



Investor Update

March 2009

AltaGas

Forward-looking information

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- 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".

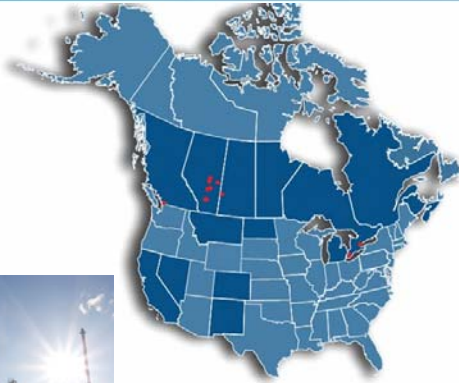
Meeting energy demand

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Long life, profitable gas and power infrastructure

Stable cash flow

Quality growth opportunities



■ Business Operations and/or Development Opportunities
● AltaGas Offices

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Taking good care

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Prudent financial and business strategy

- Ensures AltaGas' strength and stability through economic cycles

Positioned to grow

- Expect significant opportunities to emerge as market turns

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Disciplined financial strategy



Maintain strength and flexibility:

- Secured \$250 million credit facility
- Issued \$100 million of equity

Result:

- Eliminated refinancing risk for 2009
- Strengthened balance sheet and liquidity
 - Remain strong and stable during current downturn
 - Ready to capitalize on growth opportunities

2009 next steps:

- Term out debt as part of financing strategy for 2010

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Strategic growth and performance



Taylor – executed and integrated

- 2008 – assets performed strongly
- 8x EBITDA vs. market expectation of 12x EBITDA

Bear Mountain Wind Park – strong cash flow by end 2009

- On schedule / on budget

Strong balance sheet supports more growth

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Strong and stable returns

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Operating income grew 50 percent in 2008

Current growth projects will add \$25 million EBITDA in 2010

Strong cash flows from stable assets

Stable distribution until 2010 corporate conversion

Upon conversion pay dividend that is competitive among corporate peers

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Corporate structure

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Large, varied portfolio of long-term assets

Strong cash flows – \$0.25 billion EBITDA annually

Strong balance sheet ensures growth

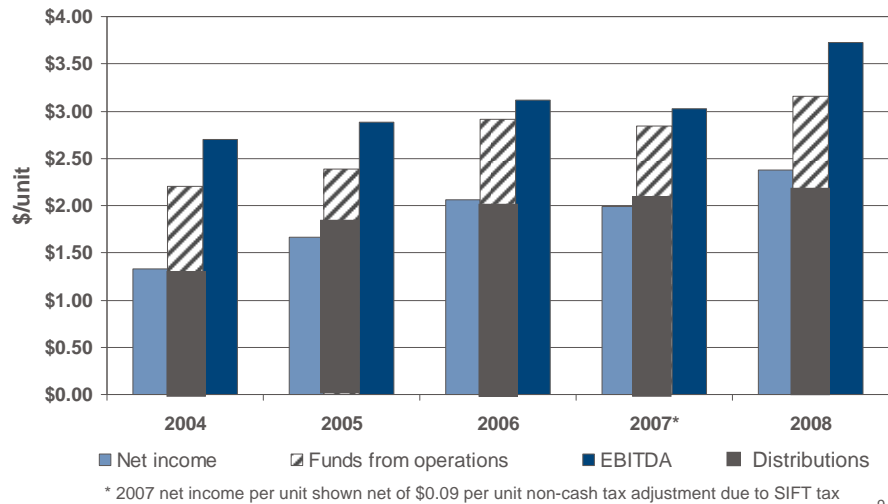
Investment-grade credit ratings

Expect to pay low tax for few years following conversion due to tax pools ~\$900 million

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Strong track record

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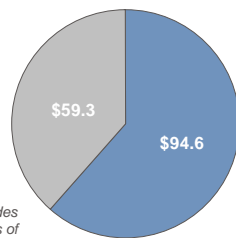
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Strong 2008 results

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2007 operating income = \$126.6 million

2008 operating income = \$189.4 million



* Chart excludes corporate loss of \$27.3 million

Net income

\$108.8 million or \$1.90 per unit

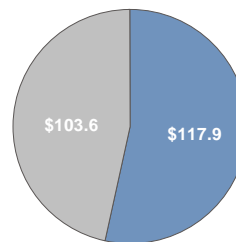
EBITDA

\$173.7 million or \$3.03 per unit

Funds from operations

\$162.9 million or \$2.84 per unit

■ Power
■ Gas



* Chart excludes corporate loss of \$32.1 million

Net income

\$163.6 million or \$2.38 per unit

EBITDA

\$256.4 million or \$3.73 per unit

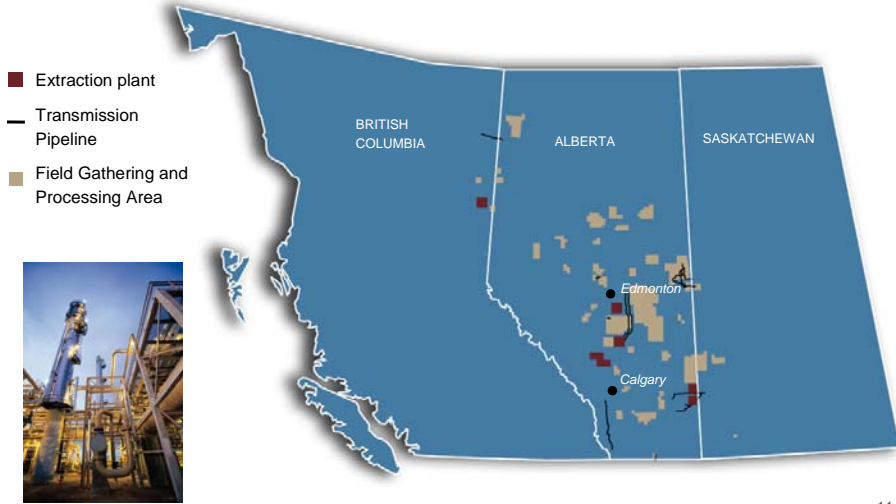
Funds from operations

\$217.1 million or \$3.16 per unit

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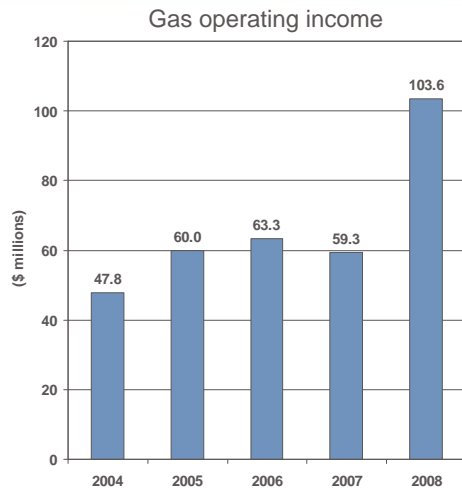
Gas assets

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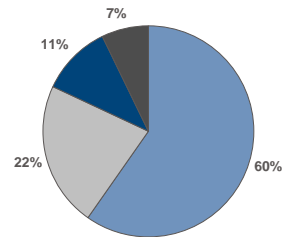


Growth through stable revenue sources

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2008 net revenue from gas business



■ Contractually fixed ■ Fixed fee
■ Hedged revenue ■ Unhedged revenue

Current growth

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Harmattan Complex

- Fully in service Q2-2009; expect to add ~\$11 million EBITDA per year

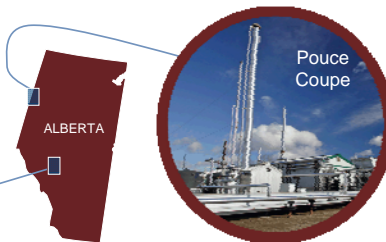


Sarnia storage project

- In service mid-2009; expect to add \$2.5 million EBITDA per year

Pouce Coupe – sour gas expansion

- In service late 2009; expect to add \$4.5 million EBITDA per year



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Gas outlook

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Market conditions:

- Frac spreads expected to return to historical levels (\$8-10/Bbl)
- Producer activity may impact processing volumes

AltaGas strategy:






- Hedged 60 percent of 2009 frac spread exposed NGLs at \$27/Bbl
- Stronger extraction volumes – no scheduled turnarounds
- Impact of 2008 and 2009 capital program
 - Harmattan initiatives, EDS upgrade, Pouce Coupe expansion and Sarnia storage

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Power assets

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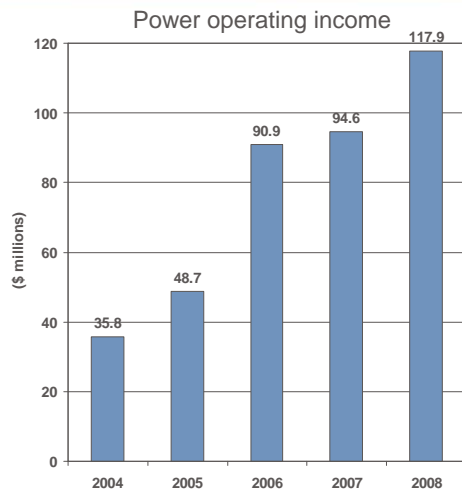


-  Coal-Fired Power Generation
-  Gas-Fired Power Generation
-  Wind Power Generation
-  Under Construction
-  Hydro Power Generation

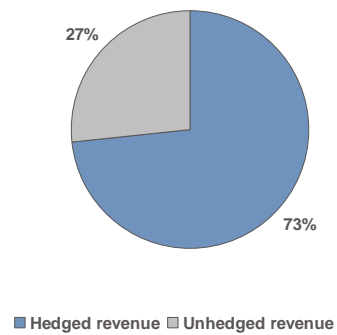
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Growth through stable revenue sources

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2008 net revenue from power business



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Bear Mountain Wind Park

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Diversify power portfolio by fuel source and geography

- Expect cash flow late 2009
- Estimated cost ~\$200 million
- Turbine installation begins May 2009



Completed turbine foundation, October 2008



Transmission lines, January 2009



Substation under construction, February 2009

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Power outlook

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Market conditions:

- Alberta spot price volatility

AltaGas strategy:

- Hedged ~2/3 2009 Sundance generation at \$76/MWh and ~50 percent 2010 Sundance generation at similar price
- Impact of 2008 and 2009 capital program
 - 14 MW gas-fired peaking plants and 102-MW Bear Mountain Wind Park

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Capital expenditures

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2009 planned capital expenditures = \$250 million

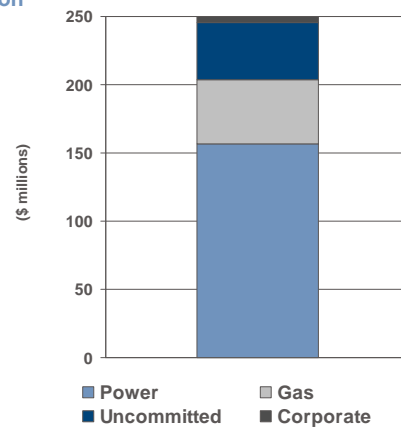
- \$200 million committed

~\$138 M	Bear Mountain
~\$44 M	Existing gas projects Sarnia storage, Pouce Coupe sour gas expansion, Harmattan initiatives, EDS upgrade
~\$18 M	Renewable energy portfolio Wind, hydro, geothermal

2010 capital expenditures

- No capital committed
- Many projects under review
- Harmattan Co-streaming: ~\$100-120 million

2009 estimated capex breakdown



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Harmattan Co-streaming Project

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Project details

- Process up to 250 Mmcf/d of gas from NGTL system
- Recover ethane and NGLs

Project status

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

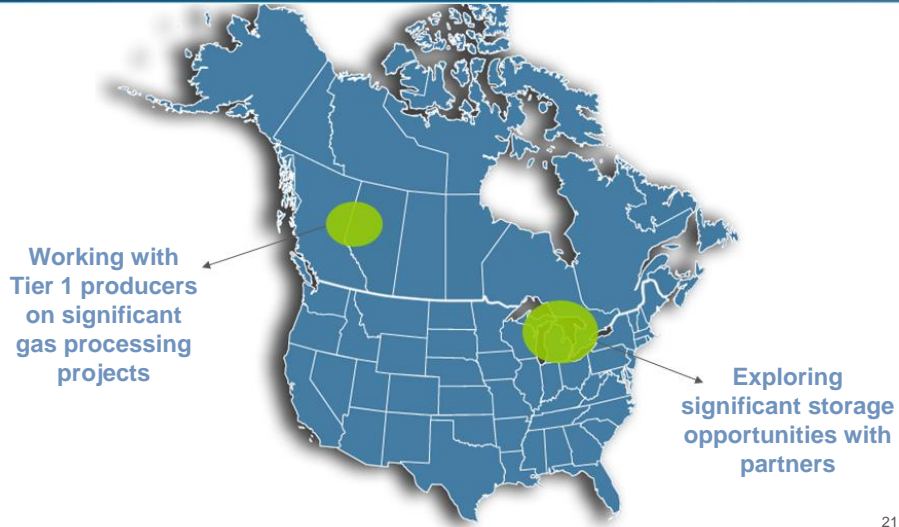


Harmattan Complex

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Gas opportunities

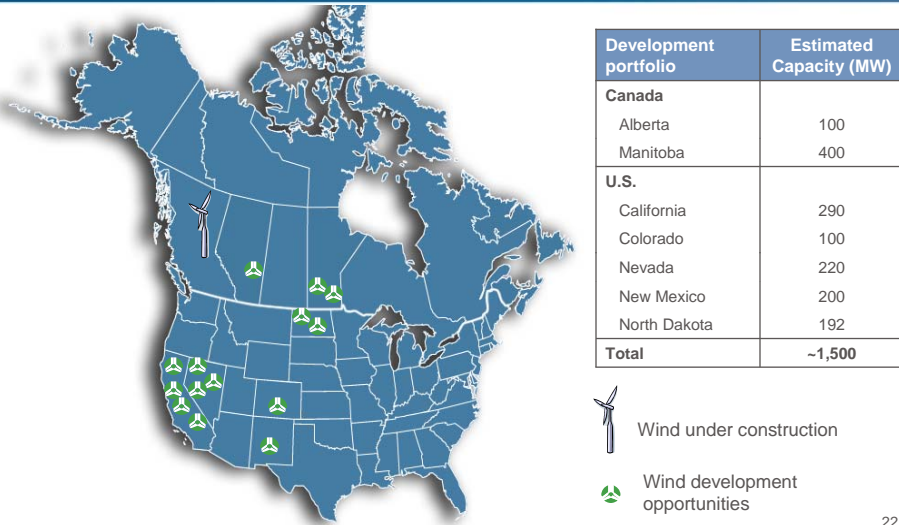
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Wind projects

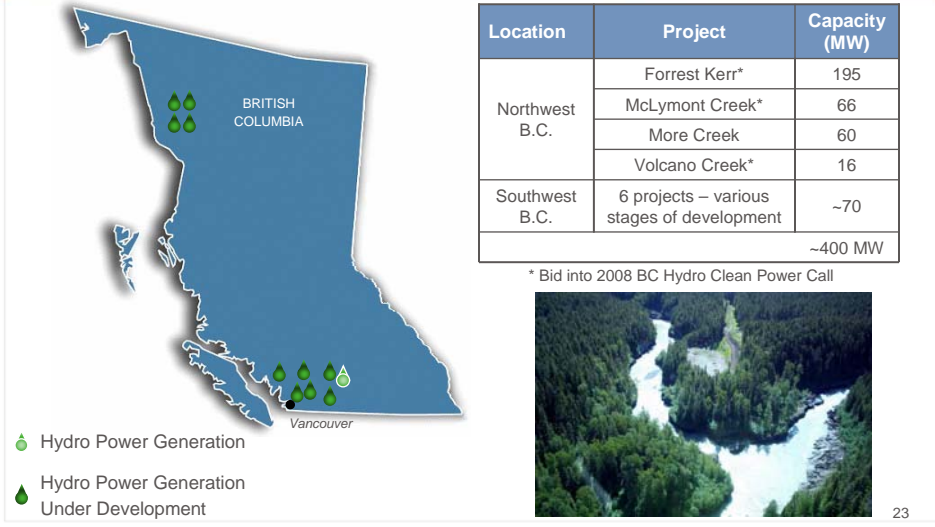
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Run-of-river projects

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2010 and beyond

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Stable and sustainable cash flows

- Long life assets

Substantial growth opportunities

- Financed by strong balance sheet and internal cash flow

Corporate structure in 2011

- Competitive dividend

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