

10-Year Review of Financial and Operating Information

(\$ millions unless otherwise indicated)

	2007	2006	2005	2004
Financial Highlights				
Income Statement				
Revenue	1,428.4	1,362.6	1,502.3	864.6
Net revenue ⁽¹⁾⁽²⁾				
Gathering, Processing and Energy Services	–	–	–	–
Gathering and Processing	–	–	–	160.1
Field Gathering and Processing	127.4	129.7	120.1	–
Extraction and Transmission	67.4	63.2	58.0	–
Power Generation	104.2	99.6	57.8	–
Energy Services	20.9	24.7	23.5	59.9
Natural Gas Distribution ⁽³⁾	–	–	29.0	30.7
Corporate	6.2	4.4	10.9	–
Intersegment elimination	(2.1)	(2.7)	(2.4)	(0.3)
	324.0	318.9	296.9	250.4
EBITDA ⁽¹⁾	173.7	173.1	155.5	133.4
Net income	108.8	114.5	90.3	65.8
Net income per basic unit	\$ 1.90	\$ 2.06	\$ 1.67	\$ 1.33
EBITDA per basic unit ⁽¹⁾	\$ 3.03	\$ 3.12	\$ 2.88	\$ 2.70
Cash Flow				
Funds from operations ⁽¹⁾	162.9	161.7	129.0	108.6
Funds from operations per basic unit ⁽¹⁾	\$ 2.84	\$ 2.91	\$ 2.39	\$ 2.20
Distributions/dividends per unit declared ⁽⁴⁾	\$ 2.065	\$ 1.995	\$ 1.85	\$ 1.31
Balance Sheet				
Capital assets	682.3	677.9	645.4	746.7
Energy services arrangements, contracts and relationships	95.7	103.3	110.9	113.1
Total assets	1,199.8	1,109.6	1,068.3	1,108.6
Short-term debt	0.7	–	2.7	7.0
Long-term debt	220.0	265.5	266.3	352.5
Unitholders' equity	584.7	529.4	478.6	483.5
Unit Data (millions)				
Units outstanding at year-end	58.1	56.4	54.6	53.2
Weighted average units outstanding for the year (basic)	57.4	55.5	54.0	49.4
Ratios (%)				
Return on average equity	19.8	22.7	18.4	15.7
Return on average invested capital	16.2	16.3	13.0	11.6
Debt as a percent of total capitalization	27.4	33.4	36.0	42.6
Operating Results				
Field Gathering and Processing				
Capacity (gross Mmcf/d) ⁽⁵⁾	1,023	1,021	962	913
Throughput (gross Mmcf/d) ⁽⁶⁾	511	549	573	558
Throughput (gross annual Mmcf/d)	527	555	563	560
Capacity utilization (%) ⁽⁶⁾	52	54	60	61
Extraction and Transmission				
Extraction inlet capacity (Mmcf/d) ⁽⁵⁾	554	554	539	539
Production (Bbls/d) ⁽⁷⁾	20,108	19,696	19,357	13,436
Transmission volumes (Mmcf/d) ⁽⁸⁾⁽⁹⁾	407	400	432	432
Frac spread (\$/Bbl) ⁽⁷⁾⁽¹⁰⁾	21.38	18.47	9.31	10.51
Power Generation				
Volume of power sold (GWh) ⁽⁷⁾	2,661	2,878	3,466	3,481
Price received on the sale of power (\$/MWh) ⁽⁷⁾	68.59	69.26	54.59	48.77
Alberta Power Pool price (\$/MWh) ⁽⁷⁾	66.84	80.48	70.19	54.54
Energy Services				
Energy management service contracts ⁽⁵⁾	1,466	1,394	1,243	427
Average gas volumes marketed (GJ/d) ⁽¹¹⁾	388,217	327,057	312,272	174,337
Natural Gas Distribution ⁽³⁾⁽¹²⁾				
Volume of natural gas distributed				
Sales (Bcf)	–	–	10	14
Transportation (Bcf)	–	–	9	11
Number of customers ⁽⁵⁾	–	–	61,447	60,430
Degree day variance (%) ⁽¹³⁾	–	–	(1.4)	2.6

	2003	2002	2001	2000	1999	1998
	710.6	492.7	489.8	506.7	257.8	122.1
	-	-	111.0	88.5	61.8	36.3
	137.8	99.6	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	49.3	44.2	-	-	-	-
	30.6	28.9	26.9	28.1	27.2	12.9
	-	-	-	-	-	-
	(0.4)	(2.8)	(2.9)	(0.3)	(3.1)	(1.4)
	217.3	169.9	135.0	116.3	85.9	47.8
	121.9	94.8	69.9	57.0	42.8	24.1
	38.3	29.4	19.2	17.6	11.3	7.2
	\$ 0.84	\$ 0.70	\$ 0.50	\$ 0.46	\$ 0.43	\$ 0.39
	\$ 2.68	\$ 2.24	\$ 1.83	\$ 1.50	\$ 1.62	\$ 1.31
	90.2	70.8	50.2	40.5	28.6	16.1
	\$ 1.98	\$ 1.67	\$ 1.31	\$ 1.06	\$ 1.08	\$ 0.88
	\$ 0.38	\$ 0.28	\$ 0.18	-	-	-
	677.9	663.4	521.0	453.0	376.9	280.5
	101.0	107.0	112.2	-	-	-
	919.3	904.9	721.1	581.1	436.5	327.1
	4.5	50.6	100.0	-	-	-
	392.4	368.9	283.9	216.9	151.9	160.3
	363.3	338.6	261.9	250.6	230.8	129.1
	45.7	45.2	38.5	38.2	37.8	18.9
	45.5	42.3	38.2	38.1	26.4	18.4
	10.9	9.8	7.3	7.0	6.6	9.0
	11.1	9.3	8.7	8.6	8.4	9.4
	52.2	55.3	58.5	45.6	39.0	54.7
	861	842	768	712	658	494
	523	532	498	434	371	276
	520	492	489	418	330	208
	61	63	65	61	56	56
	349	349	219	211	199	155
	7,575	3,399	2,618	3,369	2,198	956
	403	106	47	36	26	16
	6.23	6.35	-	-	-	-
	3,266	2,669	-	-	-	-
	47.56	41.27	-	-	-	-
	62.98	43.85	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	14	14	13	14	13	6
	10	8	8	7	6	3
	59,543	58,499	57,542	56,692	55,636	55,147
	6.9	7.8	(3.4)	6.5	(1.1)	-

Comparative figures for 2004 and prior years have not been restated to conform to the current financial presentation.

(1) Non-GAAP financial measure. See discussion on page 28.

(2) Resegmentations occurred in 2005 and 2002. Prior years were not restated.

(3) AltaGas purchased 100 percent of the outstanding common shares of AltaGas Utilities Inc. on June 30, 1998. On November 17, 2005 AltaGas spun-out its Natural Gas Distribution segment to AltaGas Utility Group Inc. (Utility Group), of which it holds a 19.6 percent interest.

(4) Distributions declared do not include \$0.54 per unit declared in November 2005 in the form of shares of Utility Group as a result of the spin-out of the Natural Gas Distribution business, or \$0.076 per unit in August 2007, also in the form of shares of Utility Group.

(5) As at December 31.

(6) Fourth quarter average.

(7) Annual average.

(8) Average for fourth quarter except for 1998, which only included December.

(9) Volumes do not include condensate pipeline volumes.

(10) AltaGas reports an indicative frac spread or NGL margin, expressed in dollars per barrel of NGL, which is derived from Edmonton postings for propane, butane and condensate and the daily AECO natural gas price.

(11) Average for the period. Includes volumes marketed directly, volumes transacted on behalf of other operating segments and volumes sold in gas exchange transactions.

(12) Excludes Inuvik Gas Ltd. and Heritage Gas Limited.

(13) Variance from 20-year average – positive variances are favourable.