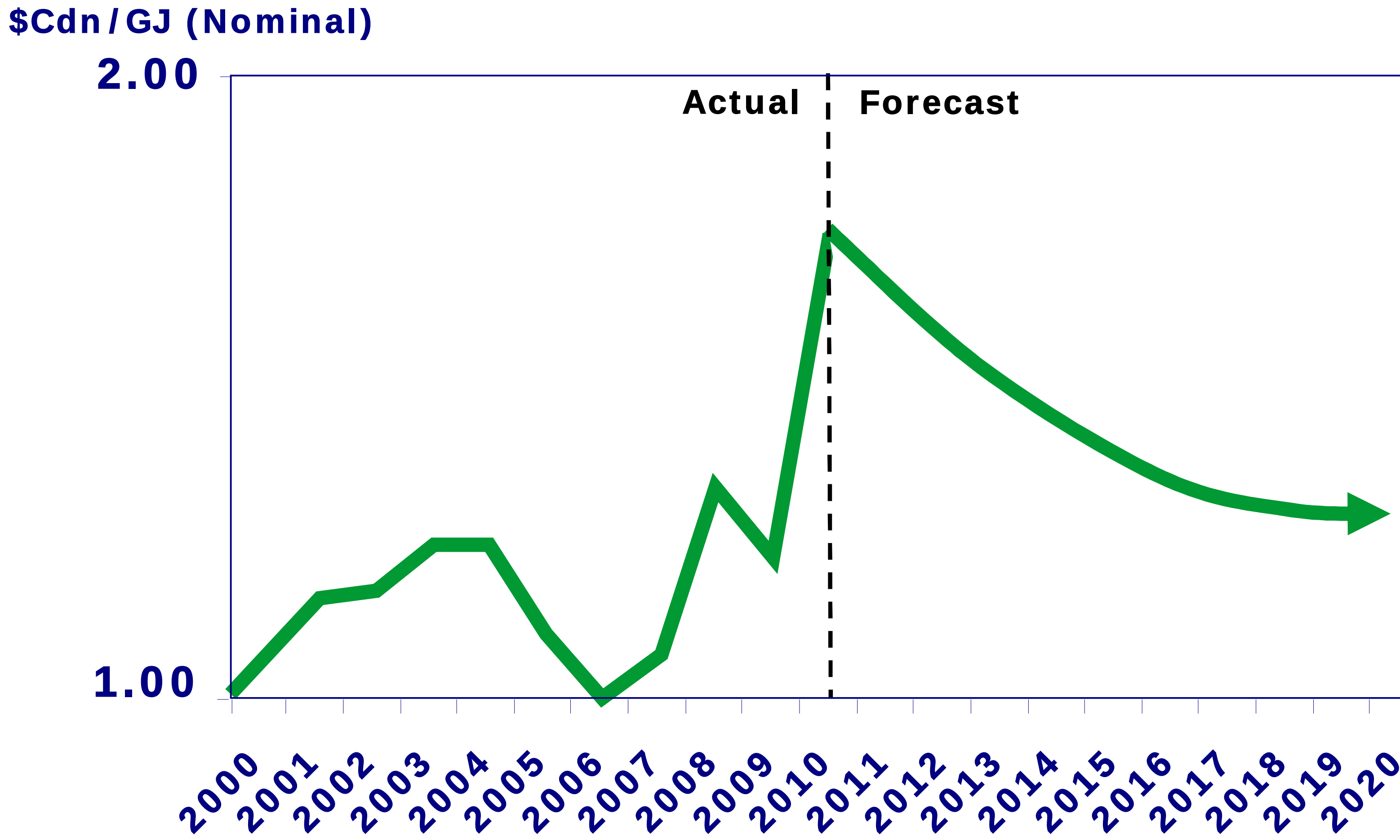
Mainline Eastern Zone Tolls



Mainline Initiatives

- **On-going Priorities**
  - **Supply connection / Increasing Throughput**
  - **Cost Reduction**
- **Change is Required**
  - **Rate Design Review and Evolution**
  - **Service Evolution**
  - **Business Model Alternatives**

Thank you.

Questions / Comments?

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