




**TransCanada Enhanced Financial Reporting Format
Conference Call
April 21, 2009**




Agenda



- 1. Financial Reporting Enhancements**
- 2. Question and Answer Period**

Speakers:

- Hal Kvisle, President and CEO
- Greg Lohnes, EVP and CFO
- Glenn Menuz, VP and Controller
- David Moneta, VP Investor Relations and Corp. Communications



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Forward-Looking Information



This presentation may contain certain information that is forward looking and is subject to important risks and uncertainties. The words "anticipate", "expect", "believe", "may", "should", "estimate", "project", "outlook", "forecast" or other similar words are used to identify such forward-looking information. Forward-looking statements in this document are intended to provide TransCanada shareholders and potential investors with information regarding TransCanada and its subsidiaries, including management's assessment of TransCanada's and its subsidiaries' future financial and operations plans and outlook. Forward-looking statements in this document may include, among others, statements regarding the anticipated business prospects and financial performance of TransCanada and its subsidiaries, expectations or projections about the future, and strategies and goals for growth and expansion. All forward-looking statements reflect TransCanada's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, 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, regulatory processes and decisions, changes in environmental and other laws and regulations, competitive factors in the pipeline and energy industry sectors, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments and the current economic conditions in North America. By its nature, forward-looking information is subject to various risks and uncertainties, which could cause TransCanada's actual results and experience to differ materially from the anticipated results or expectations expressed. Additional information on these and other factors is available in the reports filed by TransCanada with Canadian securities regulators and with the U.S. Securities and Exchange Commission. Readers are cautioned to not place undue reliance on this forward-looking information, which is given as of the date it is expressed in this presentation or otherwise, and to not use future-oriented information or financial outlooks for anything other than their intended purpose. TransCanada undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.



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Non-GAAP Measures



TransCanada may use the measures "comparable earnings", "comparable earnings per share", earnings before interest, taxes, depreciation and amortization ("EBITDA"), "comparable EBITDA", earnings before interest and taxes ("EBIT"), "comparable EBIT" and "funds generated from operations" in this presentation. These measures do not have any standardized meaning prescribed by Canadian generally accepted accounting principles (GAAP). They are, therefore, considered to be non-GAAP measures and are unlikely to be comparable to similar measures presented by other entities. Management of TransCanada uses these non-GAAP measures to improve its ability to compare financial results among reporting periods and to enhance its understanding of operating performance, liquidity and ability to generate funds to finance operations. These non-GAAP measures are also provided to readers as additional information on TransCanada's operating performance, liquidity and ability to generate funds to finance operations.

Management uses the measures of comparable earnings/(expenses), comparable EBITDA and comparable EBIT to better evaluate trends in the Company's underlying operations. Comparable earnings, comparable EBITDA, and comparable EBIT comprise net income, EBITDA and EBIT respectively, adjusted for specific items that are significant, but are not reflective of the Company's underlying operations. Specific items are subjective, however, management uses its judgment and informed decision-making when identifying items to be excluded in calculating comparable earnings, comparable EBITDA and comparable EBIT some of which may recur. Specific items may include but are not limited to certain income tax refunds and adjustments, gains or losses on sales of assets, legal and bankruptcy settlements, and certain fair value adjustments. Comparable earnings per share is calculated by dividing comparable earnings by the weighted average number of shares outstanding for the period.

EBITDA is an approximate measure of the Company's operating cash flow. EBITDA comprises earnings before deducting interest and other financial charges, income taxes, depreciation and amortization. EBIT is a measure of the Company's earnings from ongoing operations. EBIT comprises earnings before deducting interest and other financial charges, and income taxes. Funds generated from operations comprises net cash provided by operations before changes in operating working capital.



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New Format Consistent with Management of Business



- Business has evolved from Canadian regulated pipelines to a North American energy infrastructure company
- Focus on EBITDA at the asset level
 - More transparent portrayal of actual contributions by assets
- Focus on EBIT at the segment level
- Focus on funds generated from operations at the consolidated level
- Net income, comparable earnings and earnings per share remain key measures of success for the company at the consolidated level

Financial Reporting Change



- Three principal segments remain
 - Pipelines
 - Energy
 - Corporate
- Modifications to classification of assets within business segments
 - Wholly-owned and Partially-owned Pipelines become:
 - Canadian Pipelines
 - U.S. Pipelines
 - Oil Pipelines
 - Western Power, Eastern Power, Bruce Power, Natural Gas Storage become:
 - Canadian Power (Western, Eastern, Bruce Power)
 - U.S. Power
 - Natural Gas Storage

Financial Reporting Change (continued)



- Financial results for Pipelines, Energy and Corporate now reported as:
 - Earnings before interest, taxes, depreciation and amortization (EBITDA) for each asset \ group of assets
 - Earnings before interest and taxes (EBIT) for each segment
 - Certain support services costs reported in Corporate
- Financial charges including interest income, taxes, non-controlling interests and net income reported at the consolidated level
- Canadian Mainline, Alberta System and Foothills net income will be reported as supplemental information

Comparison of New Format to Old Format: Consolidated Income



For the year ended December 31, 2008
(unaudited)
(millions of dollars)

	New Presentation	Originally Reported	Change
Revenues	8,619	8,619	-
Operating and Other Expenses/(Income)			
Plant operating costs and other	3,062	3,062	-
Commodity purchases resold	1,453	1,511	(58)
Depreciation	-	1,189	(1,189)
Calpine bankruptcy settlements	(279)	-	(279)
Writedown of Broadwater LNG project costs	41	-	41
Other income	(38)	-	(38)
	4,239	5,762	(1,523)
EBITDA	4,380	2,857	1,523
Depreciation and amortization	1,247	-	(1,247)
EBIT	3,133	2,857	276
Financial Charges/(Income)			
Financial charges	-	943	943
Interest expense	943	-	(943)
Financial charges of joint ventures	72	72	-
Interest income and other	(54)	(92)	(38)
Calpine bankruptcy settlements	-	(279)	(279)
Writedown of Broadwater LNG project costs	-	41	41
	961	685	(276)
Income before Income Taxes and Non-Controlling Interests	2,172	2,172	-

Comparison of New Format to Old Format: Consolidated Income (continued)



For the year ended December 31, 2008
(unaudited)
(millions of dollars, except per share amounts)

	New Presentation	Originally Reported	Change
Income before Income Taxes and Non-Controlling Interests	2,172	2,172	-
Income Taxes			
Current	526	526	-
Future	76	76	-
	602	602	-
Non-Controlling Interests			
Preferred share dividends of subsidiary	22	22	-
Non-controlling interest in PipeLines LP	62	62	-
Other	46	46	-
	130	130	-
Net Income	1,440	1,440	-
Net Income per Share			
Basic	\$2.53	\$2.53	-
Diluted	\$2.52	\$2.52	-
Average Shares Outstanding - Basic (millions)	570	570	-
Average Shares Outstanding - Diluted (millions)	572	572	-

Segmented Information – New Format



For the year ended December 31, 2008
(unaudited)
(millions of dollars)

	Pipelines	Energy	Corporate	Total
Revenues	4,650	3,969	-	8,619
Plant operating costs and other	(1,645)	(1,307)	(110)	(3,062)
Commodity purchases resold	-	(1,453)	-	(1,453)
Calpine bankruptcy settlements	279	-	-	279
Writedown of Broadwater LNG project costs	-	(41)	-	(41)
Other income	31	1	6	38
EBITDA	3,315	1,169	(104)	4,380
Depreciation and amortization	(989)	(258)	-	(1,247)
EBIT	2,326	911	(104)	3,133
Interest expense				(943)
Financial charges of joint ventures				(72)
Interest income and other				54
Income taxes				(602)
Non-controlling interests				(130)
Net Income				1,440

Pipelines Segment Information



For the year ended December 31, 2008
(unaudited)
(millions of dollars)

	New Presentation	Originally Reported	Change
Revenues	4,650	4,650	-
Plant operating costs and other	(1,645)	(1,732)	87
Depreciation	-	(989)	989
Calpine bankruptcy settlements	279	-	279
Other income	31	-	31
EBITDA	3,315	1,929	1,386
Depreciation and amortization	(989)	-	(989)
EBIT	2,326	1,929	397
Financial charges	-	(674)	-
Financial charges of joint ventures	-	(49)	-
Interest income and other	-	73	-
Calpine bankruptcy settlements	-	279	-
Income taxes	-	(548)	-
Non-controlling interests	-	(108)	-
Net Income		902	

Energy Segment Information



For the year ended December 31, 2008
(unaudited)
(millions of dollars)

	New Presentation	Originally Reported	Change
Revenues	3,969	3,969	-
Plant operating costs and other	(1,307)	(1,326)	19
Commodity purchases resold	(1,453)	(1,511)	58
Depreciation	-	(200)	200
Writedown of Broadwater LNG project costs	(41)	-	(41)
Other income	1	-	1
EBITDA	1,169	932	237
Depreciation and amortization	(258)	-	(258)
EBIT	911	932	(21)
Financial charges	-	-	-
Financial charges of joint ventures	-	(23)	-
Interest income and other	-	6	-
Writedown of Broadwater LNG project costs	-	(41)	-
Income taxes	-	(260)	-
Net Income		614	

Corporate Segment Information



For the year ended December 31, 2008
(unaudited)
(millions of dollars)

	New Presentation	Originally Reported	Change
Plant operating costs and other	(110)	(4)	(106)
Other Income	6	-	6
EBITDA	(104)	(4)	(100)
Depreciation and amortization	-	-	-
EBIT	(104)	(4)	(100)
Financial charges		(269)	
Interest income and other		13	
Income taxes		206	
Non-controlling interests		(22)	
Net Income		(76)	



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Pipelines Results – New Format



(unaudited)
(millions of dollars)

	2008				Total	2007 Total
	Q1	Q2	Q3	Q4		
Canadian Pipelines						
Canadian Mainline	290	283	268	300	1,141	1,207
Alberta System	179	179	182	152	692	775
Foothills	35	34	33	31	133	135
Other (TQM, Ventures LP)	13	13	13	11	50	51
Canadian Pipelines Comparable EBITDA	517	509	496	494	2,016	2,168
U.S. Pipelines						
ANR	102	72	74	99	347	272
GTN	52	46	48	52	198	187
Great Lakes	36	29	28	34	127	125
PipeLines LP	19	15	13	23	70	62
Iroquois	15	12	15	17	59	55
Portland	12	2	4	9	27	34
International (Tamazunchale, TransGas, INNERGY/Gas Pacifico)	10	12	10	8	40	51
General, administrative, support costs and other	(5)	(5)	(4)	(1)	(15)	(17)
Non-controlling interest	54	39	40	54	187	187
U.S. Pipelines Comparable EBITDA	295	222	228	295	1,040	956
Business Development Comparable EBITDA	(10)	(17)	(1)	(9)	(37)	(47)
Pipelines Comparable EBITDA	802	714	723	780	3,019	3,077
Depreciation and amortization	(240)	(243)	(239)	(207)	(929)	(965)
Non-controlling interest depreciation	(14)	(14)	(15)	(17)	(60)	(56)
Pipelines Comparable EBIT	548	457	469	556	2,030	2,056
Pipelines Comparable EBIT	548	457	469	556	2,030	2,056
Specific items:						
Calpine bankruptcy settlements	279	-	-	-	279	-
GTN lawsuit settlement	17	-	-	-	17	-
Pipelines EBIT	844	457	469	556	2,326	2,056

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Energy Results – New Format



(unaudited) (millions of dollars)	2008				2007	
	Q1	Q2	Q3	Q4	Total	Total
Canadian Power						
Western	99	138	145	128	510	385
Eastern	35	34	35	43	147	120
Bruce	54	49	102	70	275	240
General and administrative costs	(7)	(9)	(12)	(11)	(39)	(35)
Canadian Power Comparable EBITDA	181	212	270	230	893	710
U.S. Power						
Northeast U.S.	64	60	85	63	272	184
General and administrative costs	(9)	(10)	(9)	(13)	(41)	(32)
US Power Comparable EBITDA	55	50	76	50	231	152
Natural Gas Storage						
Alberta storage assets	69	10	35	38	152	151
General and administrative costs	(2)	(4)	(4)	(4)	(14)	(14)
Natural Gas Storage Comparable EBITDA	67	6	31	34	138	137
Business Development EBITDA	(16)	(8)	(11)	(17)	(52)	(55)
Energy Comparable EBITDA	287	260	366	297	1,210	944
Depreciation and amortization	(56)	(58)	(64)	(80)	(258)	(216)
Energy Comparable EBIT	231	202	302	217	952	728
Energy Comparable EBIT	231	202	302	217	952	728
Specific items:						
Writedown of Broadwater LNG project costs	(41)	-	-	-	(41)	-
Fair value adjustments of natural gas storage inventory and forward contracts	(17)	12	(2)	7	-	10
Gain on sale of land	-	-	-	-	-	16
Energy EBIT	173	214	300	224	911	754

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Question & Answer Period



Hal Kvisle



Greg Lohnes



Glenn Menuz



David Moneta

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