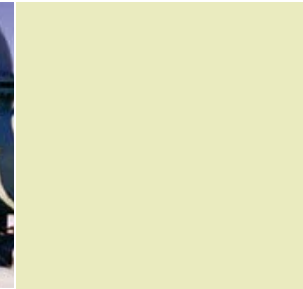


# ***AltaGas***

## **Business Overview Second Quarter 2005**

**August 16, 2005**

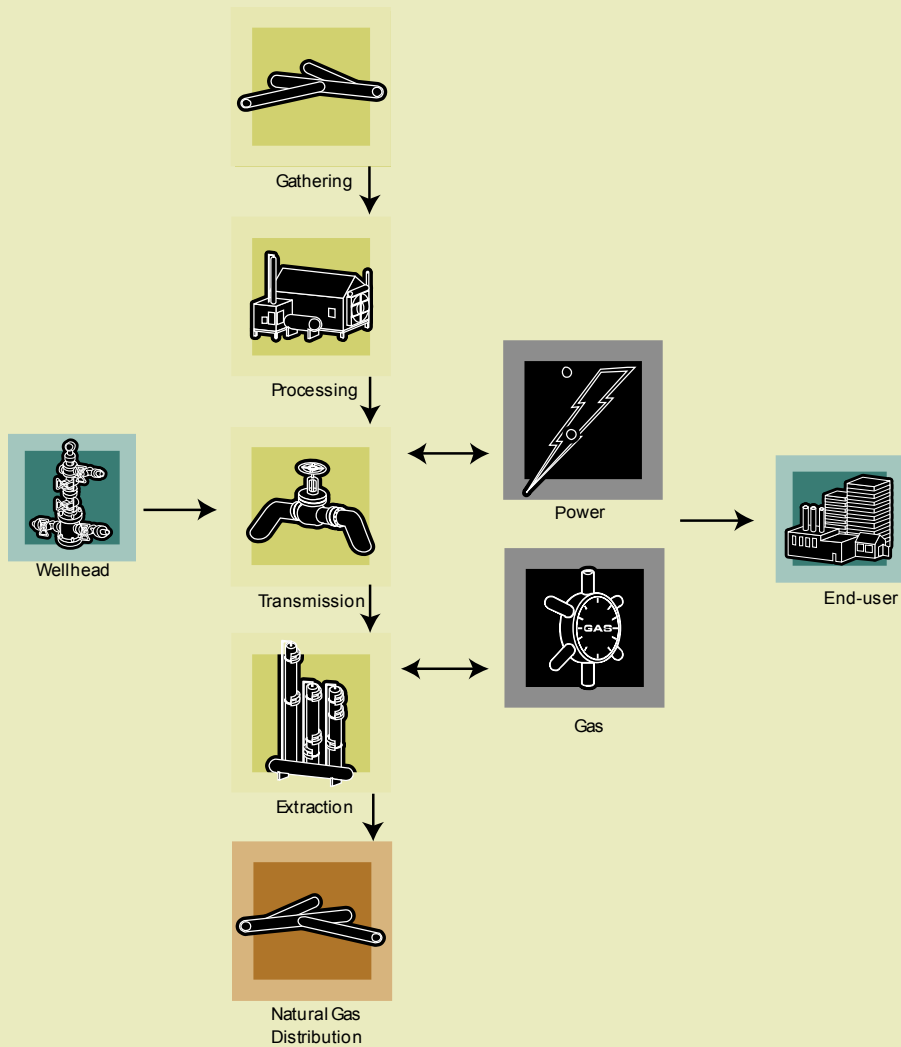


# Forward-looking information



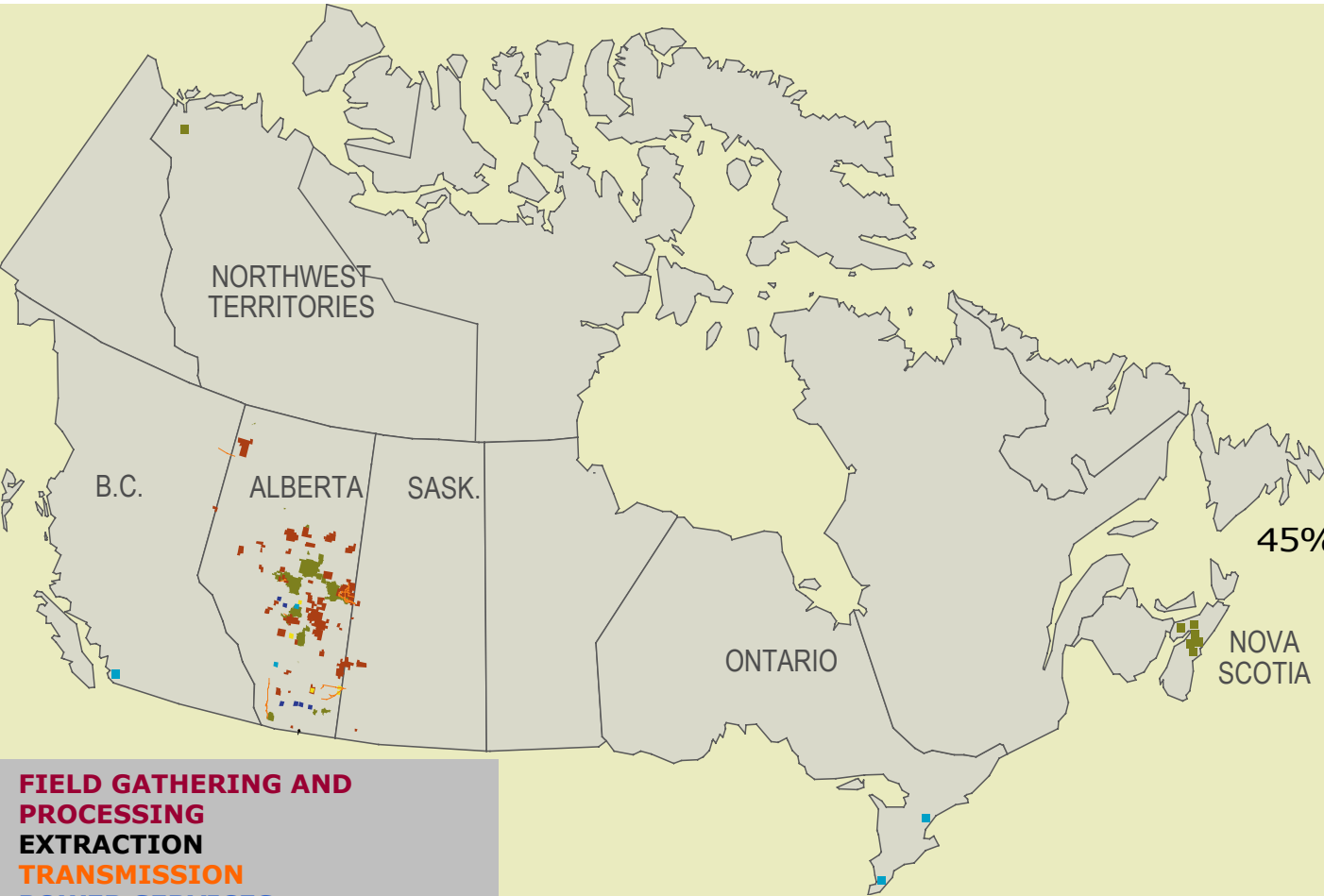
- Certain information in this presentation is forward-looking. Such information is subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in the forward-looking information. These risks and uncertainties include operating performance, 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

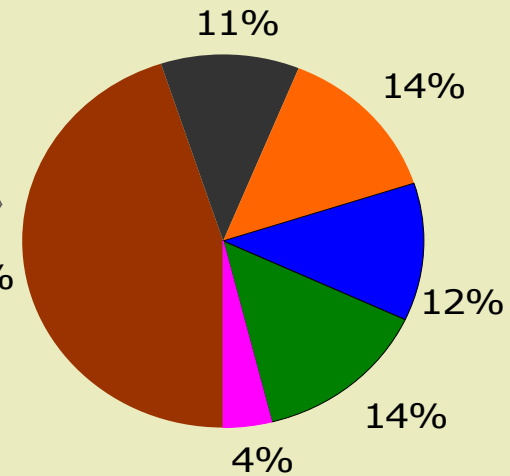


- AltaGas creates value by strategically linking asset and service components of the energy value chain

# Integrated energy businesses

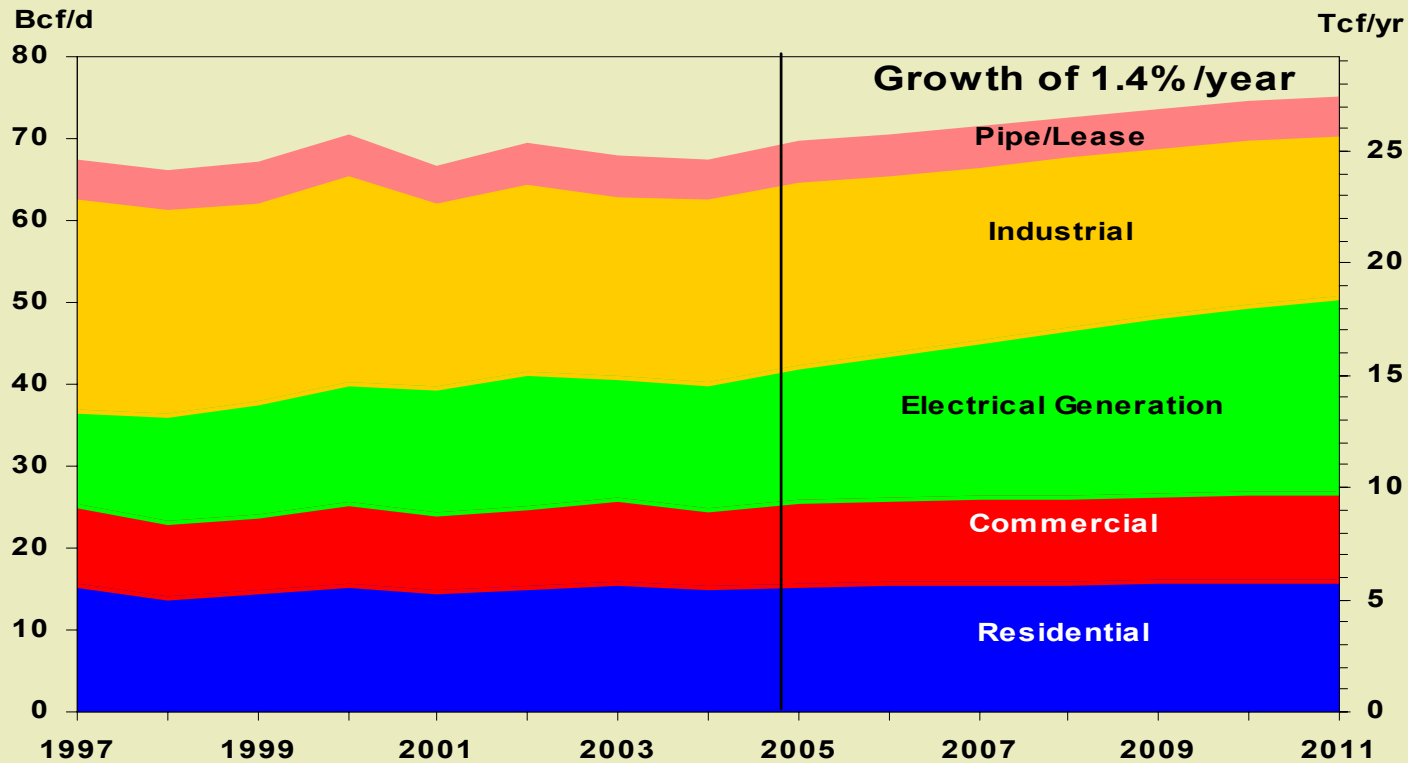


**Net Book Value**  
**At June 30, 2005**  
**\$ 871.6 million**



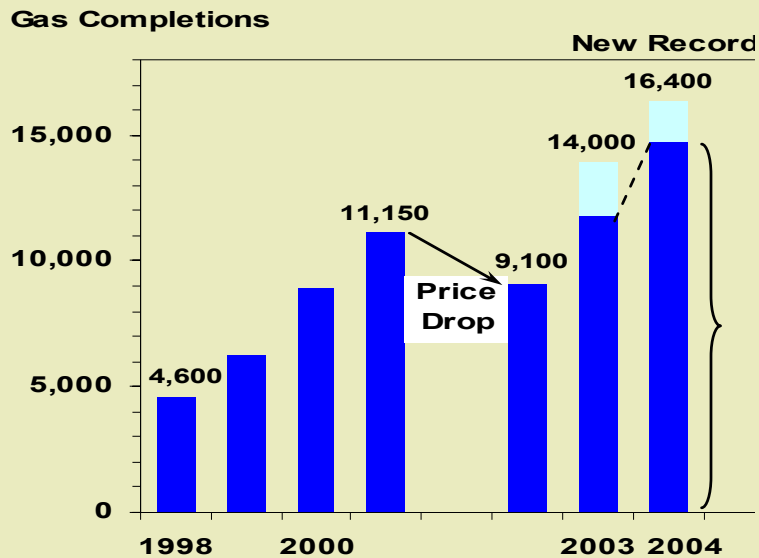
**FIELD GATHERING AND PROCESSING**  
**EXTRACTION**  
**TRANSMISSION**  
**POWER SERVICES**  
**GAS SERVICES**  
**NATURAL GAS DISTRIBUTION**

# North American gas demand



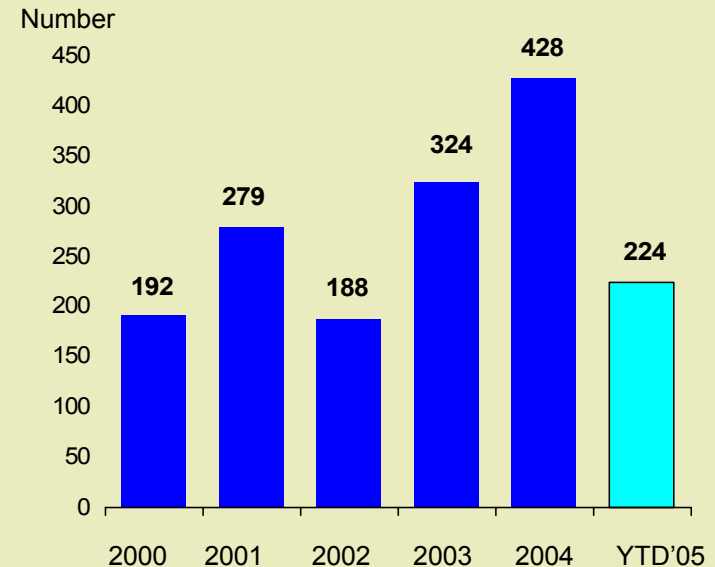
\*Source: Ziff Energy Group

# Western Canada: gas well completions

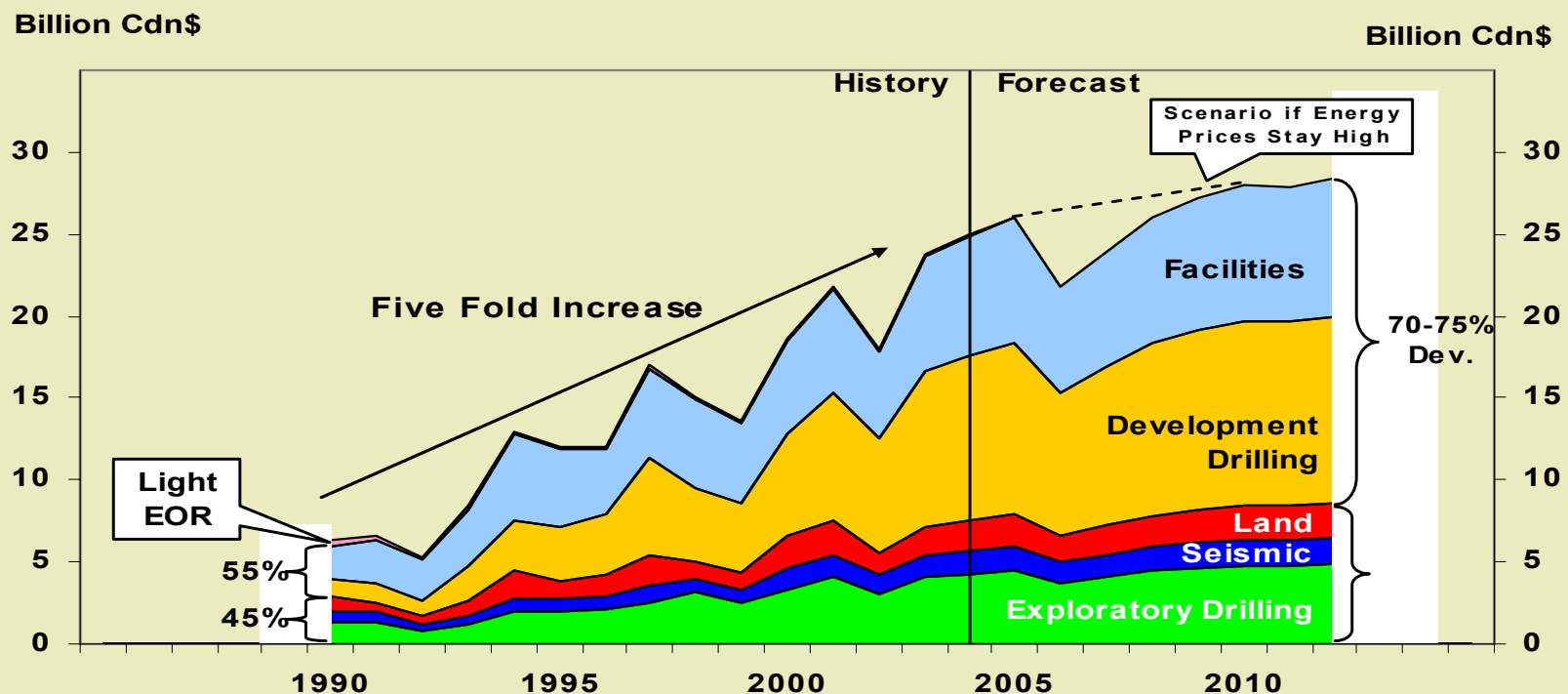


\*Source: Ziff Energy Group

## ALTAGAS WELL TIE-INS



# Western Canada spending



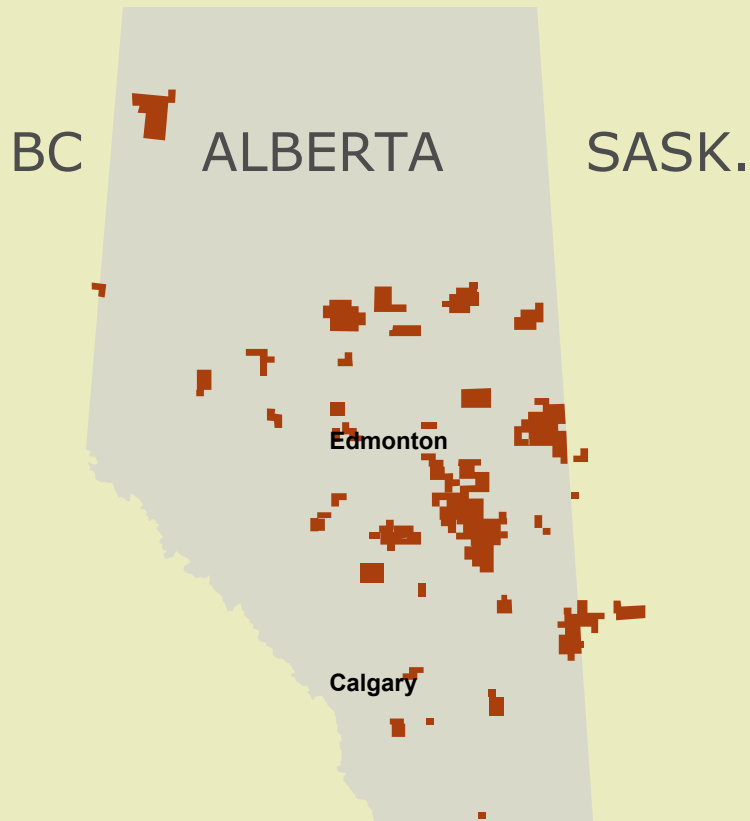
Source: CAPP to 2002 and Ziff Energy

# Serving North America's natural gas demand



- Field Gathering and Processing
- Extraction
- Transmission
- Gas Services
- Distribution

# Field Gathering and Processing



- **69 facilities with 916 Mmcf/d of capacity**
- **Moveable facilities**
- **6,000 km of gathering lines**
- **\$7.7 million spent on internal expansions YTD**
- **No material impact from June 2005 severe weather conditions**



**Sylvan Lake gas plant**

# Extraction



- **539 Mmcf/d inlet capacity, including Alberta's newest extraction plant**
- **Second quarter 2005 average production of 18,883 Bbls/d, more than double production over last year due to acquisition of EEEP**
- **Minimal impact from June 2005 storms**

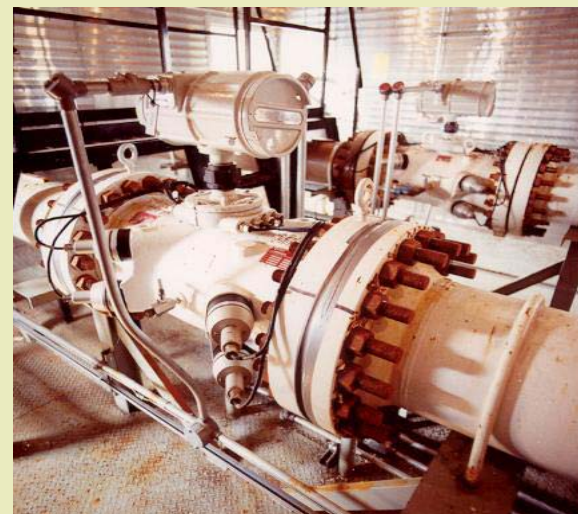


**Joffre ethane extraction plant**

# Transmission

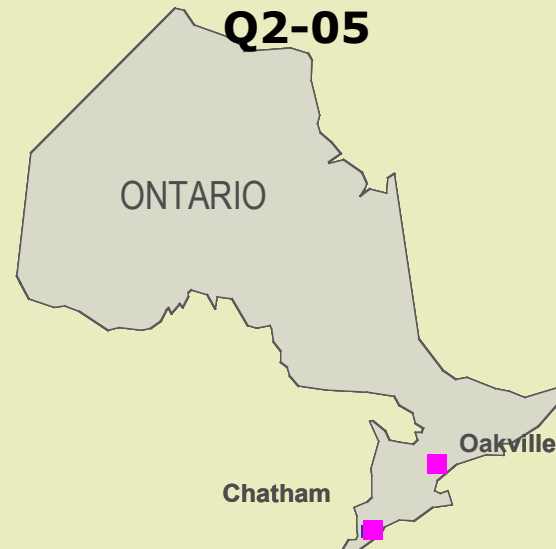


- **6 transmission pipelines totaling 750 km**
- **Second quarter 2005 throughput volumes - 434 Mmcf/d**
- **No material impact from June 2005 flooding**



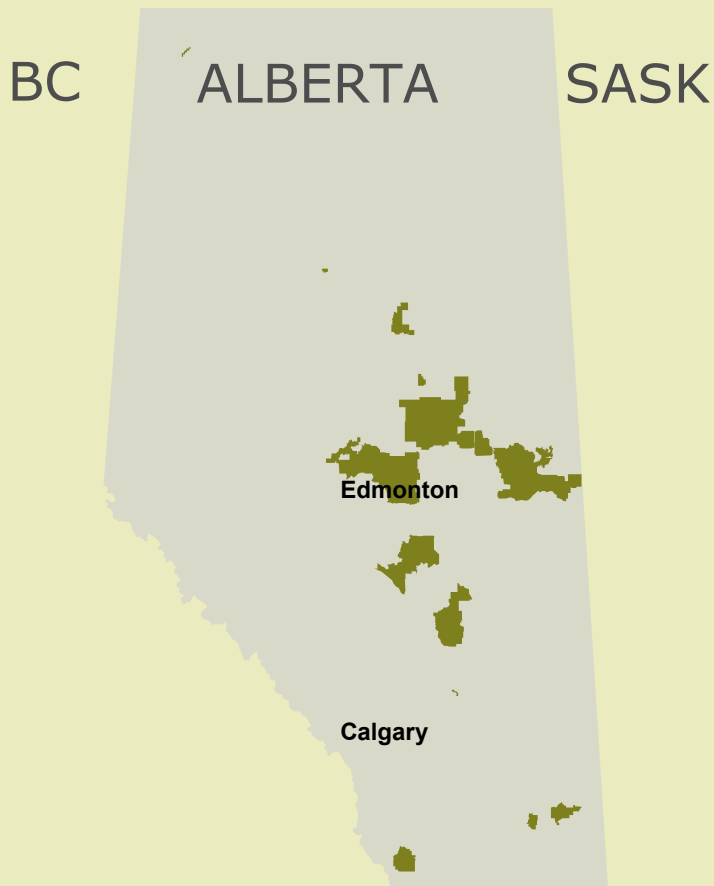
**Suffield transmission meter station**

# Gas Services

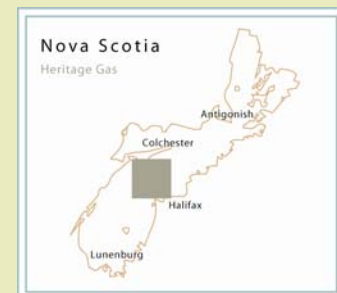
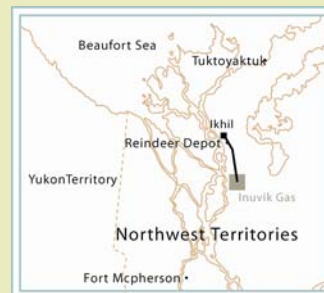


- **Energy procurement and consulting services, natural gas transportation and storage optimization to end-use customers**
- **446 active retail energy service contracts in Q2-05**
- **Over 300,000 GJ/d average wholesale volumes marketed in Q2-05**

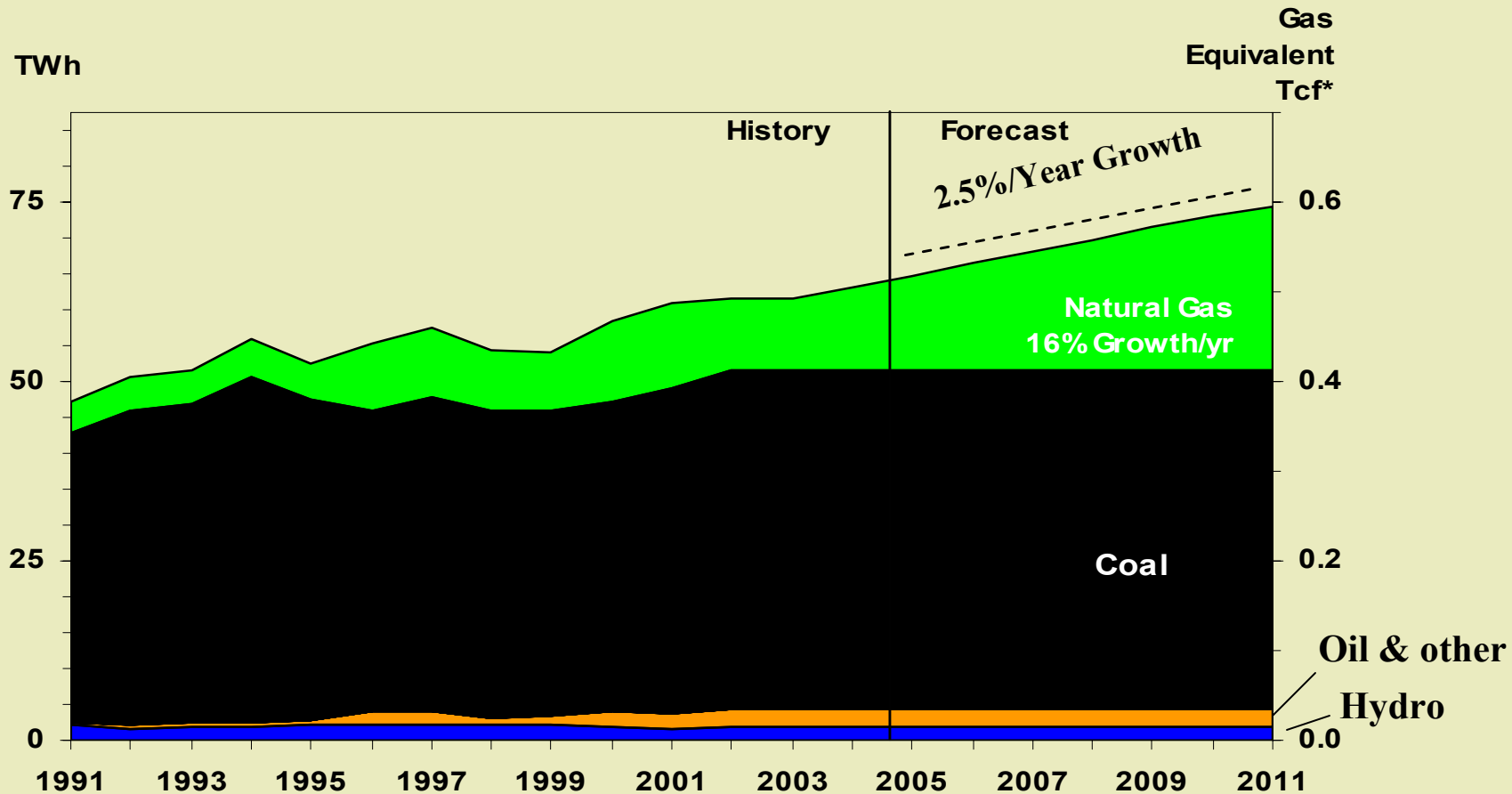
# Natural Gas Distribution



- **AltaGas Utilities**
  - **60,866 customers**
  - **6% of Alberta natural gas distribution market**
- **Heritage Gas**
  - **Nova Scotia greenfield opportunity**
- **Inuvik Gas**
  - **positioned for Northern development**



# Alberta power generation outlook



\*Source: Ziff Energy Group

# Power Services



- **6% of Alberta's power capacity**
- **Rights to 353 MW coal-fired generation until 2020**
- **25 MW of gas-fired peaking capacity**



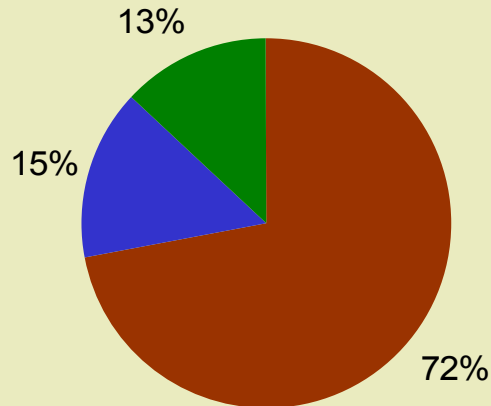
Sundance B power plant

# AltaGas today: strong and diversified



## TOTAL ASSETS

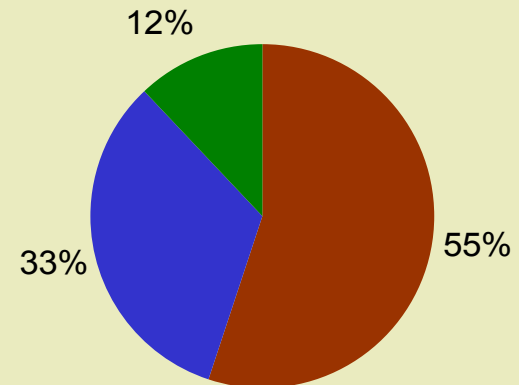
At June 30, 2005  
\$ 1,069.8 million



- Gathering and Processing
- Energy Services
- Natural Gas Distribution

## EBITDA

Six months ended June 30, 2005  
\$ 80.4 million



- Gathering and Processing
- Energy Services
- Natural Gas Distribution

# ***AltaGas***

