what's NEXT.

CIBC 2008 Income Fund Conference

Richard Alexander

President and Chief Operating Officer

October 8, 2008

AltaGas

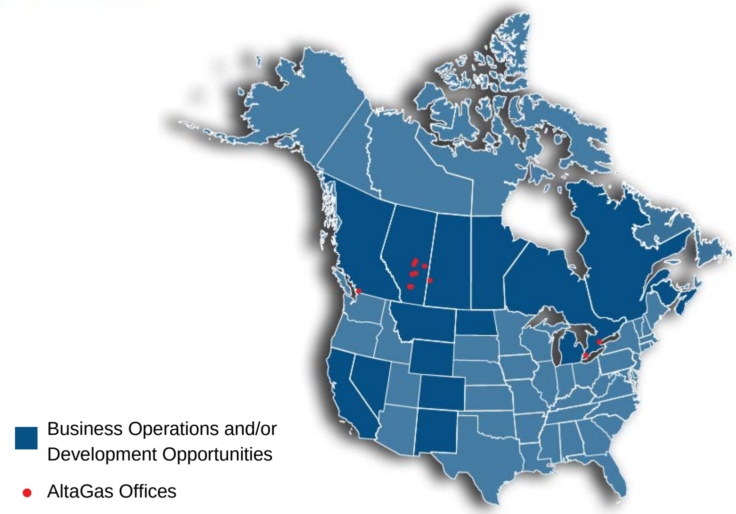
Well connected.

Forward-looking information

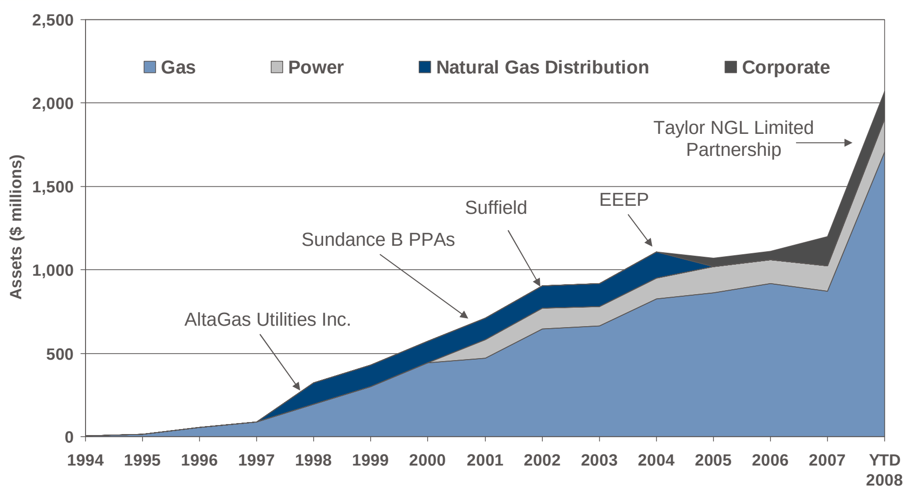
AltaGas

- 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

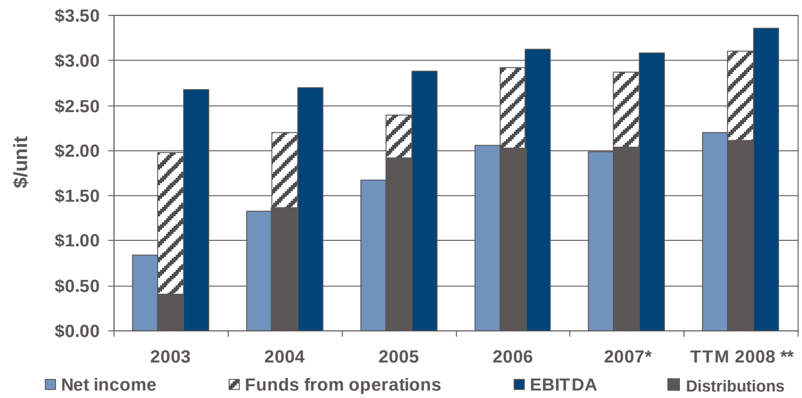


Long-life assets with long-term cash flows



Strong track record

AltaGas



* 2007 net income per unit shown net of $0.09 per unit non-cash tax adjustment due to SIFT tax
** Trailing twelve months ended June 30, 2008; normalized for unrealized losses related to risk-management and one-time project development charge

Financial strategy

AltaGas

Target Description	Target	Rationale
Credit Rating	BBB- to BBB+	Efficient access to capital markets and credit support to Energy Services and Power Generation
Distribution Payout	65-75% of funds from operations	Underpin AltaGas market valuation while investing in growth
Leverage	40-45% debt to cap	Optimal leverage to minimize cost of capital for AltaGas business risk profile
Fixed vs. Floating Interest	25%-30% floating	Optimal interest rate management mix to lower risk and cost of interest
Liquidity	To support business and near-term growth	Liquidity to support business operations and investment-grade ratings

Our business

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Meeting energy demand

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

Gas and power assets

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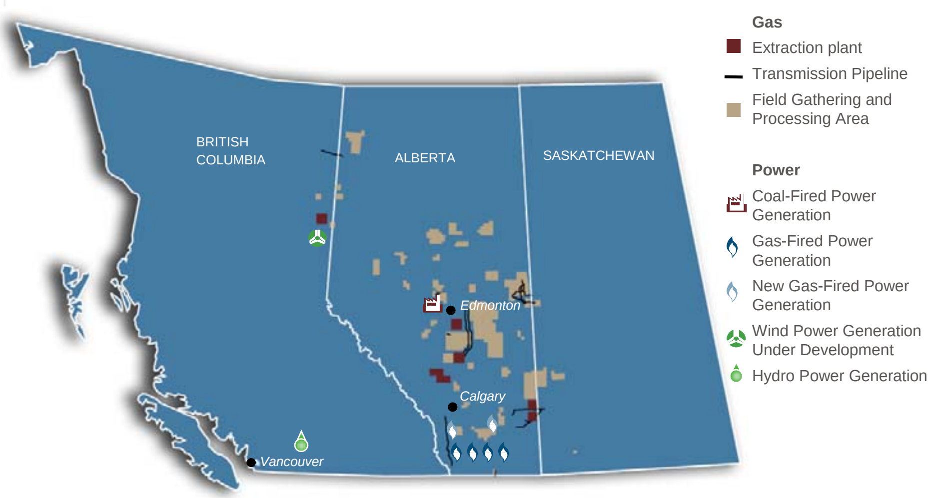
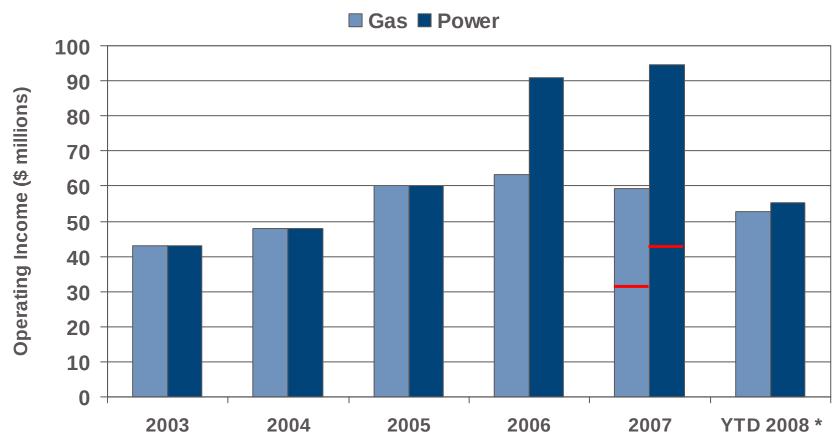


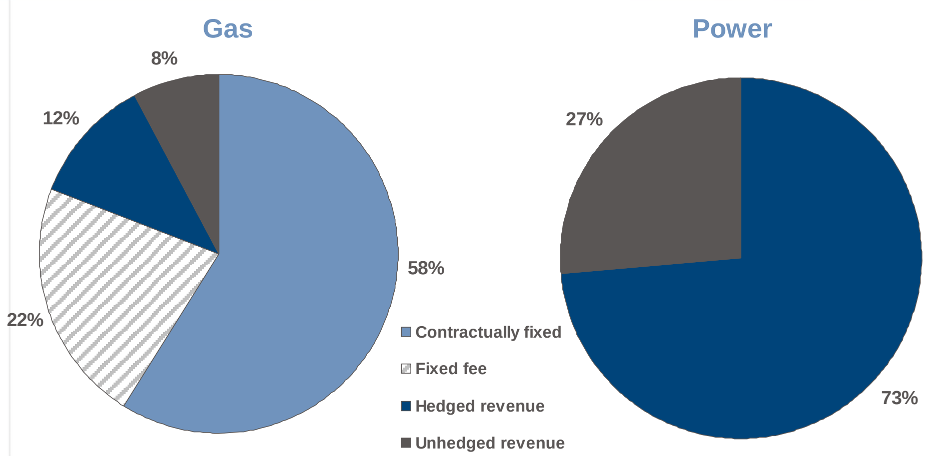
Growing our gas and power businesses



* Operating income for the six months ended June 30, 2008

— Indicates operating income for six months ended June 30

Stable revenue sources



YTD 2008 net revenue

Strong forward prices

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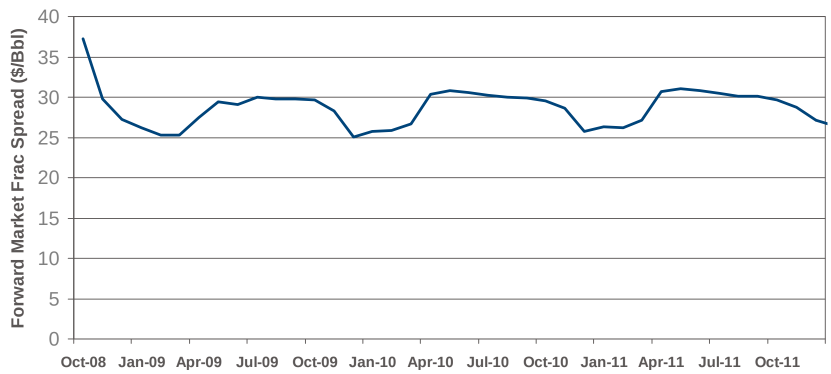
Frac hedges in place for ~60% of exposed volumes at >$23/Bbl for remainder of 2008 and ~$27/Bbl for 2009 and for ~15% of exposed volumes at >$27/Bbl for 2010



Source: NYMEX 29-Sep-08. Butane calculated from NYMEX crude prices. Prices adjusted for product posting in Alberta.

Strong forward prices

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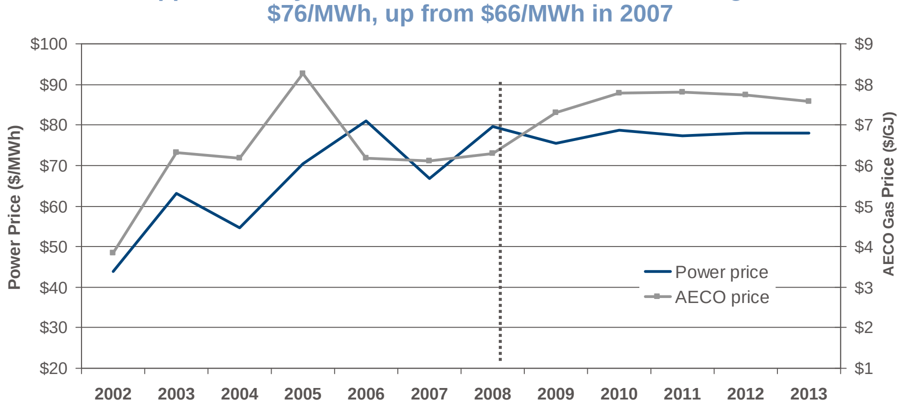
Approximately two-thirds of 2008 PPA volumes hedged at $76/MWh, up from $66/MWh in 2007



Sources: Power prices from AESO (historical) and Prebon (forward market) on 29-Sep-08; Gas prices from NGX (historical) and Prebon (forward market) on 29-Sep-08.

Growth projects

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Project	Capital ($ millions)	In-service	Return*	Status
Peaking plants	$12	Q3-2008	Low teens	Installed and generating power
Harmattan initiatives	$55	Q4-2008	High teens	Under construction; partially complete
EDS upgrade	$12	Q4-2008	High single digits	Under construction
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

*Return is after-tax IRR

Harmattan initiatives

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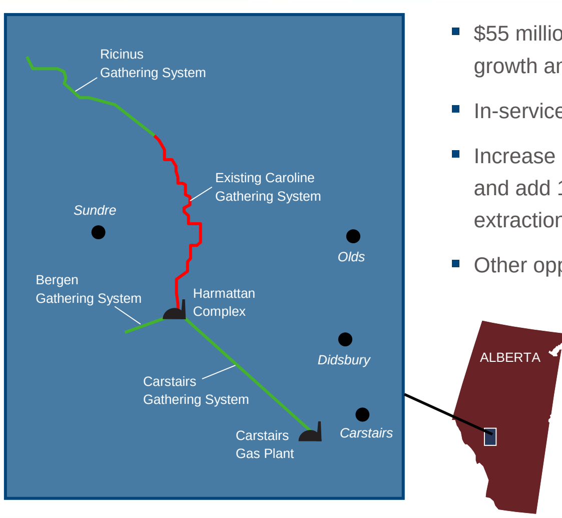

- $55 million capital expenditure – volume growth and plant efficiency enhancements
- In-service late 2008
- Increase processing volumes 25% - 30% and add 1,800 - 2,400 Bbls/d of ethane extraction
- Other opportunities to optimize assets

Bear Mountain Wind Park

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- Construction underway – project on time and on budget
- Diversifying power portfolio
- Expect cash flow in late 2009

Continued expansion into renewable energy – wind projects

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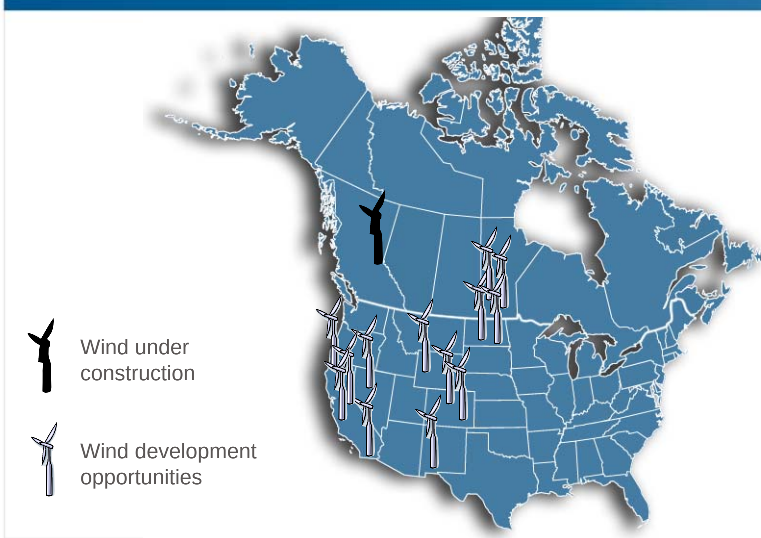

Continued expansion into renewable energy – run-of-river projects

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Hydro Power Generation

Hydro Power Generation Under Development

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 2013
- Plan to bid into BC Hydro’s 2008 Call for Power
- Construction support infrastructure in place

Convergence of Iskut River and Forrest Kerr River

Outlook – growth in 2008 and beyond

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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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Management expects to convert to a corporate structure by 2011

- Board of Directors will make decision at appropriate time, subject to then current rules
- Expect to pay dividend adjusted so that Canadian taxable holders are indifferent on an after-tax basis
- Continued strong cash flows and earnings
- Balance interests of current unitholders and future shareholders
- Continue to capitalize on tax efficiency of trust structure until then

What's NEXT.

Pure play – energy infrastructure

Long-life cash flows

Balance between gas and power

Quality growth opportunities

Well-positioned for 2011