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PRESENTATION

Operator

All participants please stand by. Your conference call is ready to begin. Good morning, ladies and gentlemen, and welcome to the AltaGas Income Trust 2009 first quarter conference call and webcast. I would now like to turn the meeting over to Ms. Sheena McKellar of Investor Relations. Please go ahead, Ms. McKellar.

Sheena McKellar, Investor Relations

Thank you, Crystal. Good morning, everybody. Welcome to AltaGas' first quarter 2009 conference call. With me today are 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.

Before we begin, let me remind you that certain information presented today may constitute forward-looking statements. Such statements reflect the Trust'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 and financial results to vary materially from what's 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 David.

David Cornhill, Chairman and Chief Executive Officer

Thank you, Sheena. Good morning, and welcome to our first quarter conference call.

I'm pleased to report that AltaGas had another strong quarter. First quarter net income was 37.5 million, consistent with first quarter 2008. On a per unit basis, we recorded net income of $0.50 for the first quarter of 2009.

Even with this challenging economic environment, our disciplined risk management strategy and our straightforward business model have yielded strong earnings comparable to last year's record first quarter earnings. As demonstrated by these strong earnings, we are taking good care of AltaGas' business.

We are taking good care of our business by maintaining a straightforward business model, by growing it with stable long-life assets, and by protecting it with a disciplined risk management strategy. Over the first three months of 2009, we have undertaken several financing initiatives to strengthen our balance sheet and increase our financial flexibility. We issued equity, secured a new credit facility, and termed out $200 million of debt. As a result of executing our strategy, we have the ability to grow.

In April, Standard & Poor's upgraded AltaGas' credit rating from BBB- to BBB, citing our stable operations, proven financial practices, and effective strategy execution. We will continue to look for opportunities to strengthen our balance sheet and prudently grow.

Part of taking good care of our business is taking good care of our future by developing our assets and growing our business. Volume additions at Harmattan completed early this year significant increase volume process and liquids production. We recently resubmitted our application for the Harmattan Co-streaming project, which will significantly increase utilization at Harmattan and liquid volume production by 25 percent. Our Sarnia storage project is on line and adding cash flow in May. The Bear Mountain Wind Park continues to progress on schedule, on budget, and is expected to contribute cash flow in the third quarter. The turbines are currently en route from Germany and will be onsite late this month.

We will add $25 million to EBITDA in 2010 from projects like Bear Mountain Wind Park, Sarnia storage, and Pouce Coupe sour gas expansion, helping to grow earnings and offset potential declines due to current economic environments.

Our first quarter results were solid, and we are on track for another strong year. We have a strong balance sheet, strong liquidity, and financial flexibility to pursue attractive growth opportunities. Our power hedge position for 2009 is as strong as last year. Despite lower spot power prices in Alberta, we continue to expect a good year from our power business. We also expect another good year from our gas business. We have built a strong foundation that will help offset the challenges we face this year.

We are seeing some early positive signs, but second quarter year-to-date power prices have remained soft. We are currently expecting power to be weaker than Q2 2008, with gas being at a similar level to Q2 2008. Our views for 2009 are still consistent with our views we discussed on the year-end conference call.

Beyond 2009, we will grow our gas business by optimizing existing assets – for instance the Harmattan Co-stream project – through additional gas storage opportunities, and the acquisition and development of new facilities. On the power side, we continue to develop our renewable energy portfolio, pursuing opportunities diversified by geography and by fuel source. We will continue to follow our strategy, investing in assets that provide stable contracts with long-term cash flow and solid returns for our investors.

I will now turn the call over to Debbie.

Debbie Stein, Vice President Finance and CFO

Thank you, David, and good morning, everyone. As David mentioned, net income in the first quarter was $37.5 million. The decline in operating income of $2.9 million from our operating segment was offset by lower income taxes and lower interest expense, resulting in net income that was less than $100,000 lower than the first quarter of last year.

Interest expense for the first quarter was $5.7 million compared to $7 million in the same quarter last year. The difference was due to lower average debt balances and lower average interest rates.

Income tax expense in first quarter 2009 was $1.5 million compared to income tax expense of $3 million in the same period last year.

Invested capital for the first quarter 2009 was $36 million compared to $653.4 million in the first quarter 2008, and the difference was primarily due to last year's acquisition of Taylor. Growth capital of $33.6 million included the acquisition of an equity investment in a private geothermal company, construction activities for the Bear Mountain Wind Park, various E&T projects, including initiatives at Harmattan and the EDS upgrade from 2008, and on the Sarnia storage project, on further advancement of our renewable energy project.

Our 2009 capex program remains at $250 million with committed spending of approximately $210 million. We expect the $250 million to be split approximately 30 percent for gas and 70 percent for power projects. Around 64 percent of the committed capital is for completing the Bear Mountain Wind Park. The remaining committed capital is for the Sarnia storage project, the sour gas processing expansion at Pouce Coupe, and continued progress on the renewable portfolio, as well as some carry-over from the 2008 project at Harmattan and the EDS Pipeline.

Our capital program in 2009 will be financed through free cash flow, credit facilities, and proceeds from the DRIP. As of March 31, 2009, we had approximately $365 million available on our credit facility. On a pro forma basis, after the MTN issue, the available credit facility was $465 million, or a utilization rate of 28 percent.

At the end of the quarter, our debt-to-total-capitalization ratio was 33.6 percent. Our debt-to-total-cap target remains at 40 to 45 percent and provides us the financial flexibility to support our 2009 capital program.

Distributions declared during the quarter were $0.54, or $41.3 million, and our payout ratio in the first quarter was 72 percent of funds from operations, within our target of 65 to 75 percent. Given the incremental cash flow from new projects coming online this year and contributing for a full year in 2010 and the potential to grow earnings through acquisitions using our balance sheet capacity, we expect that the payout ratio will migrate tighter within target range over time.

We remain committed to our investment grade credit rating. Last month, Standard & Poor's issued an upgrade to our debt from BBB- to BBB, acknowledging our execution of our financial strategy and our ability to maintain financial flexibility. The medium-term note issue, completed at the end of April, further strengthens our financial position and reduces liquidity risk.

With our strong balance sheet, commitment to our investment grade credit rating, and financial flexibility, we're well-positioned for continued growth and strong performance in 2009 and beyond.

And with that, I'll pass the call over to Rick.

Richard Alexander, President and COO

Thank you, Debbie. Good morning, everyone. Our operating segments reported $44.7 million in operating income first quarter 2009 compared to $47.6 million in first quarter last year. The gas business represented about 54 percent of operating income in the first quarter, similar to the same period last year.

In the first quarter, Extraction and Transmission reported $22.7 million of operating income, slightly lower than the $24.8 million reported in the first quarter 2008. The decrease was due to lower NGL frac spread and higher amortization due to operational facilities previously under construction. These decreases were partially offset by increased extraction volumes at Harmattan and increased transmission revenue from the EDS upgrade and Suffield Pipeline.

While spot frac spreads declined almost 50 percent from first quarter last year, averaging $15 per barrel in the first quarter 2009, AltaGas realized a strong $25 per barrel as a result of our hedging strategy. This compares to realized frac spread of $27 per barrel in the same period last year.

In the first quarter 2009, the 13 percent of extraction volumes exposed to spot market prices added $7.5 million of net revenue, down from the same period last year when 14 percent of extraction volumes exposed to spot frac spreads added $14.4 million of net revenue. However, with the hedges in place, the net impact to net revenue was $1.8 million.

Consistent with our risk mitigation strategy, we have hedged approximately 60 percent of the frac exposed volumes at $27 per barrel for 2009. We have also hedged approximately 15 percent of 2010 exposed volumes at over $27 per barrel.

In February, the ERCB's NGL Inquiry decision stated that co-streaming projects will be decided on a case-by-case basis, and in April, we submitted the application for our Harmattan Co-stream project. The project is a great way for us to significantly increase utilization at Harmattan. Upon approval, construction will take approximately 14 months to complete, and the project is currently expected to cost between 100 and $120 million and could begin contributing to operating income in late 2010.

Operating income from Field Gathering and Processing was $3.2 million in the first quarter 2009, down from $4.3 million in first quarter 2008. The decrease was due to lower throughput and lower product revenues, partially offset by higher fees received for processing. Average throughput in the quarter was 480 million cubic feet per day (Mmcf/d), down from 542 Mmcf/d in the first quarter 2008. The 11 percent decline is attributable to operational downtime and lower producer activity in certain operating areas. Well tie-ins for first quarter 2009 totalled 66, down from 92 in first quarter 2008.

Energy Services reported operating income of $2.5 million for the first quarter 2009 compared to an operating loss of $200,000 in the first quarter 2008. The increase is the result of an adjustment for liabilities related to gas purchase, sales, and optimization transactions, as well as higher gas transportation margins, partially offset by lower fixed priced gas and transportation sales.

The Sarnia storage project is well underway. We expect it to be in service and adding to earnings in the second quarter. Once operational, Sarnia is expected to provide in excess of $3 million per year in EBITDA.

We expect 2009 to be another good year for our gas business. The impact of our 2008 and 2009 capital program, combined with no scheduled extraction plant turnarounds and frac hedges in place, will contribute to 2009 operating income and help offset the challenges this business sees in the current economic environment.

We also expect the gas business to benefit from access to the Dawn Storage Hub as a result of the contracts related to Sarnia storage project, which are effective this month, as well as the expiration of gas marketing contracts in the fourth quarter this year. These changes are expected to increase operating income by approximately $3 million in 2009 and $10 million on an annual basis.

Operating income in the power segment was $24.1 million in the first quarter compared to $25.9 million in the first quarter last year. The decreased was due to lower realized power prices and higher PPA costs, partially offset by lower transmission costs and lower environmental compliance costs.

The average Alberta pool price in the first quarter was $63 per megawatt hour (MWh), down about $13/MWh from the same period last year. Our average power price received, which includes hedges and spot sales for both Sundance and the gas-fired peaking plants, was over $74/MWh, comparable to the first quarter last year. Our disciplined hedging strategy allows us to reduce volatility in our earnings, while securing strong returns.

Current forward Alberta prices are in the low $60/MWh range, consistent with our hedging strategy. We have hedged two-thirds of 2009 Sundance generation at about $76/MWh. We've also hedged approximately 50 percent of our 2010 production at similar prices.

Our Bear Mountain Wind Park remains on schedule to be in service this November. The substation is nearly complete, and we are currently awaiting delivery of the turbines, scheduled for later this month. Turbine installation will take place this summer.

Excluding the impact of mark-to-market accounting, we expect the corporate segment operating loss to be lower than 2008. We have undertaken initiatives to reduce general and administrative expenses, and as a result, we expect operating and administrative costs in our corporate segment to be lower than 2008.

We expect 2009 to be a good year for AltaGas. We continue to take good care by following a straightforward business strategy and disciplined financing strategy. Our business is supported by stable operations, a diversified energy infrastructure base, and a disciplined risk management strategy. As we continue to grow, we will remain focused on owning and operating long-term assets that provide stable cash flow.

And with that, I'll turn the call back to Sheena.

Sheena McKellar, Investor Relations

Thank you, Rick. That concludes the formal part of today's call. David, Rick, and Debbie are now available to answer your questions. Operator, I'll now turn the call back to you for the Q&A session.

QUESTION AND ANSWER SESSION

Operator

Thank you. We will now take questions from the telephone lines. If you are using a speakerphone, you must lift your handset before making your selection. Please press star, one at this time if you have a question. You may press the pound sign if you wish to cancel your question. There will be a brief pause while participants register. Please press star, one at this time if you have a question.

The first question will be from Robert Catellier from Clarus Securities. Please go ahead.

Robert Catellier, Clarus

Hi. In an effort to understand the sustainability of some of the environmental cost savings, can you elaborate how those compliance costs have changed and what the source of the change was? So maybe you can just divvy it up between volumes, reduced intensity, and credit rating.

David Cornhill, Chairman and Chief Executive Officer

I'll start and then pass it quickly over to Rick. We've been able to create carbon savings through our field gathering and processing and extraction facilities, as well as we've been able to buy credit at below cost to those PPAs in the marketplace. So we see them quite sustainable and actually, potential growing savings into 2009 to 2010.

Robert Catellier, Clarus

At that same rate?

Richard Alexander, President and COO

At similar rates, Rob. I would say that if you were to try to split it between volumes and credit, it's probably 80 to 90 percent of it is volume, and the rest is credit first quarter.

Robert Catellier, Clarus

Okay. And just with respect to the new credit facility, that $5.7 million of interest, I just want to make sure I understand the figures. You said there's a 4.7 percent borrowing rate, and I'm just curious if there's any additional—any fees, one-time set-up fees in the $5.7 million of interest.

Debbie Stein, Vice President Finance and CFO

Rob, there's no material one-time items that would skew that 4.7 percent interest, so you can consider that a relatively clean number.

Robert Catellier, Clarus

Okay. And then with respect to the 2010 capex budget, can you tell us what level of visibility there is and whether or not the Harmattan Co-stream project is included in that amount?

Debbie Stein, Vice President and CFO

It is. So we've given previous guidance that Harmattan could be anywhere from $100 to $120 million. So in that $150 million, we've assumed about $110 million. But again, those numbers are subject to further scrutiny once the project moves further along.

Robert Catellier, Clarus

Okay. And as far as the field gathering and processing declines go, you mentioned some downtime. And I'm wondering how we should attribute the 11 percent decline in volumes between downtime and natural production declines.

Richard Alexander, President and COO

The downtime is probably 50 to 60 percent of the decline in volumes. Big parts of that are we have some sulphur recovery issues at our Rainbow plant, which we believe we've resolved. At Bantry, you recall we put an acid gas injection there, and that didn't come on stream until into January. So we had some downtime there. And the other big component was December/January were extremely cold in Alberta, and we had a lot of freeze-up of volumes. So those were the big factors for that.

Robert Catellier, Clarus

Okay. And were there any based on the Pouce Coupe?

David Cornhill, Chairman and Chief Executive Officer

I don't think so, but we do have a hearing date. I can't remember if we've shared that with you, a hearing date in the middle of July. And we'll see where we go from there.

Robert Catellier, Clarus

And just on the power side, you're alluding to a higher operating and admin expense as you continue to develop the renewables portfolio. Is there any way you can help us quantify that?

Richard Alexander, President and COO

I think I'd estimate for the G&A and the power segment for renewables is probably about $2 million a year at this point, so call it a half a million dollars per quarter.

Robert Catellier, Clarus

Okay, and I just wanted to clarify your—the comments about the Energy Service business and the additions that are going to be made relative to Dawn storage and the marketing contract. So was it $4 million for Dawn and the expiration of the marketing contract and Sarnia's contribution comes in above that?

David Cornhill, Chairman and Chief Executive Officer

I'll talk for a little bit about it. We've been talking about improved performance for almost 18 months in Energy Services, and we're starting to realize that benefit. The marketing contract will be on the $5 million-ish area, and then you can look at $3-plus million on the storage side. And then you can see some additional activity on top of that. So that's how you get to the around $10 million.

Robert Catellier, Clarus

Okay, thank you.

Operator

Thank you. The next question will be from Nima Billou from Bloom Investment Counsel. Please go ahead.

Nima Billou, Bloom Investment Counsel

Good morning. Just wanted to reiterate...what was your total undrawn credit capacity again?

Debbie Stein, Vice President Finance and CFO

As of the end of the quarter, it was $365 million.

Nima Billou, Bloom Investment Counsel

Okay. And is that enough basically to satisfy the capex program for '09, including Bear Mountain?

Debbie Stein, Vice President Finance and CFO

Well with the MTN issue, that number would go up by $100 million. And yes, we have more than enough liquidity to support the capex program for ’09.

Nima Billou, Bloom Investment Counsel

And given diminished expectation at least for now in terms of capex for ’10, what’s the excess capacity for just flexibility or opportunistic acquisitions or incremental organic growth as the market turns around?

David Cornhill, Chairman and Chief Executive Officer

All of those, we see great opportunities on the acquisition side, as well as the development side – our team is working hard on to realize value. We’ve got the flexibility now to move forward.

Nima Billou, Bloom Investment Counsel

Okay. And how much—this might be a question for Rick. What is the percentage covered by flowthrough contracts in FG&P now?

Richard Alexander, President and COO

It’s close to 50 percent.

Nima Billou, Bloom Investment Counsel

That’s on target for what you expected for the year? I mean you’re trying to get it to 60, but that’s over time, right?

Richard Alexander, President and COO

That’s over time, and as we’ve talked about before, Nima, it takes longer than I think we originally anticipated.

Nima Billou, Bloom Investment Counsel

Of course.

Richard Alexander, President and COO

Particularly with the slower economic climate. One of the ways we move forward on that is all new contracts have cost flowthrough, and with fewer wells being tied-in, it’s a bit more difficult to move that ahead. But yes, we’re still targeting 60 percent.

Nima Billou, Bloom Investment Counsel

And I mean given the slowdown in broad drilling activity, in terms of operating income or EBITDA contribution, you were happy with the FG&P results? Was that tracking roughly in line with your budget?

Richard Alexander, President and COO

No, we’re not happy with the FG&P results. I think we can still do better, and we’re going to try to do better.

Nima Billou, Bloom Investment Counsel

Okay. Down the road—the final question, I guess—in terms of opportunities, and you’re heavily invested on the power side, would that necessarily indicate that capex opportunities would be more on the gas business side and Gas business side – NGL or FG&P side?

David Cornhill, Chairman and Chief Executive Officer

I think we’re still looking at balance between power and gas. It will be lumpy some, but the strategy is to keep a balance between the two. So if you see gas expenditures peak in the—don’t read a change in strategy. Our strategy is a balance, and it’s more where we can find the best value at the time.

Nima Billou, Bloom Investment Counsel

Okay, thanks very much.

Operator

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

Tony Courtright, Scotia Capital

Thanks very much. Last year, you indicated that you had made submissions to the BC call for clean power, and I believe people generally expect those to be announced probably by the end of this quarter. Are you still actively pursuing those bids, or have any of your views changed?

David Cornhill, Chairman and Chief Executive Officer

We're still actively pursuing the bids. My latest information, I may be wrong, was third quarter in terms of hearing. And we're still pursuing those as well, as another meaningful opportunity across Canada and the US.

Tony Courtright, Scotia Capital

And I don't believe you've ever quantified the magnitude of the spend that would be required to satisfy any or all of those BC call for clean power, but when would you expect the timing of those undisclosed expenditures to transpire if you were to negotiate an energy purchase agreement?

David Cornhill, Chairman and Chief Executive Officer

Well, I think we have suggested a rule of thumb of $3 million per megawatt, and Rick can talk about the profile of the capital spend.

Richard Alexander, President and COO

Tony, the profile we would see would be these projects coming on stream really in that 2013 to '16 range. So the capital profile wouldn't really start to ramp up until probably into 2011. It'll probably be fairly smoothly layered going forward.

Tony Courtright, Scotia Capital

Okay. Now in the call here today, you provided some guidance in terms of incremental EBITDA for next year from Bear Mountain, Sarnia, Pouce Coupe, of about $25 million. You've indicated about $10 million is going to be from energy storage; I guess Sarnia and other initiatives there, that marketing contract—what have you. So does that—am I right to infer, then, $15 from a combination of Bear Mountain and Pouce Coupe?

David Cornhill, Chairman and Chief Executive Officer

No. The Energy Services other than Sarnia—Sarnia was in the $25 million. Other additional Energy Services was not included in that $25 million. So you can assume that Pouce Coupe, Bear, and Sarnia will generate about $25 million worth of EBITDA.

Tony Courtright, Scotia Capital

Okay. And Bear Mountain, as well?

David Cornhill, Chairman and Chief Executive Officer

Yes, Bear Mountain.

Tony Courtright, Scotia Capital

Right. So in addition to the 25, I should look for this marketing contract and additional growth in Energy Services to add further—

David Cornhill, Chairman and Chief Executive Officer
Probably about—around $5 million.

Tony Courtright, Scotia Capital

Mm-hmm. And in terms of Harmattan, you would hope to if you get the approval to have this on line by the end of 2010, any—and then you made a reference to volumes going through the Harmattan Complex would increase 25 percent. Is that conditioned upon the co-streaming?

David Cornhill, Chairman and Chief Executive Officer

Yes. With our co-streaming, we're expecting liquid volumes to increase by about 25 percent on a corporate basis. With respect to Harmattan, I believe we're expecting volumes to go from about 150 to 400 Mmcf/d as a result of co-streaming.

Tony Courtright, Scotia Capital

Great. Okay. And then finally, there was a reference in the gas business outlook to, I guess in addition to some of the initiatives we've already mentioned, other opportunities to consolidate plants and grow volume in areas that continue to experience stronger drilling activity. Can you be a little more specific about which areas you're referencing, given the general decline in drilling activity?

Richard Alexander, President and COO

Well, a lot of it is around the Harmattan Complex. We see that as an opportunity for consolidation. Because you know, we did some there last year, and we're optimistic we'll be able to capture some going forward. We're also looking in the Pouce Coupe area once we get our plant on. We think that will provide the catalyst for further consolidation.

Tony Courtright, Scotia Capital

All right. And then one last question, and it's regarding the power and the sort of contingent perhaps—I don't know if it's a contingency with respect to the owner of the plant claiming a force majeure and the PPA holders disputing that. If the ruling were to go against you, it would be—if it were upheld as a force majeure, would there be a cash cost of $7.5 million? I know—there's a reference to $7.5 million, but I don't know if that's a cash impact or otherwise.

Debbie Stein, Vice President Finance and CFO

The cash has already been paid to the owner of the plant, and we are carrying that now as a receivable because we believe that we have a strong case it won't be a force majeure. So if it goes against us, then it would be a P&L hit, not a cash hit.

Tony Courtright, Scotia Capital

And if it goes in your favour, you just get the cash back?

Debbie Stein, Vice President Finance and CFO

Correct.

Tony Courtright, Scotia Capital

Great. Those are my questions. Thank you.

Operator

Thank you. The next question will be from David Schwinger, a private investor.

David Schwinger, Private Investor

Yeah, hi. Can you elaborate a little more on your plans regarding your post 2011 dividend in some sort of quantifiable way such as a payout ratio? And you say you plan to be competitive. Do you mean competitive with Pembina or Keyera or who, and what they do – will that influence what you do?

David Cornhill, Chairman and Chief Executive Officer
No. We believe we should run the company in a prudent—and create long-term value for our shareholders and unitholders.

When you look at when we talk about peers going forward and the infrastructure corporate world, you can see an earnings payout ratio of between somewhere at 60 to 70 percent [of net income]. You see funds from operations in the 40 to 50 percent payout ratio. So those are kind of rules of thumb to be competitive. It's hard to talk about yield.

What we're looking at is how you balance the growth, as well as income. But we see ourselves as a significant income player in terms of providing our uni holders and shareholders with a strong income stream, as well as growing the business.

David Schwinger, Private Investor

Okay, thank you.

Operator

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

The next question will be from Fai Lee from RBC Capital Markets. Please go ahead.

Fai Lee, RBC Capital Markets

Thank you. I'm just maybe trying to understand this, to make sure I get this straight. With respect to the throughput outlook for the Field Gathering and Processing business for, say, the upcoming quarter, the well tie-ins are lower than they were in Q4. Should we expect that to be offset by the downtime that you took in Q1 and perhaps maybe some additional volumes around Harmattan? Is that the way to think about it?

Richard Alexander, President and COO

We won't see a lot of additional volumes around Harmattan. Co-streaming is where that volume will come from, and we won't know that until after we go through the regulatory process.

In terms of the volume throughput, we are experiencing normal declines, as well as lower well tie-ins, and to some extent, those will be offset by the replacement of the downtime volumes. I would expect the volumes to be overall higher in Q2 than they were in Q1.

Fai Lee, RBC Capital Markets

Oh, okay. You take that higher throughput in Q2.

Richard Alexander, President and COO

Yeah, that's right.

Fai Lee, RBC Capital Markets

Okay. And there's a reference to higher PPA costs in the press release. Just was wondering if you could provide some colour around and if that's something permanent or something just temporary.

Debbie Stein, Vice President Finance and CFO

I don't have the details here, Fai, but that is permanent. It's just a higher PPA cost, I think because of higher volumes generated.

Fai Lee, RBC Capital Markets

Okay, great.

Debbie Stein, Vice President Finance and CFO

And the inflation factor and the way the formulas work.

Fai Lee, RBC Capital Markets

Inflation? Okay, great. Thank you.

Operator

Thank you. There are no further questions registered at this time. I'd like to turn the meeting back over to Ms. McKellar.

Sheena McKellar, Investor Relations

Thank you, Operator. If you have any follow-up questions, please feel free to give me a call. My contact info is in today's release.

Operator

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