



**Woodrow Wilson International Center for Scholars –
Canada Institute
September 22, 2011**

**Alex Pourbaix
President, Energy & Oil Pipelines
TransCanada Corporation**

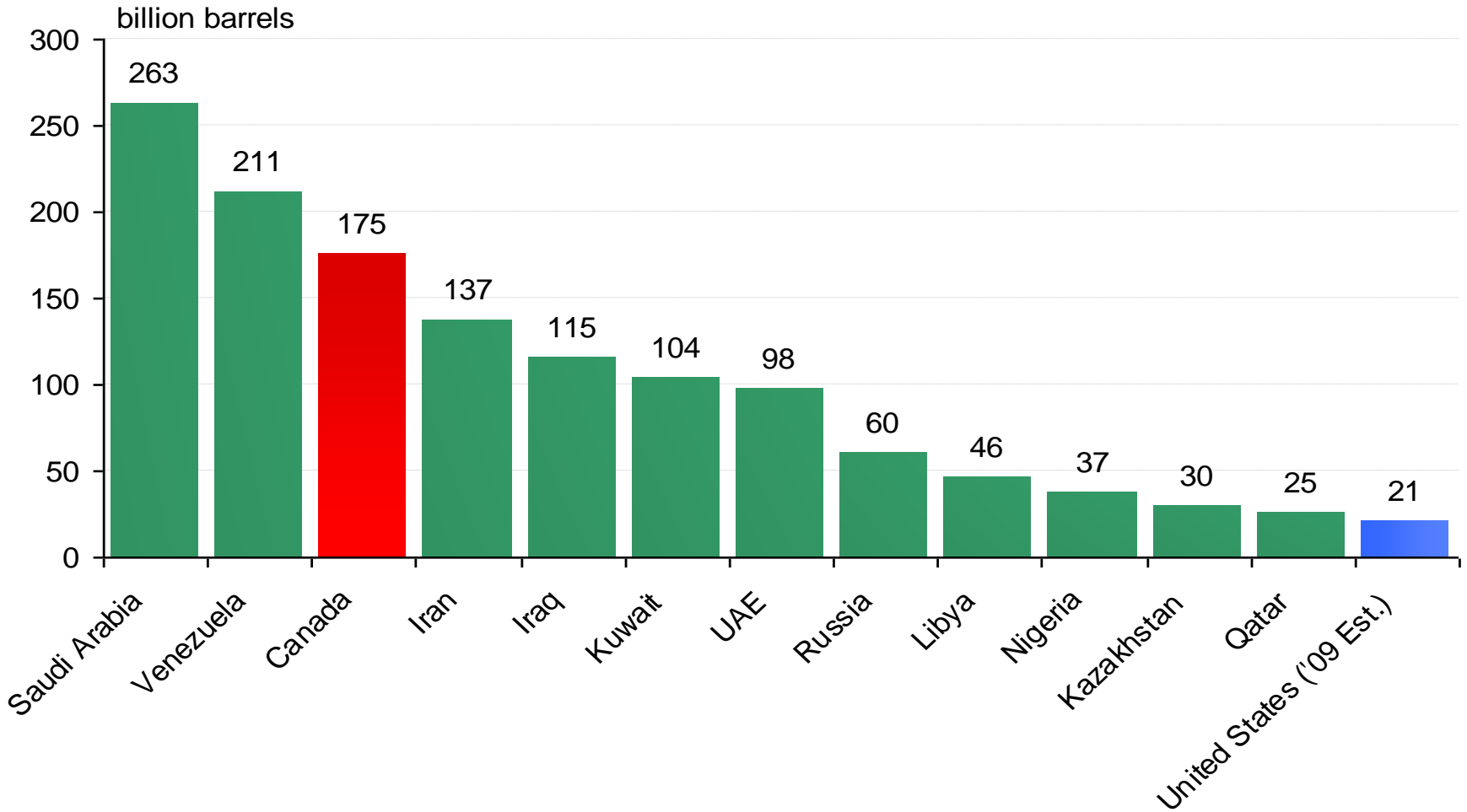


Forward-Looking Information



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 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 financial and operational plans and outlook. Forward-looking statements in this presentation may include, among others, statements regarding the anticipated business prospects, and financial performance of TransCanada and its subsidiaries, expectations or projections about the future, strategies and goals for growth and expansion, expected and future cash flows, costs, schedules (including anticipated construction and completion dates), operating and financial results, and expected impact of future commitments and contingent liabilities. 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 others, 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, capacity payments, regulatory processes and decisions, 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, technological developments and 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 (SEC). Readers are cautioned not to place undue reliance on this 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. 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.

Canada Ranks Third in the World in Terms of Proven Reserves of Crude Oil

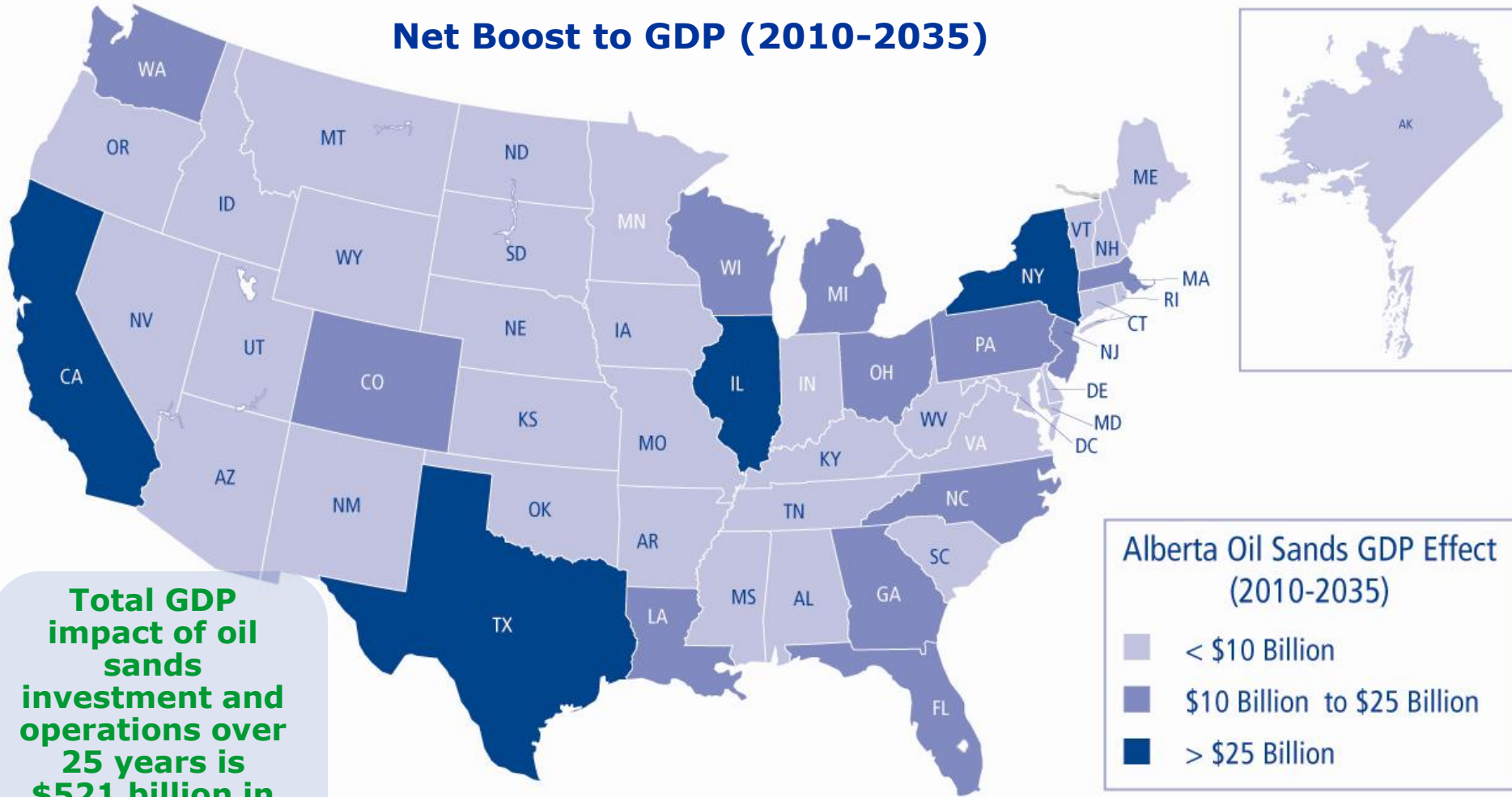


Source: U.S. Energy Information Administration (EIA)

The Oil Sands Have Far Reaching Benefits to the U.S.



Net Boost to GDP (2010-2035)



Total GDP impact of oil sands investment and operations over 25 years is \$521 billion in the U.S.

Source: Canadian Energy Research Institute (CERI) – Economic Impacts of New Oil Sands Projects in Alberta (2010-2035)(May 2011)

Enhancing U.S. Energy Security

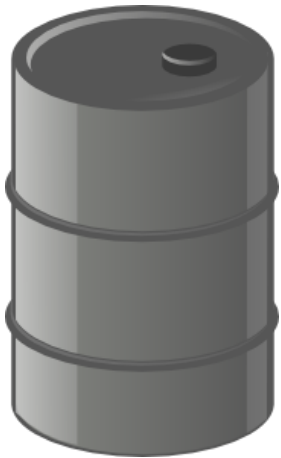


- **Oil sands production will displace OPEC crude oil imports**
- **The oil sands are the only growing supply source with a land-based connection to the U.S. market**
- **Canada is a friendly and stable nation. The oil sands are part of the largest trade relationship in the world**
 - Shared principles of freedom and democracy
 - Longest undefended border in the world
 - Not subject to political disruption/upheaval

Canadian Crude can Reduce the Annual U.S. Wealth Transfer to Other Nations



\$100 per barrel



**Total 2010
estimated oil export
revenues from the
U.S.**



**Venezuela
\$27 billion**



**Iraq
\$12 billion**



**Nigeria
\$29 billion**

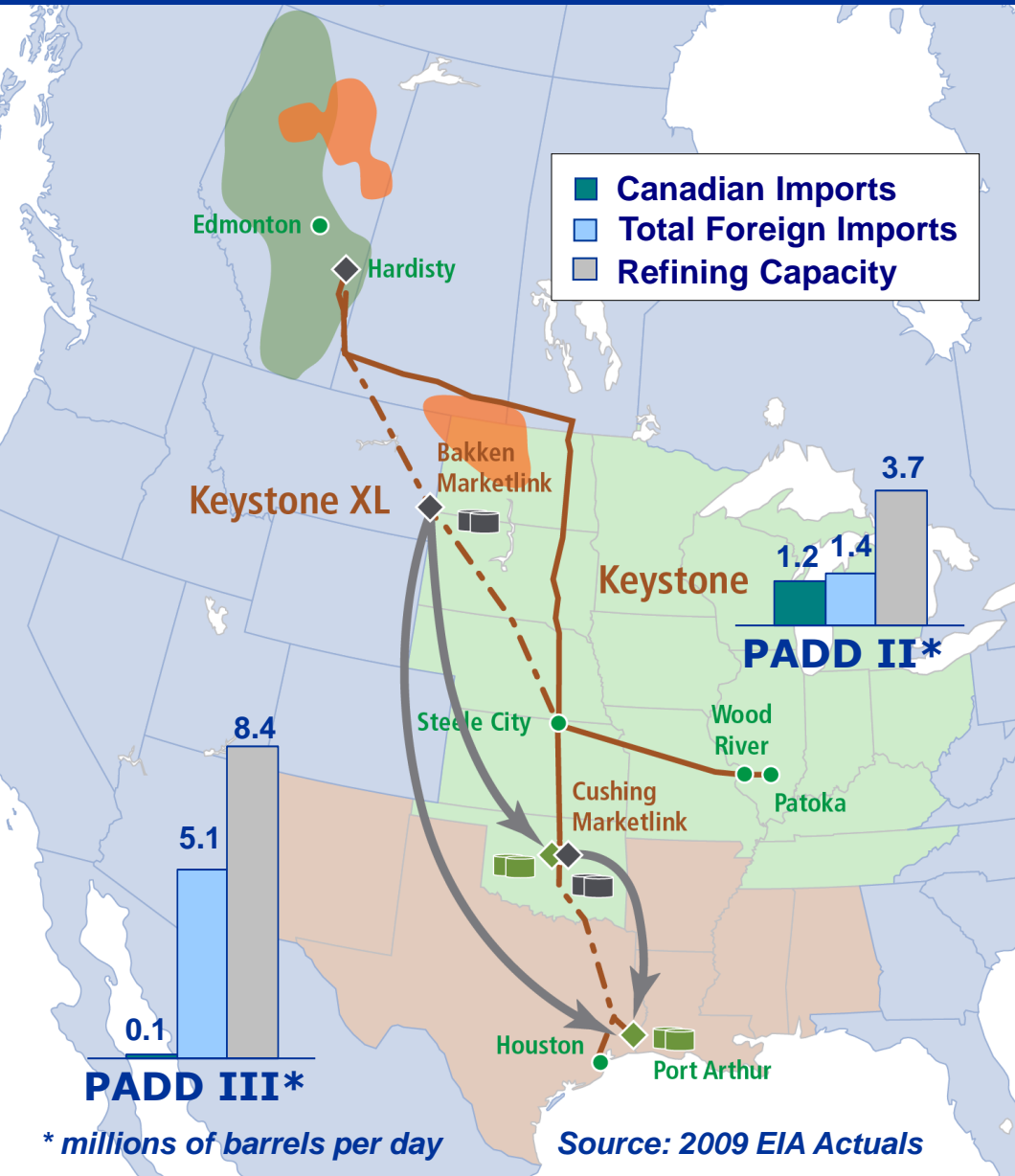


**Algeria/Libya
\$11 billion**



**Russia
\$7 billion**

Keystone Pipeline System



- The Keystone XL pipeline is a key link between growing supply of Canadian crude and U.S. markets
- The U.S. will obtain significant benefits:
 - Energy Security
 - Economic Stimulus (job creation and tax revenue)
- U.S. \$13 billion infrastructure investment
 - No government stimulus required
 - Truly 'shovel ready'
- Further regulatory delays put this project at risk

Economic Benefits of the Keystone XL Pipeline



- **Economic Stimulus and Job Creation**

- Injects \$20 billion into the U.S. economy
- 13,000 direct construction and 7,000 manufacturing related American jobs
- Increases America's personal income by \$6.5 billion

- **Tax Revenues**

- Long term municipal, state, and federal tax base
- Approximately \$585 million in government revenue during construction
- \$5.2 billion in cumulative property taxes paid during the operational life of the pipeline

Keystone XL will be the Safest Pipeline Ever Built in the U.S.

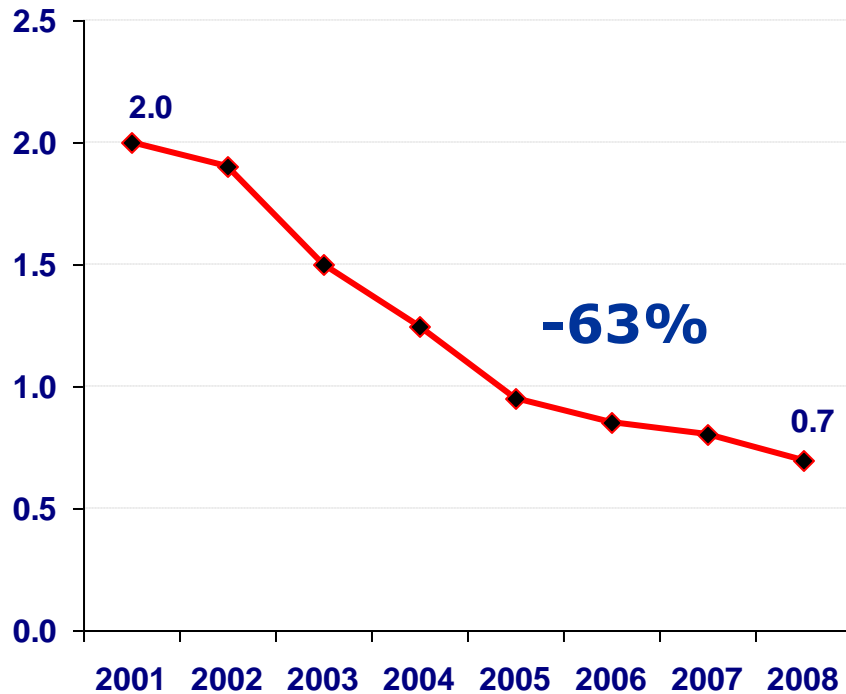


- **Safety has always, and will continue to be, a top priority for TransCanada**
- **Pipelines are the safest method for transporting oil**
- **Improvements in pipeline integrity go unnoticed**
- **There are strong reasons why Keystone XL will be the safest pipeline**

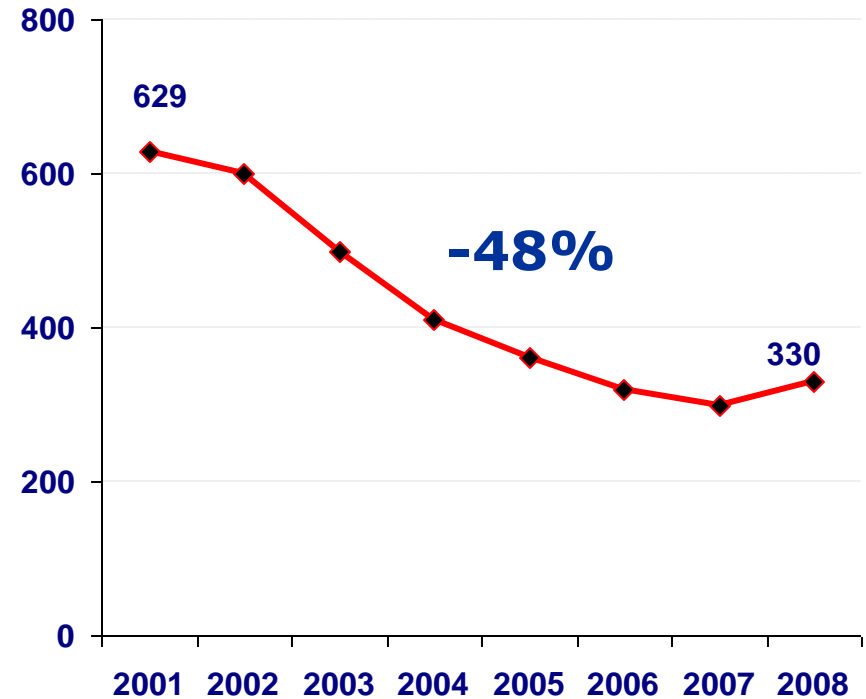
Pipeline Safety – A Decade of Improvement



Number of Spills per 1,000 Miles



Barrels Released per 1,000 Miles



3-Year Averages Ending in Year Shown

SOURCE: Pipeline Performance Tracking System, a voluntary spill reporting system involving 85% of the U.S. liquids pipeline mileage. Percentage decline from 1999-2001 average to 2006-2008 average

Closing Remarks



- **The oil sands are a major North American energy resource**
- **Increases in oil sands imports provide both economic and energy security benefits to the U.S.**
- **The Keystone XL pipeline is a crucial infrastructure project for U.S. energy security**
- **Pipelines are the safest method for transporting oil and Keystone XL will be the safest pipeline ever built**



**Woodrow Wilson International Center for Scholars –
Canada Institute
September 22, 2011**

**Alex Pourbaix
President, Energy & Oil Pipelines
TransCanada Corporation**

