

**AltaGas Income Trust**  
**Characterization of Payments to Canadian Unitholders**  
**for the year ending December 31, 2008**

The following tables summarize on a per unit basis the monthly cash distributions declared in 2008.  
Unitholders should consult their own tax advisors as to their particular tax consequences of holding Trust Units or Partnership Interests.

**2008 Distribution Information**

<b>AltaGas Income Trust</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>Total 2008</b>
Record date	25-Jan-08	25-Feb-08	25-Mar-08	25-Apr-08	26-May-08	25-Jun-08	25-Jul-08	25-Aug-08	25-Sep-08	27-Oct-08	25-Nov-08	29-Dec-08	
Payment date	15-Feb-08	17-Mar-08	15-Apr-08	15-May-08	16-Jun-08	15-Jul-08	15-Aug-08	15-Sep-08	15-Oct-08	17-Nov-08	15-Dec-08	15-Jan-09	
Dividend Income	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00396
Capital Gains	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxable Income	\$ 0.15352	\$ 0.15352	\$ 0.15352	\$ 0.15352	\$ 0.15352	\$ 0.15352	\$ 0.15352	\$ 0.15791	\$ 0.15791	\$ 0.15791	\$ 0.15791	\$ 0.15791	\$ 1.86419
Return of Capital	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.25685
<b>Actual Distribution per unit</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 2.12500</b>

<b>AltaGas Holding Limited Partnership No. 1</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>Total 2008</b>
Record date	25-Jan-08	25-Feb-08	25-Mar-08	25-Apr-08	26-May-08	25-Jun-08	25-Jul-08	25-Aug-08	25-Sep-08	27-Oct-08	25-Nov-08	29-Dec-08	
Payment date	15-Feb-08	17-Mar-08	15-Apr-08	15-May-08	16-Jun-08	15-Jul-08	15-Aug-08	15-Sep-08	15-Oct-08	17-Nov-08	15-Dec-08	15-Jan-09	
Dividend Income	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00033	\$ 0.00396
Capital Gains	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Canadian Net Business Income	\$ 0.01336	\$ 0.01336	\$ 0.01336	\$ 0.01336	\$ 0.01336	\$ 0.01336	\$ 0.01336	\$ 0.01374	\$ 0.01374	\$ 0.01374	\$ 0.01375	\$ 0.01375	\$ 0.16224
Interest from Canadian Sources	\$ 0.14016	\$ 0.14016	\$ 0.14016	\$ 0.14016	\$ 0.14016	\$ 0.14016	\$ 0.14016	\$ 0.14417	\$ 0.14417	\$ 0.14417	\$ 0.14416	\$ 0.14416	\$ 1.70195
Payment in excess of above income allocations	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02115	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.02176	\$ 0.25685
<b>Actual Distribution per unit</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.17500</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 0.18000</b>	<b>\$ 2.12500</b>

With regard to the acquisition of Taylor NGL Limited Partnership ("Taylor") on January 10, 2008, please note that all distributions from Taylor were reflected in the 2007 tax filing information provided by Taylor for 2007 (available on the AltaGas website). Results from the 2008 operations of Taylor have been included in the above Characterization of Payments to Canadian Unitholder amounts.