AltaGas

TD Securities London Energy Conference

January 2018

Forward-looking Information

This presentation contains forward-looking statements. When used in this presentation, the words “will”, “intend”, “plan”, ”potential”, “generate”, "grow", “deliver”, “can”, “continue”, “drive”, “anticipate”, “target”, “come”, “create”, “position”, “achieve”, “seek”, “propose”, “forecast”, “estimate”, “expect”, “solution”, “outlook”, “assumes” and similar expressions, as they relate to AltaGas or any affiliate of AltaGas (including AltaGas or an affiliate of AltaGas following completion of the WGL Transaction), are intended to identify forward-looking statements. In particular, this presentation contains forward-looking statements with respect to, among others things, business objectives; strategies; expected returns; expected growth (including growth in normalized EBITDA, normalized funds from operations, dividends, payout ratios, customers, rate base and the components thereof) and sources of growth; capital spending; cash flow and sources of funds; results of operations; performance; expectations regarding growth and development projects and other opportunities (including expected EBITDA contributions, capital expenditures, facility design specifications, cost, location and location benefits, ownership, operatorship, ability to expand, retrofit, double capacity, contracting capability, construction expertise, progress of construction; development timelines; capacity; connection capability to infrastructure; transmission options; options for producers; access to markets; potential end markets; sale and purchase of LPG; export capability; sources of supply; tolling arrangements; shipping costs; and timeline and targets and expected dates of construction completion; final investment decision; in-service and on-stream), expectations of Ridley Island Propane Export Terminal being Canada’s first west coast propane terminal and potential for first mover competitive advantages; expectations regarding Astomos’ propane shipments; ability to capture market share and propane processing capacity; expectations on future market prices; access to capital markets; liquidity; target ratios (including normalized FFO to debt and net debt to EBITDA), increase in gas production and demand for infrastructure in the Montney region; expectations regarding supply and demand for propane; sources of supply and WCSB exports and surpluses; expectations for the longevity and reliability of infrastructure assets; the quantity and competiveness of pricing; barriers of entry for new gas generation and value of existing infrastructure; development of solar and battery projects and other renewable projects; potential energy storage opportunities; expected system betterment-related capital expenditures; the timing, scale, and importance of medium-term midstream projects and the RIPET; the commitment to maintaining a balanced long term mix across three business lines; natural gas pipeline replacement and refurbishment programs; cost, scale, and timing of the Marquette Connector Pipeline and WGL’s Marcellus pipelines; the stability and predictability of dividends and the sources of funds therefor; expectations regarding volumes and throughput; competitiveness of WCSB gas; AltaGas’ view with respect to the California power market; sources of future supply and opportunities that may become available for existing AltaGas facilities; commodity exposure; frac spread exposure; hedging exposure; foreign exchange; demand for propane; expectations regarding operating facilities; expected dates of regulatory approvals, licenses and permits; expected impacts of the US tax reform; and other expected financial results. In particular this presentation also contains forward looking statements with respect to the combination of AltaGas and WGL and related performance, including, without limitation: the transformative nature of the WGL Transaction; the portfolio of assets of the combined entity; total enterprise value; nature, number, value and timing of growth and investment opportunities available to AltaGas; the quality and growth potential of the assets; the strategic focus of the business; the combined customers, rate base and customer and rate base growth; growth on an absolute dollar and per share basis; strength of earnings including, without limitation, EPS, EBITDA, EBIT and contributors and components thereof; annual dividend growth rate, payout ratios, and dividend yield; the ability of the combined entity to target higher growth markets, high growth franchise areas, and other growth markets; the liquidity of the combined entity and its ability to maintain an investment grade credit rating; balance sheet strength; improved credit metrics and target credit metrics (including in respect of FFO/debt and net debt/EBITDA); the leveraging of respective core competencies and strategies; the ability to deliver high quality service at reasonable rates; the fact that closing of the WGL transaction is conditioned on certain events occurring; the geographical and industry diversification of the business; the stability of cash flows and of AltaGas’ business; the growth potential available to AltaGas in clean energy, natural gas generation and retail energy services; the significance and growth potential and expectations for growth in the Montney and Marcellus/Utica; export opportunities; expectations regarding WGL's midstream investments; intentions for further investment; expectations for normalized EBITDA allocation geographically, by business segments and the other components thereof; expected timing and capex for certain AltaGas and WGL projects and expected capital investment by business segment; future growth financing strategies; sources of financing and cash flow; long-term target business mix; access to capital; anticipated completion of the WGL Transaction, including certain terms and conditions thereof and the anticipated completion and timing thereof; execution of permanent financing plans, including the consideration and value of potential asset sales and future offerings; and the timing and receipt of all necessary regulatory approvals. Information and statements contained in this presentation that are not historical facts may be forward-looking statements.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect AltaGas’ current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including, without limitation, changes in market competition, governmental or regulatory developments, changes in political environment, changes in tax legislation, general economic conditions, capital resources and liquidity risk, market risk, commodity price, foreign exchange and interest rate risk, operational risk, volume declines, weather, construction, counterparty risk, environmental risk, regulatory risk, labour relations, any event, change or other circumstance that could give rise to termination of the merger agreement in respect of the WGL Transaction, the inability to complete the WGL Transaction due to the failure to satisfy conditions to completion, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the WGL Transaction, uncertainty regarding the length of time required to complete the WGL Transaction, the anticipated benefits of the WGL Transaction may not materialize or may not occur within the time periods anticipated by AltaGas, impact of significant demands placed on AltaGas and WGL as a result of the WGL Transaction, failure by AltaGas to repay the bridge financing facility, potential unavailability of the bridge financing facility and/or alternate sources of funding that would be used to replace the bridge financing facility, including asset sales on desirable terms, lack of control by AltaGas of WGL and its subsidiaries prior to the closing of the WGL Transaction, impact of acquisition-related expenses, accuracy and completeness of WGL’s publicly disclosed information, increased indebtedness of AltaGas after the closing of the WGL Transaction, including the possibility of downgrade of AltaGas’ credit ratings, historical and pro forma combined financial information may not be representative of future performance, potential undisclosed liabilities of WGL, ability to retain key personnel of WGL following the WGL Transaction, risks associated with the loss of key personnel, risks relating to unanticipated costs of integration in connection with the WGL Transaction, including operating costs, customer loss or business disruption, changes in customer energy usage, and other factors set out in AltaGas’ continuous disclosure documents. Many factors could cause AltaGas’ or any of its business segments’ actual results, performance or achievements to vary from those described in this presentation including, without limitation, those listed above as well as the assumptions upon which they are based proving incorrect. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this presentation as intended, planned, anticipated, believed, sought, proposed, forecasted, estimated or expected, and such forward-looking statements included in this presentation herein should not be unduly relied upon. These statements speak only as of the date of this presentation. AltaGas does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.
Financial outlook information contained in this presentation about prospective financial performance, financial position or cash flows is based on assumptions about future events, including, without limitation, economic conditions and proposed courses of action, based on management’s assessment of the relevant information currently available. Readers are advised to refer to AltaGas’ news release regarding the acquisition of WGL for a further description of the assumptions underpinning the financial outlook information contained in this presentation relating to the combination of AltaGas and WGL. Readers are cautioned that such financial outlook information contained in this presentation should not be used for purposes other than for which it is disclosed herein.

In this presentation we use certain supplementary measures, including Normalized EBITDA, Normalized Funds from Operations (“FFO”), AFFO and net debt that do not have any standardized meaning as prescribed under U.S. generally accepted accounting principles (“GAAP”) and, therefore, are considered non-GAAP measures. AltaGas’ method of calculating these non-GAAP measures may differ from the methods used by other issuers. Readers are advised to refer to AltaGas’ Management’s Discussion and Analysis (“MD&A”) as at and for the nine months ended September 30, 2017 for a description of the manner in which AltaGas calculates such non-GAAP measures and for a reconciliation to the nearest GAAP financial measure. In this presentation we also use the Non-GAAP measure “Earnings Before Interest and Taxes (EBIT)”, which is disclosed in respect of WGL’s business segments only. As described in WGL's annual report on Form 10-K filed with the SEC, WGL considers EBIT to be a performance measure that includes operating income, other income (expense), earnings from unconsolidated affiliates and is reduced by amounts attributable to non-controlling interests. EBIT is used in assessing the results of each segment's operations.

Readers are also cautioned that these non-GAAP measures should not be considered as alternatives to other measures of financial performance calculated in accordance with GAAP. Additional information relating to AltaGas can be found on its website at www.altagas.ca. The continuous disclosure materials of AltaGas, including its annual and interim MD&A and Consolidated Financial Statements, Annual Information Form, Information Circular, material change reports and press releases, are also available through AltaGas’ website or directly through the SEDAR system at www.sedar.com and provide more information on risks and uncertainties associated with forward-looking statements.

Unless otherwise stated, dollar amounts in this presentation are in Canadian dollars.

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AltaGas & WGL Strategic Combination

Acquisition supports AltaGas' long-term vision and strategy

AltaGas + WGL

~$18 Billion
Total Enterprise Value[1]

Strong Accretion
to both EPS and FFO/share[2] metrics

~7.5%
Dividend Yield[3]
8-10% dividend growth (2019 – 2021)

$5 billion
Secured growth
$2 billion
Advanced growth opportunities

Diversification
(3 segments, 8 utility jurisdictions, in over 30 states and provinces)

Strong **investment grade** balance sheet

Stable high quality assets

1 Based on estimated book value at December 31, 2018
2 Funds from Operations is a Non-GAAP financial measure
3 Based on closing price on January 2, 2018
Expectations as at December 20, 2017 upon successful close of WGL Acquisition
See "forward-looking information

AltaGas & WGL Significant Infrastructure Platform

High-quality, contracted assets with attractive organic growth

~2 Bcf/d[1] of Natural Gas transacted

- ~70,000 Bbls/d liquids produced
- 1,690 Mmcf/d of extraction capacity
- ~900 Mmcf/d of FG&P capacity
- 2 export terminals[2]
- Interest in four major pipelines in Marcellus / Utica

1,078 MW[3] of Power Generation

- 422 MW Gas
- 277 MW Hydro
- 117 MW Wind
- 35 MW Biomass
- 20 MW Energy Storage
- 207 MW Distributed Generation

~$4.5B[4] Utility Rate base

- ~1.8 million customers
- 8 Jurisdictions
  - Alberta, B.C. and Nova Scotia in Canada
  - Alaska, District of Columbia, Maryland, Michigan and Virginia in the U.S.

~70% U.S. normalized EBITDA Contribution

~30% Canadian normalized EBITDA Contribution

Over 80% normalized EBITDA Contracted with medium and long-term agreements

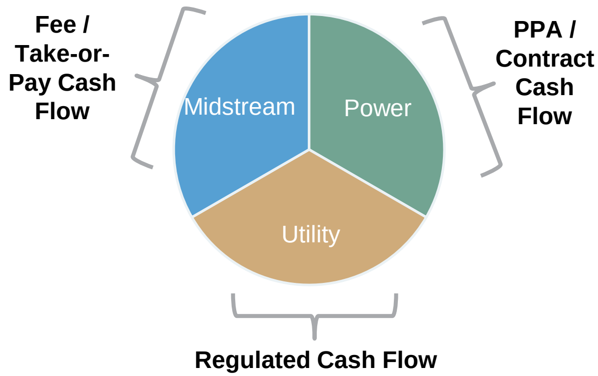
AltaGas + WGL

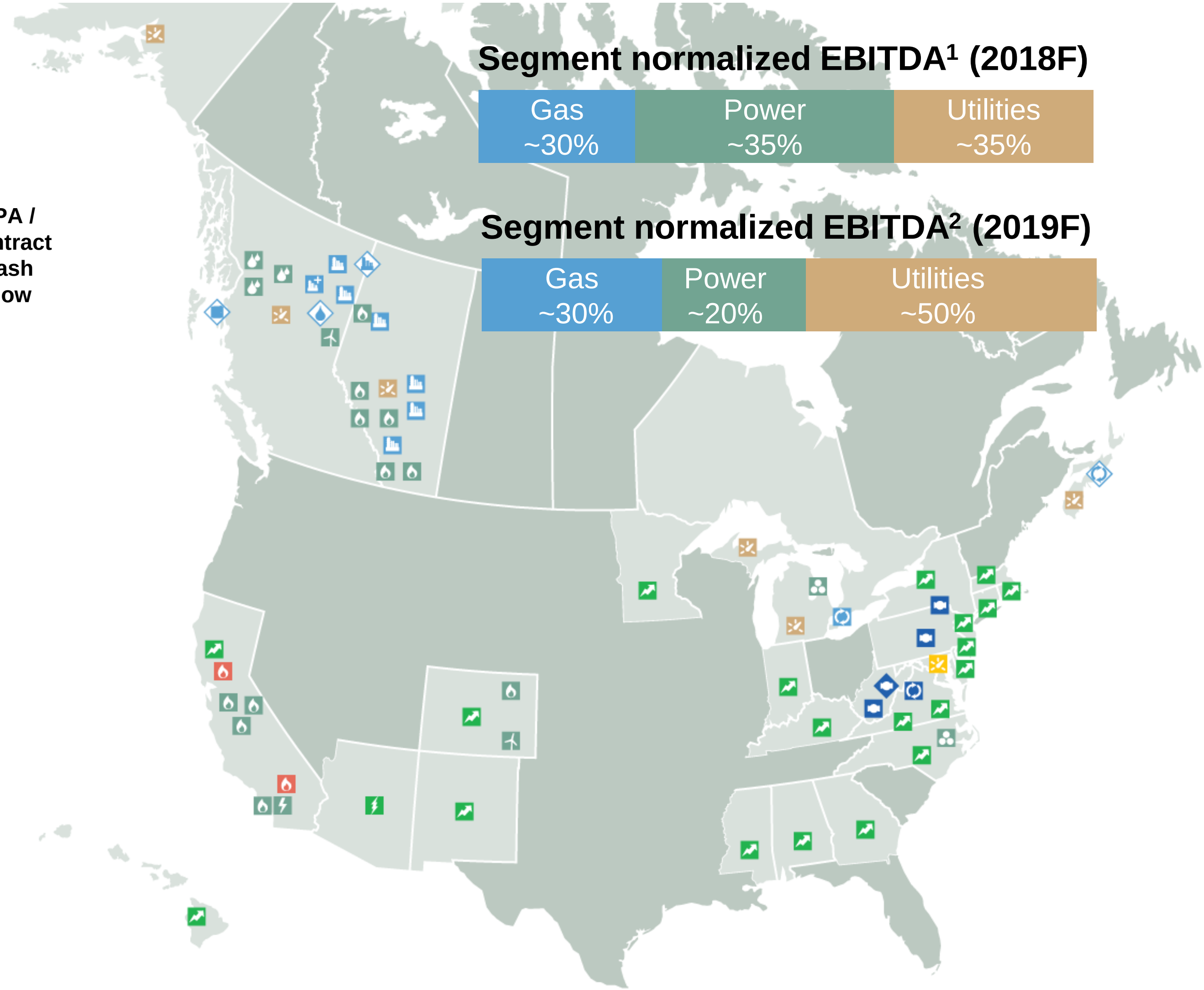
1 AltaGas only; 2 AltaGas' 1/3 Ownership in Ferndale, and 70% Ownership in Ridley Island Propane Export Terminal; 3 Excludes Blythe (507 MW) and Tracy (330 MW) gas generation plants;
4 AltaGas expectation as of December 2016, WGL extrapolated to calendar year end 2016 based on FY2015 rate base and a CAGR of 9.0%, US dollars converted C$1.26 / US $1.00
* Expectations as at December 20, 2017 upon successful close of WGL Acquisition
** Normalized EBITDA is a non-GAAP Financial Measure
See "forward-looking information"

Leading North American Diversified Energy Company

Premier footprint in Canada and the U.S.

Balanced Long-Term Target Business Mix





Segment normalized EBITDA[1] (2018F)

Gas	Power	Utilities
~30%	~35%	~35%

Segment normalized EBITDA[2] (2019F)

Gas	Power	Utilities
~30%	~20%	~50%

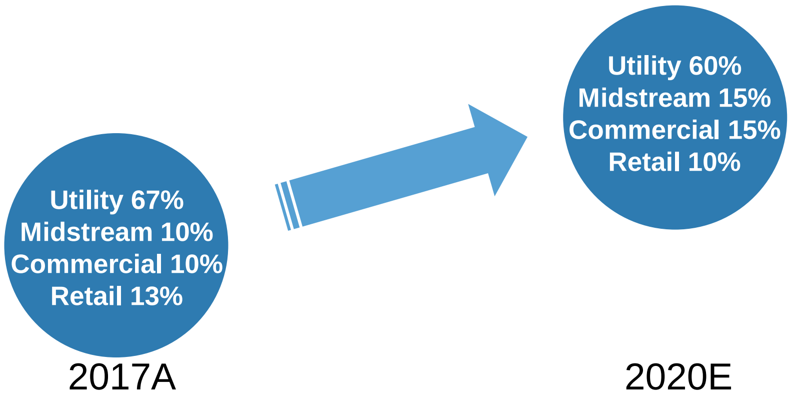
1 Expectations as at December 2017, FX Rate of C$1.26/US$1, AltaGas standalone,
2 Expectations as at December 20, 2017, upon successful close of WGL Acquisition. Excludes Blythe (507 MW) and Tracy (330 MW) gas generation plants. FX Rate of C$1.26/US$1
Normalized EBITDA is a non-GAAP measure.
See "forward-looking information"

AltaGas

WGL Overview

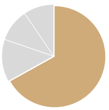
- **WGL is a leading diversified U.S. energy company**
- **Seen as a preferred source of clean and efficient energy solutions that produce value for customers, investors and communities**
- **Disciplined capital allocation strategy focused on infrastructure investments with numerous near-term opportunities**
- **Strong balance sheet and credit ratings (Moody's/S&P/ Fitch)**
  - **WGL Holdings: (A3/A/A-)**
  - **Washington Gas: (A1/A/A)**

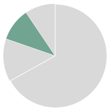
EBIT Contribution By Segment[5]

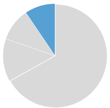


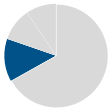
Utility	Power	Midstream	Retail

2017A EBIT (%)[1]









Utility

- Natural gas regulated utility serving 1.2 million customers with a rate base of ~C$2.5 billion[2,3]
- Serves three, high growth and economically strong jurisdictions: Washington D.C., Maryland and Virginia

Power

- Owns distributed generation assets including solar, and natural gas fuel cells
- The commercial segment is comprised of two businesses:
  - Distributed generation
  - Energy efficiency

Midstream

- Stable earnings underpinned by contracts with a majority from investment grade counterparties
- Ownership stakes in four major midstream projects
- Expected to be the fastest growing segment through 2020

Retail

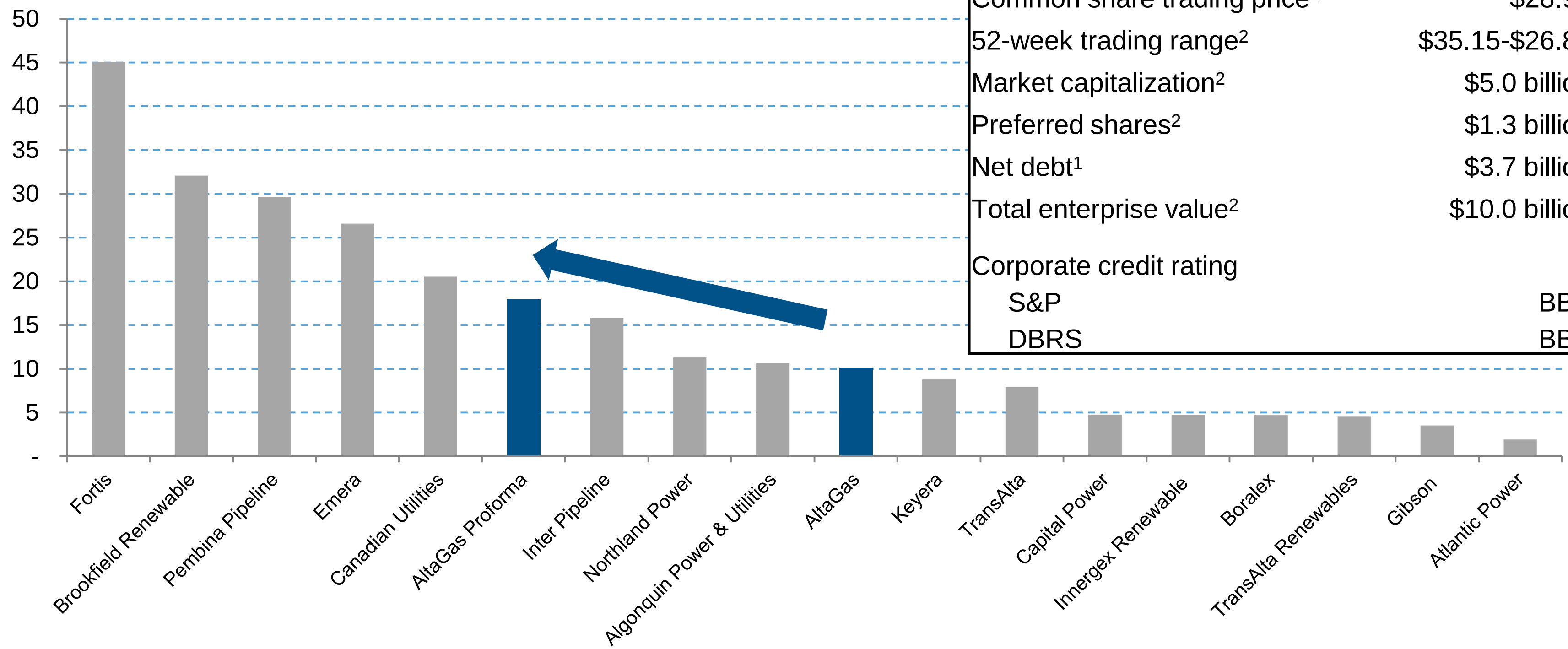
- Provides retail gas and electricity to ~230,000 customers in Washington D.C., Maryland, Virginia, Delaware and Pennsylvania
- Volatility mitigated through five year secured supply arrangement with Shell[4]
- Integrated service offering supporting other business lines

1 As of September 30, 2017, excludes other activities and eliminations; 2 WGL figures converted C$1.26 / US $1.00
3 WGL rate base extrapolated to calendar year end 2016 based on FY2015 rate base and a CAGR of 9.0%; 4 As per WGL FY2017A Form 10-K
5 WGL Standalone based on May 2016 Investor Presentation
See "forward-looking information"

AltaGas

Larger Scale Enhances AltaGas' Competitive Position

Peer Group
Enterprise Value ($ billions)



TSX: ALA Today $CAD	
Common shares outstanding[1]	173 million
Common share trading price[2]	$28.95
52-week trading range[2]	$35.15-$26.87
Market capitalization[2]	$5.0 billion
Preferred shares[2]	$1.3 billion
Net debt[1]	$3.7 billion
Total enterprise value[2]	$10.0 billion
Corporate credit rating	
S&P	BBB
DBRS	BBB

~$18 billion[3] energy infrastructure company post-close

Increased diversification

Expanded access to capital and greater financial flexibility

1 As of Q3 2017
2 As of January 2, 2018
3 Based on estimated book value at December 31, 2018
See "forward-looking information"

Attractive Platform for Growth Through 2021

~C$7 billion of identified capital investment opportunities

Energy Storage

Canadian Midstream Montney

Large Scale Power Development

Distributed Generation

$5 billion
Secured growth

+

$2 billion
Advanced growth opportunities

U.S. Midstream Marcellus / Utica Footprint

Canadian Utilities System Betterment and Customer Growth

U.S. Utilities System Betterment and Customer Growth

Expectations as at December 20, 2017 upon successful close of WGL Acquisition
See "forward-looking information

Transaction Timeline Update

Anticipate additional positive milestones into 2018

	Q1-17	Q2-17	Q3-17	Q4-17	H1-18
Transaction	▪ Announcement				▪ Expected close
WGL Shareholder Vote		▪ Approval received May 10, 2017			
Regulatory			▪ FERC approval received July 6, 2017 ▪ Waiting period for HSR Act expired July 17, 2017 ▪ CFIUS approval received July 28, 2017	▪ Virginia regulatory approval received on October 20, 2017 ▪ Announced settlement agreement with key stakeholders[1] in Maryland on December 4, 2017	▪ Maryland regulatory outcome expected on or before April 4, 2018 ▪ DC regulatory outcome expected first half of 2018
Asset Sales			▪ Phase 1 of asset disposition process started, including proposed sale of Blythe and Tracy gas-fired generation assets in California, together with non-core assets		

1 Settlement Agreement includes the Maryland Energy Administration, Montgomery County, Price George's County and the Laborers' International Union of North America, its affiliated District Council, and Local Unions serving or located in Washington D.C.
See "forward-looking information

Key Takeaways

Near-term catalysts

Q1/Q2 2018

- Regulatory outcome for MD expected on or before April 4, 2018
- Regulatory outcome for DC expected in 1H 2018
- Debt/Hybrid Financing
- Various asset sale initiatives
- Potential new Gas and Power development initiatives
- Further asset sales for a total of up to $2B to coincide with WGL regulatory approvals

Medium-term catalysts (12 – 24 Months)

2018 - 2020

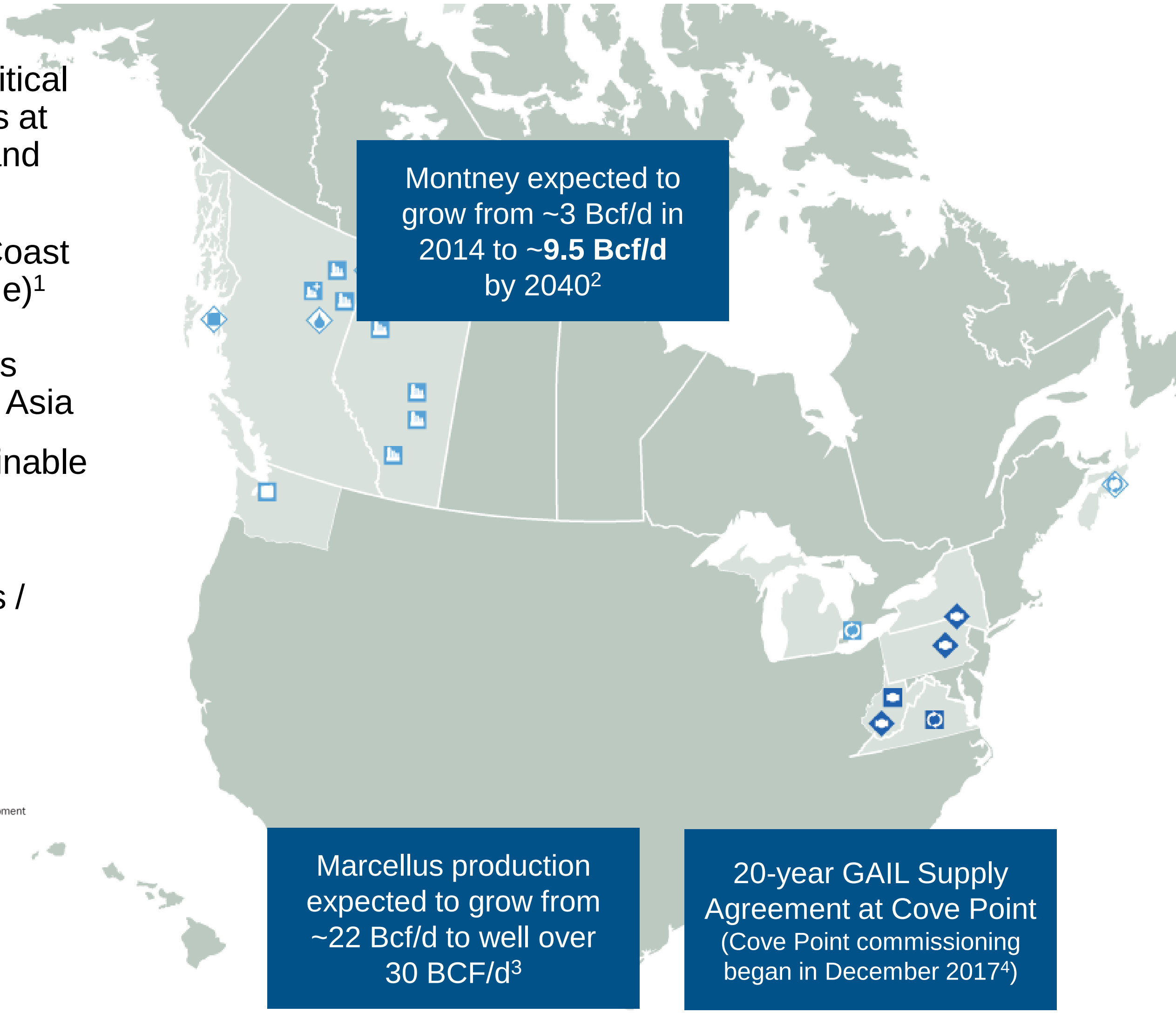
- New battery storage and solar projects
- New Midstream projects including Townsend 2B, and North Pine (train 2)
- Completion of Ridley Island Propane Export Terminal (Q1 2019)

Commitment to maintaining balanced long-term mix across 3 business lines

Combined Midstream in North America's Most Prolific Gas Plays

Strategic infrastructure provides producers with global market access

- Unique opportunity providing critical infrastructure for energy exports at three sites on both the Pacific and Atlantic
- Only significant existing West Coast energy export terminal (Ferndale)[1] with a second (RIPET) under construction, moving natural gas liquids to key markets including Asia
- High grade asset base in sustainable plays drive growth
- Strategic footprint in vertically integrated Montney & Marcellus / Utica plays



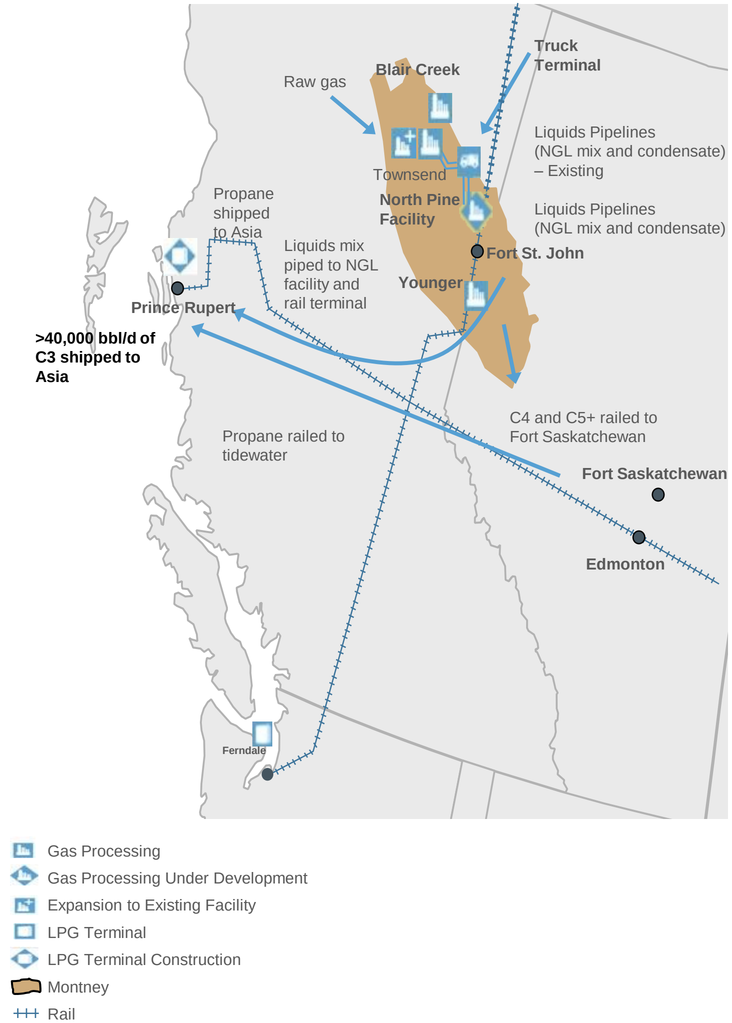
AltaGas
- Gas Processing
- Expansion to Existing Facility
- Gas Processing Under Construction
- Regional LNG Facility Under Construction
- LPG Terminal Under Construction
- LPG Terminal Under Construction
- Storage Facility
- Storage Facility Under Construction

WGL
- Midstream Pipelines
- Midstream Pipelines Under Development
- Hampshire Gas Storage Facility

1 AltaGas has 1/3 interest in Ferndale facility. 2 NEB – Energy Market Assessment. 3 U.S. Energy Information Administration. 4 Source: Dominion Energy Expectations as at December 20, 2017 upon successful close of WGL Acquisition
See "forward-looking information"

AltaGas' Northeast B.C. Strategy

Provides new market access for Western Canadian propane producers to Asia



Ridley Island Propane Export Terminal (RIPET)
$450 - $500 Million[1]
In service: Q1 2019

- Expected to be Canada's first propane export terminal, located on B.C's west coast
- Will provide producers with access to key markets to the west, including Asia, with significant shipping cost advantages vs. the Gulf coast
- 40,000 Bbls/d of export capacity

North Pine NGL Facility
In service: Dec. 1, 2017

- NGL facility serving Montney producers in NE B.C.
- First train consists of 10,000 Bbls/d of C3+ processing capacity, with capacity of 6,000 Bbls/d of C5+
- Connected by rail to Canada's west coast, including to RIPET

Townsend Phase 2A Gas Processing Facility
In service: Oct. 1, 2017

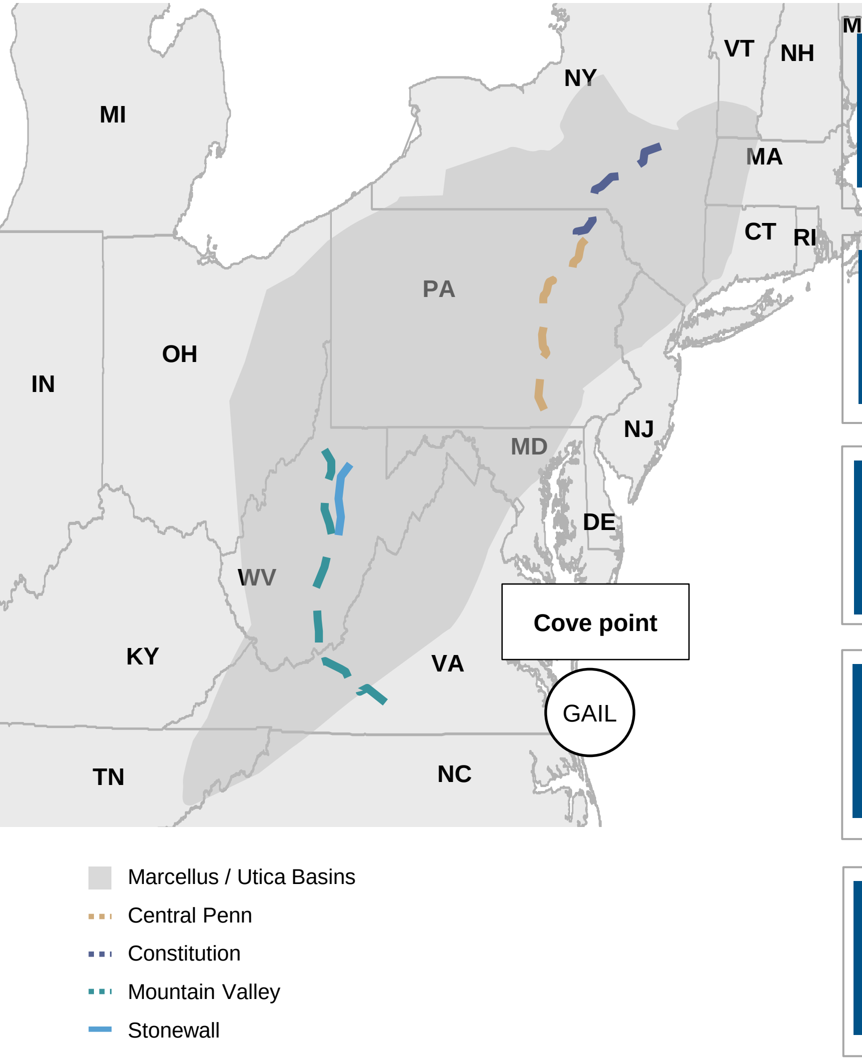
- Doubling the Townsend gas processing complex, phase two will consist of two separate gas processing trains
- First train (2A) is a 99 MMcf/d shallow-cut natural gas processing facility

AltaGas

1 Total project cost; ownership is 70% ALA and 30% Royal Vopak
Expectations at December 20, 2017
See "forward-looking information"

Marcellus Pipelines

Connecting low cost producers with U.S. consumption markets and exports



Stonewall US$135 Million 30% Ownership	▪ Currently in service ▪ Designed to gather 1.4 Bcf/d from West Virginia
Central Penn US$410 million 21% Ownership	▪ Designed to transport 1.7 Bcf/d as part of the "Atlantic Sunrise" project ▪ In service expected mid-2018
Mountain Valley US$328 Million 10% Ownership	▪ Target in service Q4 2018 ▪ Designed to transport 2.0 Bcf/d from West Virginia to Virginia
Constitution US$95 Million 10% Ownership	▪ Target in service 1H 2019[1] ▪ Designed to transport 0.65 Bcf/d to major northeastern markets
GAIL Supply at Cove Point	▪ Natural gas sale and purchase agreement for a period of 20 years. ~2.5 mtpa of LNG (~0.35 Bcf/d) ▪ Cove Point commissioning began in December 2017[2]

1 Source: Williams Companies Inc., Q2 2017 conference call
2 Source: Dominion Energy
See "forward-looking information"

Combined Utility Business

High quality assets underpinned by regulated, low-risk cash flow

- Delivering clean and affordable natural gas to homes and businesses in 8 jurisdictions
- Estimated combined rate base more than **doubles** and estimated combined customer base **triples** in size
- **Increased diversification**, across several **high growth areas,** minimizing exposure to any one jurisdiction

~$8 Billion

Projected rate base in 2021[1]

~1.8 Million

customers

across 8 states and provinces

1 Represents gross rate base which excludes depreciation

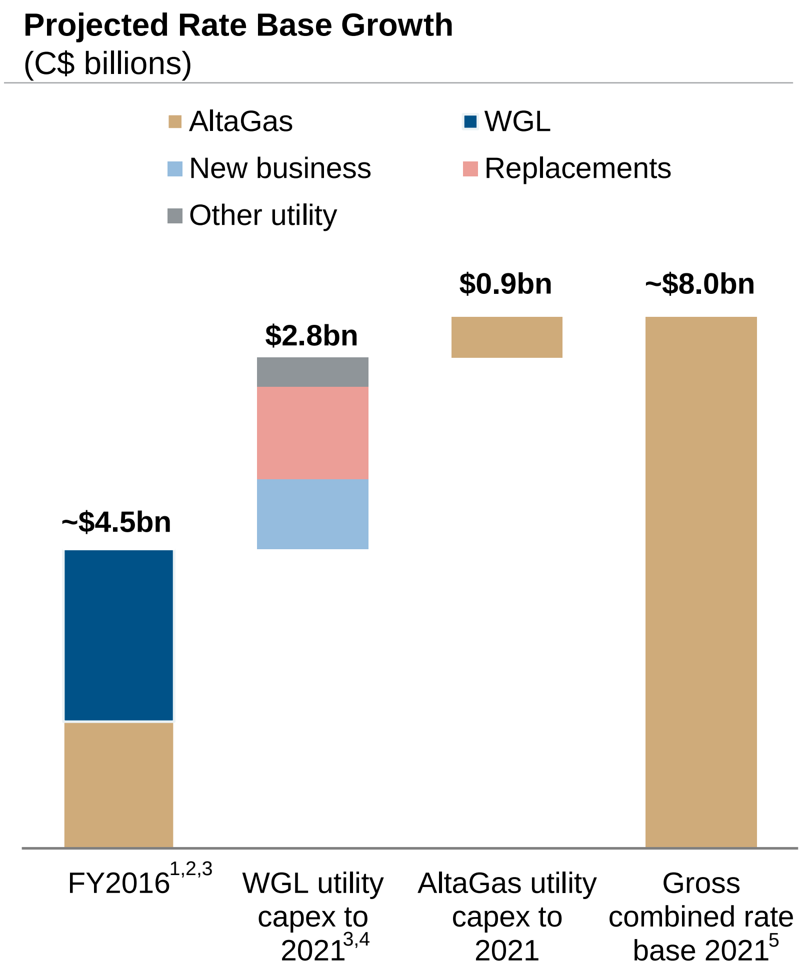
Expectations as at December 20, 2017 upon successful close of WGL Acquisition

See "forward-looking information"

Customer Growth and Accelerated Replacements Drive Growth

High near-term growth

- Expected near-term growth driven by customer additions, accelerated replacement programs and general system betterment capital expenditures
- Increased diversification into high growth areas such as Washington (6th largest regional economy in the U.S., among the highest median household incomes in the U.S.)



1 AltaGas expectation as of December 2016
2 WGL extrapolated to calendar year end 2016 based on FY2015 rate base and a CAGR of 9.0%
3 WGL figures converted to Canadian C$1.26 / US $1.00
4 WGL Management estimates
5 Gross rate base excludes depreciation
See "forward-looking information"

Combined Power Business[1]

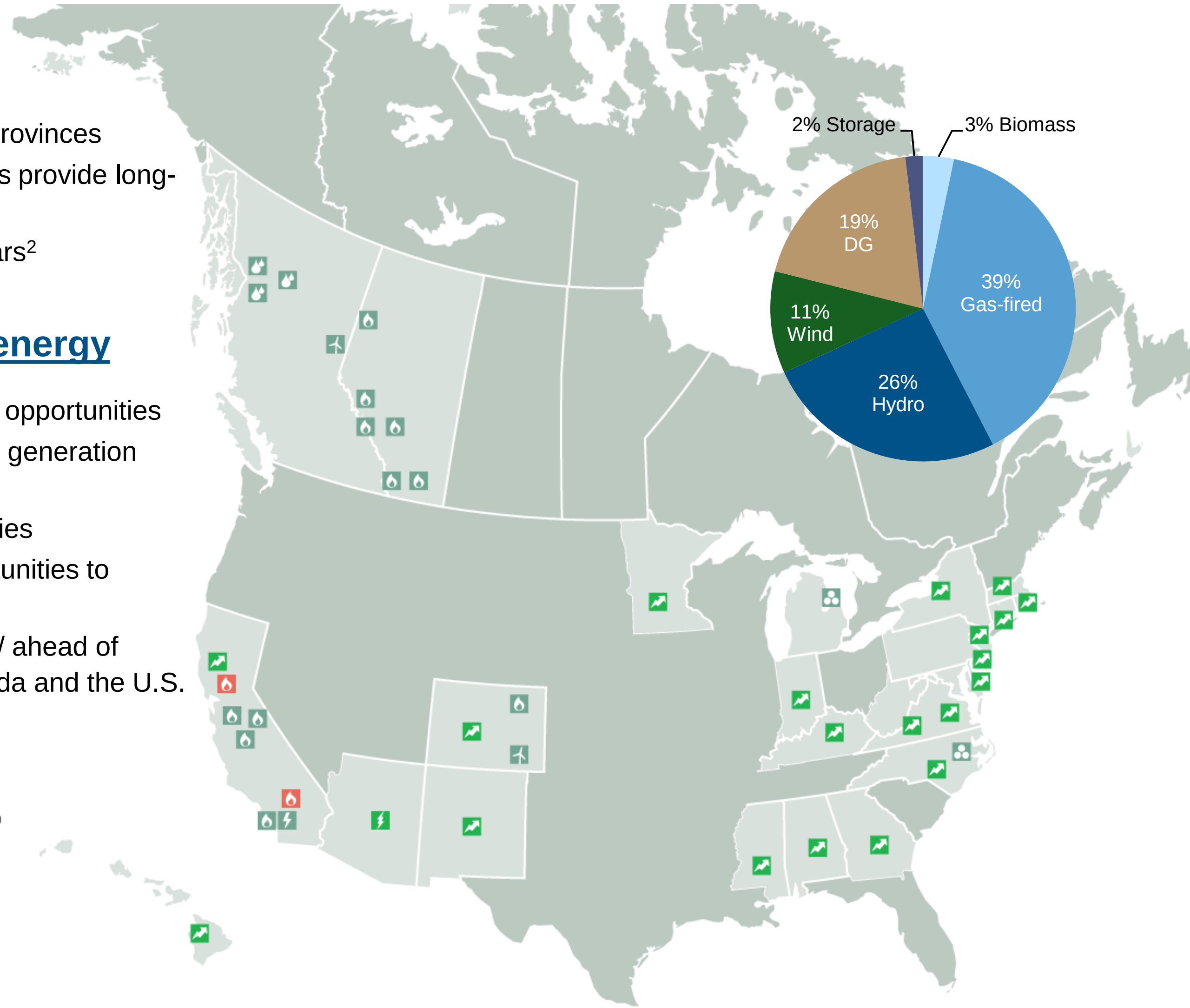
Generating clean energy with natural gas and renewable sources

Diversified Power Portfolio

- 1,078 MW of power generation
- Power generation in over 20 states and provinces
- Contracts with creditworthy counterparties provide long-term stable cash flow
- Weighted average contract life is ~23 years[2]

Enhanced growth from clean energy

- Up to $350 million in new battery storage opportunities
- ~$100 million USD per year in distributed generation opportunities
- Over $300 million in new solar opportunities
- Strong footprint provides excellent opportunities to develop solar generation projects
- Track record of building projects on-time / ahead of schedule and under budget in both Canada and the U.S.



AltaGas

- Wind Power Generation
- Hydro Power Generation
- Biomass Power Generation
- Gas-Fired Power Generation
- Gas-Fired Power Generation For Sale
- Energy Storage

WGL

- Distribution Generation

1 Includes WGL's installed and under-construction assets of 207MW, and ALA's 20MW of energy storage. Excludes Blythe (507 MW) and Tracy (330 MW)
2 Assumes average of 20 year contracts for WGL distributed generation
Expectations as at December 20, 2017 upon successful close of WGL Acquisition
See "forward-looking information

Governing Financial Principles

Delivering growth and security

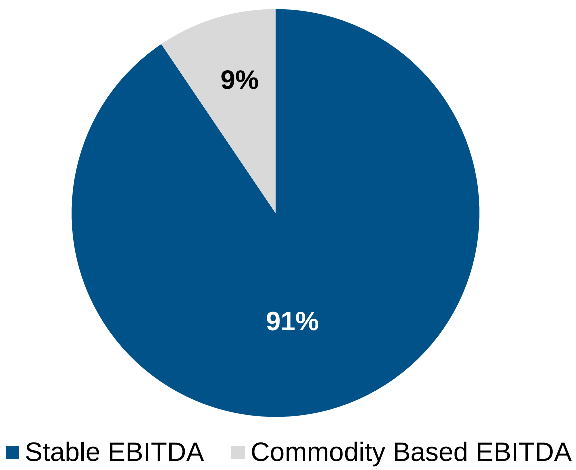
	Principles	Targets
1	Dividend Sustainability	✓ 50 - 60% FFO[1] payout ratio ✓ Expect over 90% of 2019 dividends to be underpinned by Regulated Utilities and Northwest Hydro Facilities
2	Target Expected Returns	✓ Enhancing returns on existing assets ✓ Specified targets for growth projects
3	Strong Stable Investment Grade Balance Sheet	✓ BBB credit rating
4	Manageable Targeted Financing Requirements	✓ Flexible financing plan to support growth using both growing internally generated cash flow and external financing (as required)
5	Managed Commodity Exposure	✓ ~85% or greater of contracted EBITDA
6	Strong Counterparty Creditworthiness Overall	✓ > 85% of exposure with investment grade counterparties[2]

AltaGas

1 FFO is a non-GAAP financial measure
2 ALA standalone
See "forward-looking information"

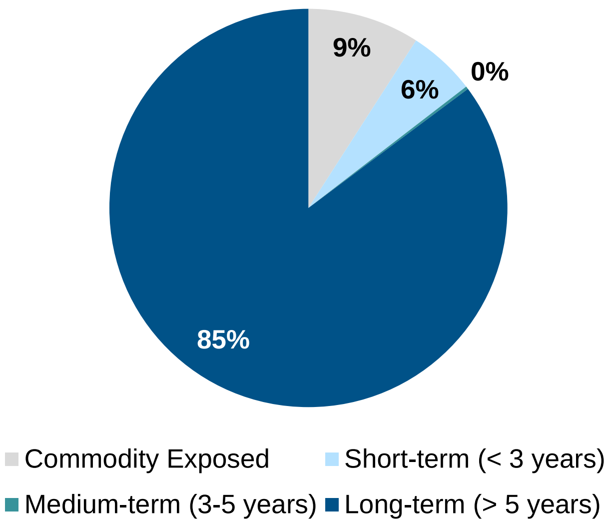
Highly Contracted, Low-Risk Business Model

Managed Commodity Exposure[1]
2019E (First full year including WGL)



<10% of combined EBITDA exposed to commodity prices

Highly Contracted[1,2]
2019E (First full year including WGL)



>80% of normalized EBITDA underpinned by medium & long-term agreements

High-quality cash flows underpinned by long-term take-or-pay contracts and rate regulated franchises

AltaGas

1 Assumes RIPET is 40% underpinned by tolling agreements with balance being commodity exposed. Also assumes some commodity exposure for WGL (Energy Marketing).
2 Long term agreements includes rate-regulated gas utilities, Northwest BC hydro, regulated gas pipelines, WGL Contracted Pipelines, and long-term take-or-pay / cost-of-service midstream assets, Excludes Blythe and Tracy.
* For AltaGas standalone, 2017F commodity exposure is ~5%, and 2017F EBITDA is ~ 85% underpinned by medium / long-term agreements
Expectations as at December 20, 2017 upon successful close of WGL Acquisition
See "forward-looking information"

Financing Strategy

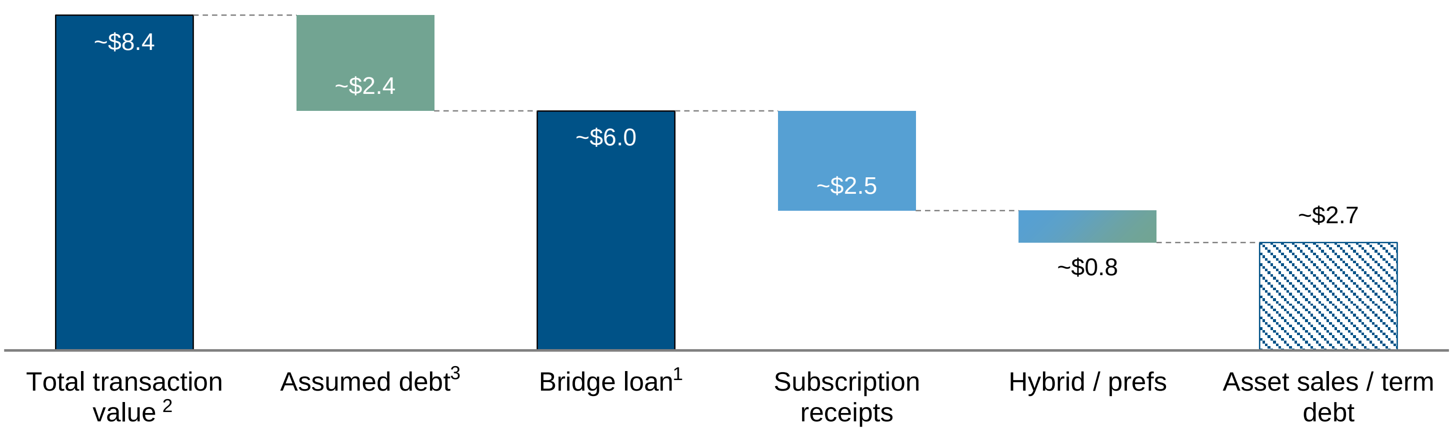
Acquisition financing

- Long-term financing plan structured to maintain strong investment grade credit profile
- Committed C$6.6bn acquisition bridge facility, including a C$2.7bn, 18-month asset sale bridge[1]
- Concurrent C$2.1bn bought deal and C$400mm private placement of subscription receipts
- Monetization of assets up to C$2bn. Assets under consideration total ~2x target amount providing funding flexibility
- Hybrids, preferred shares, and incremental debt provide funding flexibility for remaining portion
- Asset sales aligned with long-term business mix and are expected to close on a similar timeline as the transaction

Future growth financing

- Future growth investments to be financed in a manner consistent with AltaGas' past practices
- Premium DRIP at AltaGas
- Undrawn capacity on AltaGas corporate credit facilities
- Access to capital
  - AltaGas is funding vehicle for transaction
  - WGL, Washington Gas and SEMCO all have existing debt capital market profiles and access to capital for normal daily operations
- Maintain strong investment grade credit profile

Acquisition funding sources (C$bn)



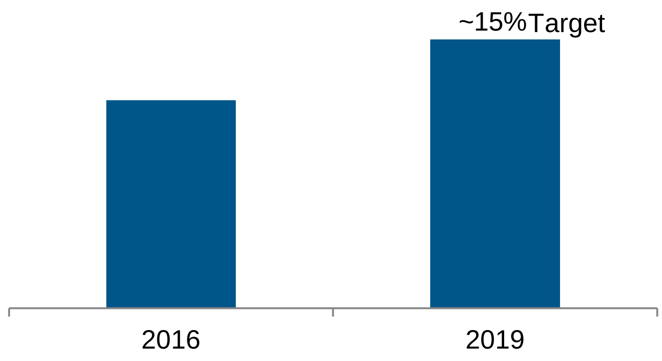
AltaGas

1 Bridge facility is denominated in US dollars (US$4.95bn), converted for presentation purposes to Canadian dollars at 1.33 CAD/USD; aggregate bridge amount of C$6.6bn includes transaction costs and associated contingencies; 2 Includes additional transaction related items; 3 Debt, Minority Interest and Preferred shares as of September 30, 2016, converted to Canadian dollars at 1.33 CAD/USD

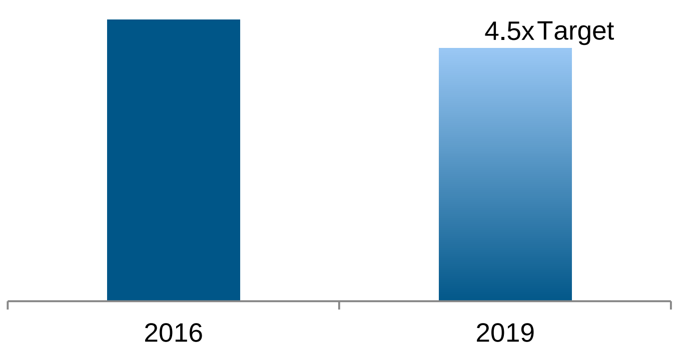
Strong Investment Grade Credit Rating

Prudent deal financing enhances balance sheet strength over the long-term

FFO[1]/Debt



Net Debt/EBITDA



Combined larger platform and financing plan reinforce a path to improved credit metrics and a strong investment grade balance sheet

- Focus on stable cash flows

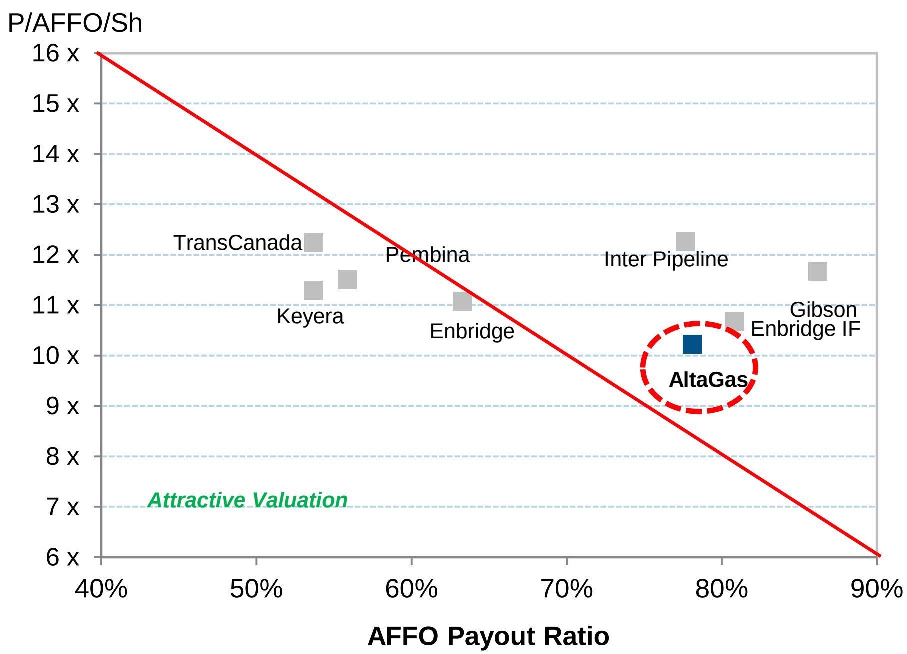
Credit Metric	Target
FFO / Debt	≥ 15%
Net Debt / EBITDA	≤ 4.5x

1 FFO is a non-GAAP financial measure
See "forward-looking information"

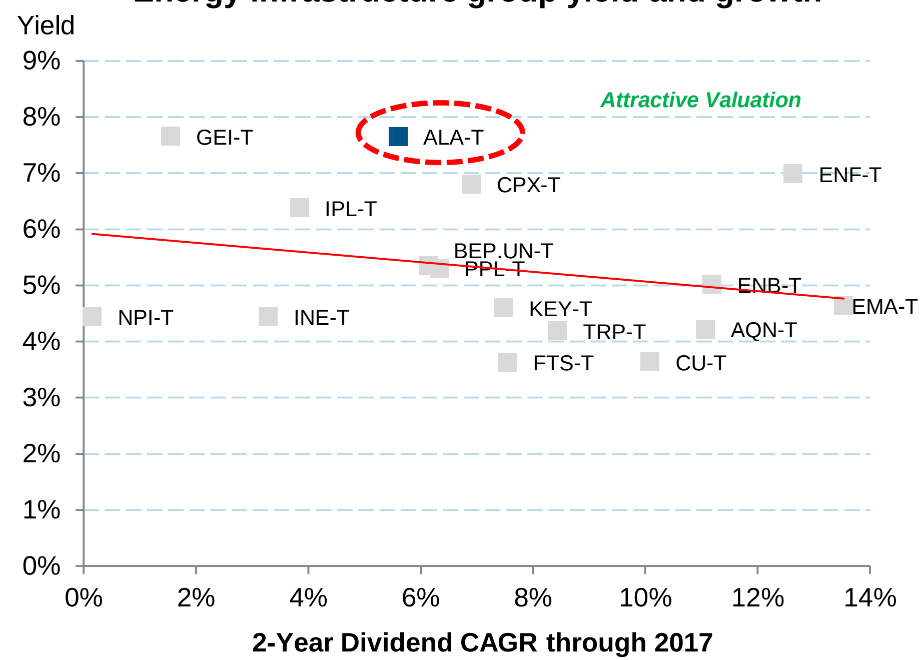
Valuation Multiple

Attractive value for AltaGas, combined with sustainable dividend payment. AltaGas has one of the lowest multiples in the entire sector.

2018F Payout Ratios vs. P/AFFO[1]



Energy infrastructure group yield and growth[2]



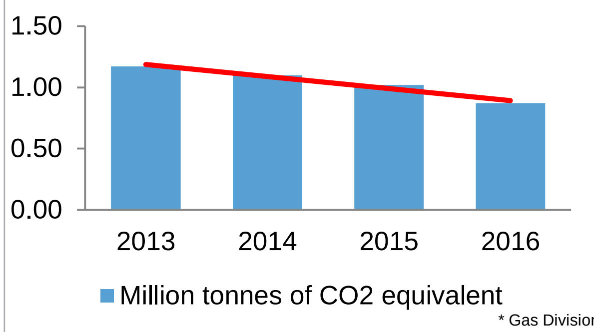
1 NBF data, November 2017. AFFO equals FFO adjusted for gas and power maintenance capital, preferred share dividends and non-controlling interest. AFFO is normalized which is a non-GAAP measure
2 IR Insights and company data. Expectations as at December 20, 2017
See "forward-looking information"

AltaGas

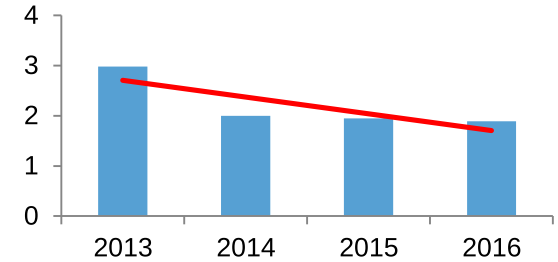
Appendix

AltaGas' Key Focus Areas

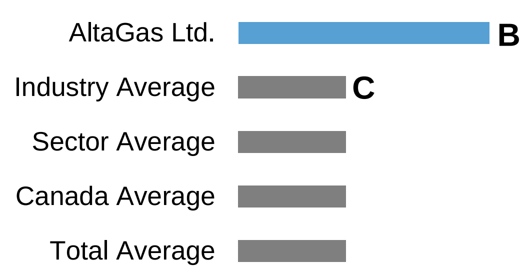
Greenhouse Gas Emissions*



Total Recordable Injury Frequency



CDP Scores 2016



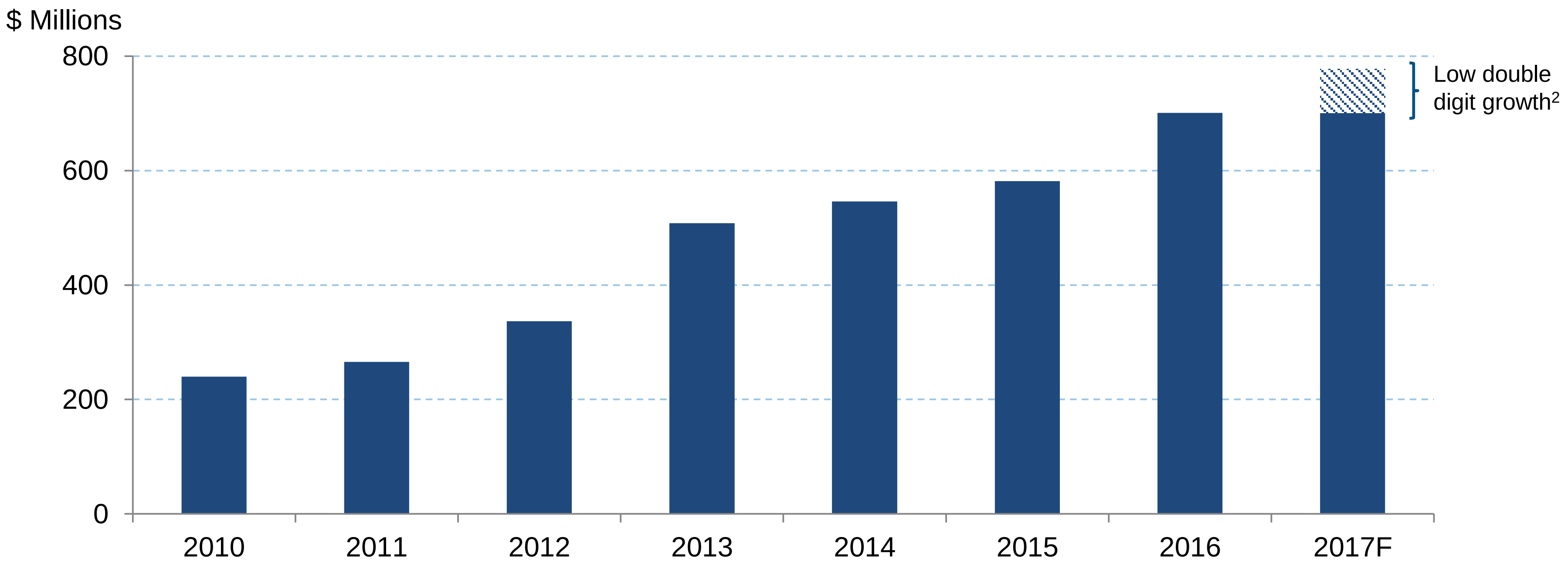
ROBECOSAM Sustainability Award Bronze Class 2017

Alberta's TOP 70 EMPLOYERS 2017

CANADA'S TOP EMPLOYERS FOR YOUNG PEOPLE 2017

Consistent and Diversified EBITDA[1] Growth

Successful track record of delivering EBITDA[1] growth over time



Non-commodity % of EBITDA[1]

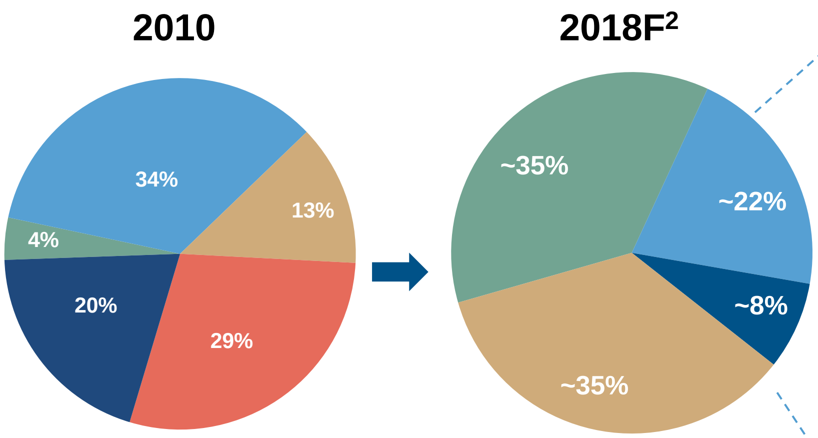
2010	2011	2012	2013	2014	2015	2016	2017F[2]
50%	43%	70%	69%	79%	93%	98%	95%

AltaGas

1 Represents normalized EBITDA
2 Expectations as at December 20, 2017
2010 in accordance with CGAAP. 2011 and forward in accordance with U.S. GAAP
See "forward-looking information"

Contracted EBITDA[1]

Substantial increase in long-term contracted and Regulated Gas Distribution EBITDA



- Contracted PPA
- Midstream fee for service/TOP/cost of service
- Utilities/Regulated gas distribution
- Alberta power
- Frac Spread

Breakdown of Midstream EBITDA[1]

47%
Fixed / Take-or-pay
- No volume or commodity price exposure
- Average contract length of ~18 years

14%
Cost-of-service
- Provides for recovery of operating costs and a capital charge, generally are not subject to commodity risk
- Average contract length of ~15 years

12%
Fee-for-service
- Provides for a fee per unit of production sold or service provided, generally are not subject to commodity risk

27%
Frac Spread
- Volume and price exposure
- Approximately 77% of exposure is hedged in 2018

AltaGas

1 Represents normalized EBITDA
2 Expectations as at December 20, 2017, ALA standalone
2010 in accordance with CGAAP. 2017F in accordance with U.S. GAAP
See "forward-looking information"

Combined Scale to Deliver Growth

AltaGas (C$mm)

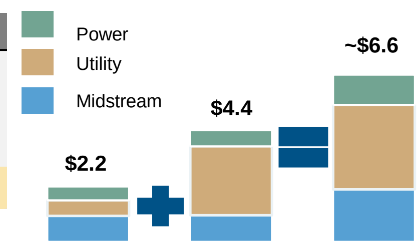
Project	Expected Capex[1,2]	Target In-Service[1]
Townsend 2A & Field Equipment	$125	In-Service
North Pine NGL Separation[3]	$105	Dec. 2017
Townsend 2B	$80	2019/2020
North Pine – Train 2	$50	2019/2020
Ridley Island Propane Export [4]	$333	2019
Alton Gas Storage	$155	2020
Deep Cut Processing / NGL separation[7]	$170	2019
Total Midstream	**$1,018**	
Utilities capital[5]	$450	2017 – 2019
Marquette pipeline[5]	$173	2020
CINGSA expansion[5]	$33	2020
Total Utility	**$656**	
Energy Storage[5,6]	$150	2018+
Solar[5,7]	$380	2019+
Total Power	**$530**	
Total AltaGas	**$2,204**	

WGL (C$mm)

Project	Expected Capex[1,5]	Target In-Service[1]
Constitution Pipeline	$120	2019
Central Penn Pipeline	$517	2018
Mountain Valley	$413	2018
Stonewall Expansion	TBD	TBD
Total Midstream[2]	**$1,049**	
New Business	$995	2017 – 2021
Replacements	$1,309	2017 – 2021
Other Utility	$414	2017 – 2021
Total Utility	**$2,718**	
Distributed Generation	$631	2017 – 2021
Total Power	**$631**	**2017 – 2021**
Total WGL	**$4,398**	

Pro Forma (C$bn)

Business	Pro Forma Capex
Total Midstream	**$2.1**
Total Utility	**$3.4**
Total Power	**$1.2**
Total Pro Forma	**$6.6**

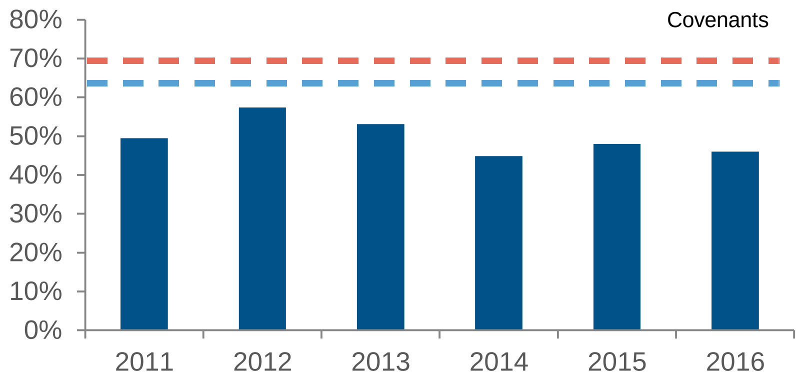


~C$7 bn of identified opportunities support a diversified business mix

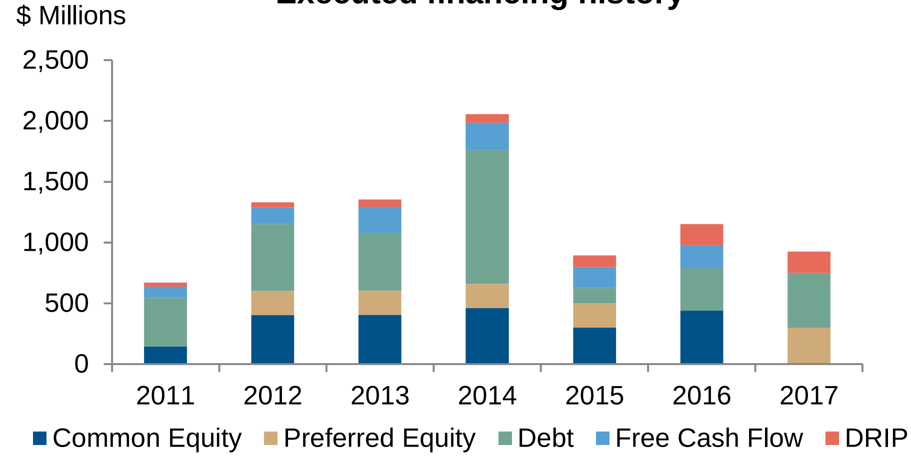
1 Expectations based on most recent public disclosure / financial reports for AltaGas and WGL; 2 Reflects AltaGas' and WGL's share of the total cost (both incurred and expected); 3 Includes one train and 2 liquids egress lines; 4 Reflects AltaGas' portion of project capital. Ownership will be 70% ALA and 30% Royal Vopak; 5 Based on a CAD/USD FX rate of 1.26 6 Energy storage capital ranges from $50 million to $350 million and represents a single project up to multiple projects; 7 Project may include a partner
See "forward-looking information" - Note: Numbers may not add due to rounding

Sound Financial Position

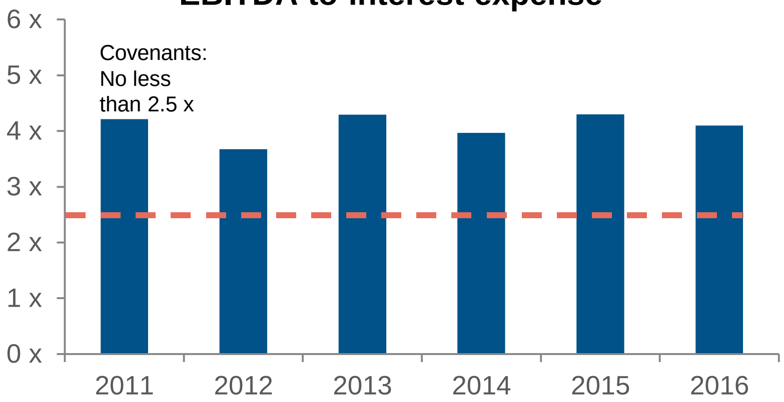
Debt-to-Capitalization



Executed financing history[1]

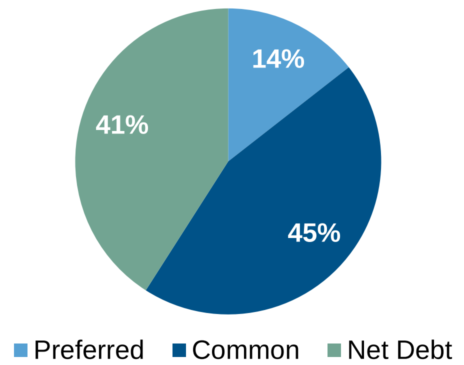


EBITDA-to-interest expense



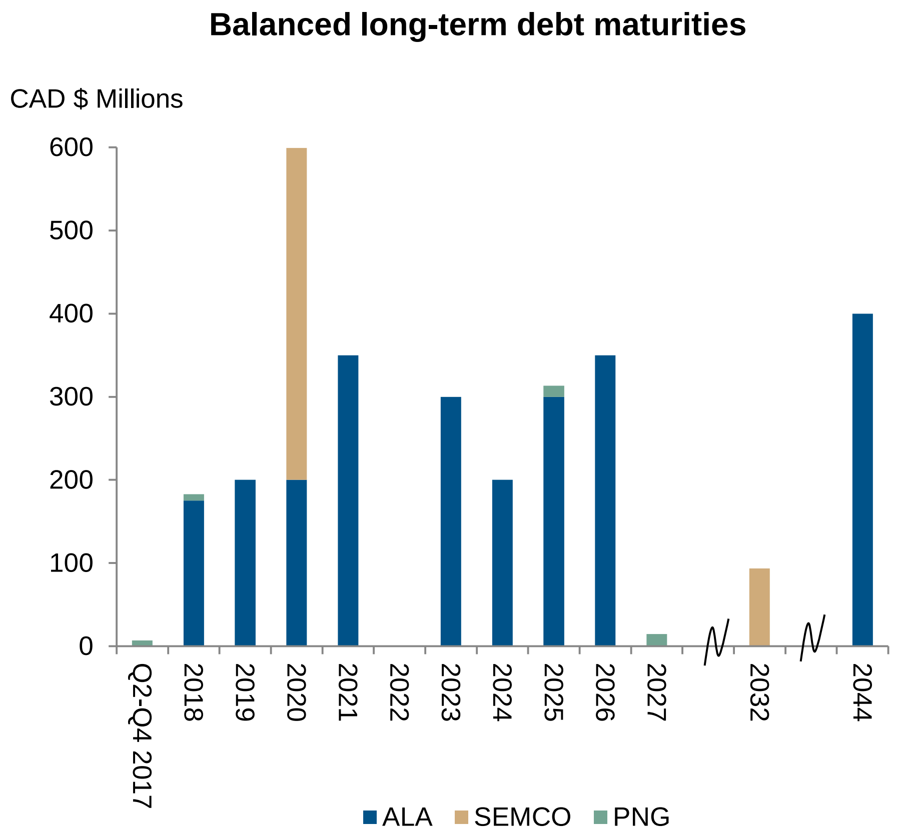
Balanced capital structure

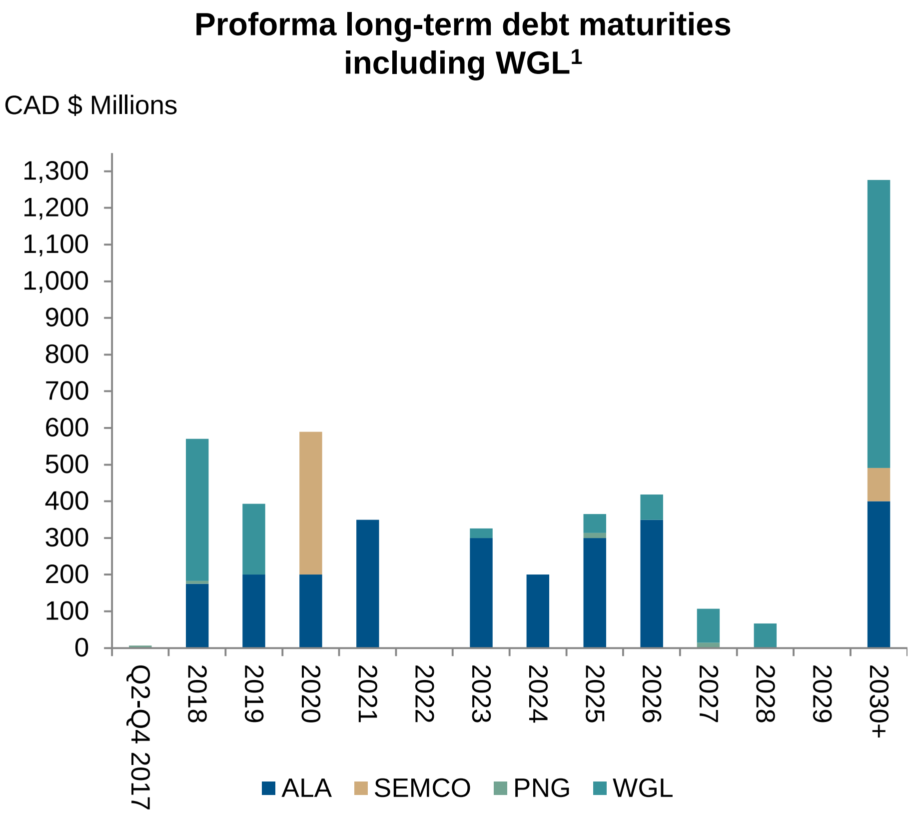
(September 30, 2017)



1 Expectations as at December 20, 2017
See "forward-looking information"

Debt Maturities



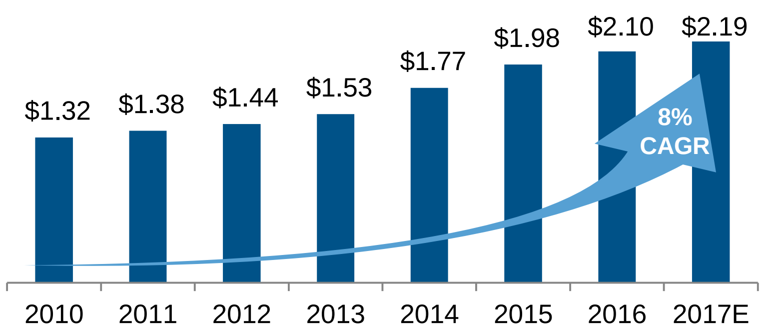


*Moody's rating, not rated by S&P
** Negative outlook by S&P
1 WGL long-term debt converted at FX of 1.26 CAD/USD
See "forward-looking information"

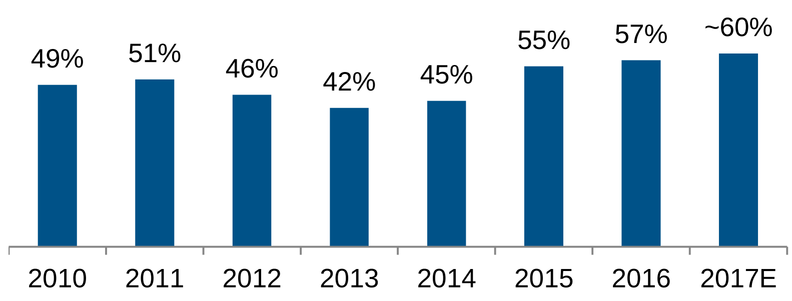
Delivering Growth and Security

Payout ratio balances company growth and investor return and positions ALA for further dividend growth

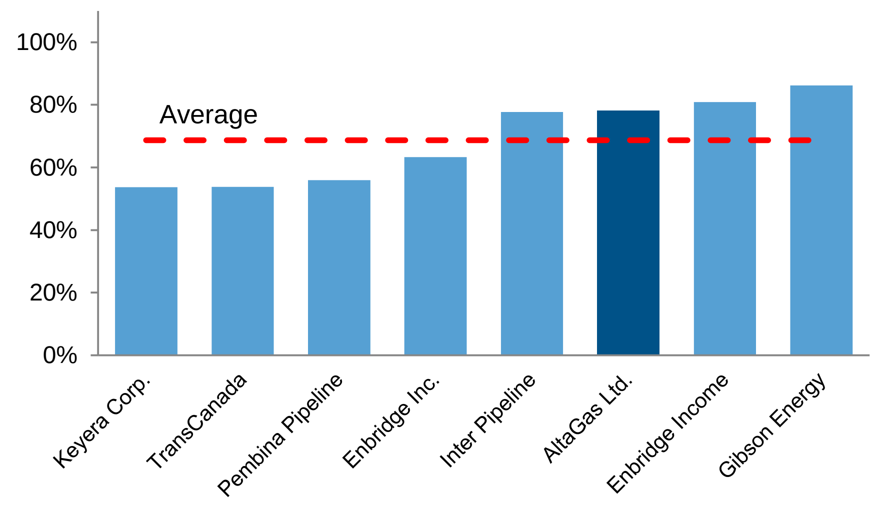
Dividend growth



Dividend payout[1,2]



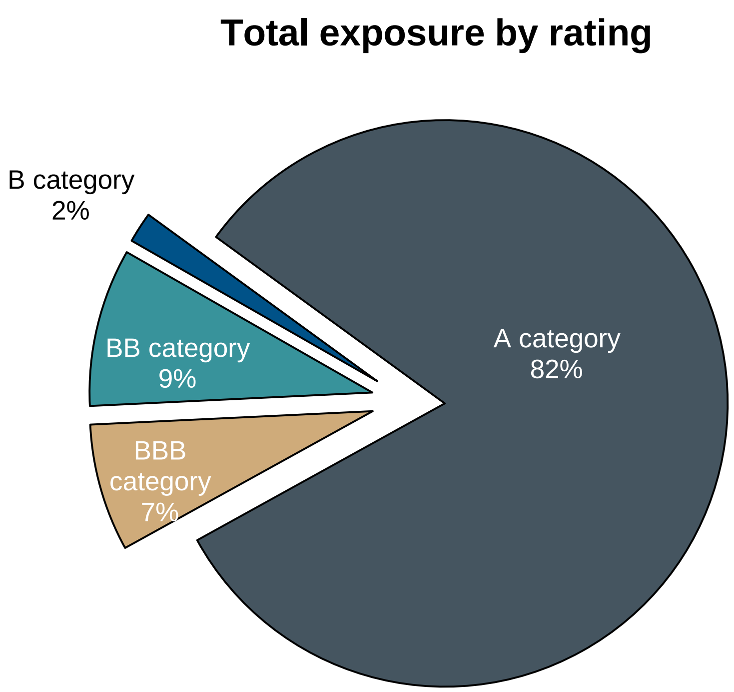
Dividend payout as a % of 2018F AFFO[3]



AltaGas

1 2010 in accordance with CGAAP. 2011 and forward in accordance with U.S. GAAP
2 Dividends paid as a percentage of FFO.
3 NBF data, November 2017. AFFO equals FFO adjusted for gas and power maintenance capital, preferred share dividends and non-controlling interest. FFO and AFFO are normalized which is a non-GAAP measure
See "forward-looking information"

Managing Counterparty Credit Exposure



Counterparties are assessed for the level of risk to AltaGas and exposures are actively monitored across the business segments

- Gas – ~65% Investment grade
- Power – 100% Investment grade
- Utilities – 100% Investment grade

Overall credit exposure

- 89% with investment grade counterparties

Non-investment grade counterparties are more limited in respect to credit and term limits

- In some cases AltaGas has received security from non-investment grade counterparties to reduce the credit risk

1 Expectations as at December 20, 2017
See "forward-looking information"

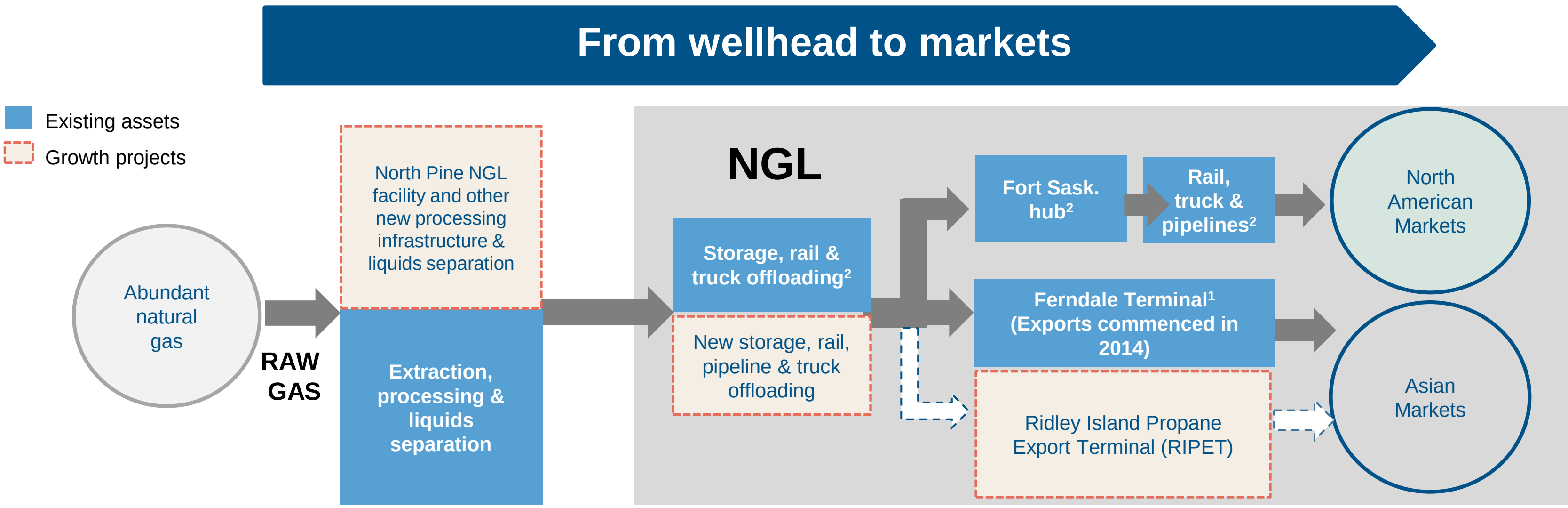
U.S. Tax Reform

Major impacts of the U.S. tax reform on AltaGas are:

- Corporate tax rate reduction from 35% to 21%
- Decrease in tax expense is:
  - Positive impact to earnings for non-regulated businesses
  - Slight negative impact (non-material) to EBITDA and FFO for regulated businesses
  - When cash taxable, impact will be neutral to FFO for regulated businesses
  - Vast majority of U.S. utilities expected to make rate adjustments this year to reflect the lower tax rate
- Regulated deferred tax liability revaluation paid back over remaining useful live of assets

Gas

Building Infrastructure to Serve New Markets



PROCESSING / FRAC

- Younger
- Harmattan
- Blair Creek
- Gordondale
- Townsend
- North Pine

LOGISTICS

- Petrogas
- Ferndale
- RIPET

END MARKETS

- Astomos
- Idemitsu
- Other third parties

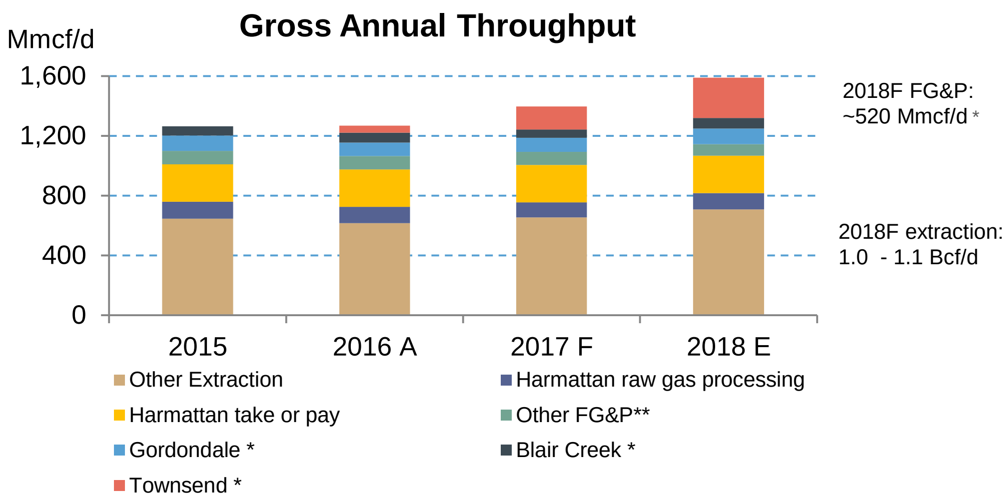
Fully-integrated, customer-focused value chain provides **increased value** to producers

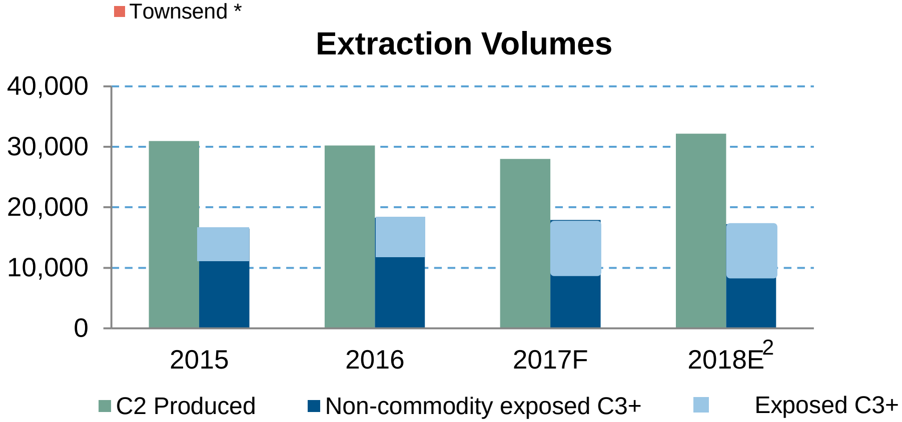
AltaGas

1 Current supply for Ferndale is sourced through Petrogas.
2 Includes Petrogas operations
See "forward-looking information"

Stable Production Volumes & Throughput

Core plants in sustainable plays





Blair Creek
2016 – 66 Mmcf/d
2017E – 50 – 55 Mmcf/d
2018E – 65 – 75 Mmcf/d

Gordondale
2016 – 90 Mmcf/d
2017E – 90 – 95 Mmcf/d
2018E – 100 – 110 Mmcf/d

Harmattan
2016 – 109 Mmcf/d
2017E – 100 – 105 Mmcf/d
2018E – 100 – 110 Mmcf/d

Townsend[1]
2017E – 150 – 160 Mmcf/d
2018E – 265 – 275 Mmcf/d

Younger[3]
2016 – 290 Mmcf/d
2017E – 265 – 270 Mmcf/d
2018E – 210 – 220 Mmcf/d[4]

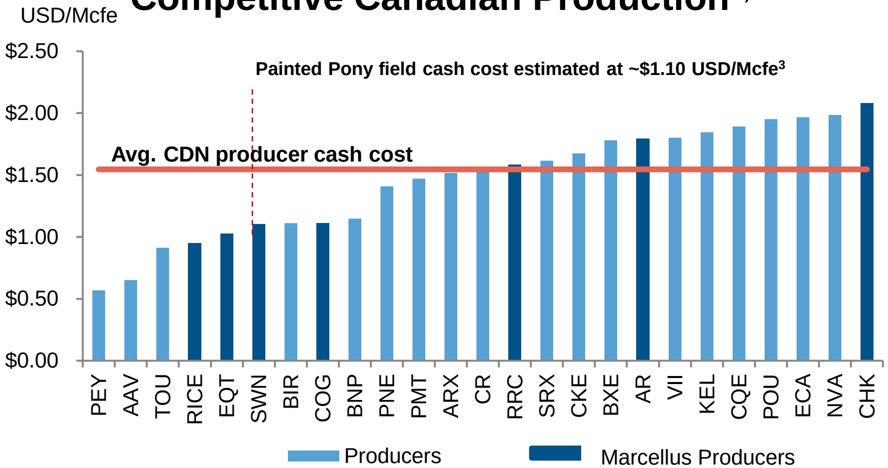
Other FG&P
2016 – 90 Mmcf/d
2017E – 85 – 90 Mmcf/d
2018E – 73 – 83 Mmcf/d

AltaGas

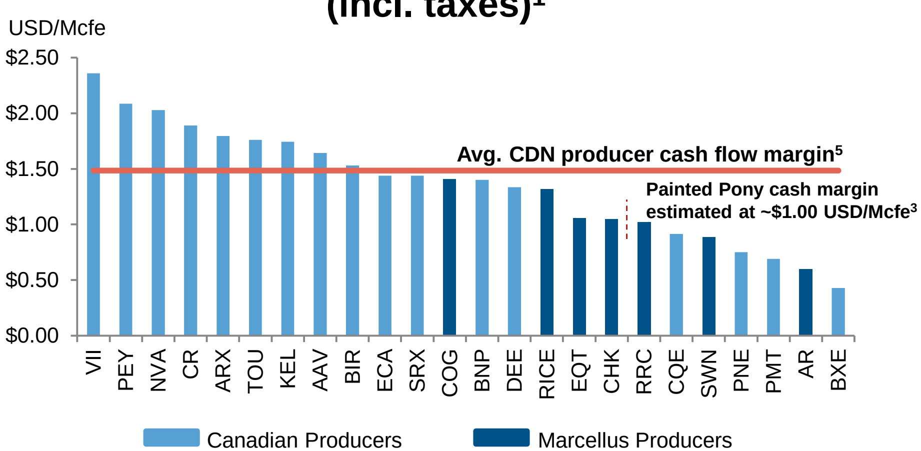
1 Includes Townsend and Townsend 2A 2 Expectations as at December 20, 2017 3 Volumes net to AltaGas 4 Reflects reduced ownership percentage for April onwards
* All or large majority of volumes are take-or-pay commitments
**2015 total volumes exclude 2015 average volumes for assets sold to Tidewater. Acme, Ante Creek and ECNG sold in 2014
See "forward-looking information"

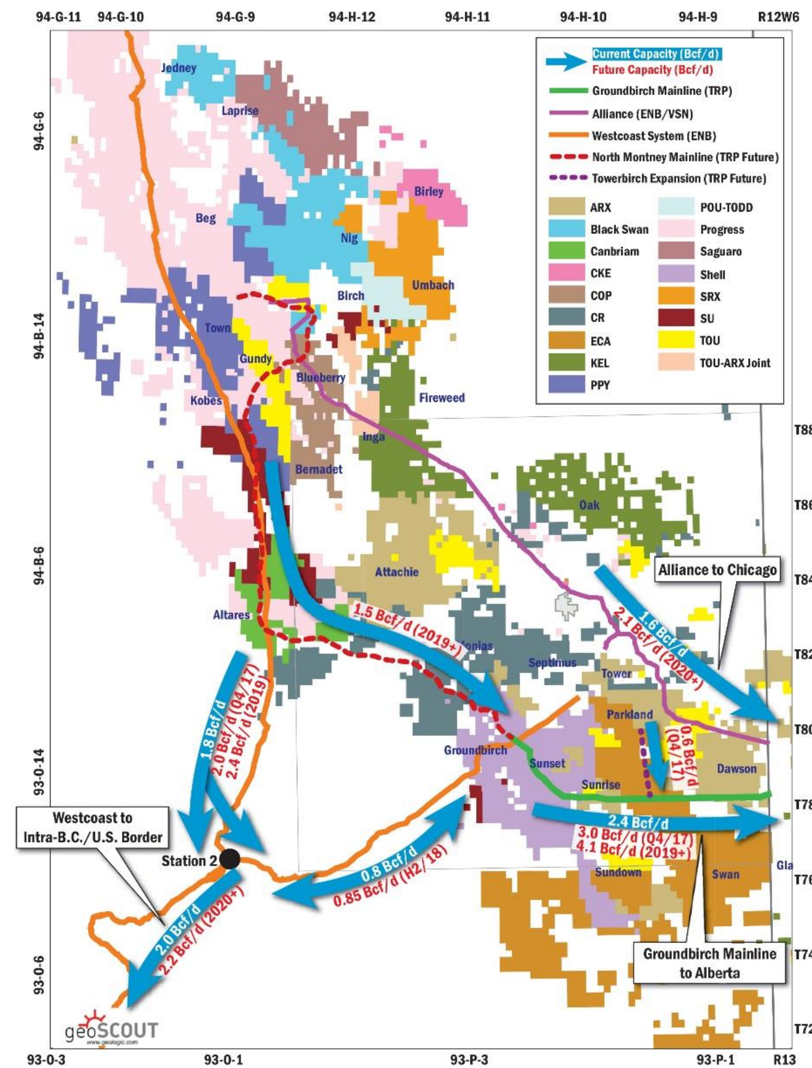
Montney Competitive at Current Prices

Competitive Canadian Production[1,2]



Unhedged Cash Flow Margin $/Mcfe (incl. taxes)[1]





1 Peters report October, 2017
2 BMO data, October 2017
3 Painted Pony October 30, 2017 Investor Presentation, Based on a CAD/USD FX rate of 1.26
4 Cash costs including transportation, operating costs, G&A and interest expense
5 Unhedged cash flow (net of royalties)
6 J.P. Morgan / JPM Energy Research May 31, 2017
Map Source: Peters report
See "forward-looking information"

AltaGas

Painted Pony Strategic Alliance

Painted Pony actively markets the vast majority of natural gas volumes away from Station 2 index pricing and into more profitable sales points[1]

AltaGas

PAINTED PONY ENERGY LTD.

- Townsend Facility anchor tenant with **20 year take-or-pay**
- **Low cost producer**[2]
  - Best in class F&D costs in 2016 ($0.57/Mcfe 1P)
  - 24% decrease in per unit cash operating costs in 2016
- Calculated first-year capital efficiencies are expected to average approximately $1,500/Mcfe/d ($9,000/boe/d)[4]
- Current production rate ~**360 Mmcfe/d**[1]
- Reserves support multi-year drilling program and future growth
- **Highly efficient drilling performance**[1]
  - Low well costs of ~$4 million per well
  - Top well performance of ~9 Bcfe estimated ultimate recovery per well
- **Firm transportation** in place to meet production growth targets
  - Exposure to Station 2 spot pricing reduced to less than 3% of forecasted revenue[1]
- **Solid financial position**
  - September 30, 2017 net debt of $336.4million (~30% of capacity)[3]
  - Meaningfully hedged production in 2018 (52%)[1]
    - 14 year supply contract signed with Methanex starting in 2018

AltaGas

1 Painted Pony December 2017 Investor Presentation.
2 Painted Pony 2016 Annual Report. Reflects half cycle costs
3 Painted Pony 2017 Q3 Report
4 Painted Pony Press Release, December 14, 2017
See "forward-looking information"

Doubling the Townsend Gas Processing Complex

Received regulatory approval for the doubling of the Townsend Facility to 396 Mmcf/d and to retrofit the existing 198 Mmcf/d shallow-cut Townsend Facility to a deep-cut facility at a future date

Townsend phase 2

- Townsend Phase 2 will be constructed in two separate gas processing trains
- The first train (2A) is a 99 Mmcf/d shallow-cut natural gas processing facility located on the existing Townsend site
  - On-stream October 1, 2017
  - Fully contracted under a 20-year take or pay with Painted Pony
  - The $125 million project was completed slightly ahead of schedule and approximately $5 million under budget
- The second train (2B) is under development with a target on-stream date of 2019/2020

1 Expectations as at December 20, 2017
See "forward-looking information"

North Pine NGL Separation Facility to Serve Montney Producers

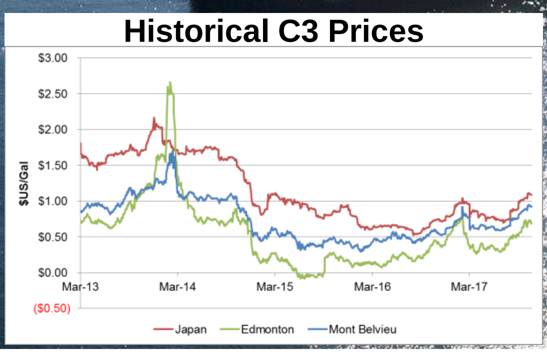
- NGL facility to serve Montney producers in northeast British Columbia, near Fort St. John
- On-stream December 1, 2017
- First train capable of producing up to 10,000 Bbls/d of C3+ processing capacity, with capacity of 6,000 Bbls/d of C5+
- Two NGL supply pipelines will be constructed connecting the existing Alaska Highway truck terminal to the facility
- Well connected by rail to Canada's west coast including the Ridley Island Propane Export Terminal
- Backstopped by long-term supply agreements with Painted Pony for a portion of total capacity
- Expect further supply agreements with other producers
- The $120 million project was completed ahead of schedule and approximately $15 million under budget
- Permitting in place for a second NGL separation train capable of processing up to 10,000 Bbls/d of propane plus NGL mix. Construction expected to follow after the completion of the first train, subject to sufficient commercial support from area producers

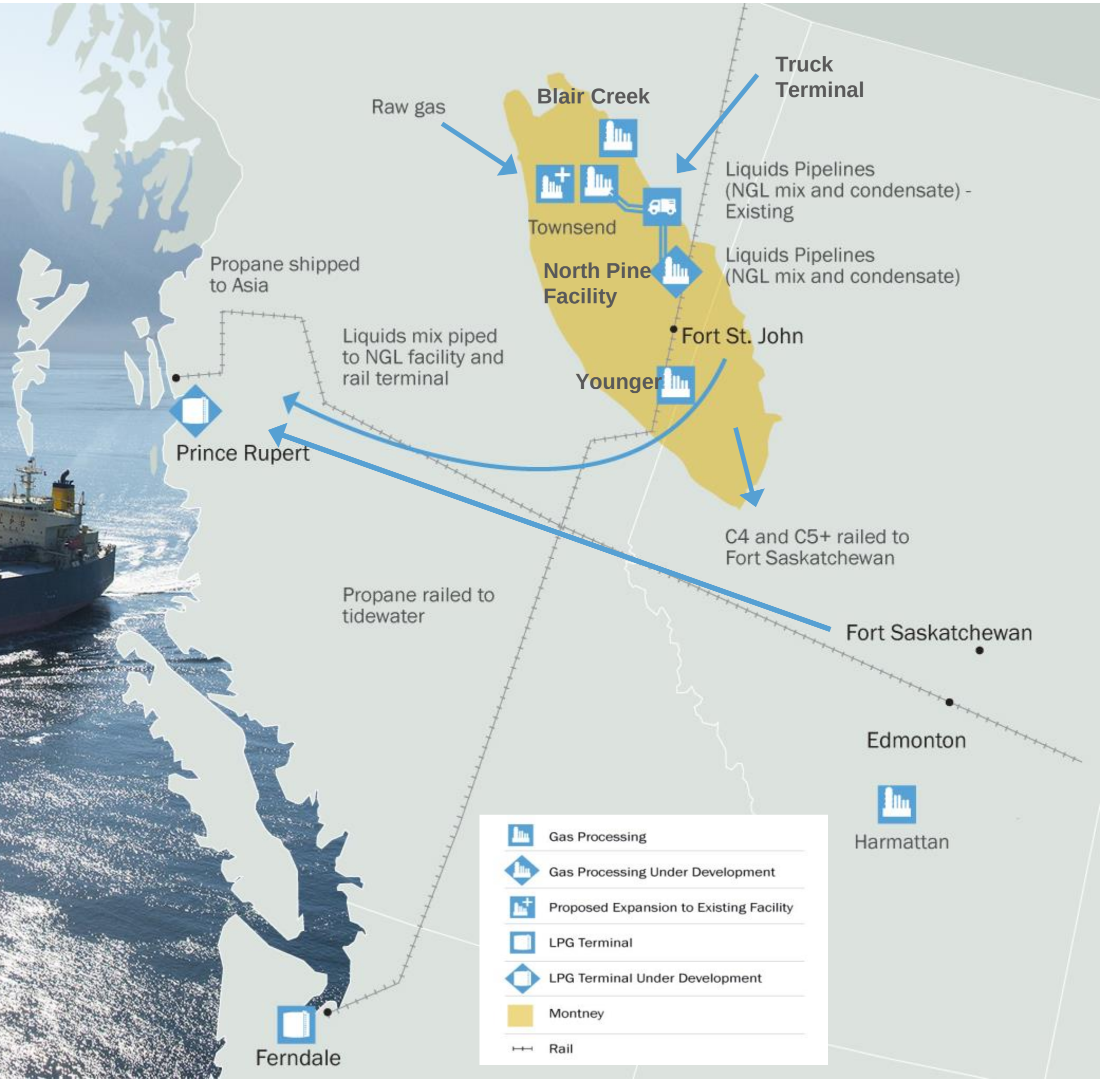
1 Includes first train and two liquids supply lines
2 Expectations as at December 20, 2017
See "forward-looking information"

AltaGas' Northeast B.C. and Energy Export Strategy

Provides <u>new</u> market access for Western Canadian propane producers to Asia

- AltaGas' propane export terminal at RIPET is poised to create a hub for key global markets to the west
- Significant shipping advantages vs. Gulf coast, providing producers with increased netbacks

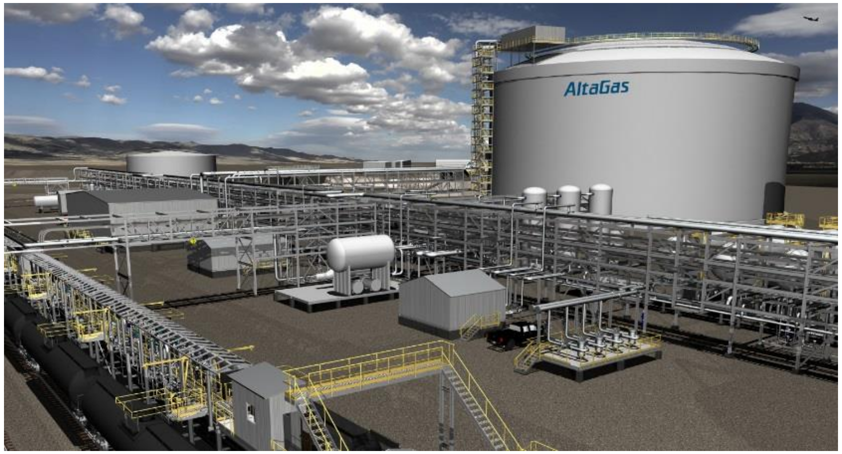




Ridley Island Propane Export Terminal
First mover competitive advantage

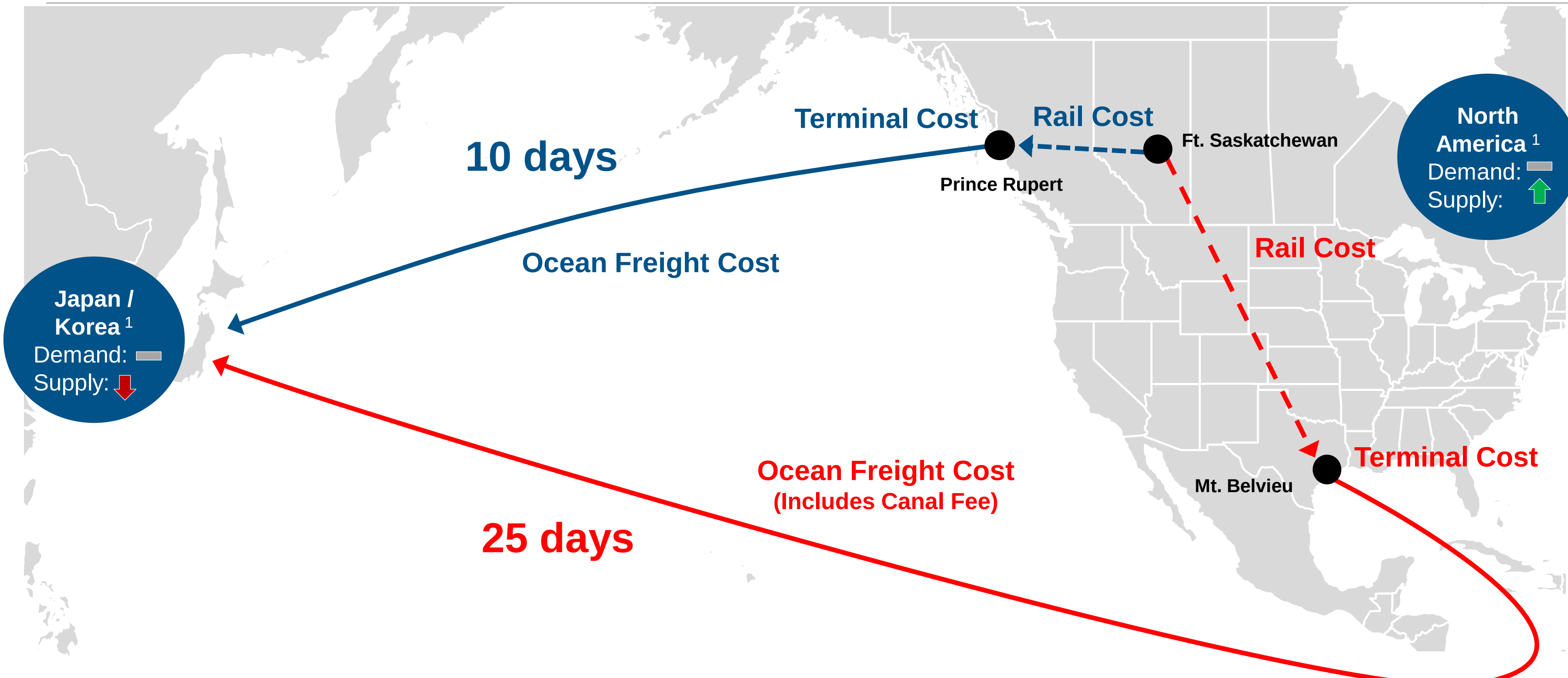
Expected to be Canada's first West Coast propane export terminal

- Construction is underway and is expected to be in service by Q1 2019
- Facility designed for 40,000 bbls/d of export capacity
- Brownfield site includes existing world class marine jetty with deep water access, excellent railway access which enables the efficient loading of Very Large Gas Carriers that can access key global markets
  - ~10 day to Asia vs. ~25 days from the U.S. Gulf Coast
- Astomos Energy Corporation to purchase 50% of the propane shipped from the facility
- ~50% of propane to be supplied from existing AltaGas facilities and forecasts from new plants under construction
- Expect at least 40% of the facility's throughput to be underpinned by tolling arrangements
- Entered into a strategic joint venture with Royal Vopak who will take a 30 percent interest in the Terminal
- Estimated project cost of $450 - $500 million[1]



1 Expectations as at December 20, 2017. Total project cost; ownership will be 70% ALA and 30% Royal Vopak
See "forward-looking information"

Clear LPG Shipping Cost Advantage to Asia



WCSB to Asia Costs (US$/Gal)

	Via RIPET	*Via Gulf Coast*
Rail	Included	$0.25 - $0.30
Terminal	Included	$0.05 - $0.10
Shipping	Included	$0.10 - $0.20
Total Costs	**$0.30 - $0.40**	**$0.40 - $0.60**

WCSB Netbacks (US$/Gal)

Via RIPET	Japan Price less $0.30 to $0.40
Via Gulf Coast	Japan Price less $0.40 to $0.60
RIPET Premium	**$0.10 - $0.20**

1 Shipping time as per Idemitsu
Estimated based on public information
See "forward-looking information"

Utilities

Utilities Portfolio - AltaGas[1]

5 Gas Distribution Utilities[1]:
Serving over 575,000 customers;
22% Canada; 78% US

Rate base: ~$1.9 billion[2]

System betterment program and upgrades underway at Utilities

SEMCO

- Main replacement program (MRP) continues to 2020 with associated average spend of ~US$10 MM annually
  - MRP-1 was first of its kind granted by Michigan regulator in 2011
  - Since 2011, SEMCO has amended the MRP twice, with current MRP-3 approved June 2015
  - Full expectation of continued extensions into foreseeable future beyond 2020

ENSTAR

- Replacing existing pipelines and stations, meters and encoder receiver transmitters. Main expansions to enhance redundancy and back-feeds. Bringing all valves above ground.
- Expansion to communities such as Houston, Willow and Seward.

AUI

- The 2016-17 capital tracker program was substantially approved by the AUC with over $60 million in capital additions related to pipe replacement, station refurbishment and gas supply investments.

AltaGas

1 Excludes WGL
2 Expectations as at December 20, 2017; C$1.26 / US $1.00
See "forward-looking information"

Michigan Growth Opportunity

Marquette Connector Pipeline (MCP)

- Proposed pipeline that will connect the Great Lakes Gas Transmission pipeline to the Northern Gas pipeline in Marquette, Michigan
  - Approximately 42 miles mainly with 20” diameter pipe
- Provides needed redundancy and additional supply options to SEMCO’s ~35,000 customers in its service territory in Michigan’s Western Upper Peninsula. It will also provide additional natural gas capacity to Michigan’s Upper Peninsula to allow for growth
- Cost is estimated at ~US$130 - $140 million. Recovery on MCP is expected to be through a general base rate case
- Received approval of Act 9 application from the Michigan Public Service Commission in August 2017 to construct, own and operate the project.
- Preliminary route surveys and investigations began in September 2017, engineering and property acquisitions in 2018, and construction in 2019
- MCP is expected to be in service in mid-2020

Supportive Regulatory Environment for Regulated Gas Utilities

Utility	Location	Allowed ROE and Equity Thickness	Regulatory
Pacific Northern Gas Ltd. (PNG)	British Columbia	9.40%[1] 45%	▪ Rate case filed in November 2017 for 2018 and 2019 ▪ Protected from weather related volatility through revenue stabilization adjustment account
AltaGas utilities	Alberta	8.50% 41%	▪ Operate under Performance-Based Regulation, 2013-2017 current term. Next generation PBR (2018 – 2022) under review; expects decision in February 2018. ▪ Generic cost of capital proceeding underway; hearing scheduled to take place in March 2018 ▪ Cost recovery and return on rate base through revenue per customer formula ▪ Additional recovery and return on rate base through capital tracker program
Heritage Gas	Nova Scotia	11% 45%	▪ No regulatory lag; earn immediately on invested capital ▪ Customer Retention Program approved in September 2016 results in a decrease in distribution rates for primarily commercial customers
SEMCO Energy Gas Company	Michigan	10.35% 49%	▪ Use of projected test year for rate cases with 12 month limit to issue a rate order, eliminates/reduces regulatory lag ▪ Recovery of invested capital through the Main Replacement Program surcharge has reduced the need for frequent rate cases ▪ Last rate case filing completed in 2010; next case to be filed in 2019 ▪ In August 2017, received approval from the Michigan Public Service Commission for the Act 9 application for the Marquette Connector Pipeline
ENSTAR Natural Gas Company	Alaska	11.88% 51.80%	▪ Final order approving $5.8 million rate increase (including $5 million interim rates previously included in rates) issued on September 22. Final rates effective November 1, 2017.
Cook Inlet Natural Gas Storage Alaska	Alaska	12.55% 50.00%	▪ Rate case filing in April 2018.

1 Approximate average between PNG and PNG NE
See "forward-looking information"

Washington Gas Regulatory Environment

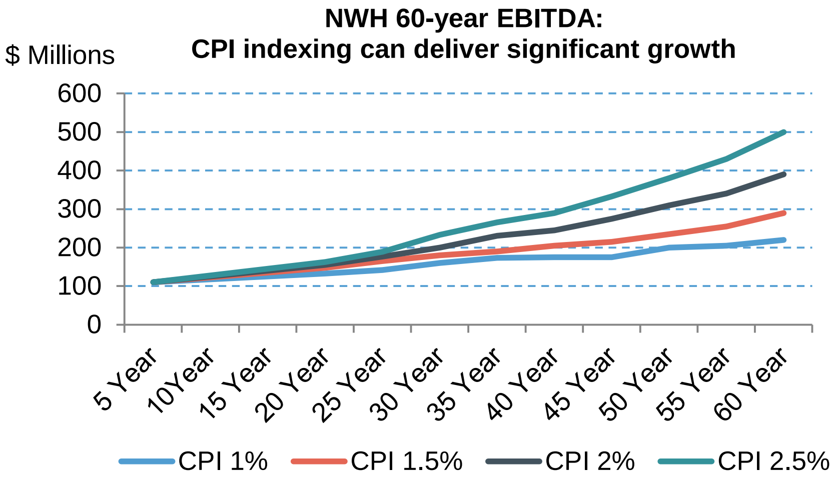
Utility	Location	Regulatory
Washington Gas A WGL Company	Virginia	▪ Rate case was filed in June 2016 with a stipulation issued in April 2017; final Commission approval issued June 30 approving stipulation for $34 million annual revenue increase ▪ Expedited rate cases anticipated in 2019 and 2020
Washington Gas A WGL Company	Maryland	▪ Rate case to be filed in 2018 ▪ New 5 year plan for accelerated replacement to be filed in 2018 for the 2019 – 2024 period
Washington Gas A WGL Company	Washington D.C.	▪ Last rate case was filed in February 2016 with final rates approved in March 2017 ▪ Rate case to be submitted in 2020 ▪ New 5 year plan for accelerated replacement to be filed in 2019 for the 2020 – 2025 period

Power

Northwest B.C. Hydro – Stable Long-Term Financial Returns

Forrest Kerr
195 MW fully contracted to 2074
McLymont Creek
66 MW fully contracted to 2075
Volcano Creek
16 MW fully contracted to 2074

- 60 Year PPA with high quality credit (BC Hydro)
  - 100% indexed to B.C. CPI
- AltaGas as operator has excellent track record
- Minimal ongoing maintenance capital
- Very high capacity factors translates into low annual generation volatility

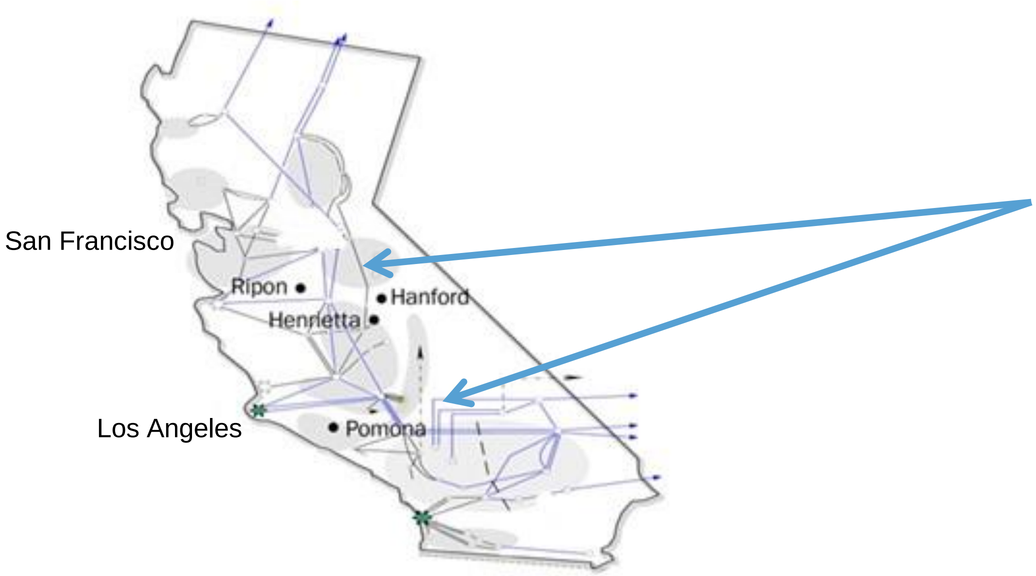


Existing Permitted Gas Plants in California Have Embedded Value Which Can Grow Over Time

High barriers to entry for new gas fired generation. Steel in the ground has significant value

- New builds are difficult to permit, expensive to build and require long (~10 year) development time horizons. There are no new gas plants under construction in the densely populated San Francisco region.
- High demand drives **premium pricing** in these constrained load pockets - a key value driver for existing facilities in these regions.

CAISO Local Constrained Areas[1]



- **Hanford**, **Henrietta** and **Ripon** are all located in the San Joaquin Valley region east and south of San Francisco. Provide grid stability with flexible and fast ramping capacity that backstops renewables
- **Pomona** is in the LA Basin load pocket

1 Draft Manual 2016 Local Capacity Technical Study, California Independent System Operator, October 2014
See "forward-looking information"

Energy Storage

Pomona Energy Storage

- 10 year Energy Storage Agreement (ESA) with Southern California Edison (SCE) for 20 MW energy storage at Pomona facility
- Resource adequacy capacity for four hour period, equivalent of 80 MWh of energy discharging capacity
- Commercial operations date: December 31, 2016

Other Battery Storage Opportunities

- California's three largest utilities were mandated to procure 1,325 MW by 2020
    - ~400 MWs are left to be procured by 2020
- SCE, PG&E, and SDG&E to explore up to a combined 500 MW of additional distributed energy storage
- SCE to procure another 20 MW and LADWP to study 100 MW of cost effective energy storage resulting from Aliso Canyon Gas Storage integrity
- Additional 'Preferred Resources' RFPs are expected in 2018 that will include energy storage
- AltaGas will continue to leverage its existing sites and infrastructure as well as look for greenfield development opportunities

Renewable Integration & Flexibility

- California legislators continue to move towards reducing fossil fuel reliance which creates new energy storage procurement opportunities
- CPUC is including energy storage in their resource planning to aid the integration of renewables
- Net load will need to be met by a combination of flexible resources, imports/exports, and curtailments

Key Sensitivities

AltaGas Standalone		
Foreign Exchange		
Key variables +/- $0.05 US/CAD	**2018 Impact EBITDA**	~$14 MM
Frac Spread		
Key variables +/- $1/bbl	**2018 Impact EBITDA**	~$1 MM
Natural Gas Volumes		
Key variables +/- 10%	**2018 Impact EBITDA**	~$16 MM

AltaGas and WGL Proforma		
Foreign Exchange		
Key variables +/- $0.05 US/CAD	**2018 Impact EBITDA**	~$27 MM