

A man in a blue industrial uniform with reflective yellow stripes, a white hard hat with the 'AltaGas' logo, and safety glasses stands in a complex industrial setting with green and silver pipes. He is looking upwards and to the right. A semi-transparent white box is overlaid on the left side of the image, containing text.

AltaGas Ltd.
Delivering superior returns
CIBC Institutional Investor Conference 2012
January 20, 2012

Forward-looking information

This presentation may contain certain information that is forward looking and is subject to important risks and uncertainties. The words "may", "should", "will", "intend", "plan", "anticipate", "expect", "believe", "propose", "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 AltaGas security holders and potential investors with information regarding AltaGas and its subsidiaries, including management's assessment of AltaGas' 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, projects and financial performance of AltaGas and its subsidiaries, expectations or projections about the future, and strategies and goals for growth and expansion.

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AltaGas Ltd. (TSX:ALA)

Diversified energy infrastructure

- Enterprise value \$4 billion
- Natural gas gathering and processing, transmission, liquids extraction, storage
- Gas-fired, coal and renewable power generation
- Natural gas distribution utilities

Quality projects under construction

- Double EBITDA by 2015
- Long-term, stable, predictable cash flow

Financial strength

- BBB (stable) credit rating
- Bank liquidity and cash on hand of over \$1 billion*
- Net debt-to-total capitalization 48.2 percent**
- Strong access to capital markets

Quality growth opportunities
















- Strong energy market dynamics
- Strategically located assets
- Strong business and operating credentials

*Adjusted for MTN in October and equity issuance in November

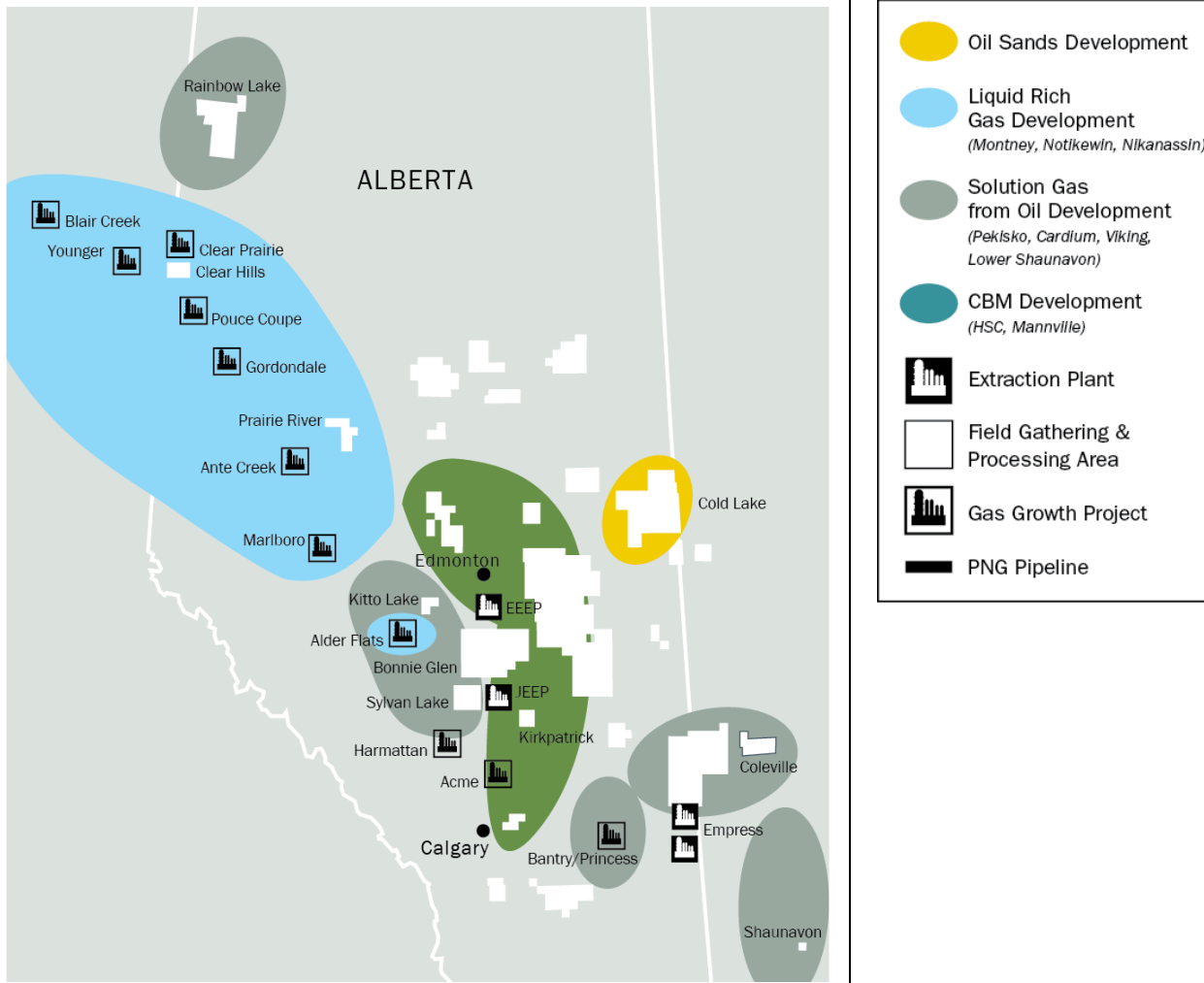
**As at September 30, 2011

We're a leading energy infrastructure company



-  Gas Plant
-  Gas Plant Under Construction
-  Extraction Plant
-  Storage Facility
-  Storage Facility Under Development
-  Coal-Fired Power Generation
-  Gas-Fired Power Generation
-  Gas-Fired Power Under Construction
-  Waste Heat Generation Under Construction
-  Hydro Power Generation
-  Hydro Power Generation Under Development
-  Hydro Power Generation Under Construction
-  Wind Power Generation
-  Wind Power Generation Under Development
-  Utilities

Capitalizing on unconventional gas plays



Gas projects in service in 2012 - \$0.5 B growth

Gas projects in service in 2012 will add \$70 million in annualized EBITDA

Gordondale

- 120 Mmcf/d deep cut
- Long-term gas supply
- 3.4 MW gas-fired peaking power generation

Harmattan Co-stream

- 250 Mmcf/d, 100 km, 24" pipeline
- 20-year cost-of-service agreement with Nova
- 15 MW base-load cogeneration plant

NW run-of-river projects - \$1 B growth

Forrest Kerr

- 195 MW capacity
- 55% capacity factor
- 60 year EPA with BC Hydro
 - 100 percent CPI indexed
- Capital cost estimate: \$725 million (\$580 million construction)
- Approximately \$100 million annualized EBITDA
- In-service estimate: mid-2014
- Mobilized camp on March 1, 2011
- Commenced full scale tunneling on April 1, 2011
- 287 kV, 37 km long transmission line, which interconnects with the Northwest Transmission Line at Bob Quinn substation

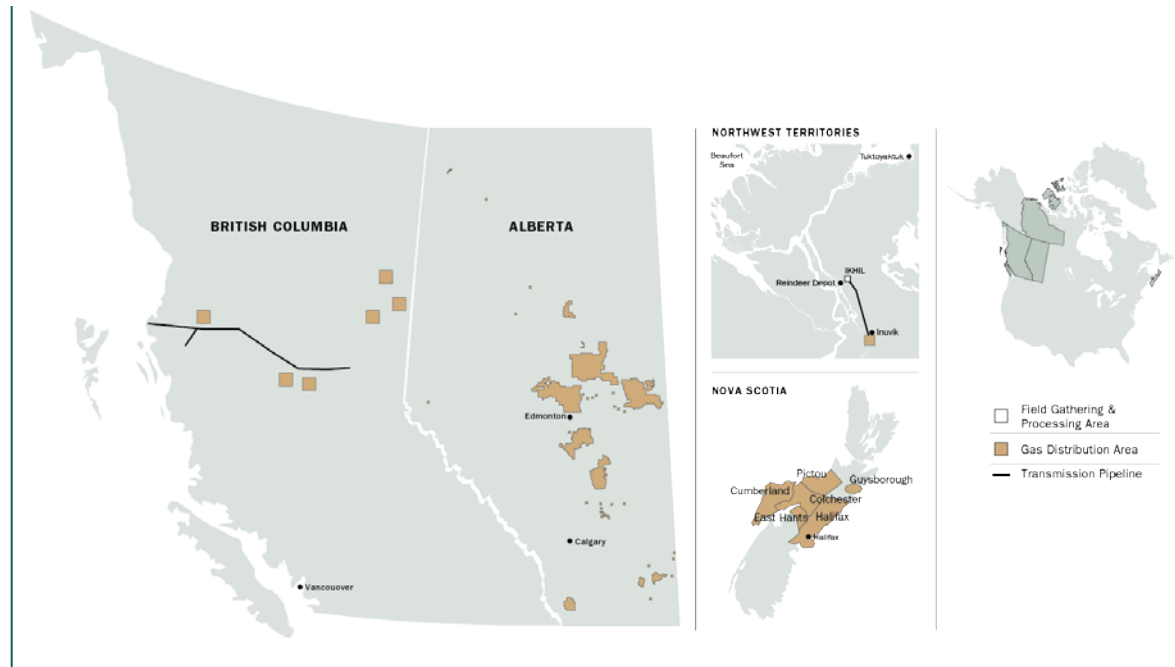
McLymont and Volcano Creek

- Two developments totaling approximately 82 MW capacity
- 60 year EPA with BC Hydro
 - 100 percent CPI indexed
- Capital cost estimate: \$300 million
- Approximately \$30 million annualized EBITDA
- In-service estimate: Q4 2015
- Permitting, engineering and planning underway



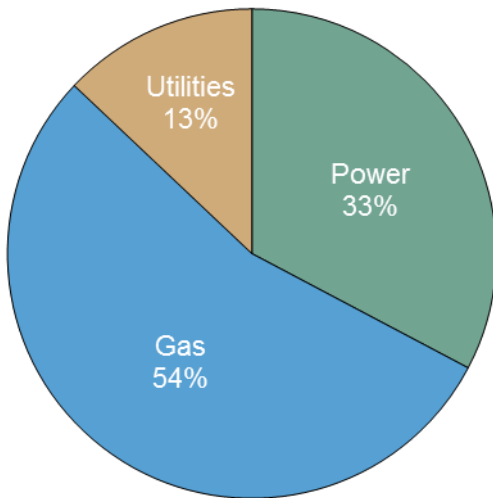
\$0.5 B in Utility growth

- \$500 million rate base
- PNG acquisition \$230 million
- Approximately \$270 million capex in the next 5 years

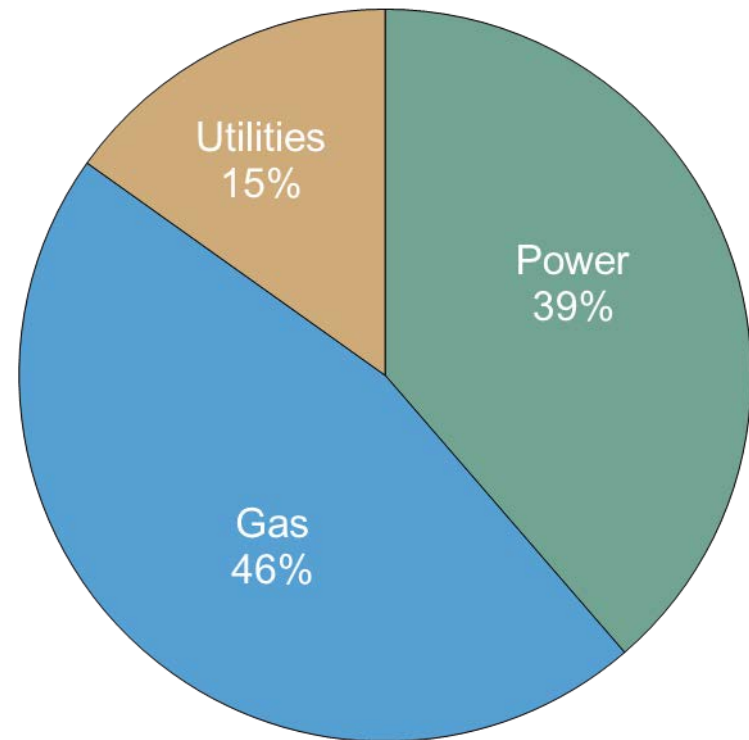


Doubling EBITDA with projects under construction

2010



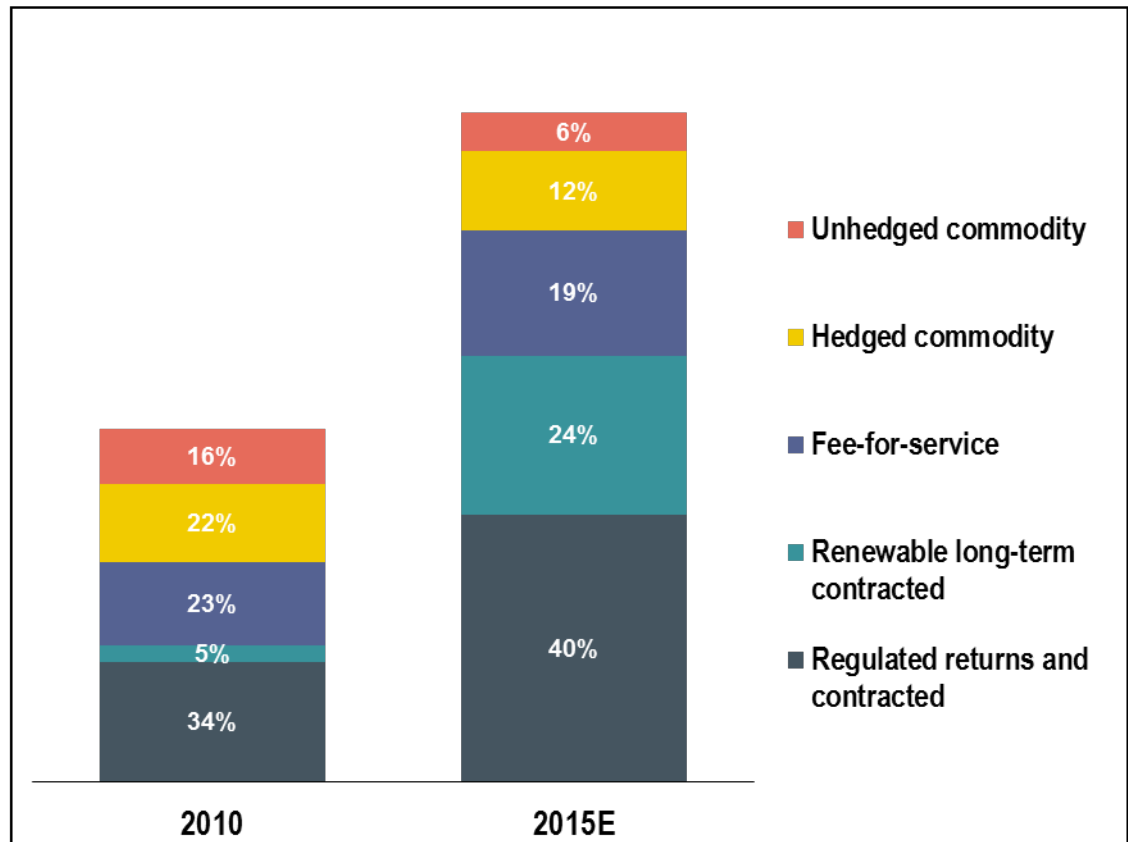
2015E



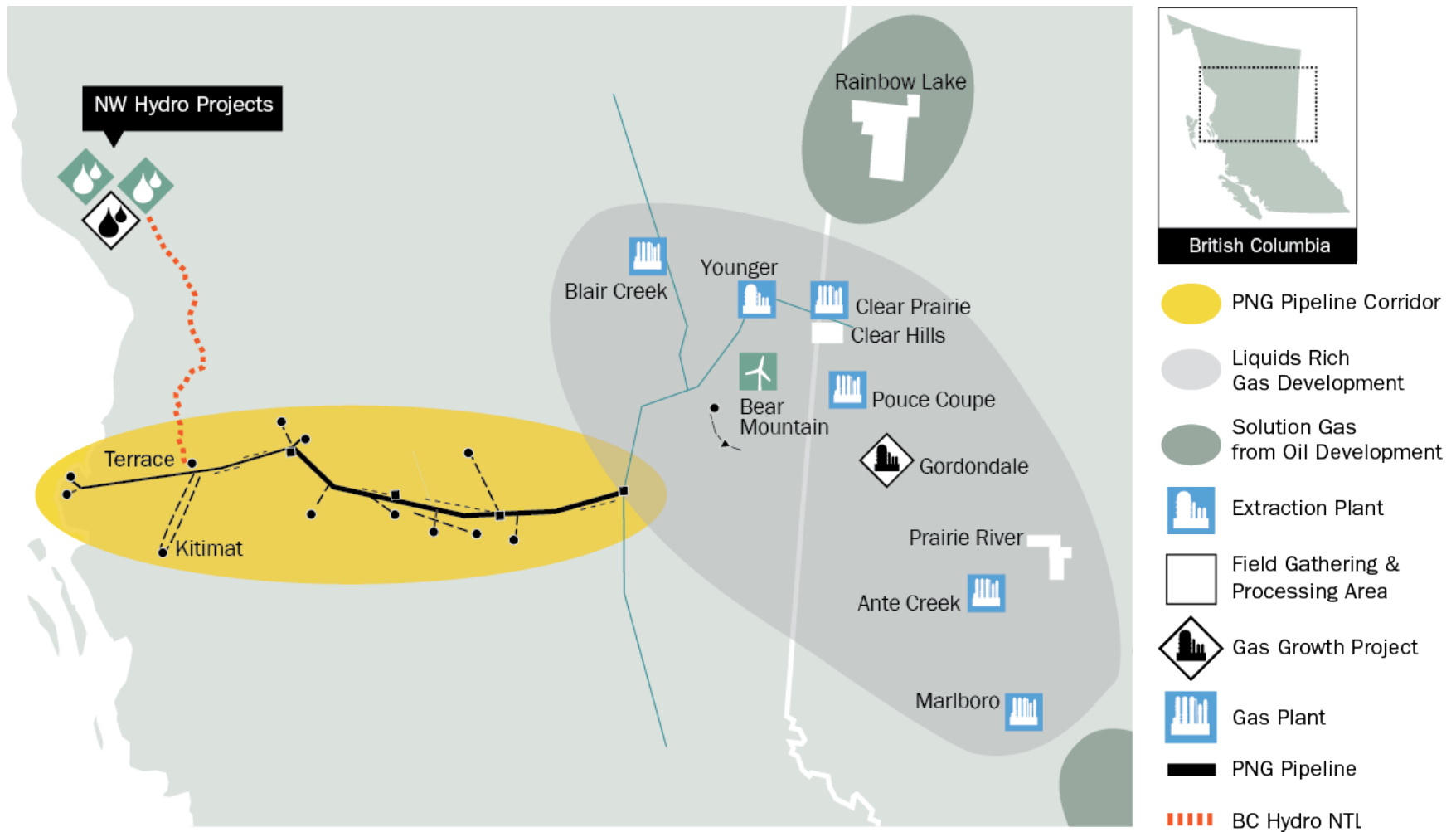
EBITDA excludes corporate G&A charges

Rapidly growing EBITDA

- Adding highly contracted, long-life infrastructure
- Growing earnings
- Enhancing earnings stability



AltaGas' strategically located assets



Growth opportunities in all our businesses

Gas	Power	Utilities
<p>Current:</p> <ul style="list-style-type: none"> • Produce 50,000 Bbls/d of C2+ • Process 0.4 Bcf/d at field facilities • Process 1.6 Bcf/d at extraction facilities • Transport 0.4 Bcf/d of natural gas • Over 150,000 Bbls/d of NGL transportation capacity • Constructing Gordondale • Constructing Co-stream <p>Growth:</p> <ul style="list-style-type: none"> • 75,000 Bbls/d of C2+ produces • 120 mmcf/d deep-cut facility at Gordondale • 250 mmcf/d co-stream project at Harmattan • Producer activity in liquids-rich areas • Gas storage • LNG pipeline and processing opportunities 	<p>Current:</p> <ul style="list-style-type: none"> • Generate over 500 MW power: <ul style="list-style-type: none"> - 353 MW coal - 52 MW gas - 114 MW renewable • Constructing 277 MW / \$1 billion run-of-river projects <p>Growth:</p> <ul style="list-style-type: none"> • 277 MW run-of-river: <ul style="list-style-type: none"> - 195 MW Forrest Kerr (COD 2014) - 82 MW McLymont, Volcano (COD 2015) • 115 MW run-of-river projects under development in BC • 1,500 MW wind under development • LNG – renewable and gas-fired power generation 	<p>Current:</p> <ul style="list-style-type: none"> • Operate three utilities in Canada (Alberta, British Columbia, and Nova Scotia) • Serve over 110,000 customers • Operate rate base of over \$500 million <p>Growth:</p> <ul style="list-style-type: none"> • Rate base growth of \$270 million in next five years • 20-year system betterment in Alberta • Greenfield build in Nova Scotia • Acquisitions in Canada and the US • LNG – support significant commercial, industrial and residential activity

AltaGas is a good place to be

Attractive portfolio of energy infrastructure assets

- Strong, diversified base of gas, power and utility assets
- Capital growth focused on stable, long-term contracted projects and regulated rate base growth
- Opportunities to grow all business

Financially strong & stable

- Strong balance sheet and ample liquidity
- BBB stable credit rating
- Proven track record
- Low payout ratio as a percentage of FFO

Significant cash flow and earnings growth expected over the coming years

- Double EBITDA with projects under construction
- Dividend growth with earnings and cash flow growth
- Reinvest for future long-term growth

Appendix

Committed capital 2012 to 2014

	\$ millions
Gordondale	115
Co-stream	25
Other	100
Total Gas	240
Forrest Kerr	490
McLymont/Volcano	200
Cogen II/Crowsnest/Gordondale	10
Total Power	700
Utilities	160
Total	1,100

Funding our 2012 to 2014 committed capital

- \$1,100 million committed capital
- \$360 million dividends (at current rate)

\$1,460 million in uses

- \$645 million FCF (Q3 2011 TTM)
- \$100 million DRIP
- \$160 million incremental cash flow from new assets
- \$1,025 million current bank liquidity and cash*

\$1,930 million in sources*

+ Access to debt and equity markets

Ample liquidity to fund capital growth

* Q3 2011 proforma for October MTN issuance, November equity issuance and PNG acquisition