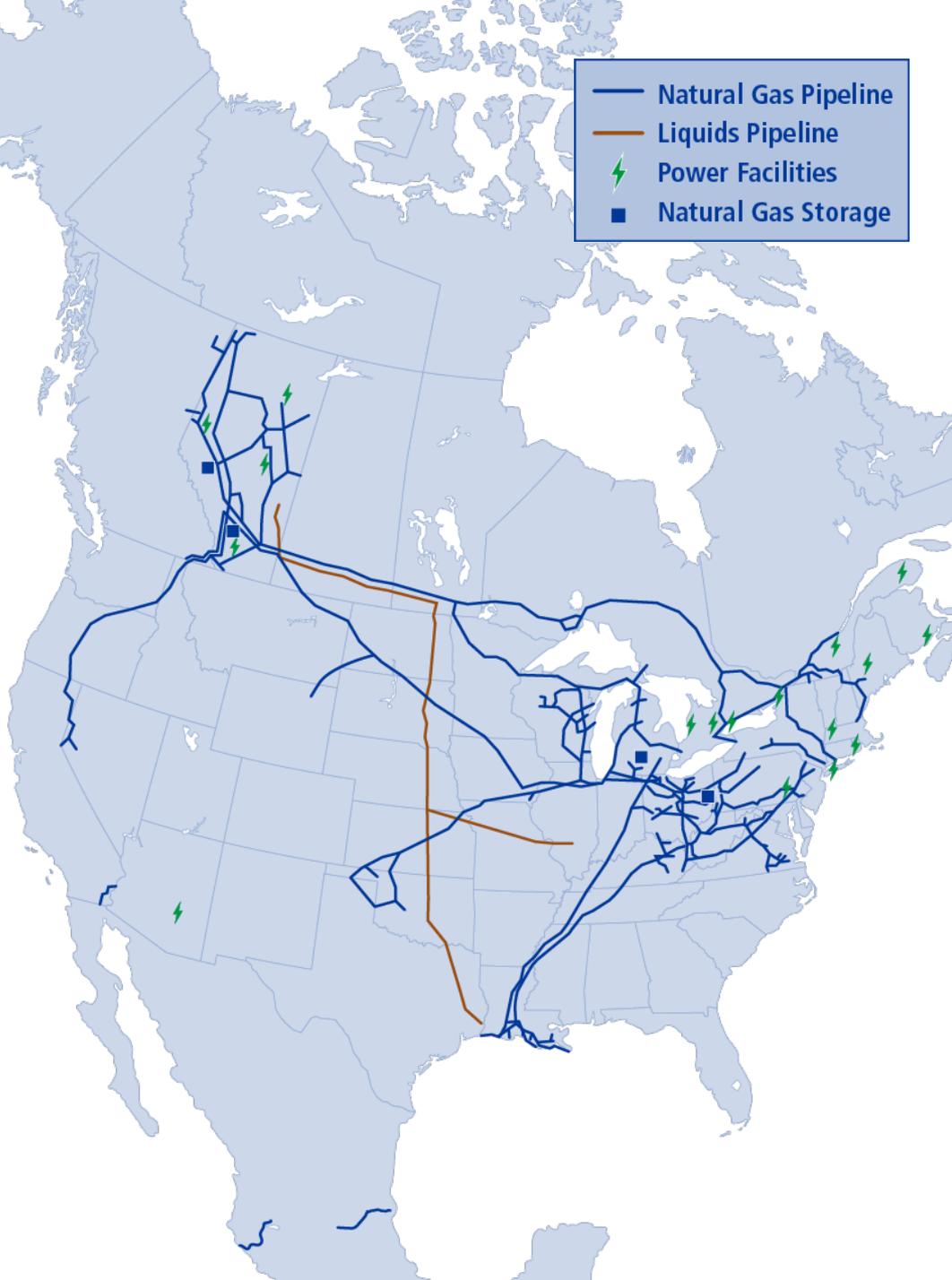




# TransCanada Corporation (TSX/NYSE: TRP)



## One of North America's Largest Natural Gas Pipeline Networks

- Operating 90,300 kms (56,100 miles) of pipelines
- Transports more than 25 per cent of continental demand

## North America's Largest Natural Gas Storage Operator

- More than 664 Bcf of capacity

## Canada's Largest Private Sector Power Generator

- 17 power facilities, 10,500 MW
- Diversified portfolio, including wind, hydro, nuclear, solar and natural gas

## Premier Liquids Pipeline System

- Keystone Pipeline System: 4,300 km (2,700 miles), 545,000 bbl/d contracted capacity
- Safely delivered more than 1.3 billion barrels of Canadian oil to U.S. markets since 2010

# TransCanada – Our Mission, Vision and Values

## Our Mission

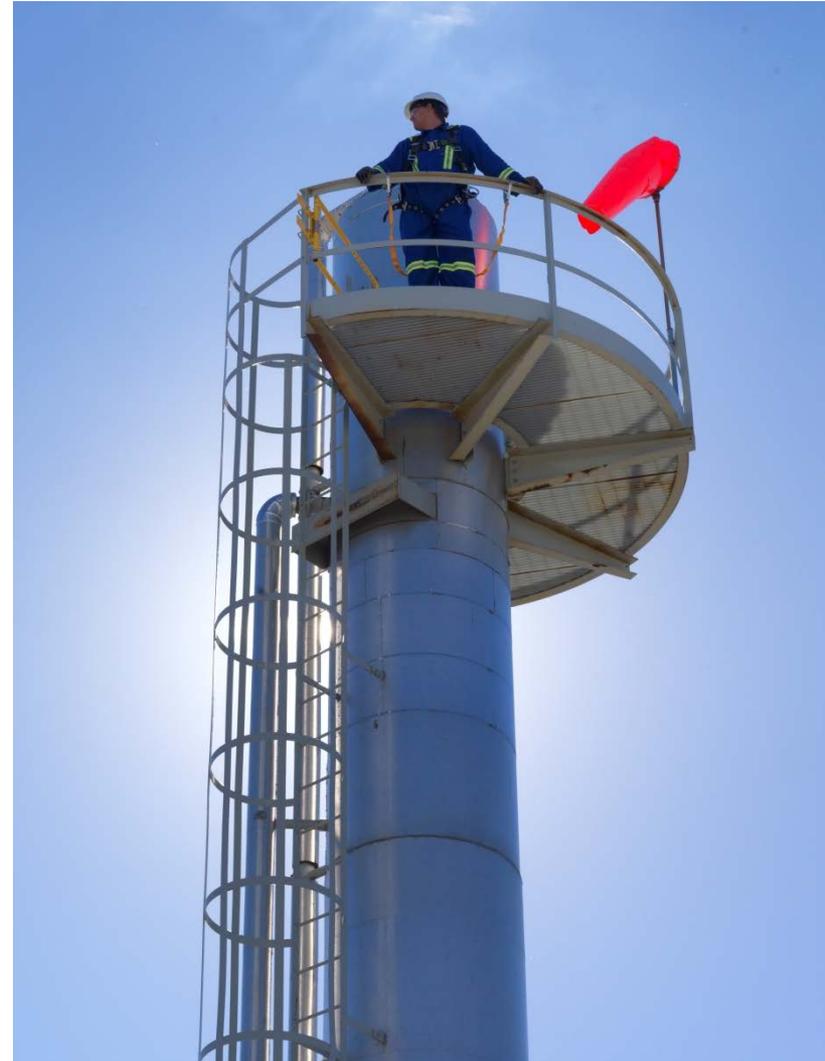
To provide reliable supplies of energy across the continent – safely and responsibly. We are proud that millions of North Americans can depend on us for the energy they need.

## Our Vision

To be the leading energy infrastructure company in North America, focusing on pipeline and power generation opportunities in regions where we have, or can develop, a significant competitive advantage.

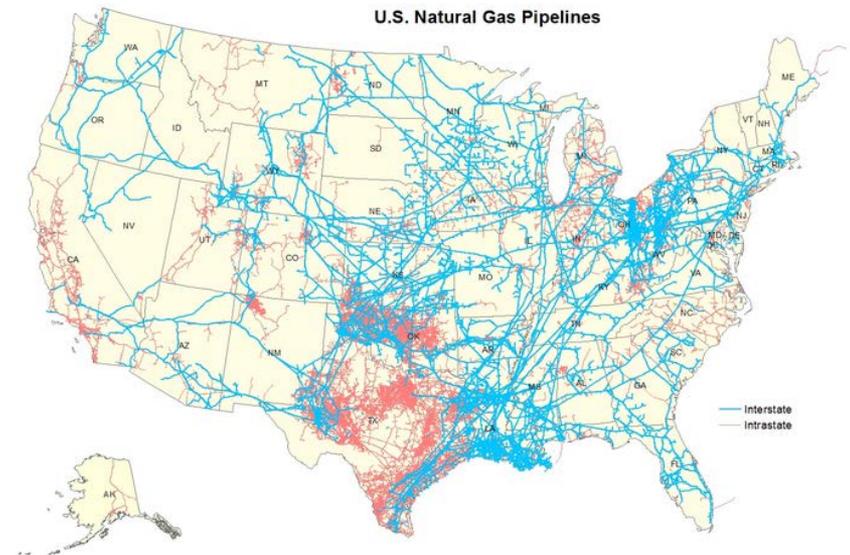
## Our Values

Integrity | Collaboration | Responsibility | Innovation



# US Natural Gas Pipelines

- **Supply more than 20 percent of all energy used in U.S.**
- **More than 71 million residential, commercial and industrial natural gas customers in U.S.**
- **Delivered directly to homes and businesses**



Source: American Energy Mapping (AEM) 2013

# Where Are Pipelines Located?

- **Exist almost everywhere throughout U.S.**
  - 3 to 4 feet underground or deeper (rivers or roads)
- **Marked by aboveground signs, placards or stakes**
  - Indicate presence, approximate location, product carried and pipeline operator
  - Signs are generally yellow, black and red
- **Fenced and secured areas (for aboveground piping)**
  - Routinely patrolled by foot, ATV, airplanes and/or helicopters



# How Do We Make Pipelines Safer?

## Integrity Management

- Evaluating, inspecting and maintaining pipelines to prevent releases
- Millions spent each year on research into new inspection technologies
- Billions spent each year on safety, etc.
  - “Smart pigs” – high-tech diagnostic device that travels inside pipeline to identify pipe irregularities; 90% detection rate
  - 24/7 control room operators reviewing information from instruments along pipeline
  - Shut-off valves to stop product flow within minutes and isolate pipelines where data indicates a possible leak

## Incident Preparedness

- Emergency response plans and drills
- Training with local first responders
- Response technology
- Partner with National Transportation Safety Board (NTSB) and Pipeline Hazardous Materials Safety Administration (PHMSA) to determine incident causes and address potential problems

# Emergency Management Program (EMP)

- TransCanada's Emergency Management Program's overall objective is to reduce the severity and impact of emergencies and focuses on these two key objectives:
  - Promote a culture of Emergency Preparedness.
  - Facilitate effective and expeditious Incident Management.
- TransCanada's Emergency Management Program is responsible for ensuring Emergency Management Policies and Procedures are appropriately applied across all assets and lines of business operated by TransCanada.

# Emergency Management Program (EMP)



The four key functions of TransCanada's Incident Management System provides an effective and adaptable framework to achieve our primary response goals:

- 1. LIFE SAFETY**
- 2. INCIDENT STABILIZATION**
- 3. PROPERTY & ENVIRONMENT PRESERVATION**
- 4. STAKEHOLDER COMMUNICATION**

# EMP – Goals, Objectives, Targets (GOTs)

Program Objective	Metric/Unit
Effectively Manage Incident Response Times	<p>Percentage of applicable incident response targets reached within Response Time Guidelines</p> <p>If no data has been entered, this means there was no emergency incident to measure</p>
Monitor and Analyze Incident Response Documentation	<p>Percentage of events with debriefs completed</p> <p>If no data has been entered, this means there was no emergency incident to measure</p>
Monitor and Manage Emergency Response Plans	<p>Percentage of Emergency Response Plans reviewed and updated</p>
Monitor and Manage Emergency Management Standards and Procedures	<p>Percentage of Emergency Management Standards, Procedures, and Controlled Documents reviewed and updated</p>
Monitor and Manage Emergency Management Training Program	<p>Percentage of Personnel with required training</p>

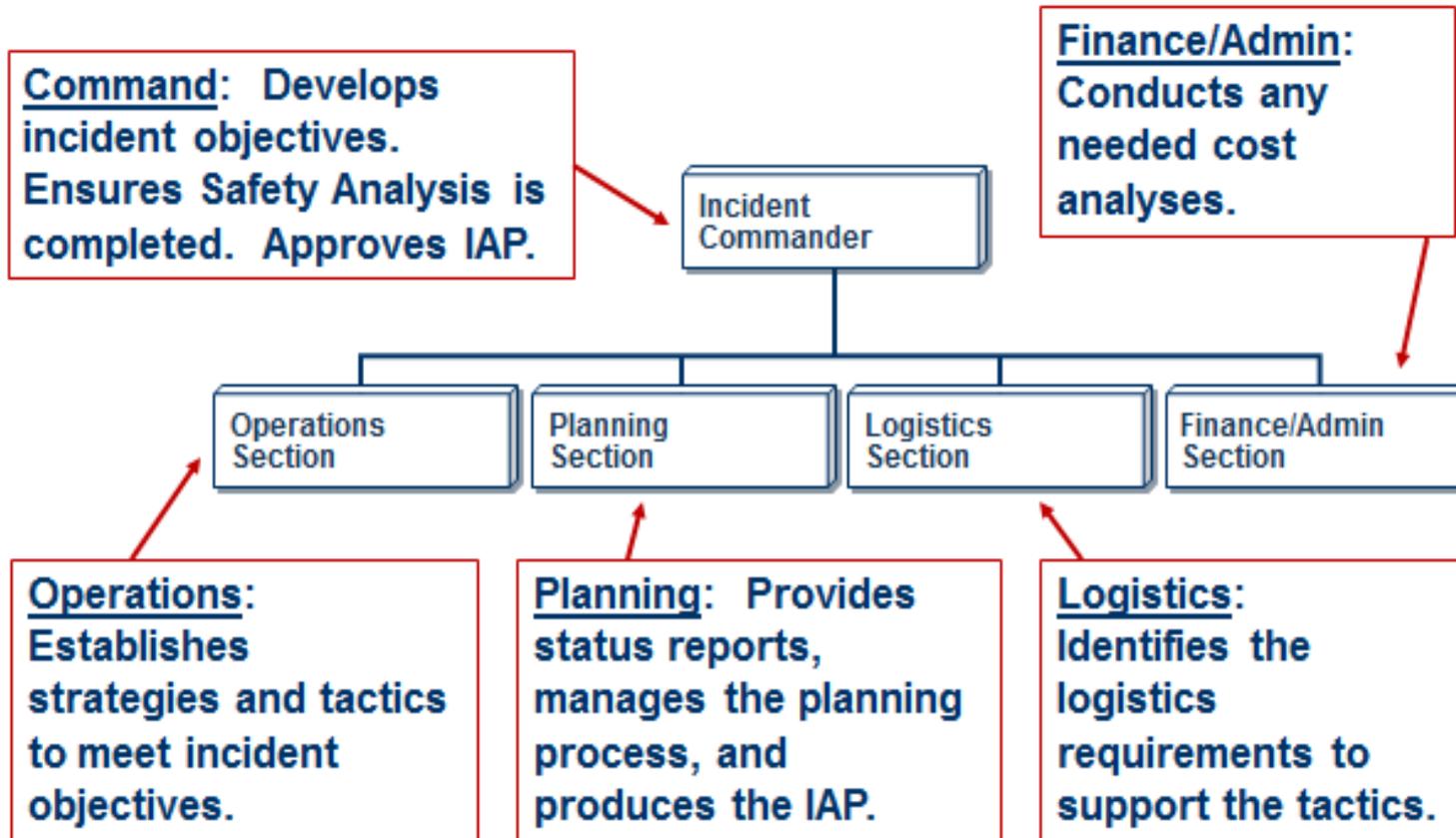
# EMP – Goals, Objectives, Targets (GOTs)

Program Objective	Metric/Unit
Effectively Execute Emergency Management Drill and Exercise Program	Percentage of planned Emergency Drills completed
	Percentage of required Tabletop Exercises completed
	Percentage of Planned Full-Scale Exercises Completed
	Percentage of Required Employees Participating in Drills and/or Exercises
Enhanced External Emergency Responder Collaboration	Percentage of planned external Emergency Response outreach activities completed
	Percentage of full-scale exercises attended by external stakeholders
Consistent representation of the Emergency Management Program to all external stakeholders	Percentage of planned PA/CR/AR working group meetings completed

# EMP – Goals, Objectives, Targets (GOTs)

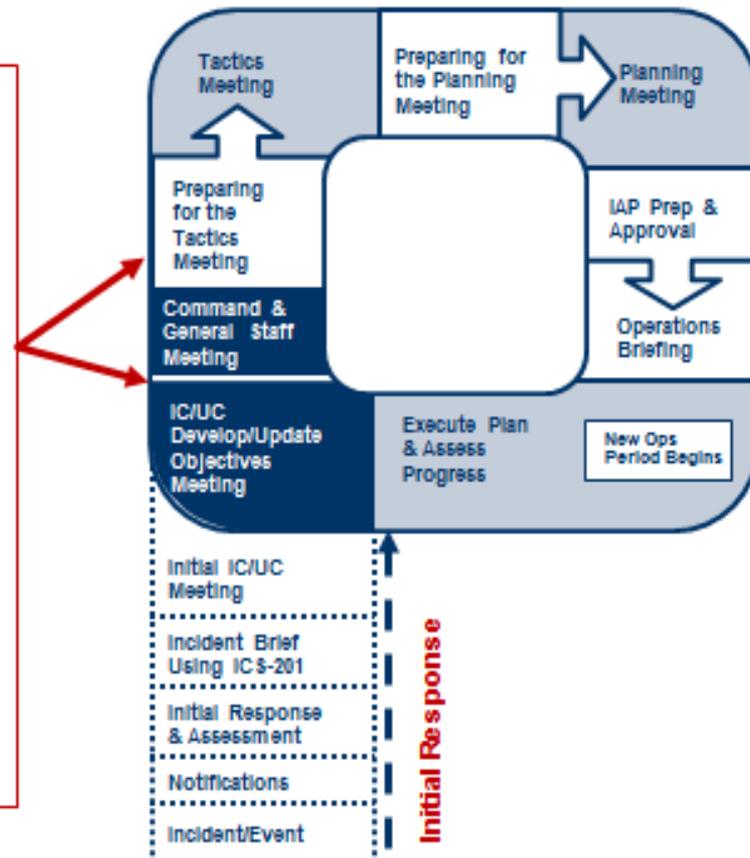
Program Objective	Metric/Unit
Ensure Management Oversight	Percentage of planned Steering Committee Meetings completed
Perform Required Reviews, Audits, and Benchmarking	Percentage of Quality reviews of all Emergencies and Exercises
Ensure Regulatory Compliance	Number of findings of regulatory non-compliance
Ensure continuous improvement by addressing all internal findings of non-conformance	Percentage of internal findings of non-conformance addressed per the approved action plan

# ICS – Who Does What?



# ICS - The Planning Cycle

- **Planning for each operational period begins with the Incident Commander or Unified Command developing/ updating incident objectives.**
- **Objectives are based on the continued assessment of the situation and the progress made.**



# ICS – Incident Action Plan (IAP)

1. Incident Name Reed City 8250 Pipeline Incident	2. Operational Period to be covered by IAP (Date/Time) From: 07.01.2015 0700 To: 07.02.2015 0700	CGIAP COVER SHEET
3. Approved by Incident Commander(s): ORG NAME TransCanada _____		
<h2>INCIDENT ACTION PLAN</h2> <p>The items checked below are included in this Incident Action Plan:</p> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> ICS 202-CG (Incident Objectives) _____</li><li><input type="checkbox"/> ICS 202A-CG (Command Direction) _____</li><li><input checked="" type="checkbox"/> ICS 203-CG (Organization List) – OR – ICS 207-CG (Organization Chart) _____</li><li><input checked="" type="checkbox"/> ICS 204-CGs (Assignment Lists) _____</li><li><input checked="" type="checkbox"/> ICS 205A-CG (Telephone Communications Plan) _____</li><li><input checked="" type="checkbox"/> ICS 206-CG (Medical Plan) _____</li><li><input checked="" type="checkbox"/> ICS 208-CG (Site Safety Plan) or Note SSP Location _____</li><li><input checked="" type="checkbox"/> Incident Map / Chart _____</li><li><input checked="" type="checkbox"/> Incident Weather Forecast / Tides/Currents _____</li></ul> <p><u>Other Attachments</u></p> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> ICS 230 (Meeting Schedule) _____</li><li><input checked="" type="checkbox"/> Command Post Check-In _____</li></ul>		
4. Prepared by: Darryl Williams, PSC		Date/Time 06.30.2015 20:00

# ICS – Incident Action Plan (IAP)

<b>1. Incident Name</b> Reed City 8250 Pipeline Incident	<b>2. Operational Period (Date/Time)</b> From: 07.01.2015 0700      To: 07.02.2015 0700	<b>INCIDENT OBJECTIVES</b> ICS 202-CG
<b>3. Objective(s)</b> <ol style="list-style-type: none"> <li>1. Ensure the safety of the public and responders</li> <li>2. Protect the community and environment</li> <li>3. Communicate timely with all regulators and stakeholders</li> <li>4. Run a financially sound response</li> <li>5. Restore operations back to normal</li> <li>6. Efficient management of all resources</li> </ol>		
<b>4. Operational Period Command Emphasis (Safety Message, Priorities, Key Decisions/Directions)</b> <p><b>Investigation</b></p> <ul style="list-style-type: none"> <li>- Continue to gather information related to the incident</li> <li>- Capture and respond to all PHMSA requests through Corporate Support</li> <li>- <b>24" Pipeline Task Force</b></li> <li>- Survey - develop site plan</li> <li>- Perform preliminary metallurgic investigation</li> <li>- Develop sampling plan for ditch</li> <li>- Examine ejected piece of pipe</li> <li>- Get metallurgic contractor access to ditch</li> <li>- Begin to prepare plan for securing and shipping pipe to Houston</li> <li>- Gather soil samples for PH and Corrosion (RTD &amp; Blade)</li> <li>- Investigate MLV 2 -2 Line Break Operation</li> <li>- Begin to develop data for Engineering Assessment</li> <li>- <b>30" Pipeline Task Force</b></li> <li>- Develop and validate report on impact of rupture on 30"</li> <li>- Establish and validate monitoring plan</li> <li>- Begin to develop data for Engineering Assessment</li> </ul> <p><b>Repair and Restoration</b></p> <ul style="list-style-type: none"> <li>- Develop plan for safe ditch access</li> <li>- Develop plan for entire site access</li> </ul> <p><b>Environmental Technical Specialist</b></p> <ul style="list-style-type: none"> <li>- Develop and implement Environmental Sampling Plan</li> </ul> <p><b>Community Outreach/Land Management</b></p> <ul style="list-style-type: none"> <li>- Contact all landowners in ½ mile radius</li> </ul> <p><b>Security</b></p> <ul style="list-style-type: none"> <li>- Maintain site security as required by the incident.</li> <li>- State police through Thursday – security firm after that</li> <li>- Ensure Security is notified of any media threats/concerns</li> </ul> <p><b>Safety</b></p> <ul style="list-style-type: none"> <li>- Continue to coordinate safety orientations for all staff, responders, and contractors.</li> <li>- Continue to provide safety support to field operations based on identified safety hazards (ICS 206, 208 and 215a).</li> </ul>		

# ICS – Incident Action Plan (IAP)

<b>1. Incident Name</b> Reed City 8250 Pipeline Incident	<b>2. Operational Period to be covered by IAP (Date/Time)</b> From: 07.01.2015 0700 To: 07.02.2015 0700	<b>Incident Weather Forecast</b>																																										
<div data-bbox="117 354 639 415"><h2>Big Rapids, MI Weather</h2></div> <div data-bbox="117 434 262 465">4:12 pm EDT</div> <div data-bbox="291 425 407 465"> Print</div> <table border="1" data-bbox="117 482 1850 1076"><thead><tr><th>DAY</th><th>COND</th><th>HIGH</th><th>LOW</th><th>DESCRIPTION</th><th>PRECIP</th><th>WIND</th></tr></thead><tbody><tr><td><b>TONIGHT</b> Jun 30</td><td></td><td>--</td><td>50°</td><td>Partly Cloudy</td><td>/ 20%</td><td>NW 9 mph</td></tr><tr><td><b>WED</b> Jul 1</td><td></td><td>72°</td><td>47°</td><td>Partly Cloudy</td><td>/ 10%</td><td>NW 8 mph</td></tr><tr><td><b>THU</b> Jul 2</td><td></td><td>77°</td><td>48°</td><td>Sunny</td><td>/ 0%</td><td>ENE 6 mph</td></tr><tr><td><b>FRI</b> Jul 3</td><td></td><td>79°</td><td>53°</td><td>Partly Cloudy</td><td>/ 0%</td><td>S 5 mph</td></tr><tr><td><b>SAT</b> Jul 4</td><td></td><td>82°</td><td>55°</td><td>Sunny</td><td>/ 10%</td><td>WSW 4 mph</td></tr></tbody></table>			DAY	COND	HIGH	LOW	DESCRIPTION	PRECIP	WIND	<b>TONIGHT</b> Jun 30		--	50°	Partly Cloudy	/ 20%	NW 9 mph	<b>WED</b> Jul 1		72°	47°	Partly Cloudy	/ 10%	NW 8 mph	<b>THU</b> Jul 2		77°	48°	Sunny	/ 0%	ENE 6 mph	<b>FRI</b> Jul 3		79°	53°	Partly Cloudy	/ 0%	S 5 mph	<b>SAT</b> Jul 4		82°	55°	Sunny	/ 10%	WSW 4 mph
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# ICS – Incident Action Plan (IAP)

<b>1. Incident Name</b> Reed City 8250 Pipeline Incident		<b>2. Operational Period (Date/Time)</b> From: 07.01.2015 0700 To: 07.02.2015 0700		<b>DAILY MEETING SCHEDULE</b> ICS 230-OS	
<b>3. Meeting Schedule (Commonly-held meetings are included)</b>					
Date/ Time	Meeting Name	Purpose	Attendees	Location	
0700 - 0730	Operations Briefing	Present IAP and assignments for the next Operational Period.  Review overnight developments and amend plan as appropriate.	Command and General Staff, Group Supervisors	ICP or conference call	
1400 - 1500	Objectives/ Command and General Staff/Tactics Meeting	Review/ identify objectives for the next operational period. Mid-OP Status Update. Develop primary and alternate Strategies to meet Incident Objectives for the next Operational Period.	Command and General Staff, Group Supervisors	ICP or conference call	
TBD	PHMSA Daily Update	Time slot includes preparation and debriefing for 1815 PHMSA Conference Call.	IC, LO, OSC, Investigations Group Sup	Conference Call	
1900 - 2000	Planning Meeting	Review status and finalize strategies and assignments to meet Incident Objectives for the next Operational Period. IAP Approval.	Command and General Staff, Group Supervisors	ICP or conference call	
<b>5. Prepared by: (Planning Section Chief)</b> Darryl Williams, PSC				<b>Date/Time</b>	

# Reed City, MI – 06/2015



# Questions

