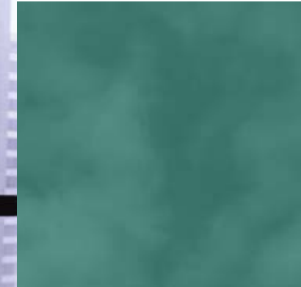


AltaGas

**CIBC World Markets
Energy Trust
Conference**

April 21, 2005

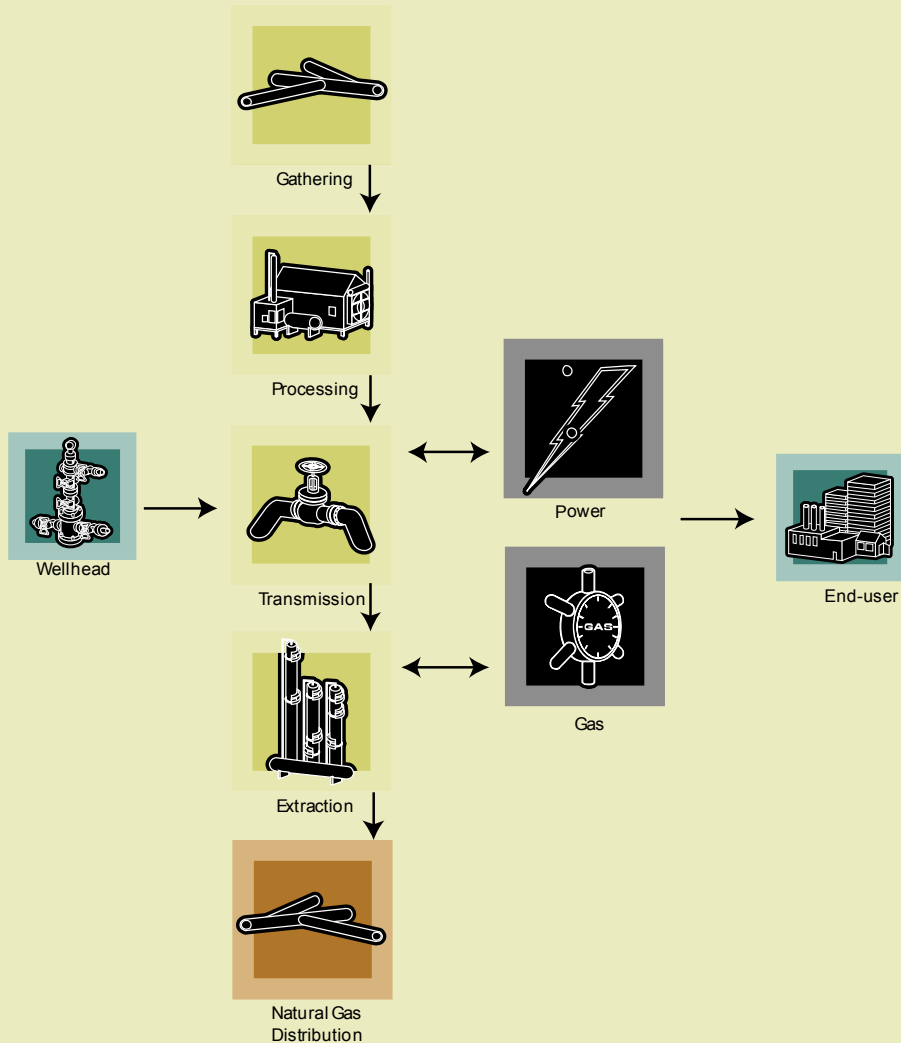


Forward-Looking Information



- Certain information in this presentation is forward-looking. Such information is subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in the forward-looking information. These risks and uncertainties include operating performance, regulatory and environmental issues, weather and economic conditions, competition and financing availability.
- For additional information on these and other factors see the reports filed by AltaGas with Canadian securities regulators. AltaGas disclaims any intention or obligation to update or revise any forward looking information whether as result of new information or future events.

Energy Value Chain



- AltaGas creates value by strategically linking asset and service components of the energy value chain

AltaGas



**Business
Overview**

Our Energy Portfolio



Gathering and Processing

- Field gathering and processing
- Extraction
- Transmission

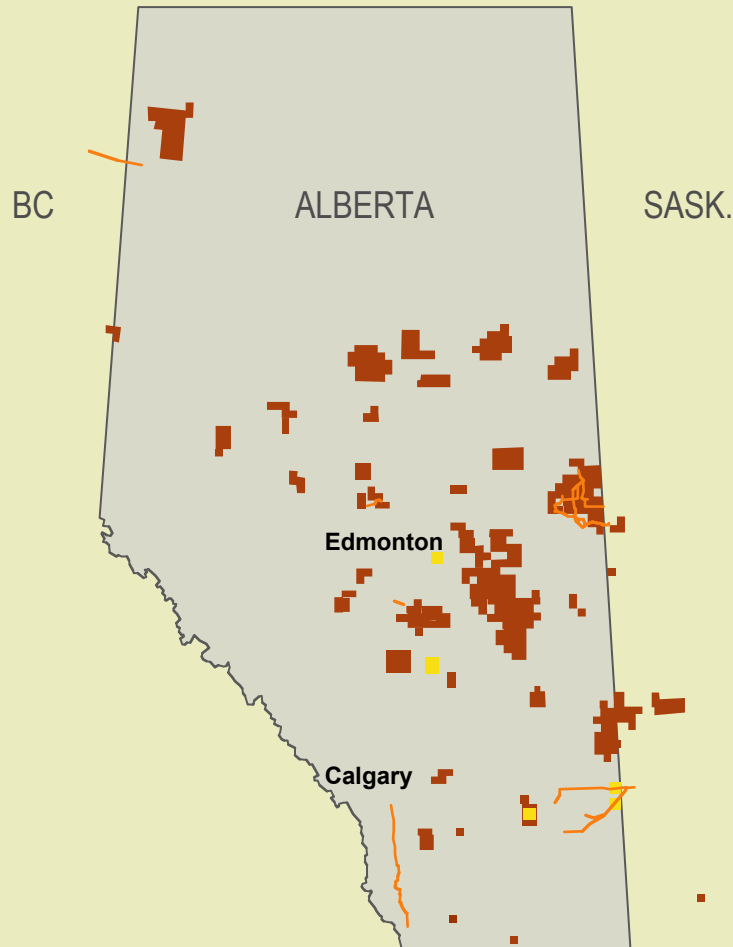
Energy Services

- Power services
- Gas services
- Oil and natural gas production

Natural Gas Distribution

- AltaGas Utilities
- Heritage Gas
- Inuvik Gas

Gathering and Processing



- Net investment of \$640 million generated \$45 million of operating income
- 69 field gathering and processing facilities
- 913 Mmcf/d capacity
- 6,000 km of pipelines
- 4 extraction plants
- 1 field fractionation plant
- 6 transmission pipelines totaling 750 km
- 432 Mmcf/d volume transported



Energy Services



- Net investment of \$147 million generated \$38 million of operating income
- Energy agency business
- Over 1,000 customers
- 478 MW of generating capacity

Natural Gas Distribution



- Net investment of \$122 million generated \$8 million of operating income
- 100% ownership of AltaGas Utilities Inc.
- One third interest in Inuvik Gas Ltd.
- 25% interest in Heritage Gas Limited

HERITAGE GAS LIMITED

Nova Scotia



INUVIK GAS LTD.

Northwest Territories

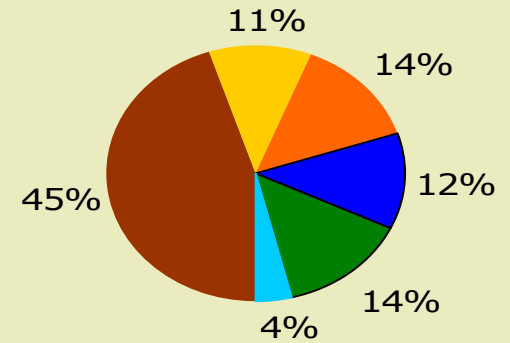
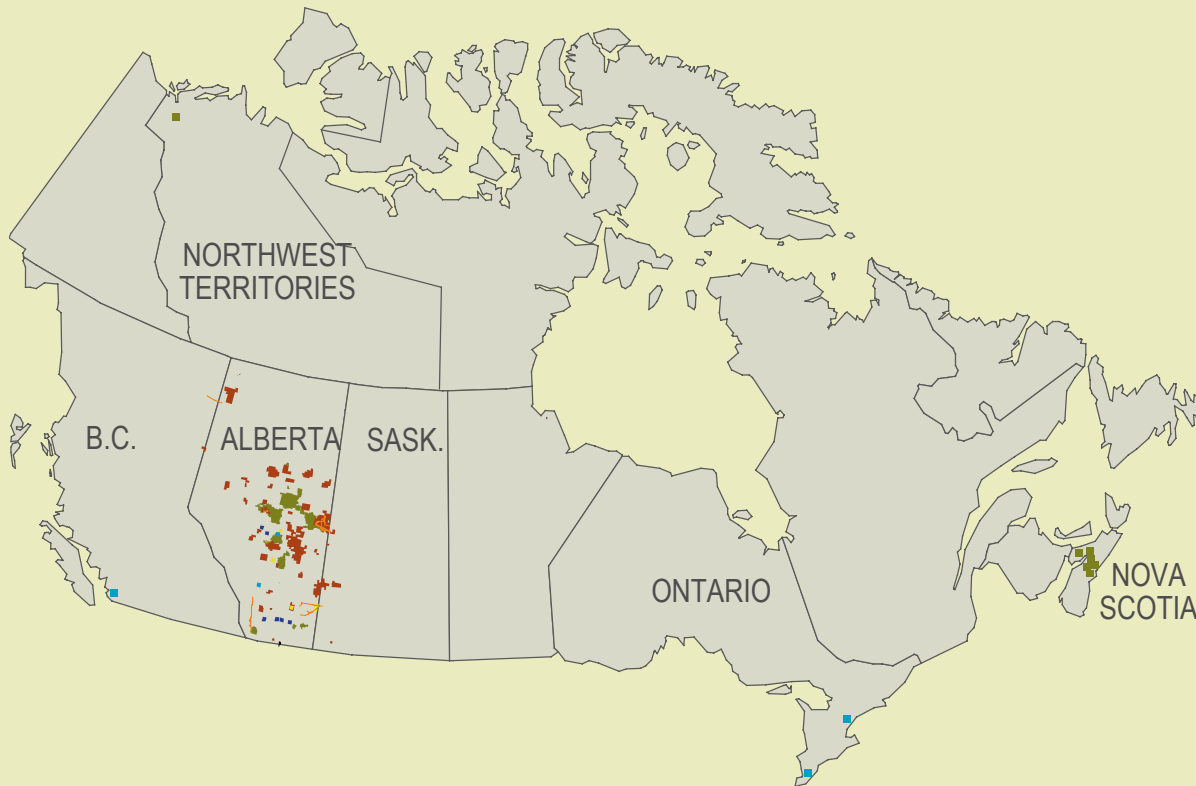


Integrated Energy Businesses



Net Book Value

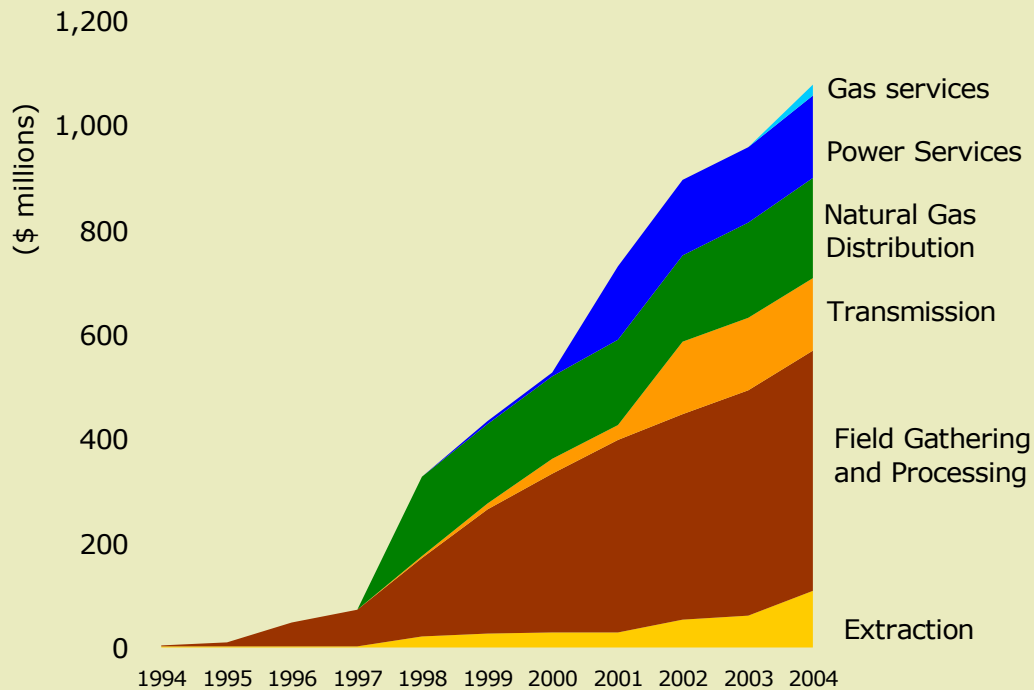
At December 31, 2004
\$ 890.3 million



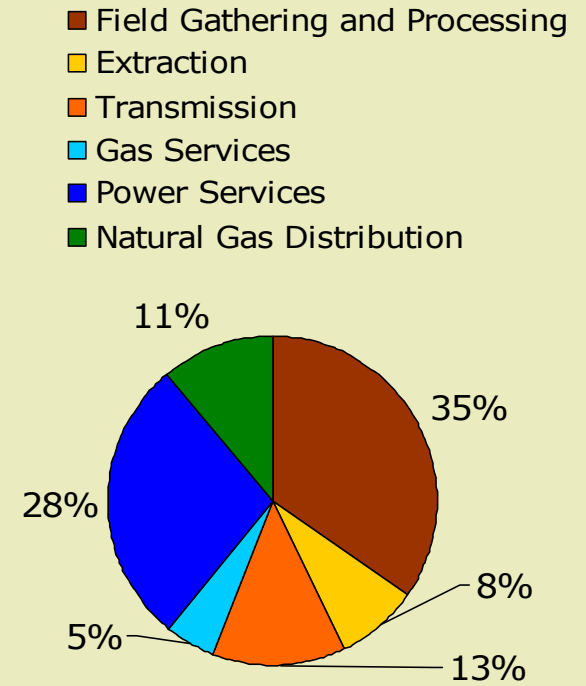
Diversified Asset Focused Business



Capital Investment by Component 2004



Operating Margin by Component 2004



AltaGas

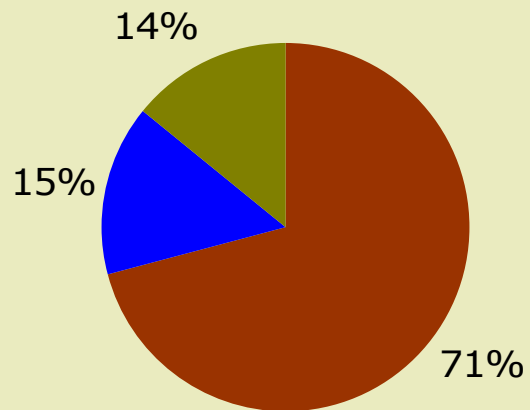


**2004 Financial
Performance**

AltaGas Today: Strong and Diversified

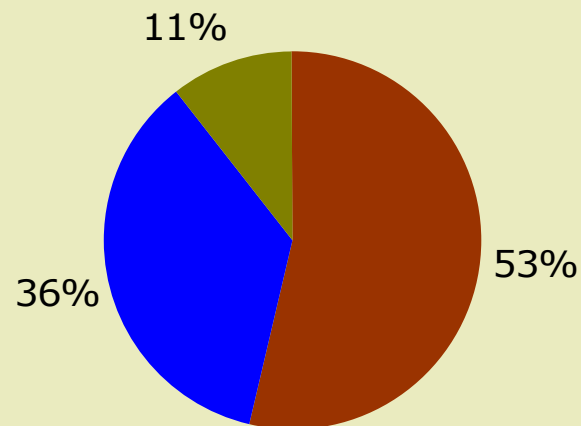


TOTAL ASSETS
At December 31, 2004
\$ 1,108.6 million



- Gathering and Processing
- Energy Services
- Natural Gas Distribution

EBITDA
For the year ended
December 31, 2004
\$ 133.4 million

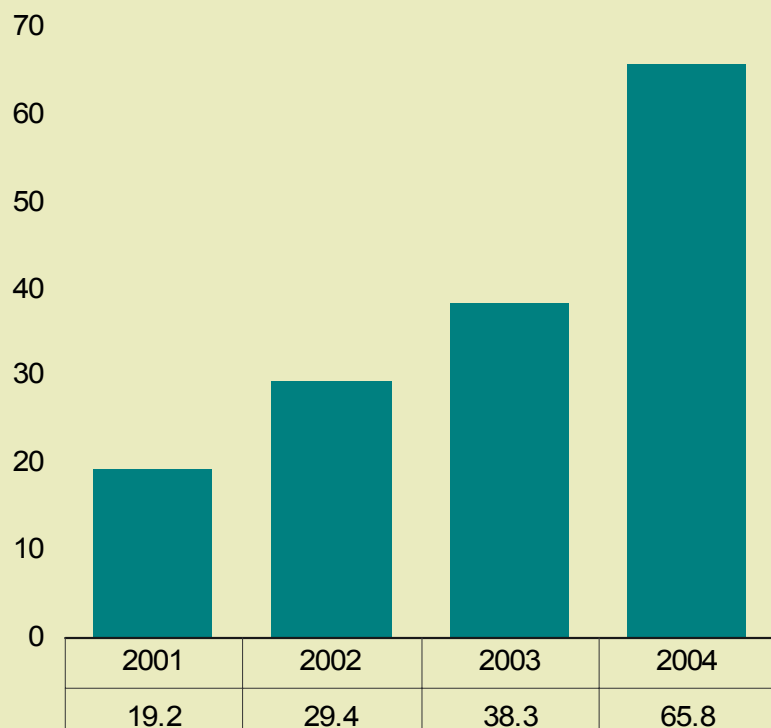


- Gathering and Processing
- Energy Services
- Natural Gas Distribution

Net Income



NET INCOME
(\$ Millions)

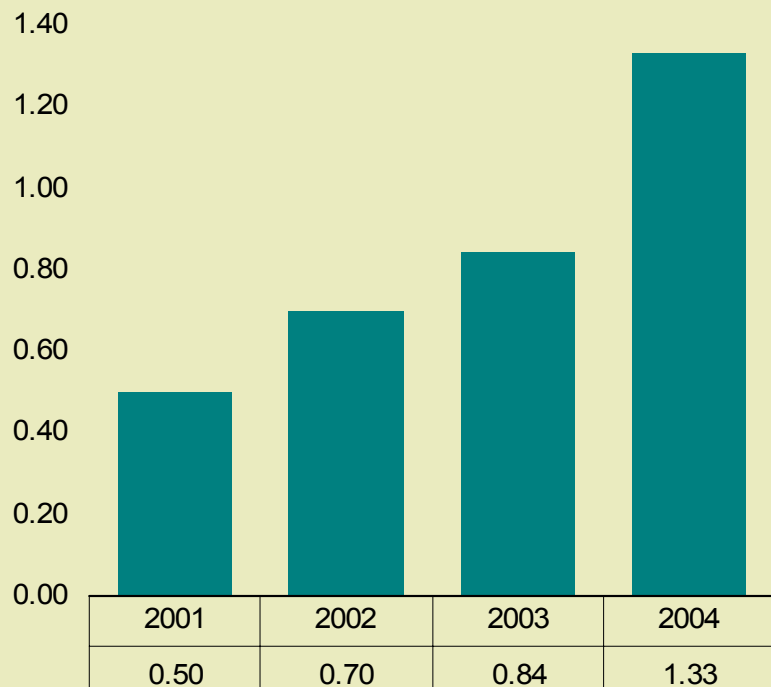


- **2004**
 - \$65.8 million, 72% increase over 2003
 - includes Trust conversion costs and income tax benefit from Trust conversion
- **Strong Performance**
 - Gathering and Processing
 - Energy Services
 - Lower income taxes

Net Income Per Unit



NET INCOME PER UNIT
(\$)

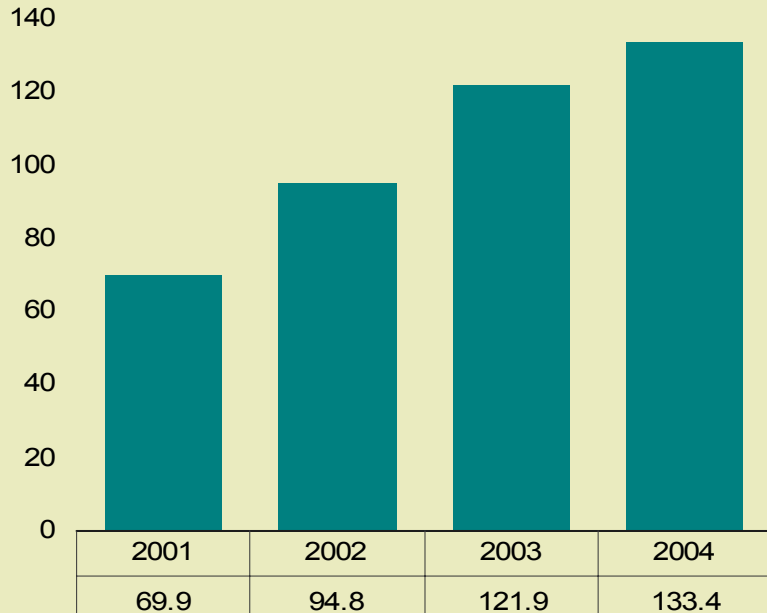


- **2004**
 - \$1.33 is a 58% increase over 2003
 - includes Trust conversion costs and income tax benefit from Trust conversion
- **Basic Units**
 - 49.4 million (45.5 million 2003)

EBITDA



EBITDA
(\$ Millions)

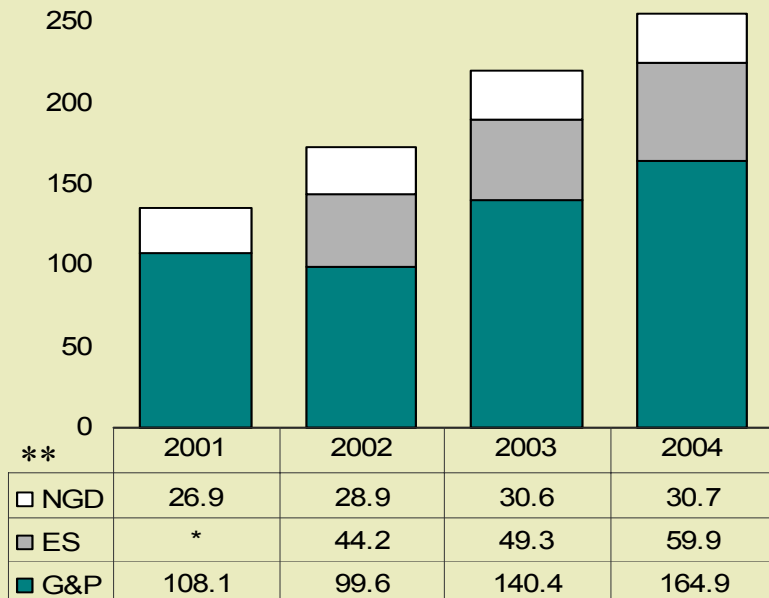


- **2004**
 - \$133.4 million is a 9% increase over 2003
 - includes Trust conversion costs

Net Revenue by Segment



NET REVENUE BY SEGMENT
(\$ Millions)



* Energy Services results were combined with Gathering and Processing in 2001

** All amounts are prior to intersegment elimination

- **Gathering and Processing**
 - Increased volumes in all components
 - Acquisitions and expansions
 - Fee increases
- **Energy Services**
 - PremStar acquisition
 - Higher power volumes
 - Higher power prices
- **Natural Gas Distribution**
 - Increased customer base
 - Offset by warmer weather in 2004 and regulatory adjustment

2004 Capital Investments

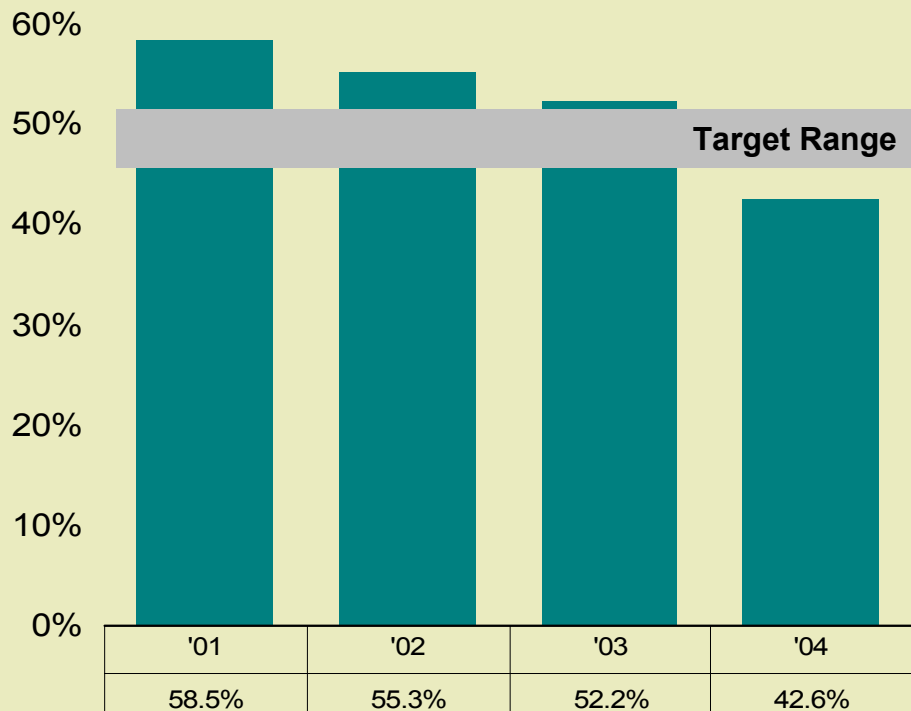


- \$130 million in invested capital for 2004
 - \$119 million growth capital
 - \$6 million maintenance capital
 - \$5 million administration capital

2004 Financial Structure



DEBT AS A PERCENTAGE OF TOTAL CAPITALIZATION *



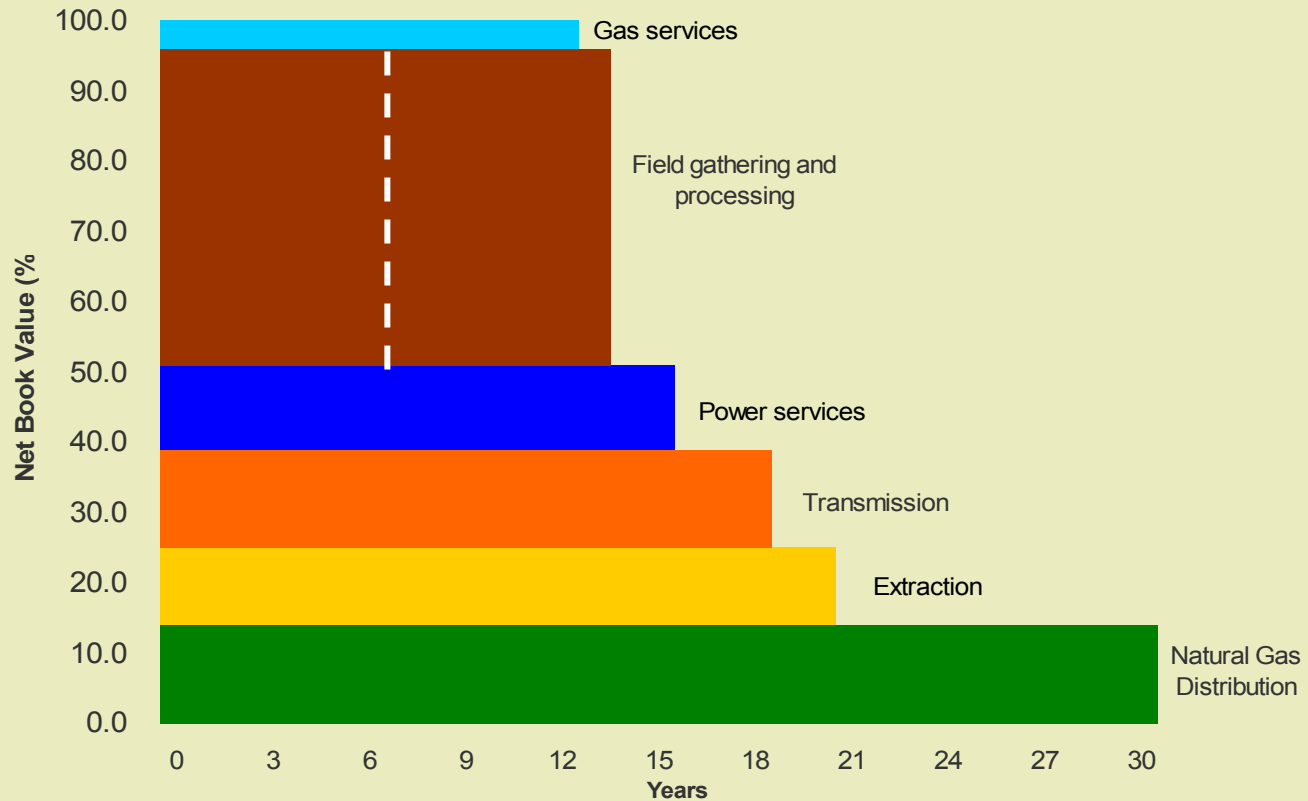
* As at December 31

- **Trust stability rating**
 - S&P: SR-3
 - DBRS: STA-3 (middle)
- **Rating on medium term notes**
 - S&P: BBB-
 - DBRS: BBB (low)
- **Capital structure**
 - December 31, 2004 - 42.6%
 - Trust target 45 - 50%
 - Historical target 50 - 55%
- **DRIP**
 - 25% participation rate

Stable Cash Flow Horizon



Cash Flow Horizon by Component - 2004



AltaGas



Growth Strategy

Drivers of 2005 Growth



- **Acquisition opportunities**
- **Full year impact of 2004 acquisitions**
 - October 2004 – closing of the acquisition of PremStar, a leading Canadian energy agency business
 - August 2004 – acquired 48 2/3% of Edmonton Ethane Extraction Plant
 - August 2004 - leased 25 megawatts gas fired power peaking plant
- **Organic growth – gas gathering and processing**
 - internal expansion projects at Marten Creek, Doris and Namaka
 - invested \$16.4 million and added 40 Mmcf/d in throughput volumes
 - \$5.5 million sour gas processing plant with capacity of approximately 1.0 Mmcf/d and 37 kilometres of pipeline
- **Planned expenditures on internal growth - \$40 million**

Positioned for Growth



- **Strong gas prices fueled by increasing gas demand and maturing basin**
- **Continued growth in power demand**
- **Gathering and Processing**
 - organic growth with low investment
 - increase facility utilization
 - strong E&P activity
 - accretive acquisitions
 - operational reliability
 - cost competitive
- **Energy Services**
 - energy management services
 - in-depth knowledge of energy market in which we operate and strong customer relationships
 - accretive acquisitions
- **Natural Gas Distribution**
 - existing customer base increasing on average by 2% per year
 - additional expansion through Heritage Gas

Acquisition Strategy



- Disciplined approach to acquisitions
 - Net income accretive
 - Return on equity accretive
 - Maintain low risk profile
 - Maintain financial flexibility
 - Enhance unitholder value

AltaGas

The background of the slide is a photograph of an industrial facility, likely a gas processing plant, featuring tall distillation columns and a complex network of pipes. The image is overlaid with a semi-transparent teal color and a white grid pattern. The text 'Investment Highlights' is centered in the lower-left quadrant of the grid.

Investment Highlights

Premier Energy Trust

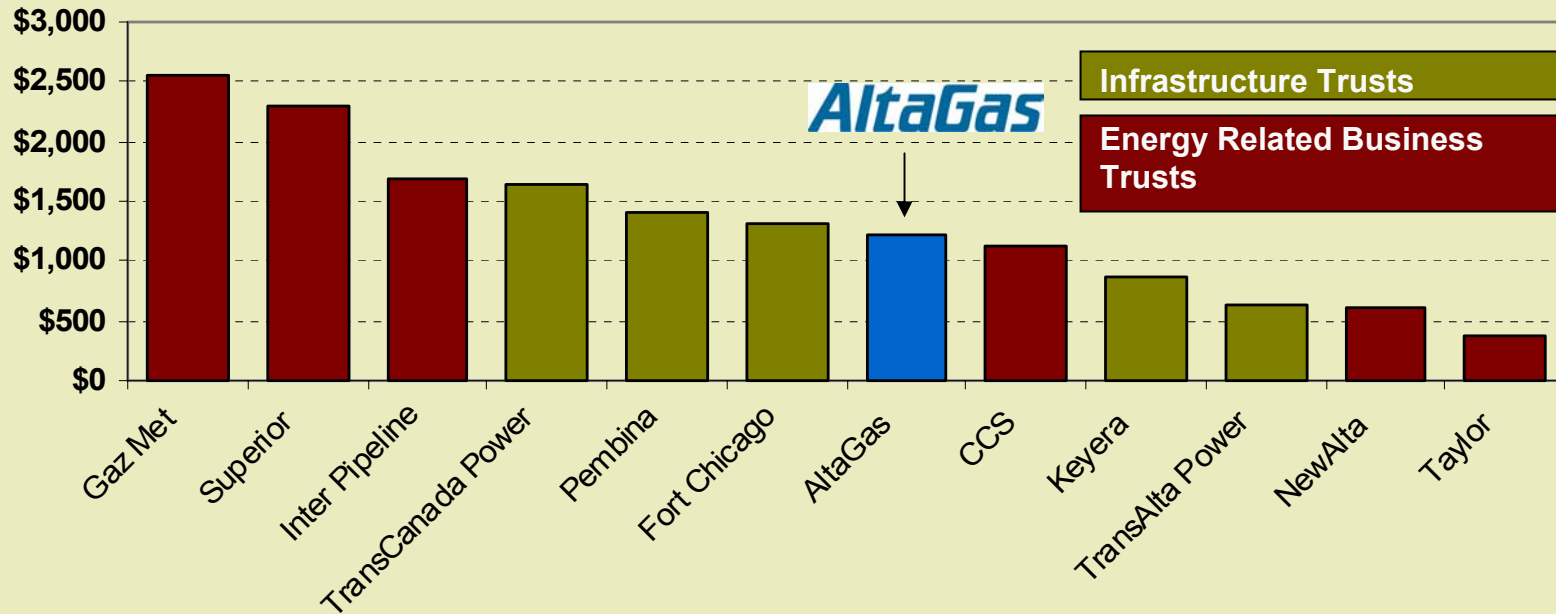


	AltaGas	Enbridge Income Fund	Fort Chicago	Inter Pipeline	Keyera Facilities	Pembina Pipelines	Taylor NGL
Field Gathering and Processing	✓				✓		✓
Extraction	✓		✓	✓			✓
Transmission	✓	✓	✓	✓	✓	✓	✓
Gas Services	✓				✓		
Power Services	✓						
Natural Gas Distribution	✓						

Large Cap Liquid Income Trust



Market Capitalization

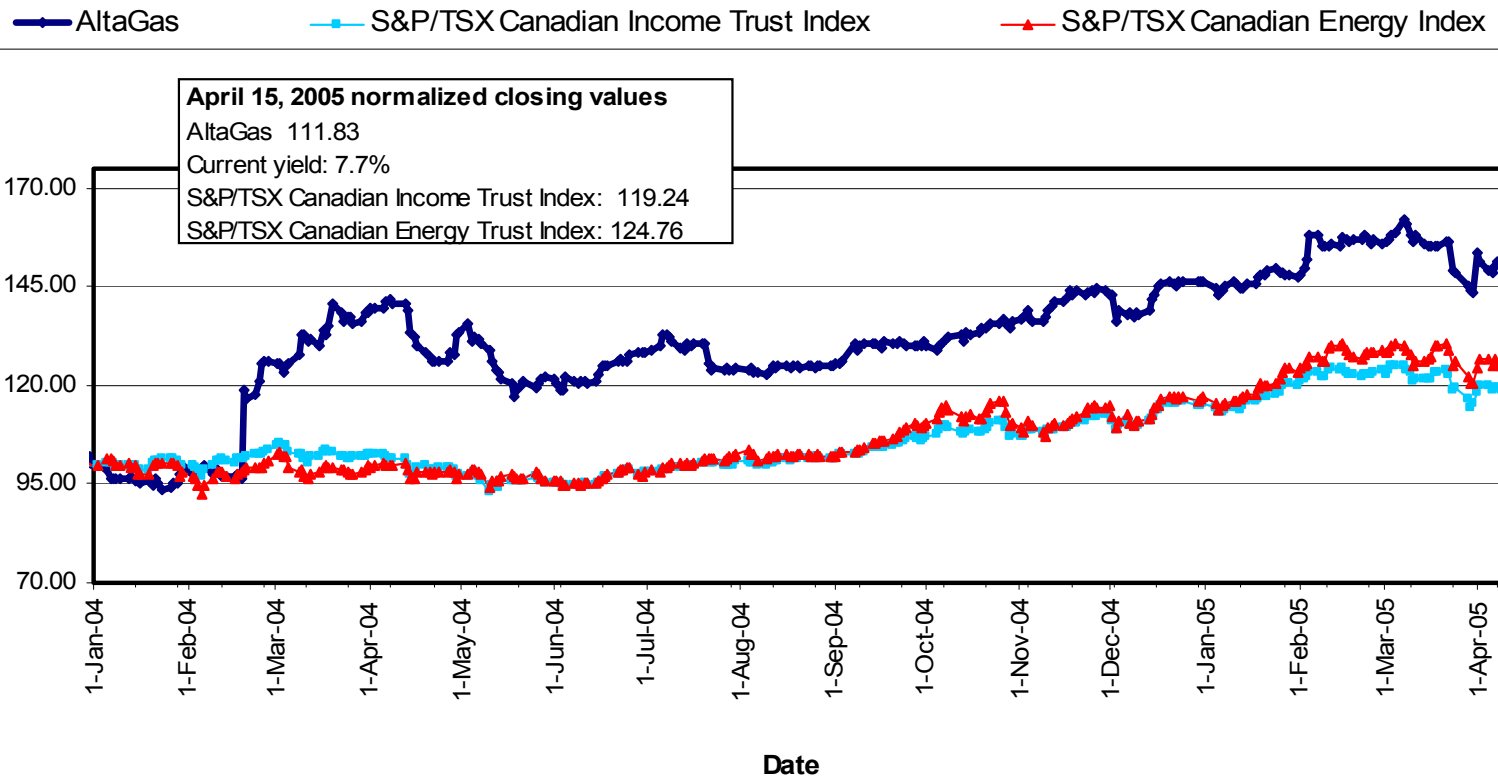


- AltaGas has a market capitalization of over \$1 billion

Industry Relative Performance



**AltaGas vs. selected S&P/TSX Indices -
January 1, 2004 to April 15, 2005**



Investment Highlights



- Demonstrated track record of growth and value creation
- Strong fundamentals driven by natural gas
- Integrated energy business with a diversified portfolio of assets and services
- Very low risk model
- Substantial organic and acquisition growth opportunities
- Financial strength
- Uniquely well positioned to create and enhance unitholder value

AltaGas

