

TRANSCANADA PIPELINES LTD
Form SUPPL
January 25, 2016

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PROSPECTUS SUPPLEMENT
(To Prospectus dated December 23, 2015)

TransCanada PipeLines Limited

U.S.\$400,000,000 3.125% Senior Notes Due 2019

U.S.\$850,000,000 4.875% Senior Notes Due 2026

Interest payable January 15 and July 15

Issue price for notes due 2019: 99.717%

Issue price for notes due 2026: 99.581%

We are offering U.S.\$400,000,000 aggregate principal amount of 3.125% Senior Notes due 2019 (the "2019 Notes") and U.S.\$850,000,000 aggregate principal amount of 4.875% Senior Notes due 2026 (the "2026 Notes" and together with the 2019 Notes, the "notes"). Interest will accrue on the notes from January 27, 2016. We may redeem some or all of the notes at any time at the applicable redemption prices described under "Description of the Notes - Optional Redemption" in this prospectus supplement. The 2019 Notes will mature on January 15, 2019. The 2026 Notes will mature on January 15, 2026. **The effective yield on notes if held to maturity will be 3.226%, in the case of the 2019 Notes, and 4.929% in the case of the 2026 Notes. The notes will be issued in United States dollars.**

Investing in the notes involves risk. See "Risk Factors" on page S-8 of this prospectus supplement and page 24 of the accompanying prospectus.

Under applicable Canadian securities legislation, we may be considered to be a connected issuer of Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, HSBC Securities (USA) Inc., Mitsubishi UFJ Securities (USA), Inc., Mizuho Securities USA Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Agricole Securities (USA) Inc. and SMBC Nikko Securities America, Inc., each of which is a subsidiary or affiliate of one of our lenders to which we are currently indebted. See "Underwriting" in this prospectus supplement.

We are permitted, as a Canadian issuer under a multijurisdictional disclosure system adopted by the United States ("U.S."), to prepare this prospectus supplement and the accompanying prospectus in accordance with Canadian disclosure requirements. You should be aware that such requirements are different from those of the U.S. Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles, which is referred to as "U.S. GAAP".

Owning the notes may have tax consequences for you both in the U.S. and Canada. This prospectus supplement and the accompanying prospectus may not describe these tax consequences fully. You should read the tax discussion under "Certain Income Tax Considerations" in this prospectus supplement.

Your ability to enforce civil liabilities under the U.S. federal securities laws may be affected adversely because we are incorporated or organized under the laws of Canada, some or all of our officers and directors may be residents of Canada, some or all of the experts named in this prospectus supplement or the accompanying prospectus may be residents of Canada and a substantial portion of our assets and all or a substantial portion of the assets of those officers, directors and experts may be located outside of the U.S.

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Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Price to Public	Underwriting Commission	Proceeds
Per 2019 Note	99.717%	0.45%	99.267%
Total	U.S.\$398,868,000	U.S.\$1,800,000	U.S.\$397,068,000
Per 2026 Note	99.581%	0.65%	98.931%
Total	U.S.\$846,438,500	U.S.\$5,525,000	U.S.\$840,913,500

The public offering prices set forth above do not include accrued interest, if any.

There is no market through which these notes may be sold and purchasers may not be able to resell notes purchased under the prospectus supplement and the accompanying prospectus. This may affect the pricing of the notes in the secondary market, the transparency and availability of trading prices, the liquidity of the notes, and the extent of issuer regulation. See "Risk Factors" in this prospectus supplement and the accompanying prospectus.

The underwriters, as principals, conditionally offer these notes, subject to prior sale, if, as and when issued by us and accepted by the underwriters in accordance with the conditions contained in the underwriting agreement referred to under "Underwriting" in this prospectus supplement.

In connection with the offering, in order to facilitate the offering of the notes, the underwriters are permitted to engage in transactions that stabilize, maintain or otherwise affect the market prices of the notes. The underwriters are not required to engage in these activities and may end any of these activities at any time. After the initial public offering of the notes, the public offering prices may be changed. Thus, the prices paid for notes may vary from purchaser to purchaser and may vary during the period of distribution. The compensation realized by the underwriters will be either increased or decreased by the amount that the aggregate prices paid by purchasers of the notes differs from the gross proceeds paid to us by the underwriters. See "Underwriting".

We expect to deliver the notes to investors through the book-entry delivery system of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank N.V./S.A. and Clearstream Banking, société anonyme, Luxembourg, against payment in New York, New York on or about January 27, 2016.

Joint Book-Running Managers

Deutsche Bank Securities

J.P. Morgan

Co-Managers

HSBC

Mitsubishi UFJ Securities

Mizuho Securities

Citigroup

Credit Suisse

BofA Merrill Lynch

Credit Agricole CIB

SMBC Nikko

The date of this prospectus supplement is January 22, 2016.

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**IMPORTANT NOTICE ABOUT INFORMATION IN THIS
PROSPECTUS SUPPLEMENT AND ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering. The second part, the base shelf prospectus, gives more general information, some of which may not apply to the notes we are offering. The accompanying base shelf prospectus, dated December 23, 2015, is referred to as the "prospectus" in this prospectus supplement. Except on the cover page and in the "Description of the Notes," and unless the context otherwise requires, all references in this prospectus supplement to "we", "us", "our", or the "Corporation" refer to TransCanada PipeLines Limited and its subsidiaries, partnership interests and joint venture investments.

If the description of the notes varies between this prospectus supplement and the prospectus, you should rely on the information in this prospectus supplement. You should rely only on the information contained in this prospectus supplement, the accompanying prospectus or incorporated by reference therein and any term sheets we authorize and use in connection with the offering of the notes. We have not, and the underwriters have not, authorized any person to provide you with different information. If any person other than us provides you with different or inconsistent information you should not rely on it. We and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference therein is accurate only as of their respective dates. Our business, properties, financial condition, results of operations and prospects may have changed since those dates.

EXCHANGE RATE DATA

We publish our consolidated financial statements in Canadian dollars. In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to "Cdn.\$" or "\$" are to Canadian dollars and references to "U.S.\$" are to U.S. dollars.

The following table sets forth certain exchange rates based on the noon rate as reported by the Bank of Canada. Such rates are set forth as U.S. dollars per Cdn.\$1.00 and are the inverse of noon rates quoted by the Bank of Canada for Canadian dollars per U.S.\$1.00. On January 22, 2016, the inverse of the noon rate reported by the Bank of Canada was U.S.\$0.7067 per Cdn.\$1.00.

	Nine Months Ended September 30,		Year Ended December 31,		
	2015	2014	2014	2013	2012
High	0.8527	0.9422	0.9422	1.0164	1.0299
Low	0.7455	0.8888	0.8589	0.9348	0.9599
Average (1)	0.7936	0.9139	0.9054	0.9710	1.0004
Period end	0.7466	0.8922	0.8620	0.9402	1.0051

(1) The average of the exchange rates on the last day of each month during the applicable period.

FORWARD-LOOKING INFORMATION

This prospectus supplement and the prospectus and the documents incorporated by reference therein include "forward-looking information" and "forward looking statements" (collectively, "forward looking information") within the meaning of securities laws, including the "safe harbor" provisions of the *Securities Act* (Alberta), the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"). 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 prospectus supplement, in the prospectus and in the documents incorporated by reference therein is intended to provide potential investors with information regarding us, including management's assessment of our future plans and financial outlook. Forward-looking information in this prospectus supplement includes statements under the headings "Recent Developments", "Use of Proceeds" and "Underwriting". Forward-looking information in the prospectus and the documents incorporated by reference therein 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 outcomes with respect to legal proceedings, including arbitration and insurance claims;

expected capital expenditures and contractual obligations;

expected operating and financial results;

the expected impact of future accounting changes, commitments and contingent liabilities; and

expected industry, market and economic conditions.

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:

inflation rates, commodity prices and capacity prices;

timing of financings and hedging;

regulatory decisions and outcomes;

foreign exchange rates;

interest rates;

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tax rates;

planned and unplanned outages and the use of our pipeline and energy assets;

integrity and reliability of our assets;

access to capital markets;

anticipated construction costs, schedules and completion dates; and

acquisitions and divestitures.

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 pipeline and energy assets;

amount of capacity sold and rates achieved in our 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 of our counterparties;

changes in the political environment;

changes in environmental and other laws and regulations;

competitive factors in the pipeline and energy sectors;

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construction and completion of capital projects;

costs for labour, equipment and material;

access to capital markets;

interest and foreign exchange rates;

weather;

cyber security;

technological developments; and

economic conditions in North America as well as globally.

Additional information on these and other factors is discussed in the prospectus and the documents incorporated by reference therein including under "Risk Factors" in the Annual Information Form (as defined herein) and in the MD&A (as defined herein) under the headings "Natural Gas Pipelines Business Risks", "Liquids Pipelines Business Risks", "Energy Business Risks" and "Other Information Risks and Risk Management", as may be modified or superseded by documents incorporated or deemed to be incorporated by reference in the prospectus.

Readers are cautioned against placing undue reliance on forward-looking information, which is given as of the date it is expressed in this prospectus supplement or otherwise, and not to use future oriented information or financial outlooks for anything other than their intended purpose. We

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undertake no obligation to publicly update or revise any forward-looking information in this prospectus supplement or otherwise, whether as a result of new information, future events or otherwise, except as required by law.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC, under the Securities Act, a registration statement on Form F-10 and an amendment thereto relating to the notes. This prospectus supplement and the prospectus, which constitute a part of the registration statement, do not contain all of the information contained in the registration statement, certain items of which are contained in the exhibits to the registration statement as permitted by the rules and regulations of the SEC. Statements included or incorporated by reference in the prospectus about the contents of any contract, agreement or other document referred to are not necessarily complete, and in each instance, prospective investors should refer to the exhibits for a complete description of the matter involved. Each such statement is qualified in its entirety by such reference.

We file annual and quarterly financial information, material change reports, business acquisition reports and other material with the Alberta Securities Commission and with the SEC. Under the multijurisdictional disclosure system adopted by the U.S., documents and other information that we file with the SEC may be prepared in accordance with the disclosure requirements of Canada, which are different from those of the U.S. Prospective investors may read and download any public document that we have filed with the Alberta Securities Commission on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. Prospective investors may read and copy any document we have filed with the SEC at the SEC's public reference room in Washington D.C., and may also obtain copies of those documents from the public reference room of the SEC at 100 F Street, N.E., Washington, D.C. 20549 by paying a fee. Additionally, prospective investors may read and download some of the documents we have filed on the SEC's Electronic Data Gathering and Retrieval ("EDGAR") system web site at www.sec.gov.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed, as of the date hereof, to be incorporated by reference into the prospectus only for the purposes of the offering of the notes offered hereunder. Other documents are also incorporated or deemed to be incorporated by reference into the prospectus and reference should be made to the prospectus for full details.

The following documents, which were filed by us with the Alberta Securities Commission and with the SEC, are incorporated by reference into the prospectus:

- (a) audited comparative consolidated financial statements as at December 31, 2014 and 2013 and for each of the years in the three year period ended December 31, 2014, the notes thereto, and the auditors' report thereon;
- (b) management's discussion and analysis of financial condition and results of operations as at and for the year ended December 31, 2014 (the "2014 MD&A");
- (c) annual information form for the year ended December 31, 2014 dated March 16, 2015 (the "Annual Information Form");
- (d) unaudited interim comparative consolidated financial statements as at September 30, 2015 and for the three and nine month periods ended September 30, 2015 and 2014, and the notes thereto; and

(e)

management's discussion and analysis of financial condition and results of operations as at and for the three and nine month periods ended September 30, 2015 and 2014 (the "Interim MD&A" and together with the 2014 MD&A, the "MD&A").

Any documents of the type referred to above, including all annual information forms, all information circulars, all annual and interim financial statements and management's discussion and analysis relating thereto, all material change reports (excluding confidential material change reports), press releases containing financial information for financial periods more recent than the most recent annual or interim financial statements, and any business acquisition reports, as well as all prospectus supplements disclosing additional or updated information subsequently filed by us with the Alberta Securities Commission after the date of this prospectus supplement and prior to the termination of the offering of notes hereunder shall be deemed to be incorporated by reference into the prospectus. These documents will be available through the internet on SEDAR, which can be accessed at www.sedar.com. In addition, any similar documents filed by us with the SEC in our periodic reports on Form 6-K or annual report on Form 40-F, and any other documents filed with or furnished to the SEC pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act, in each case after the date of this prospectus supplement and prior to the termination of the offering of notes hereunder, shall be deemed to be incorporated by reference into the registration statement of which this prospectus supplement forms a part, if and to the extent expressly provided in such reports. Our periodic reports on Form 6-K and our annual reports on Form 40-F are available on EDGAR at www.sec.gov.

Any statement contained in the prospectus, this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in the prospectus shall be deemed to be modified or superseded, for the purposes of the prospectus and this prospectus supplement, to the extent that a statement contained in the prospectus, herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference in the prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of the prospectus or this prospectus supplement, except as so modified or superseded.

RISK FACTORS

Before making an investment decision, investors should carefully consider the risks and uncertainties described under the heading "Risk Factors" in the accompanying prospectus and in our Annual Information Form and MD&A incorporated by reference in the prospectus. These risks and uncertainties are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations or an investment in the notes. If any such risks actually occur, an investment in the notes or our business, financial condition and operating results could be materially harmed.

TRANSCANADA PIPELINES LIMITED

We operate our business in three segments: Natural Gas Pipelines, Liquids Pipelines and Energy. Natural Gas Pipelines and Liquids Pipelines are principally comprised of our respective natural gas and liquids pipelines in Canada, the U.S. and Mexico as well as our regulated natural gas storage operations in the U.S. Energy includes our power operations and the non-regulated natural gas storage business in Canada.

Our principal subsidiaries as of December 31, 2014 are indicated in the diagram under the heading "TransCanada PipeLines Limited Intercorporate Relationships" in the Annual Information Form. All of the outstanding common shares of the Corporation are owned by TransCanada Corporation, our parent holding company. The Corporation's head and registered office are located at 450 - 1st Street S.W., Calgary, Alberta, Canada, T2P 5H1.

Recent Developments

Keystone XL

The U.S. Department of State announced on November 6, 2015 that it had decided to reject the Corporation's application for approval of the Keystone XL pipeline. On January 6, 2016, the Corporation announced that it had filed a Notice of Intent to initiate a claim under Chapter 11 of the North American Free Trade Agreement in response to the U.S. Administration's decision to deny the permit on the basis that the denial was arbitrary and unjustified. The Corporation also filed a lawsuit in the U.S. Federal Court in Houston, Texas, asserting that the President's decision to deny construction of Keystone XL exceeded his power under the U.S. Constitution. As a result of the permit denial, the Corporation is reviewing the approximate \$4.3 billion carrying value invested in the project and related assets and expects that an estimated \$2.5 to \$2.9 billion after-tax write-down will be recorded in the Corporation's fourth quarter results. The non-cash charge will reflect anticipated asset recoveries as well as the recognition of certain income tax benefits and the rating agencies have confirmed that the Corporation's credit ratings will not be impacted as a result of the expected write-down.

Tuxpan-Tula Pipeline

TransCanada Corporation announced on November 11, 2015, that it had been chosen to build, own and operate the Tuxpan-Tula Pipeline in Mexico. Construction of the pipeline is supported by a 25-year natural gas transportation service contract with the Comision Federal de Electricidad, Mexico's state owned power company. The Corporation expects to invest approximately U.S.\$500 million in the 36-inch diameter pipeline and anticipates an in-service date in the fourth quarter of 2017. The pipeline will be approximately 250 kilometres long and have contracted capacity of 886 million cubic feet a day.

Nova Gas Transmission Limited

On November 16, 2015, TransCanada Corporation announced that its wholly-owned subsidiary, NOVA Gas Transmission Ltd. ("NGTL"), had signed contracts for approximately 2.7 billion cubic feet

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per day of new firm natural gas transportation service that will require a \$570 million system expansion. Subject to regulatory approvals, construction is expected to start in 2017, with all facilities expected to be in service in 2018. On December 1, 2015, the Corporation also announced that NGTL had reached an agreement with customers and other interested parties on the annual costs, including equity return and depreciation, required to operate the NGTL System for 2016 and 2017, subject to regulatory approvals.

Bruce Power

TransCanada Corporation announced on December 3, 2015 that Bruce Power had entered into an agreement with the Ontario Independent Electricity System Operator to extend the operating life of the Bruce Power facility to 2064. This new agreement represents an extension and material amendment to the earlier agreement that led to the refurbishment of Units 1 and 2 at the facility site. In connection with this extension, the Corporation has exercised its option to acquire an additional interest in Bruce Power for \$236 million from the Ontario Municipal Employees Retirement System ("OMERS"). Following the completion of this transaction, the Corporation and OMERS will each hold a 48.5 per cent interest in Bruce Power, with the remainder held by the Power Workers' Union, the Society of Energy Professionals and a Bruce Power Employee Trust.

The amended agreement, which took economic effect January 1, 2016, will allow Bruce Power to immediately invest in life extension activities for Units 3 through 8 to support the long-term refurbishment program. This early investment in the Asset Management ("AM") program will result in near-term life extension, allowing later investment in the Major Component Replacement ("MCR") work that will begin in 2020. The Corporation's estimated share of investment related to the AM program to be completed over the life of the agreement is approximately \$2.5 billion (2014 dollars). The Corporation's estimated share of investment in the MCR work for Units 3 through 8 over the 2020 to 2033 timeframe is approximately a further \$4 billion (2014 dollars).

Energy East

On December 17, 2015, TransCanada Corporation announced it had filed an amendment to its existing application with the National Energy Board ("NEB") that adjusts the proposed route, scope and capital cost of the Energy East Pipeline Project based on landowner, environmental, community and customer input. Changes to the project schedule and scope have contributed to a new projected capital cost of \$15.7 billion, excluding the transfer of Canadian Mainline natural gas assets. The change in project scope and further refinement of the project schedule is expected to result in an in-service date of 2020, subject to receiving the necessary regulatory approvals and permits. The Corporation had previously announced on November 5, 2015 its intention to amend the application before the NEB to remove a port in Québec from the scope of the project.

Consolidated Capitalization

Other than the issuance of \$400 million principal amount of 4.55% medium term notes due 2041 on October 6, 2015 (the "October MTNs") and U.S.\$1,000,000,000 principal amount of 1.625% senior notes due 2017 on November 9, 2015 (the "November Notes"), there have been no material changes in our share and loan capital on a consolidated basis since September 30, 2015.

Enforcement of Judgments Obtained in Canada Against U.S. Directors

Each of Paula R. Reynolds, John Richels, Mary Pat Salomone and John E. Lowe, who are directors of the Corporation, reside outside of Canada and have appointed the Corporation, having its registered office and principal executive office at 450 - 1st Street S.W., Calgary, Alberta, Canada T2T 5H1, as agent for service of process in Canada.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables set forth selected consolidated financial data as at the dates or for the periods indicated prepared in accordance with U.S. GAAP. The financial data should be read in conjunction with our consolidated financial statements and the related notes and MD&A included in the documents described under "Documents Incorporated by Reference" in this prospectus supplement. Historical results are not necessarily indicative of the results that may be expected for any future period.

	Nine Months Ended September 30,		Year Ended December 31,	
	2015 (unaudited)	2014	2014 (audited)	2013
(millions of dollars)				
Consolidated Statement of Income Data:				
Revenues	\$ 8,449	\$ 7,569	\$ 10,185	\$ 8,797
Income from equity investments	350	362	522	597
Operating and other expenses				
Plant operating costs and other	2,344	2,163	2,973	2,674
Commodity purchases resold	1,731	1,422	1,836	1,317
Property taxes	390	355	473	445
Depreciation and amortization	1,313	1,195	1,611	1,485
Gain on sale of assets		(108)	(117)	
	5,778	5,027	6,776	5,921
Financial charges	905	814	1,107	974
Income before income taxes	2,116	2,090	2,824	2,499
Income taxes expense	681	624	830	605
Net income	1,435	1,466	1,994	1,894
Net income attributable to non-controlling interests	145	108	151	105
Net income attributable to controlling interests	1,290	1,358	1,843	1,789
Preferred share dividends		2	2	20
Net income attributable to common shares	\$ 1,290	\$ 1,356	\$ 1,841	\$ 1,769

	Nine Months Ended September 30,		Year Ended December 31,	
	2015 (unaudited)	2014	2014 (audited)	2013
(millions of dollars)				
Consolidated Statement of Cash Flows Data:				
Funds generated from operations (1)	\$ 3,355	\$ 3,088	\$ 4,267	\$ 3,977
Decrease/(increase) in operating working capital	(377)	239	(189)	(334)
Net cash provided by operations	\$ 2,978	\$ 3,327	\$ 4,078	\$ 3,643
Net cash used in investing activities	\$ (3,055)	\$ (2,935)	\$ (4,144)	\$ (5,120)
Dividends on common and preferred shares	\$ (1,078)			