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PRESENTATION

Operator

Please stand by, your conference is ready to begin. Good morning, ladies and gentlemen, and welcome to the Altagas Limited 2010 Third Quarter Conference Call and Webcast.

I would now like to turn the meeting over to Myles Dougan, Vice President, Communications and Investor Relations.

Myles Dougan, Vice President, Communications and Investor Relations

Thank you, Operator. Good morning, everyone. Welcome to Altagas' Third Quarter 2010 conference call. Speaking today are Mr. David Cornhill, Chairman and Chief Executive Officer, Richard Alexander, President and Chief Operating Officer, and Debbie Stein, Vice President Finance and Chief Financial Officer. After some formal comments, we'll have a question and answer session this morning.

Before we begin, I'd like to remind you that certain information projected today may include forward-looking statements. Such statements reflect the corporation's current expectations, estimates, projections and assumptions. These forward-looking statements are not guarantees of future performance, and they are subject to certain risks, which could cause actual performance or financial results to vary materially from those contemplated in the forward-looking statements. For additional information on these risks, please take a look

at our Annual Information Form under the heading Risk Factors.

I'll now turn the call over to Mr. Cornhill.

David Cornhill, Chairman and Chief Executive Officer

Thank you, Myles. Good morning, everyone. In the third quarter of 2010, Altagas reported net income of \$6 million or \$0.07 per share. Adjusting for the impact in mark-to-market accounting, net income for the third quarter was \$16.4 million or \$0.20 per share.

EBITDA adjusted for the impact of mark-to-market accounting was \$56.8 million or \$0.70 per share. Funds from operations were \$41.5 million or \$0.51 per share in the third quarter of 2010.

Our diversified business strategy continued to produce stable earnings and cash flows in the face of weak economic prices in some parts of our business.

Looking forward, we expect to achieve similar operating results for the full year 2010 compared to 2009. The gas segment is expected to deliver increased earnings and cash flow in the fourth quarter of 2010.

For 2011, operating income from the gas business will be positively influenced by the growing rate base from our distribution business, plant expansions in our gas business, and in above average frac spreads. Operating income in our power business will be influenced by changes in the spot power market.

Cost control measures will continue in our corporate segment to reduce operating and administrative expenses. Overall, we expect similar operating results in 2011 to 2010.

During the third quarter 2010, we continued to make progress on several projects, optimizing our base business and growing our company. An expansion at the Pouce Coupe gas processing facility, located in the Montney resource area east of Grande Prairie, Alberta, was completed at the end of the third quarter of 2010.

A portion of the expanded capacity has been contracted to a producer under a take or pay contract. The Montney resource area is one of the largest, low cost, liquid rich resource plays in Western Canada. It is expected to produce strong natural gas supply growth.

In our natural gas distribution business, Heritage Gas completed a significant pipeline expansion project in

September. This new pipeline provides the foundation for further expansion into the growing communities in the Halifax Regional Municipality over the next several years.

Our power business constructed a 13 megawatt gas-fired cogeneration facility at our Harmattan complex, located northwest of Calgary. This project was completed in the third quarter, on time and under budget. The project is now in the commissioning phase, and expected to be in service in the fourth quarter 2010.

The cogeneration facility will provide the steam required to process natural gas at the Harmattan complex, and electricity for on-site consumption. Some of the low-cost power generation will also be sold in the Alberta market.

This quarter at our Forrest Kerr run-of-river hydro project, we commenced initial construction activities. During the third quarter road, bridge and camp work started in support of the tunnelling activities. Tunnelling activities are scheduled to commence in first quarter 2011.

We are working closely with our partner, the Tahltan First Nation, and they have been instrumental in supporting the initial construction phase of the project.

We continue to focus on growing our portfolio of low-risk, long-life assets with stable returns. Our regulated utility investments, renewable energy projects underpinned by long-term purchase arrangements, and our extraction and transmission assets underpinned by long-term, fee-for-service contracts will continue to deliver strong returns to investors.

I will now pass the call over to Debbie Stein to discuss the third quarter financial results.

Debbie Stein, Vice President Finance and Chief Financial Officer

Thank you, David, and good morning, everyone. Net income reported for third quarter was \$6 million compared to \$34.7 million in the same period of 2009. Net income as reported, included the impact of mark-to-market accounting. Excluding that mark-to-market accounting, net income in third quarter was \$16.4 million or \$0.20 per share, compared to \$28.4 million or \$0.36 per share for the same period in 2009.

Excluding the impact of mark-to-market, EBITDA was \$56.8 million or \$0.70 per share, compared to \$55.8 million or \$0.70 per share in the third quarter of 2009.

Interest expense in third quarter 2010 was \$12.1 million, compared to \$8.8 million in third quarter 2009. The increase in interest expense was due to higher average debt balances compared to the third quarter last year. Higher debt balances are primarily due to acquisitions and capital growth spending in the last year.

Income tax expense in third quarter was \$3 million compared to an income tax expense of \$1.8 million in the same quarter of 2009. The increase in income tax expense was due to \$5.5 million additional tax expense due to higher income as a result of the conversion to a corporate structure, and current tax of \$0.5 million incurred at our distribution business.

This was partially offset by \$3.5 million related to the tax effective losses recorded on risk management contracts, and \$1.5 million related to the purchase price adjustments for this acquisition of wind developments, which we reported last year.

Our effective tax rate for fourth quarter is expected to be approximately 17 percent. Given the current tax pools of approximately \$1.2 billion, and committed capital program of \$1.2 billion over the next five years, Altagas does not expect to be cash taxable until approximately 2015.

In third quarter we completed our public offering of 8 million Cumulative Redeemable Five-Year Rate Reset Preferred Shares. The offering resulted in gross proceeds of \$200 million.

Net proceeds from the offering were used to reduce outstanding indebtedness under Altagas' credit facilities, strengthen the balance sheet, and provide us with the financial flexibility to support our ongoing business and growth strategies.

At the end of the third quarter, our debt to total capitalization was 42.3 percent. We are well-positioned to fund our \$1.2 billion committed capital program with our sustainable cash flow, dividend reinvestment, and optional share purchase plans and our strong balance sheet.

And I'll now turn the call over to Rick to conclude the call with a discussion of our operating results and business outlook.

Richard Alexander, President and Chief Operating Officer

Thank you, Debbie. Third quarter 2010 consolidated operating income adjusted for mark-to-market accounting was \$35.5 million, compared with \$37.7 million reported in third quarter last year. Operating income from the gas segment was \$26.6 million in third quarter 2010, compared to \$25.3 million for the same period in 2009.

The gas segment reported higher operating income, primarily due to the addition of the natural gas distribution business in fourth quarter 2009, higher realized frac spreads in the extraction business, and lower amortization.

Spot frac spread prices remained strong in third quarter 2010, averaging nearly \$27 per barrel, up from approximately \$20 per barrel in the same period 2009. Altagas realized a frac spread of approximately \$24 per barrel compared to \$20.55 per barrel in third quarter 2009. Higher than average frac spreads are expected to continue through 2010.

For 2011, we anticipate the 12 percent of total extraction volume will be exposed to frac spread. Of these, approximately two thirds of the exposure has been hedged at an average price of approximately \$25 per barrel.

The gas segment is expected to deliver increased earnings and cash flow in fourth quarter 2010 from expansions, plant efficiencies, the start of the winter heating season from a natural gas distribution business, improved storage spreads, and sustained higher frac spreads.

Now turning to our power business. Operating income in the power segment for the third quarter 2010 was \$17.5 million, compared to \$21.4 million for the same period 2009. The power segment reported lower operating income, primarily due to continued weaker power markets in Alberta, but benefited from no outages at Sundance B, unlike the prior year, and the addition of Bear Mountain Wind Park.

The average Alberta power pool price was approximately \$36 per megawatt hour, compared to \$50 per megawatt hour in third quarter 2009. Altagas realized an average power price of over \$61 per megawatt hour, which includes the sale of power in Alberta and BC, compared to \$70 per megawatt hour in third quarter 2009.

In 2010, almost two thirds of the power delivered to the Alberta power pool from the Sundance plant is hedged at a price of approximately \$72 per megawatt hour, slightly lower than the average hedge price in 2009. Current

forward prices, as published in daily broker reports, are in the \$40 per megawatt hour for the balance of 2010.

Continued low natural gas prices in response to a temporary oversupply situation has created a power pricing environment in Alberta that management does not believe is sustainable over the long-term. Improved economic conditions are resulting in increased power demand in the province. Partially offsetting weakness from the spot market will be the full year contribution from Bear Mountain in 2011, as well as the addition of the Harmattan cogeneration facility.

Altagas' operations are expected to deliver another year of strong results in 2010, despite the continued challenging economic environment. We are excited about our future, and we continue to pursue our goal of securing over \$2 billion of organic growth in the next five years, and creating shareholder value in a financially disciplined manner.

That concludes my prepared remarks. I'll now turn the call back to Myles.

Myles Dougan, Vice President, Communications and Investor Relations

Thanks, Rick. And Operator, we're available to answer questions now.

QUESTION AND ANSWER SESSION

Operator

Thank you. We will now take questions from the telephone lines. If you have a question and you're using a speakerphone, please lift your handset before making your selection. If you have a question, please press star, one on your telephone keypad. You may cancel your question at any time by pressing the pound sign. Please press star, one at this time if you have a question. There will be a brief pause while the participants register. Thank you for your patience.

The first question is from Nima Billou from Bloom Investment Counsel. Please go ahead.

Nima Billou, Bloom Investment Counsel

Good morning.

David Cornhill, Chairman and Chief Executive Officer

Good morning.

Nima Billou, Bloom Investment Counsel

Just wanted to talk—first of all, briefly, this is a question for Debbie. Debbie, how much should I add back to the operating income comparison for the mark-to-market accounting; not the EBITDA side, but the operating income to enable an apples-to-apples comparison?

Debbie Stein, Vice President Finance and Chief Financial Officer

10.4 in Q4.

Nima Billou, Bloom Investment Counsel

In—no, in—for Q3?

Debbie Stein, Vice President Finance and Chief Financial Officer

Sorry, Q3.

Nima Billou, Bloom Investment Counsel

10.4 million. Okay.

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes.

Nima Billou, Bloom Investment Counsel

I guess the biggest question I have is surrounding the outlook on power pricing. Obviously you've done what you can with respect to hedging, and next year at least 20 percent is hedged at a good level. I mean what triggers do you see that may at least help lift that power pricing from the sort of depressed \$40 mark? Would it have to be an uptick in natural gas pricing, or—I just wanted to get a sense of what would enable the market to get better?

Richard Alexander, President and Chief Operating Officer

Hi, this is Rick, Nima.

Nima Billou, Bloom Investment Counsel

Yes.

Richard Alexander, President and Chief Operating Officer

Good morning. Actually, we're hopeful that gas prices will go up. And as you know, that's my personal view that we'll start to see some increase in gas prices sooner rather than later. But we are seeing an increase in demand in Alberta for power. I think the demand was up about 2 percent year-over-year, and we expect that demand growth to continue, and that should help push power prices up into prices I think closer to the \$60 range.

Nima Billou, Bloom Investment Counsel

Okay. Oh, towards the 60? Okay, that's good to get a view. And just wanted to talk about the energy services side. I know it doesn't represent necessarily a large part of your income, but it went from the \$1.5 million in operating income to \$0. What sort of factors would help get that back up again? Is it just a matter of pricing or customer retention? And I was a little bit confused as to why margins on the gas storage side went down. So just a bit more clarity on that segment?

Richard Alexander, President and Chief Operating Officer

Sure. I'll start. In terms of the energy services business, the key driver that's going to be needed to push that profitability up is growth in economic—the economy in Canada, particularly Ontario. We're seeing with the lower economy, fewer people wanting to—a slower economy, people wanting to lock in or receive consulting advice. The other thing that'll probably needed is more volatility in commodities like gas and power. With low prices and low volatility, there's not a strong demand for commercial and industrial to lock in prices for the long-term. So we need

those two elements to occur to see a significant increase in margin.

In terms of the storage, it's really just a factor of much lower storage prices because we have lower forward prices on the gas; for natural gas. And until we see a pick-up in gas prices, it'll be challenging to see a significant pick-up in storage rates.

Nima Billou, Bloom Investment Counsel

Okay. And finally, I mean the segment actually improved a great deal from an operating income perspective on FG&P. But what are—are there any plans for some substantial growth in that segment, or is it a merely a reallocation of assets to better producing areas? And how much progress are you making with respect to cost recovery on the contracts?

David Cornhill, Chairman and Chief Executive Officer

I'll answer the first part of that. I think we'll see growth in FG&P, especially in the liquids rich area. We've seen quite an increase in activity there. We are as well, as you know, with a number of our expansions, Ante Creek, Pouce Coupe, we're redeploying equipment as much as we can to those areas of growth. So it's a combination going on at this time.

But we see from a potential perspective, significant growth in volumes for the FG&P, however, with current prices below \$4 on AECO, and I'm not sure what they are today, it's challenging for producers. And we have seen some shut-in gas, which is—when prices were down will show a significant increase in volume.

So on flow-through, I think we're around 50 percent, and—that's all new construction, or most new construction has flow-through operating costs.

Nima Billou, Bloom Investment Counsel

Great.

Debbie Stein, Vice President Finance and Chief Financial Officer

Nima, sorry, it's Debbie. The operating income adjustment is 13.3. The 10.4 is the after tax number.

Nima Billou, Bloom Investment Counsel

Oh, okay, no problem; 13.3. And sorry, Debbie, for Q3 2009, how much should I add back or take away?

Debbie Stein, Vice President Finance and Chief Financial Officer

I'll just—7.7 you would take away.

Nima Billou, Bloom Investment Counsel

Take away. Thank you very much.

Operator

Thank you. The next question is from Linda Ezergailis from TD Newcrest. Please go ahead.

Linda Ezergailis, TD Newcrest

Thank you. I'm looking at your O&A expenses and see that they're up to \$59.2 million versus \$51 million last year, and I'm just wondering maybe you can break down the variance in terms of the causes of the increase given that some of them would be one-time in nature; your transition to a corporation, and I guess, your accounting and regulatory compliance stuff. I just want to get a sense of the higher run rate going forward.

Debbie Stein, Vice President Finance and Chief Financial Officer

Linda, the most significant increase is as a result of adding the distribution business. And I don't have that breakout here with me, but we can get that to you. In terms of the one-time, or the—you know—hopefully the non-recurring costs, on the conversion it was just over a million. I think it was about \$1.2 million. And in 2010 we've had about \$750,000 on our IFRS project. And that also includes a little bit for the work that was required on HST conversions, and systems work and those kinds of things that we had to do to comply with the HST conversion from BC and Ontario.

Linda Ezergailis, TD Newcrest

Okay, so just to be clear, the \$1.2 million is for the year-to-date as well?

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes.

Linda Ezergailis, TD Newcrest

That's \$2 million year-to-date?

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes.

Linda Ezergailis, TD Newcrest

Okay. And then just as a follow-up question, looking at your capex estimate for 2010, it's still \$250 million of which \$185 million has been committed to date. We're getting close to November, so I guess for that \$65 million of projects that have not yet been committed, what would be the bulk of it? Would some of it be Harmattan co-stream or something else?

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes, the bulk of it would be co-streaming, and some other projects that are under development that we don't have—we don't have firm commitments on at this point.

Linda Ezergailis, TD Newcrest

Okay, but you're still pretty confident on the 250 number for the year?

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes.

Linda Ezergailis, TD Newcrest

Okay. And just a clean-up question on your frac spreads. You mentioned that there's a \$28 per barrel market price in Q4. Is that your outlook for—on hedged pricing, or would that be your expectation for realized pricing incorporating your hedges.

Debbie Stein, Vice President Finance and Chief Financial Officer

No, that's the for the spot.

Linda Ezergailis, TD Newcrest

Great, for the spot. Thank you.

Operator

Thank you. The next question is from Tony Courtright from Scotia Capital. Please go ahead.

Tony Courtright, Scotia Capital

Thanks very much. You made a couple of accounting changes in the quarter. One of them was probably the most significant from a run rate go forward perspective is the useful life of certain assets. Can you provide a bit of colour on that?

Debbie Stein, Vice President Finance and Chief Financial Officer

Sure. Tony, as part of our IFRS project, we've—we undertook a fair bit of work to come up with our opening balances under IFRS. And when we made the decision to defer IFRS—to take the deferral, we already had that data available. So under the CGAAP rules, we were—we were actually required to incorporate that knowledge into our current management estimates. So that's really the driver for why we ended up adjusting it in Q3.

Tony Courtright, Scotia Capital

And what particular assets does it relate to, and what's the basis for it?

Debbie Stein, Vice President Finance and Chief Financial Officer

It's primarily around our reserved life studies around our plants, and it's mainly our big box plants. So we have to—in order to support the work that we're doing for IFRS, we had to conduct in depth reserve analysis studies to support the value on our books, and this is what came out of it.

Tony Courtright, Scotia Capital

And so if it's a reserve life it's an economic commodity price, so what's the—sort of a long-term commodity price that's embedded in these?

David Cornhill, Chairman and Chief Executive Officer

We don't have that answer right now, Tony, but I can look into that and get back to you after the call.

Tony Courtright, Scotia Capital

Appreciate it. And then otherwise, there was a comment at the beginning, David made that expectations of 2010 being equivalent to 2009, and correspondingly, 2011 to 2010. And I just want to know, what metric are we talking about when you're looking at results? Are they operating results, are they funds flow from operations? What is it that we should be saying—thinking will be comparable?

David Cornhill, Chairman and Chief Executive Officer

That comment was operating income.

Tony Courtright, Scotia Capital

Operating income, okay.

David Cornhill, Chairman and Chief Executive Officer

Yes, and that—that's assuming no mark-to-market noise.

Tony Courtright, Scotia Capital

Okay, appreciate it. Thanks very much.

Operator

Thank you. The next question is from Robert Kwan, from RBC Capital Markets. Please go ahead.

Robert Kwan, RBC Capital Markets

Good morning. Just on the gas outlook. You'd mentioned that you'd secured some gas supply for Empress at full capacity for 2010. Can you just talk about how long that contract might run for, and if you can give some details around economics?

Richard Alexander, President and Chief Operating Officer

It's a one year contract for the upcoming—for the current gas year.

Robert Kwan, RBC Capital Markets

Okay, and kind of the cost of supply, or how can we think about that if—even if maybe we just frame it against where current spreads are right now?

Richard Alexander, President and Chief Operating Officer

It's consistent with where current market spreads are. It's a market deal that we recently made.

Robert Kwan, RBC Capital Markets

Okay, and that market deal includes any extraction premiums?

Richard Alexander, President and Chief Operating Officer

Yes.

Robert Kwan, RBC Capital Markets

Okay. Just on your capitalized interest policy when you're looking at Forrest Kerr, can you just talk about the policy as to how much of the capital spending? Is it going to be 100 percent, or is it going to be a deemed balance sheet?

Debbie Stein, Vice President Finance and Chief Financial Officer

It's the—it's based on actual spend.

Robert Kwan, RBC Capital Markets

Okay, so 100 percent of the actual spend will be capitalized?

Debbie Stein, Vice President Finance and Chief Financial Officer

Yes.

Robert Kwan, RBC Capital Markets

Okay. And then just the last question I have is—you know—with the big cap ex largely being Forrest Kerr, how are you looking at—you know—capital rationing/allocation? Is it just kind of full steam ahead, or have you adjusted the hurdle rates higher when you're looking at some of the projects?

David Cornhill, Chairman and Chief Executive Officer

I would say that we're looking at higher returns; clearly—with the spend in Forrest Kerr, we've seen some significant projects; positive projects. But I would say that we're not—we have lots of projects, so I'd say what we're doing is high-grading at this time.

Robert Kwan, RBC Capital Markets

Okay. And can you give a sense as to maybe how many basis—100 basis points you might be looking at of more return for these new projects?

David Cornhill, Chairman and Chief Executive Officer

I really can't.

Robert Kwan, RBC Capital Markets

Is it a material change?

David Cornhill, Chairman and Chief Executive Officer

I'm just—a lot of the projects we're seeing that we're moving forward on would be significantly higher than a traditional wind project at this point.

Robert Kwan, RBC Capital Markets

Okay, so we're talking hundreds of basis points. Is that kind of fair?

David Cornhill, Chairman and Chief Executive Officer

I would think so.

Robert Kwan, RBC Capital Markets

Okay, great. Thanks very much.

Operator

Thank you. The next question is from Robert Catellier from Clarus Securities. Please go ahead.

Robert Catellier, Clarus Securities

Hi. Can I just get an update on Sundance B, and the—on the force majeure claim by TransAlta, and if that's impacted the operating results and the operating cash flow in the quarter?

Peter Karl, Director Conventional Power and Emissions

There really hasn't been a lot of progress force on the majeure claim. Lots of data has been provided to us through experts. We don't expect anything to really progress there in the short-term.

Debbie Stein, Vice President Finance and Chief Financial Officer

On the accounting side, Rob, we are still taking the position that it's not a force majeure, so there's no financial impact.

Robert Catellier, Clarus Securities

Okay. And Enbridge had made some comments about getting into Canadian midstream again. Have you seen any practical implications of this on the ground level? Is that starting to impact the business at all?

David Cornhill, Chairman and Chief Executive Officer

No.

Robert Catellier, Clarus Securities

So they haven't shown up yet?

David Cornhill, Chairman and Chief Executive Officer

Not where we're active anyway.

Robert Catellier, Clarus Securities

Okay. Okay, all my other questions have been answered. Thanks.

Operator

Thank you. Once again, please press star, one on your telephone keypad if you have a question.

Your next question is from Matthew Akman from Macquarie. Please go ahead.

Matthew Akman, Macquarie

Hi, guys. David, this is, I think, a question for you. It has to do with the dividend policy, and how we can anticipate that you'll set the dividend or grow it going forward.

I think in the past you've talked about the dividend being established based on GAAP earnings, but yet you obviously have a very attractive tax pool and tax position for the foreseeable future. So I'm just wondering if we have to expect that earnings will actually start to exceed the dividend in order to potentially see dividend growth, or whether you would look at it differently now, and more

on a—sort of a cash basis as opposed to a GAAP earnings basis?

David Cornhill, Chairman and Chief Executive Officer

I would still like to focus on GAAP earnings, however, the accounting rules are somewhat making GAAP earnings irrelevant with the changes, so there's a need to move to more reliable metrics of cash flow. However, dividends long-term have to be paid out of, not return of capital, but return on capital, and you do not see that totally in the cash flow.

So I'll be keeping, honestly, my eye on both. Near-term, clearly we are in a strong cash flow position not being taxable, but you've got to maintain return on capital at this fundamental measure to pay dividends. However, now the income statement I don't think really reflects return on capital with the volatility it's created with the new accounting rules.

So maybe 1985 GAAP I might keep my eye on, if it goes up on an earnings basis and current cash flow.

Matthew Akman, Macquarie

I guess on a related note, and as a follow-up, I'm just—I'm wondering when you look at new projects now, do you guys have a hurdle for proceeding with new projects based on whether they are accretive to GAAP EPS?

David Cornhill, Chairman and Chief Executive Officer

Yes, we still look at that on a—what it would've been more traditional GAAP. So that we would be looking at—you know—the necessity of being—generating positive earnings in a traditional sense.

Matthew Akman, Macquarie

Okay. Thank you. Those are my questions.

David Cornhill, Chairman and Chief Executive Officer

Thank you.

Operator

Thank you very much. Your next question is from Pat Kenny from National Bank Financial. Please go ahead.

Pat Kenny, National Bank Financial

Thank you. Rick, just to be clear on the power hedging profile. So should the forward market remained below the—your internal assumption of \$60 per megawatt hour going forward, you would look to remain just 20 percent hedged for '11, or would you at some point look to hedge a certain percentage of your power sales? And also, if you can just confirm that you are completely unhedged for '12 and onwards?

Richard Alexander, President and Chief Operating Officer

Working backwards, we do have hedges on for about '12—for '12, similar to the levels in '11, and similar prices. In terms of hedging going forward, it's still our Board policy, and we review every quarter with the Board where we are in the hedge profile, and currently we have an expectation that we'll hedge for next year, but that's something, as I said, we're reviewing regularly with the Board.

Pat Kenny, National Bank Financial

Okay, and just on the frac spread as well. So given that we've seen relatively strong frac spreads recently and in the forward market, is 60 percent kind of your ceiling target there, or would you look to fully hedge your frac spread exposure at some point?

David Cornhill, Chairman and Chief Executive Officer

It's David. We won't fully hedge. We do have flexibility in the current year to go higher to about 70 percent, and we could look at that. If we see very attractive hedging prices, we may move up. But 60 is our—we're very comfortable at.

Pat Kenny, National Bank Financial

Okay, great. Thanks. And just finally on the Bear Mountain, you mentioned that the wind volumes were below historical averages. Are you able to give the capacity factor there for Q3, and—or maybe the nine months year-to-date versus historical average?

Richard Alexander, President and Chief Operating Officer

No, we don't traditionally disclose the capacity factor or the actual experienced capacity factor.

Pat Kenny, National Bank Financial

Okay, thanks. That's all my questions.

Operator

Thank you. We have a follow-up question from Linda Ezergailis at TD Newcrest. Please go ahead.

Linda Ezergailis, TD Newcrest

Thank you. It's a follow-up on your Bear Mountain with respect to the RECs. How much of your renewable credits have you sold forward and at what prices? I think from what I could tell from your disclosure you still have a little bit out to 2011, but then in another area it sounded like there's no more hedges in place for forward contracts. Maybe you can just clarify what's going on there.

Myles Dougan, Vice President, Communications and Investor Relations

Well, we don't have that information at hand right now, Linda. I'll look into it and give you a call back after the conference call here if I can.

Linda Ezergailis, TD Newcrest

Okay, great. Thank you. And just also a clarification on your frac spread hedging. Do you have anything contracted for 2012?

Debbie Stein, Vice President Finance and Chief Financial Officer

Not at the moment.

Linda Ezergailis, TD Newcrest

Okay, thank you. That's it.

Operator

Thank you. There are no further questions registered at this time. We'd now like to turn the meeting over to the moderator.

Myles Dougan, Vice President, Communications and Investor Relations

Thank you, Operator, and thanks for your interest in Altagas this morning. If you have any other follow-up questions, please feel free to contact me directly. Thanks again, and we look forward to speaking to you next time. Bye-bye.

Operator

Thank you. The conference has now ended. Please disconnect your lines at this time, and we thank you for your participation.
