

what's NEXT.



CIBC Institutional Investor Conference 2009

David Cornhill
Chairman and Chief Executive Officer
February 19, 2009



Forward-looking information



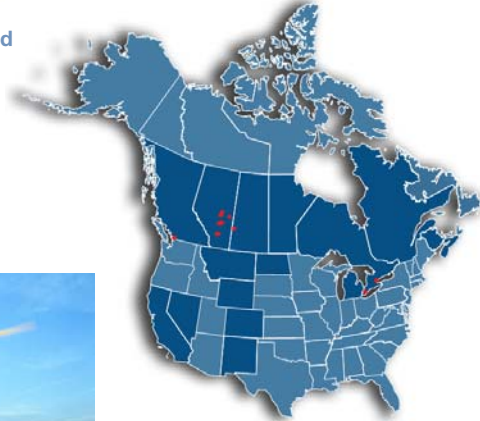
- Certain information presented today may constitute forward-looking statements with respect to AltaGas Income Trust (the Trust). Such statements reflect the Trust's current expectations, estimates, projections and assumptions. These forward-looking statements are not guarantees of future performance and are subject to certain risks which could cause actual performance and financial results to vary materially from those contemplated in the forward-looking statements. For additional information on these risks see the Trust's Annual Information Form under the heading "Risk Factors".

A pure play in energy infrastructure

AltaGas

Our business: meeting energy demand

- Gas and power infrastructure
- Large fixed-return component
- Long-term contracts
- Stable cash flow



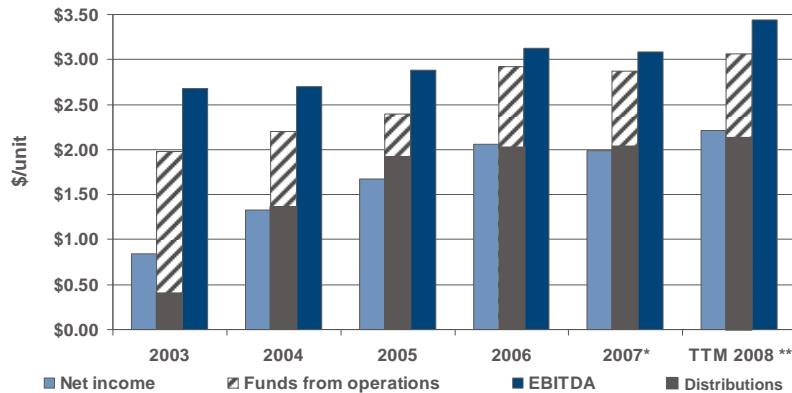
■ Business Operations and/or Development Opportunities

● AltaGas Offices

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Strong track record

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* 2007 net income per unit shown net of \$0.09 per unit non-cash tax adjustment due to SIFT tax

** Trailing twelve months ended September 30, 2008 normalized for the reduction in future tax liability

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Disciplined financial strategy



Balance sheet strength and strong liquidity

In February, AltaGas successfully issued \$100 million of equity

Plan to term out debt to eliminate refinancing risk for 2010

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Financial strength and flexibility



Strong balance sheet

- Total debt-to-capitalization of 37.5% ⁽¹⁾
- Investment-grade credit ratings

Strong cash flow

- \$65-75 million TTM non-distributed cash flow ⁽¹⁾⁽²⁾
- Strong coverage ratio

Strong liquidity

- \$750 million in total credit facilities; more than \$350 million available ⁽¹⁾
- Strong banking group

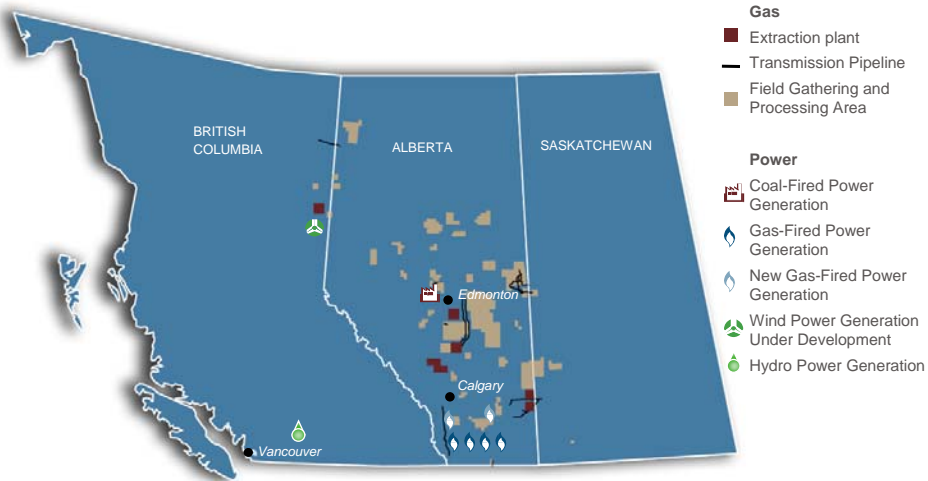
(1) As at September 30, 2008

(2) Normalized for Taylor acquisition

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Gas and power assets

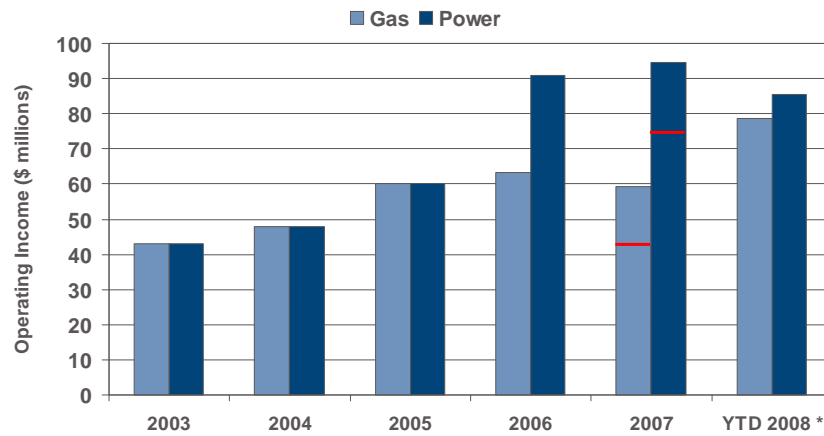
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Growing our gas and power businesses

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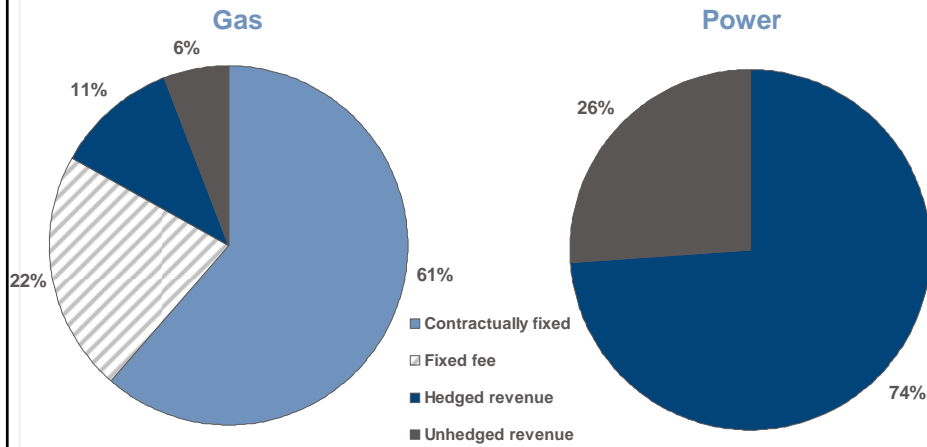
* Operating income for the nine months ended September 30, 2008

— Indicates operating income for nine months ended September 30

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Stable revenue sources

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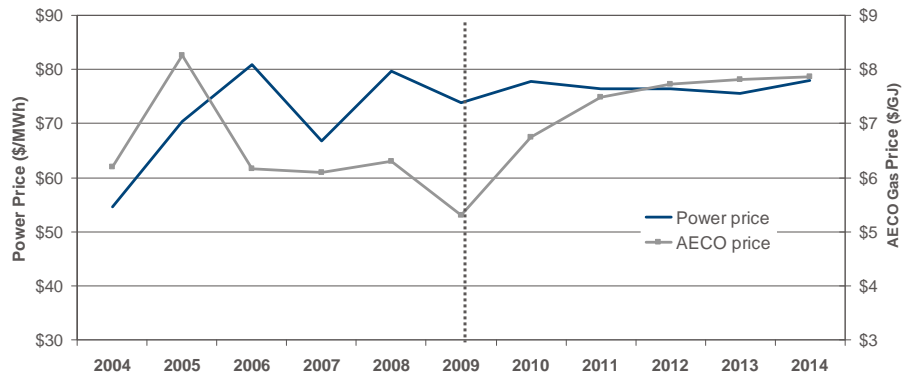
Net revenue for the nine months ended September 30, 2008

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Strong forward prices

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Approximately two-thirds of 2008 PPA volumes hedged at \$76/MWh, up from \$66/MWh in 2007



Sources: Power prices from AESO (historical) and Prebon (forward market) on 9-Feb-09; Gas prices from NGX (historical) and Prebon (forward market) on 9-Feb-09.

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Managed frac spread exposure

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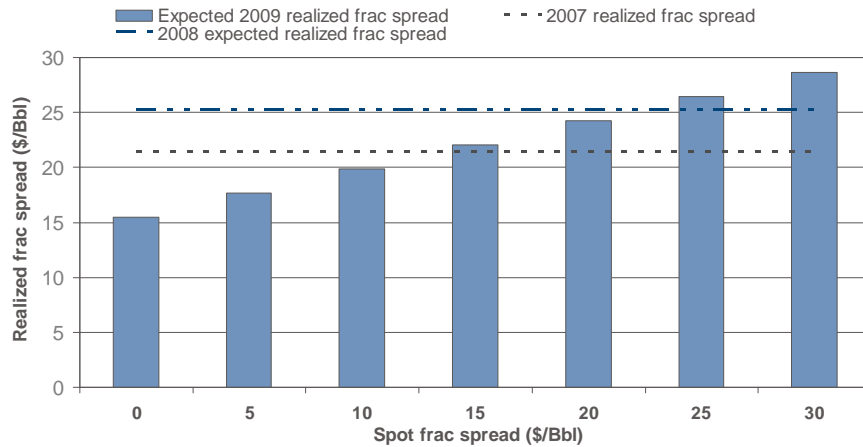


Chart shows estimates of realized frac spreads given AltaGas' frac hedges for ~60% of exposed volumes at ~\$27/Bbl and potential spot frac spreads of \$0/Bbl to \$30/Bbl

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Growth projects

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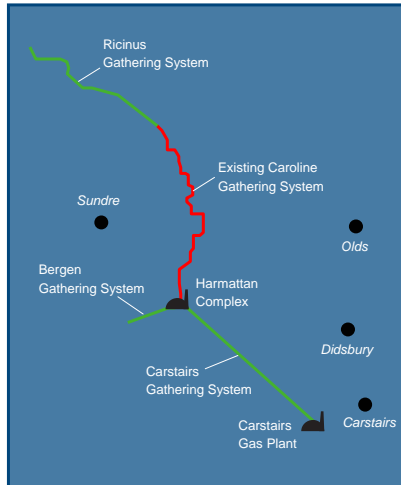
Project	Capital (\$ millions)	In-service	Estimated return*	Status
Harmattan initiatives	\$55	Q4-2008	High teens	Majority of projects complete & operational
EDS upgrade	\$12	Q4-2008	High single digits	Near completion
Pouce Coupe expansion	\$25	Q2-2009	Low teens	Awaiting regulatory approvals
Sarnia storage	\$25	Q2-2009	Low teens	Under construction
Bear Mountain	\$195	Q4-2009	High single digits	Under construction

*Estimated returns are all based on after-tax IRR

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Harmattan initiatives

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- \$55 million capital expenditure – volume growth and plant efficiency enhancements
- Harmattan now processing new volumes; remaining initiatives complete Q1-2009
- Increase processing volumes 25% - 30% and add 1,800 - 2,400 Bbls/d of ethane extraction
- Other opportunities to optimize assets



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Harmattan Co-streaming Project

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NGL Extraction Convention Inquiry

- Decision announced February 4:
Co-streaming projects considered on a case-by-case basis

Project status

- Plan to resubmit application
- Cost estimate: \$100-120 million
- In-service estimate: November 2010



Harmattan Complex

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Gas storage projects

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Sarnia gas storage project under construction

- Valuable infrastructure asset – plan to be online in 2009
- Pursuing additional storage opportunities in Michigan



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Renewable energy development

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Ensure long-term sustainability of power business

- Expand portfolio
- Diversify by geography and fuel source
- Market demand for clean energy
- Stable, low-risk projects
- Secured by long-term contracts





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Wind projects

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Development portfolio	Estimated Capacity (MW)
Canada	
Alberta	100
Manitoba	400
U.S.	
California	290
Colorado	100
Nevada	220
New Mexico	200
North Dakota	192
Total	~1,500

-  Wind under construction
-  Wind development opportunities

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Bear Mountain Wind Park

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- Construction underway – turbine foundations complete
- Project on time and on budget
- Expect cash flow in late 2009
- Diversifying power portfolio



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Run-of-river projects

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-  Hydro Power Generation
-  Hydro Power Generation Under Development

Location	Project	Capacity (MW)
Northwest B.C.	Forrest Kerr	195
	McLymont Creek	66
	More Creek	60
	Volcano Creek	16
Southwest B.C.	6 projects under development	~70
		~400 MW



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Forrest Kerr run-of-river project overview

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Large scale project expected to produce clean, renewable energy for British Columbia

- 195-MW run-of-river project located on the Iskut River in Northwest B.C.
- In-service target date of 2014
- Bid into BC Hydro's 2008 Call for Power
- Construction support infrastructure in place



Convergence of Iskut River and Forrest Kerr River

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Outlook – growth in 2008 and beyond



2008 operating results expected to be stronger than 2007

- Gas – expect results to increase due to larger asset base
- Power – expect results to increase due to higher hedged power prices

2009 and beyond – continued opportunities to grow

- Harmattan initiatives, Pouce Coupe, Sarnia, Bear Mountain
- Long-term projects in hand – Forrest Kerr
- Management expects to convert to a corporate structure by 2011

Prepared and positioned for 2011

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What's NEXT.



Pure play – energy infrastructure

Long-life cash flows

Balance between gas and power

Quality growth opportunities

Well-positioned for 2011

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