AltaGas

Investor Presentation
April 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; expectations of third party volumes at Gordondale; expectations with respect to optimizing capacity at Gordondale; expectations regarding future expansion; the quantity and competiveness of pricing; barriers of entry for new gas generation and value of existing infrastructure; increasing optionality at Blythe, 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 acceptability of conditions from the Maryland PSC decision, 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

~$18 Billion
Total Enterprise Value[1]

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

8-10%
dividend growth (2019 – 2021)

$6 Billion
$4.5 Secured growth
$1.5 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
Expectations as at March 1, 2018 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

1,930 MW
of Power Generation

- 1,259 MW Gas
- 277 MW Hydro
- 117 MW Wind
- 35 MW Biomass
- 20 MW Energy Storage
- 222 MW Distributed Generation

~$5B[3]
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.

~75% U.S. normalized EBITDA contribution

~25% Canadian normalized EBITDA contribution

~80% normalized EBITDA contracted with medium and long-term agreements

AltaGas + WGL

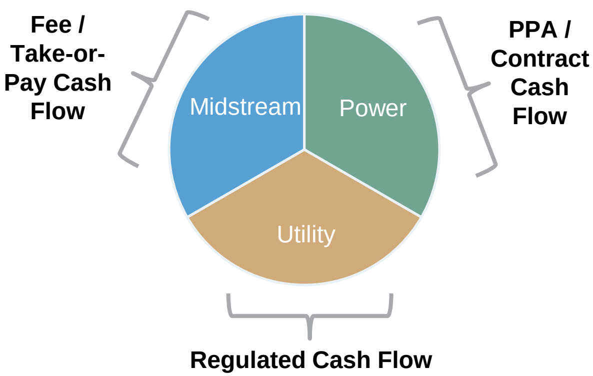
AltaGas

1 AltaGas only; 2 AltaGas' 1/3 Ownership in Ferndale, and 70% Ownership in Ridley Island Propane Export Terminal; 3 AltaGas expectation as of December 2017, WGL extrapolated to calendar year end 2017 based on FY2017 rate base and a CAGR of 9.0%, US dollars converted C$1.26/US $1.00
* Expectations as at March 1, 2018, 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

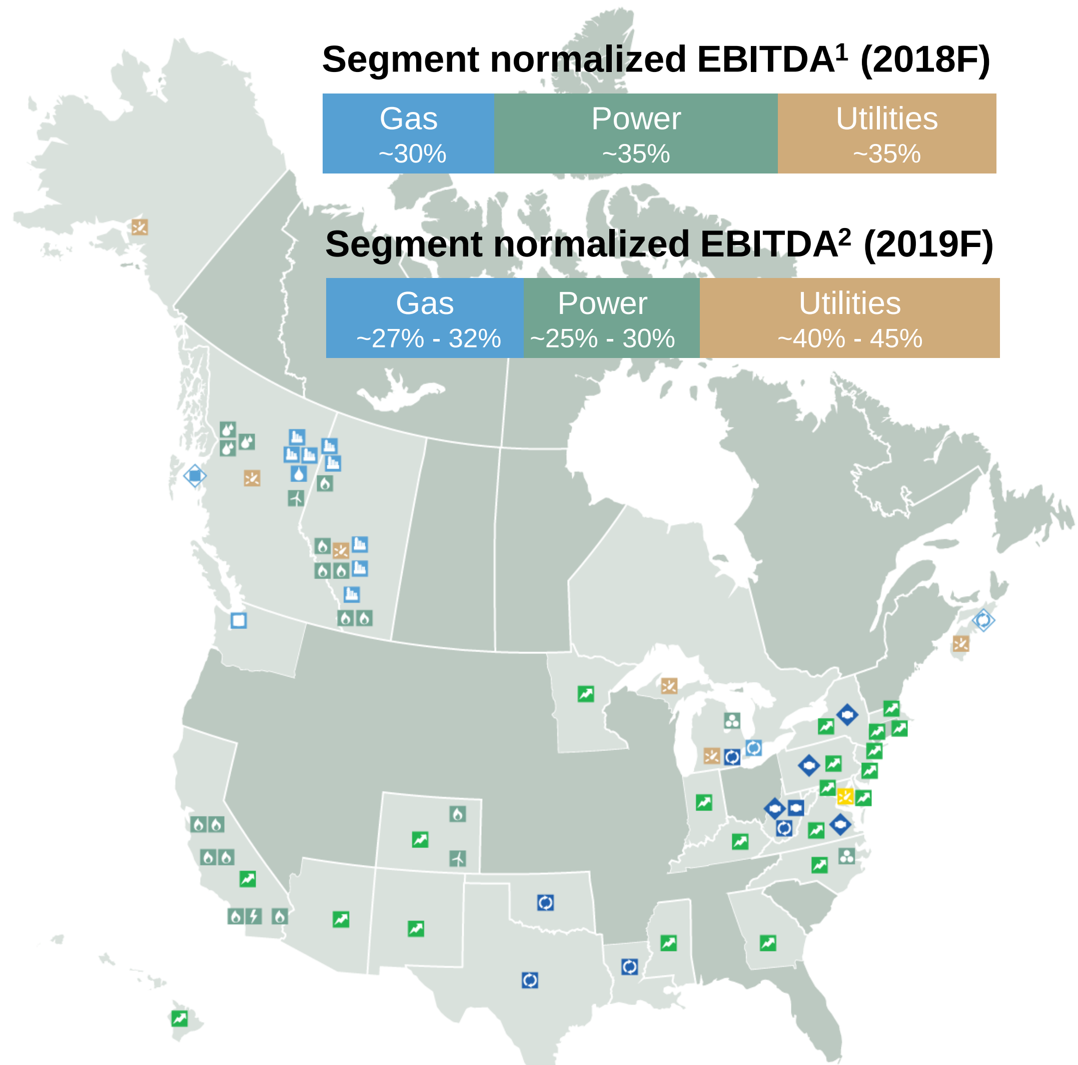


Segment normalized EBITDA[1] (2018F)

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

Segment normalized EBITDA[2] (2019F)

Gas	Power	Utilities
~27% - 32%	~25% - 30%	~40% - 45%



1 Expectations as at March 1, 2018, FX Rate of C$1.26/US$1, AltaGas standalone,
2 Expectations as at March 1, 2018, 2019E EBITDA is indicative, and based upon successful close of WGL Acquisition and assumed asset monetizations. FX Rate of C$1.26/US$1.00
Normalized EBITDA is a non-GAAP measure.
See "forward-looking information"

Transaction Timeline Update

Close of WGL Acquisition continues to track to mid-2018

	Q1-17	Q2-17	Q3-17	Q4-17	Mid-18	Remainder of 2018
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 approval received on April 4, 2018[2] ■ DC regulatory outcome expected mid-2018	
Asset Sales					■ Asset monetizations	

1 Settlement Agreement includes the Maryland Energy Administration, Montgomery County, Prince 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.
2 Maryland PSC approval contains a number of conditions currently under review by AltaGas and WGL
See "forward-looking information

Financing Strategy

Prudent plan achieves acquisition accretion metrics and maximizes shareholder value

Acquisition financing - Completed

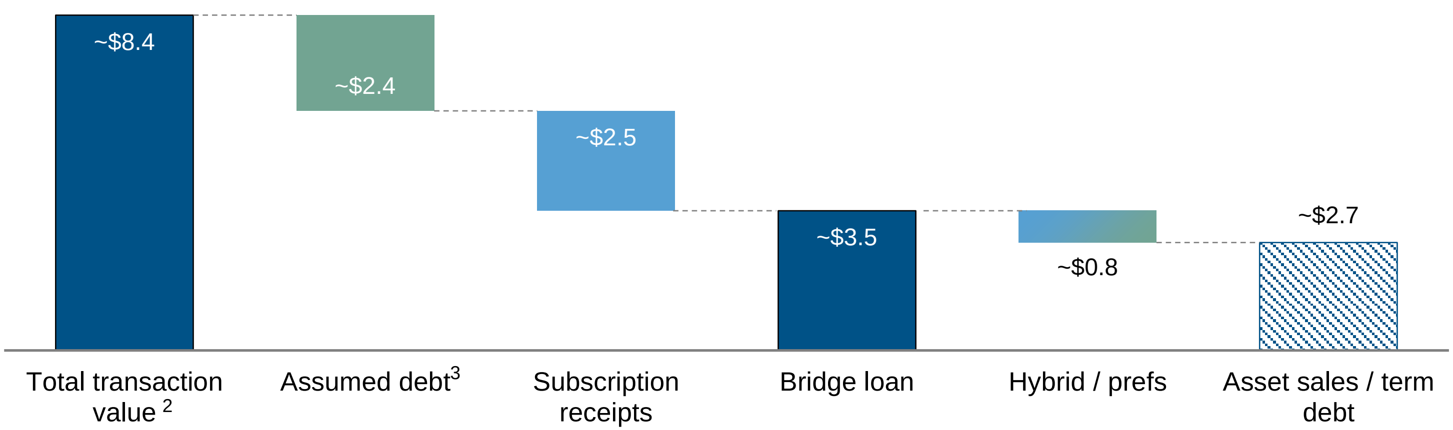
- Long-term financing plan structured to maintain strong investment grade credit profile
- C$2.1bn bought deal and C$400mm private placement of subscription receipts
- Committed C$3.8bn acquisition bridge facility, 12 - 18 month asset sale bridge[1]
  - Original bridge facility of C$6.3bn offset by issuance of $2.5bn in subscription receipts

Acquisition financing - Outstanding

- Monetization of assets of over C$2bn
  - Consideration being given to potential sale of appropriate interest(s) in Northwest B.C. Hydro Facilities
  - Consideration also being given for potential of minority or majority interest, as well as outright sales of other assets
- 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 over the course of 2018

Acquisition funding sources (C$bn)



1 Bridge facility is denominated in US dollars (US$3.0bn), converted for presentation purposes to Canadian dollars at 1.26 CAD/USD; aggregate bridge amount of C$3.8bn 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

U.S. Tax Reform – Implications for AltaGas

Impact of U.S. tax reform on overall business is not expected to be material

Regulated Business: Utilities

- Decrease in customer rates will result in a top line utility revenue drop as less tax is recovered
  - Slightly negative impact to EBITDA and FFO and minimal impact on net income
- Revaluation of regulated deferred tax liability expected to be paid back over remaining useful life of assets
  - Non-material impact to FFO and minimal impact on net income
- Once cash taxable, impact of decreased customer rates and revaluation of deferred tax liability will be neutral to FFO
- Reduced customer rates mitigates rate impact resulting from utilities replacement investments
- Interest expense deduction retained
- MACRS remains as tax depreciation method

Non-Regulated Business: Midstream and Power

- Positive impact on net income driven by lower corporate tax rate
- Interest expense limitations are more than offset by lower corporate tax rate and accelerated tax depreciation

Overall forecasted impact Pro-forma

Metric (Normalized)	2018 Expected Impact	2019 Expected Impact
EBITDA / FFO	~ (-5%)	~ (-5%)
Net Income	~ +5%	~ +2%

Attractive Platform for Growth Through 2021

~C$6 billion of identified capital investment opportunities

Energy Storage

Canadian Midstream Montney

Large Scale Power Development

Distributed Generation

$4.5 billion
Secured growth

+

$1.5 billion
Advanced growth opportunities

U.S. Midstream Marcellus / Utica Footprint

Canadian Utilities System Betterment and Customer Growth

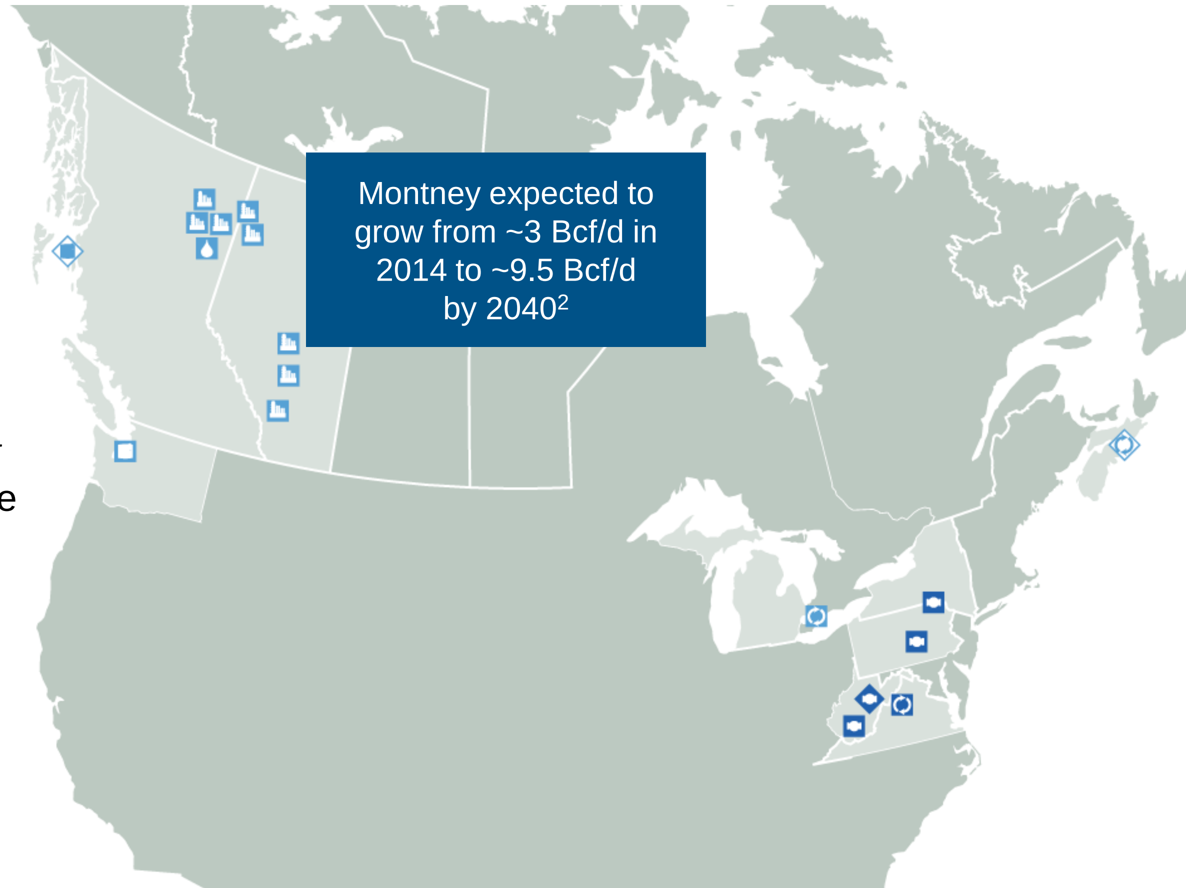
U.S. Utilities System Betterment and Customer Growth

Expectations as at March 1, 2018 upon successful close of WGL Acquisition
See "forward-looking information

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



Montney expected to grow from ~3 Bcf/d in 2014 to ~9.5 Bcf/d by 2040[2]

AltaGas
- Gas Processing
- Regional LNG Facility
- LPG Export Terminal
- LPG Export Terminal Under Construction
- Storage Facility
- Storage Facility Under Construction

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

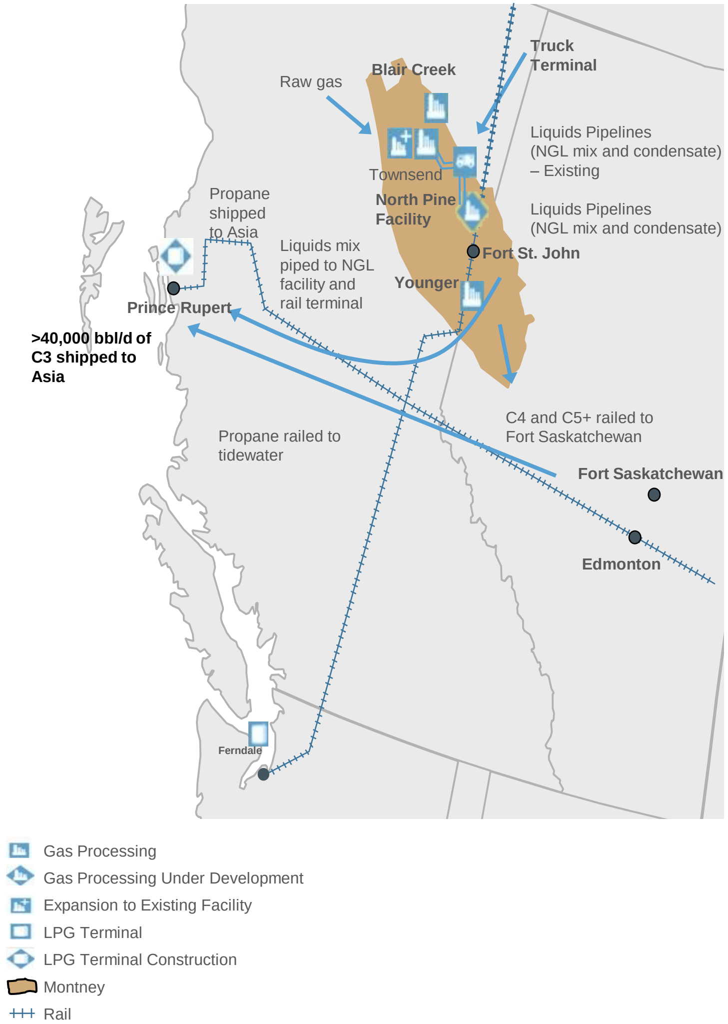
Marcellus production expected to grow from ~22 Bcf/d to well over 30 Bcf/d[3]

20-year GAIL Supply Agreement at Cove Point
(Cove Point shipped first export cargo in March 2018[4])

1 AltaGas has 1/3 interest in Ferndale facility. 2 NEB – Energy Market Assessment. 3 U.S. Energy Information Administration. 4 Source: Desjardins Capital Markets, Natural Gas Report, March 8, 2018
Expectations as at March 1, 2018 upon successful close of WGL Acquisition
See "forward-looking information"

AltaGas' Northeast B.C. Strategy

Provides <u>new</u> 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

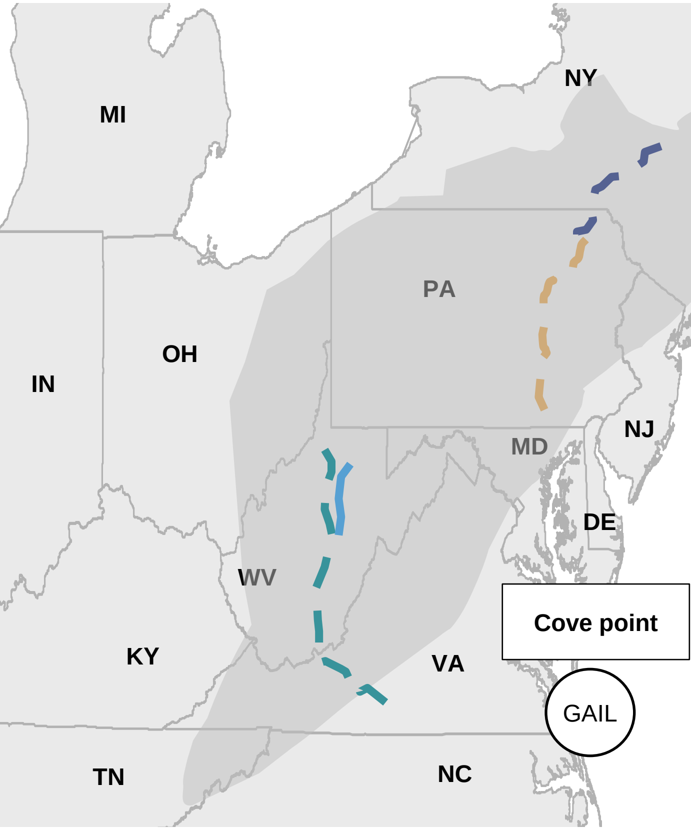
- Doubling the Townsend gas processing complex, phase two will consist of two separate gas processing trains
- First train (2A) is a 99 MMcf/d shallow-cut natural gas processing facility

AltaGas

1 Total project cost; ownership is 70% ALA and 30% Royal Vopak
Expectations at March 1, 2018
See "forward-looking information"

Marcellus Pipelines

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



- Marcellus / Utica Basins
- Central Penn
- Constitution
- Mountain Valley
- Stonewall

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$350 Million 10% Ownership	▪ Target in service Dec. 2018 ▪ Designed to transport 2.0 Bcf/d from West Virginia to Virginia
Constitution US$95 Million 10% Ownership	▪ 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 shipped first export cargo in March 2018[1]

1 Source: Desjardins Capital Markets, National Gas Report, March 8, 2018
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 March 1, 2018 upon successful close of WGL Acquisition
See "forward-looking information"

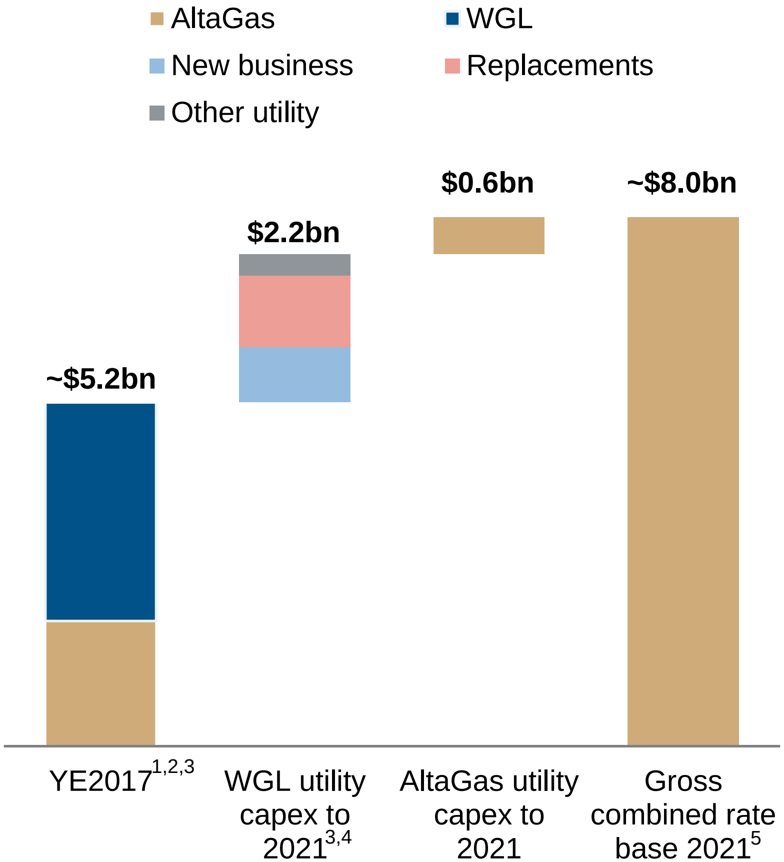
Customer Growth and Accelerated Replacements Drive Growth

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.)

Projected Rate Base Growth
(C$ billions)



1 As of December 2017
2 WGL extrapolated to calendar year end 2017 based on FY2016 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]

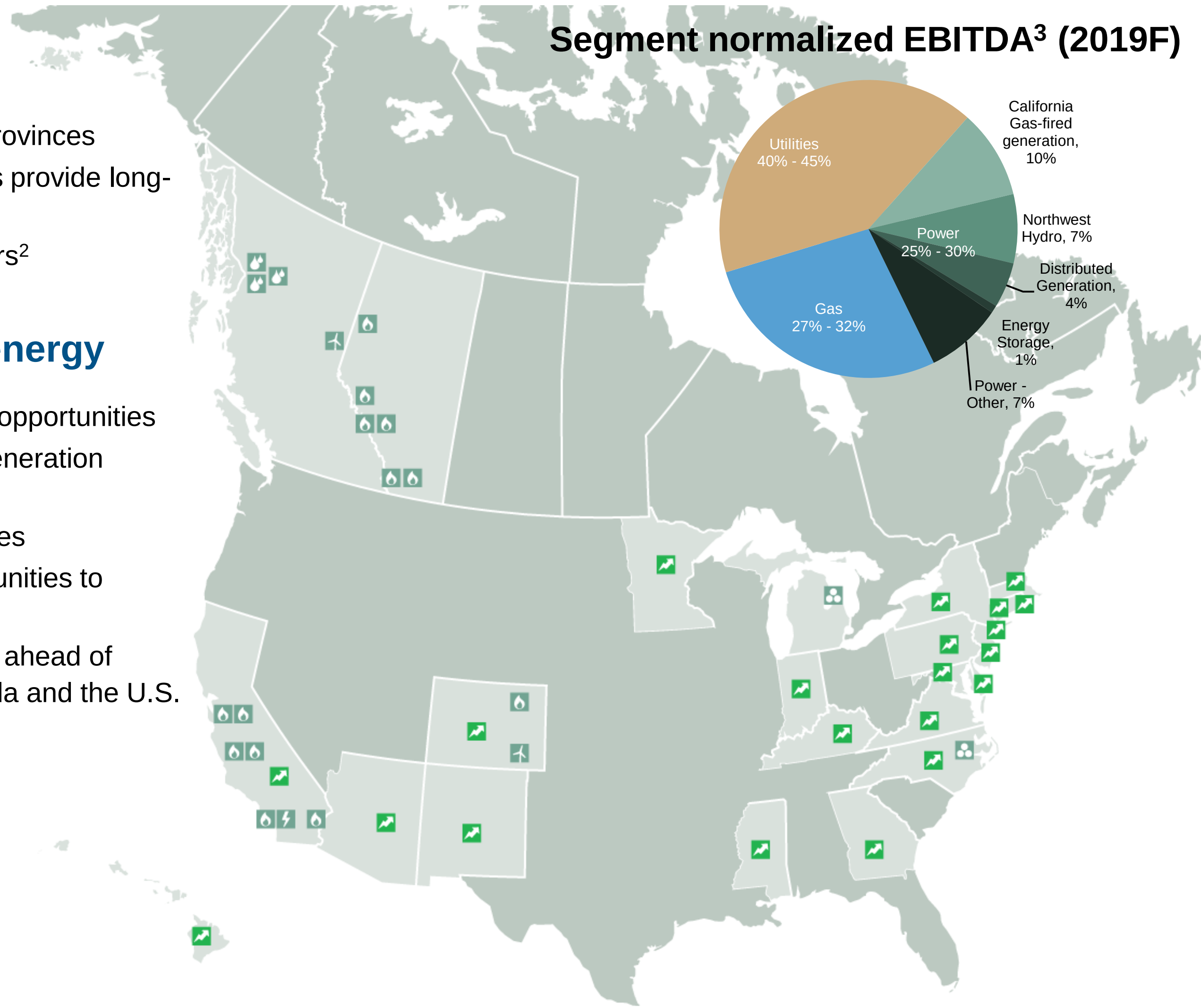
Generating clean energy with natural gas and renewable sources

Diversified Power Portfolio

- 1,930 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 ~14 years[2]

Enhanced growth from clean energy

- Up to $350 million in new battery storage opportunities
- ~US$100 million 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
- Energy Storage

WGL

- Distribution Generation

1 Includes WGL's installed and under-construction assets of 222MW, and ALA's 20MW of energy storage.
2 Assumes average of 20 year contracts for WGL distributed generation
3 Expectations as at March 1, 2018 2019E EBITDA is indicative, and based upon successful close of WGL Acquisition and assumed asset monitizations. FX Rate of C$1.26/US$1
See "forward-looking information

Governing Financial Principles

Delivering growth and security

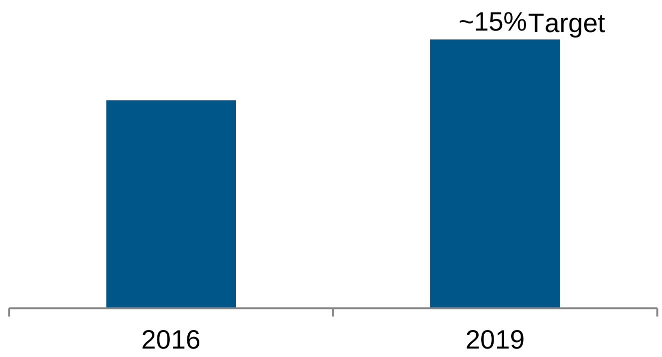
	Principles	Targets
1	Dividend Sustainability	✓ 50 - 60% FFO[1] payout ratio ✓ Expect ~85% of 2019 common dividends to be underpinned by Regulated Utilities
2	Target Expected Returns	✓ Enhancing returns on existing assets ✓ Specified targets for growth projects
3	Strong Stable Investment Grade Balance 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]

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

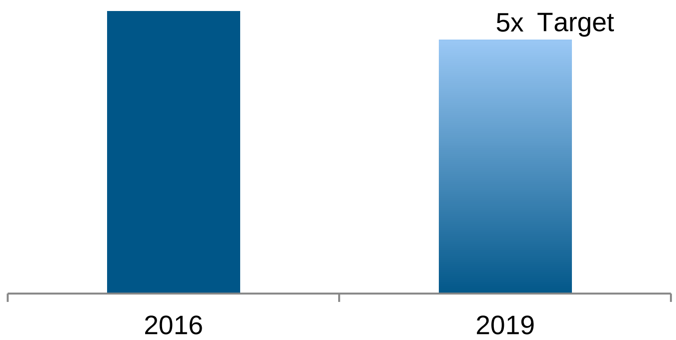
Strong Investment Grade Credit Rating

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

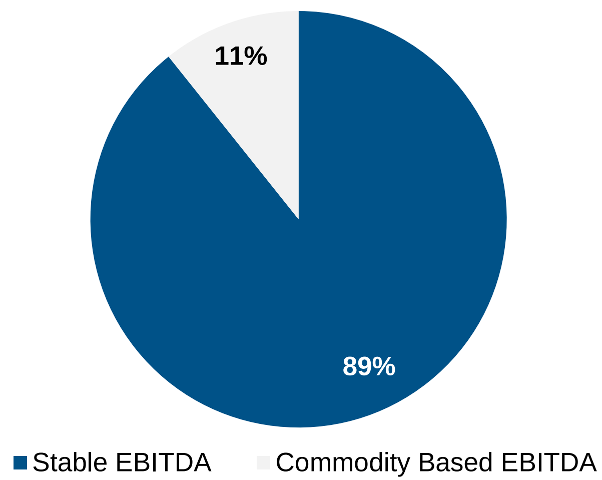
- Focus on stable cash flows

Credit Metric	Target
FFO / Debt	≥ 15%
Net Debt / EBITDA	~ 5.0x

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

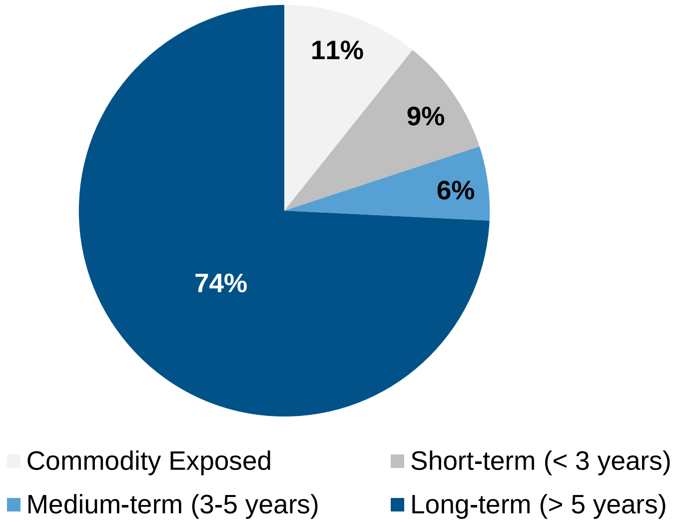
Highly Contracted, Low-Risk Business Model

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



~11% of combined EBITDA exposed to commodity prices

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



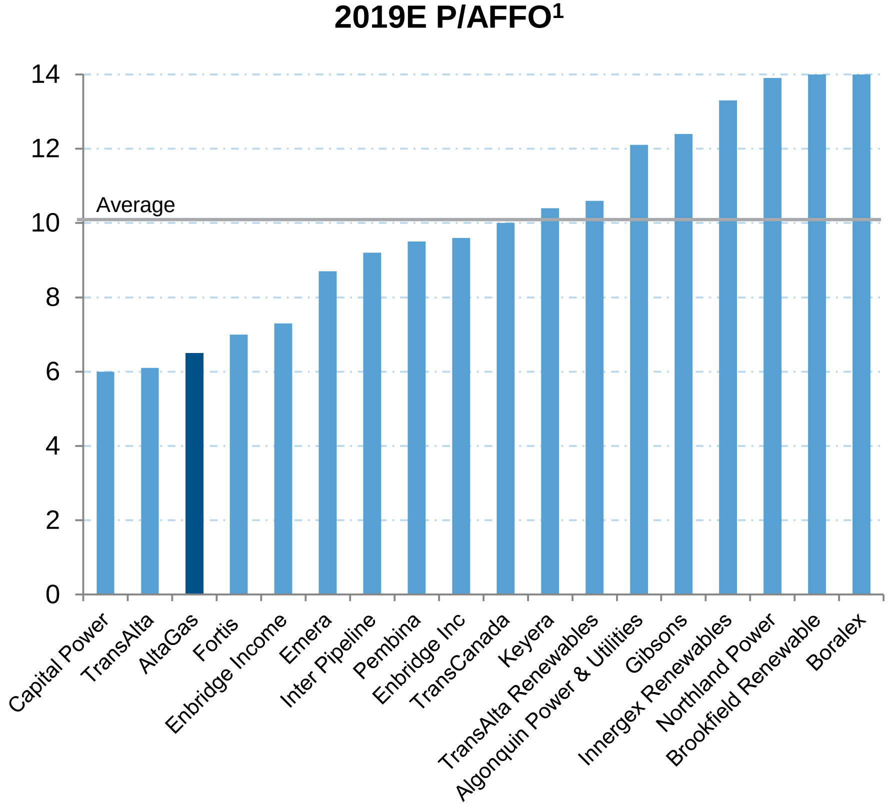
~80% of normalized EBITDA underpinned by medium & long-term agreements

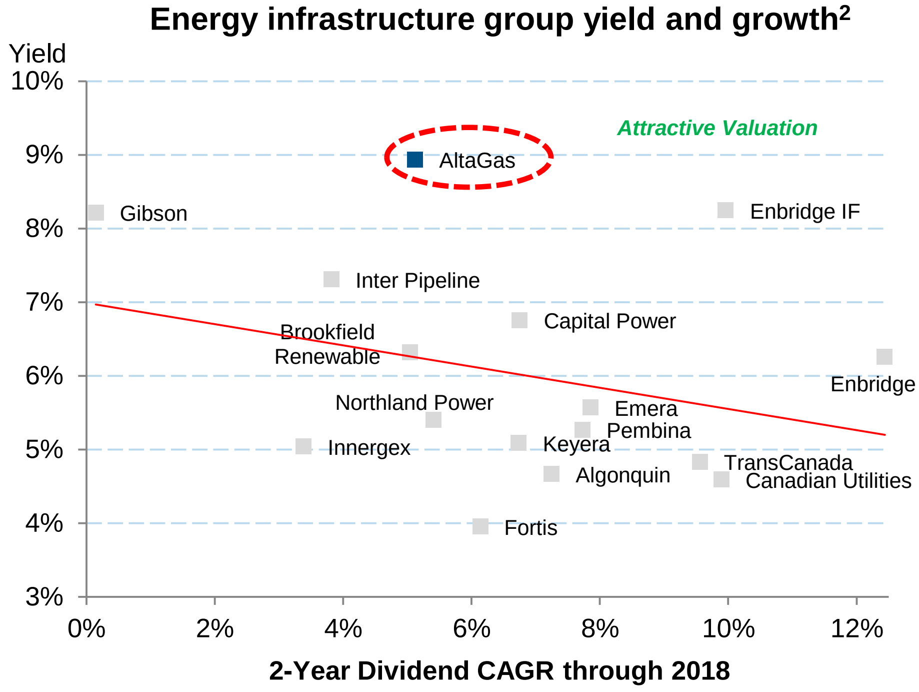
High-quality cash flows underpinned by long-term take-or-pay contracts and rate regulated franchises

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, * Expectations as at March 1, 2018 upon successful close of WGL Acquisition
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.





1 CIBC data, April 2, 2018. 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
See "forward-looking information"

Key Takeaways

Near-term catalysts

2018

- Maryland regulatory approval received on April 4, 2018[1]
- Regulatory outcome for DC expected mid-2018
- Debt/Hybrid Financing
- Various asset monetization initiatives for a total of over $2B in proceeds, pending WGL regulatory approvals
- Potential new Gas and Power development initiatives

Medium-term catalysts (12 – 24 Months)

2019 - 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)
- Completion of Marquette Connector Pipeline in Michigan (Q4 2019)

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

AltaGas

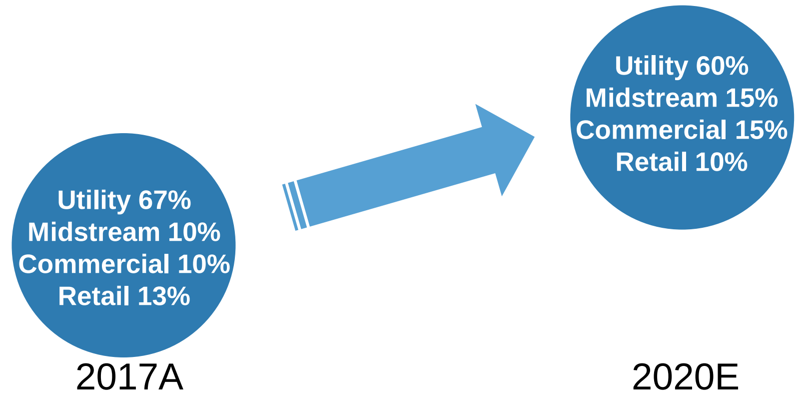
1 Maryland PSC approval contains a number of conditions currently under review by AltaGas and WGL
Expectations as at March 1, 2018
See "forward-looking information"

Appendix

WGL Overview

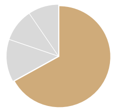
- **WGL is a leading diversified U.S. energy company**
- **Seen as a preferred source of clean and efficient energy solutions that produce value for customers, investors and communities**
- **Disciplined capital allocation strategy focused on infrastructure investments with numerous near-term opportunities**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

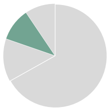
EBIT Contribution By Segment[5]

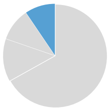


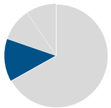
Utility	Power	Midstream	Retail

2017A EBIT (%)[1]









Utility

- Natural gas regulated utility serving 1.2 million customers with a rate base of ~C$3.3 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

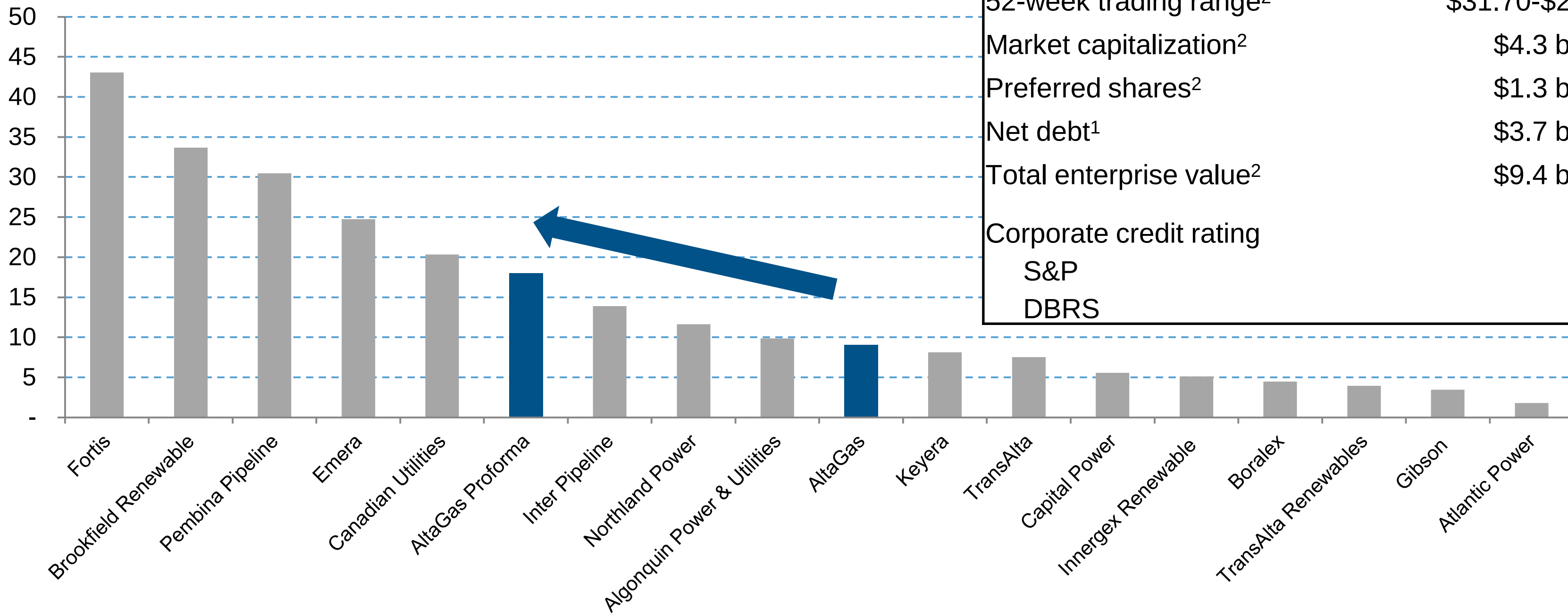
Retail

- 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 2017 based on FY2017 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"

Larger Scale Enhances AltaGas' Competitive Position

Peer Group
Enterprise Value ($ billions)



TSX: ALA Today $CAD	
Common shares outstanding[1]	177 million
Common share trading price[2]	$24.51
52-week trading range[2]	$31.70-$22.82
Market capitalization[2]	$4.3 billion
Preferred shares[2]	$1.3 billion
Net debt[1]	$3.7 billion
Total enterprise value[2]	$9.4 billion
Corporate credit rating	
S&P	BBB
DBRS	BBB

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

Increased diversification

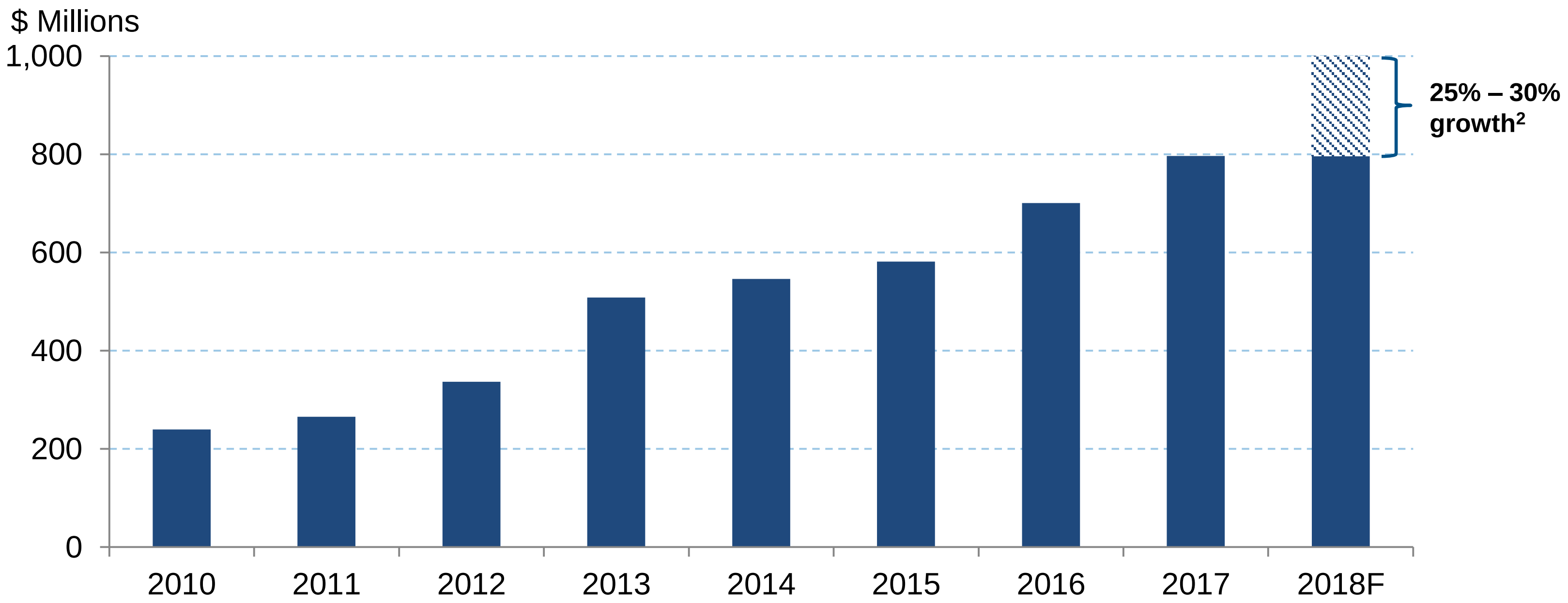
Expanded access to capital and greater financial flexibility

AltaGas

1 As of Q4 2017
2 As of March 14, 2018
3 Based on estimated book value at December 31, 2018
See "forward-looking information"

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

Significant growth in 2018 driven by expected close of WGL Acquisition mid-2018



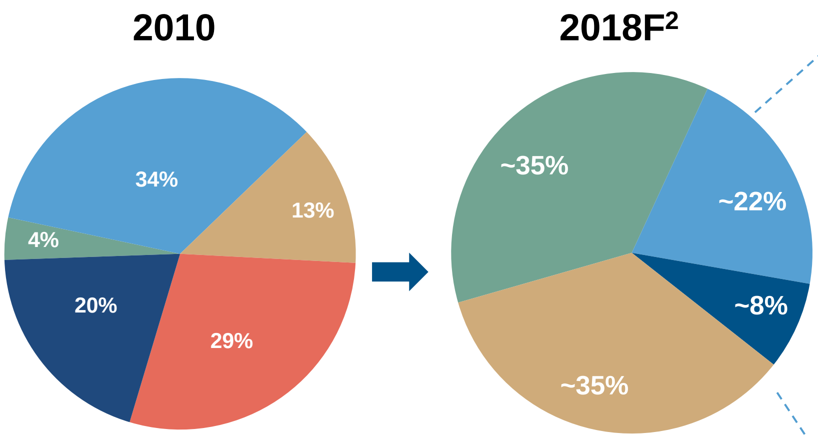
Non-commodity % of EBITDA[1]

2010	2011	2012	2013	2014	2015	2016	2017	2018F[2]
50%	43%	70%	69%	79%	93%	98%	92%	~90%

1 Represents normalized EBITDA
2 Expectations as at March 1, 2018, reflects combined entity (mid-year close assumption)
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[1,2]

45%
Fixed / Take-or-pay
- No volume or commodity price exposure
- Average contract length of ~18 years

13%
Cost-of-service
- Provides for recovery of operating costs and a capital charge, generally are not subject to commodity risk
- Average contract length of ~14 years

14%
Fee-for-service
- Provides for a fee per unit of production sold or service provided, generally are not subject to commodity risk

28%
Frac Spread
- Volume and price exposure
- Approximately 75% of exposure is hedged in 2018

1 Represents normalized EBITDA
2 Expectations as at March 1, 2018, 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)

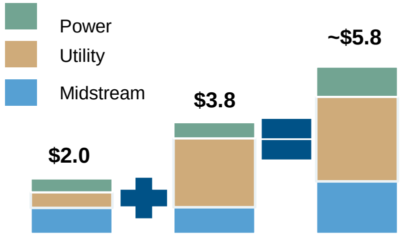
Project	Expected Capex[1,2]	Target In-Service[1]
Townsend 2B	$80	2019/2020
North Pine – Train 2	$50	2019/2020
Ridley Island Propane Export[3]	$333	2019
Alton Gas Storage	$155	2020
Processing / NGL separation[6]	$170	2019
Total Midstream	**$788**	
Utilities capital[4]	$450	2018 – 2021
Marquette pipeline[4]	$173	2019
CINGSA expansion[4]	$33	2020
Total Utility	**$656**	
Energy Storage[4,5]	$150	2018+
Solar[4,6]	$380	2019+
Total Power	**$530**	
Total AltaGas	**$1,974**	

WGL (C$mm)

Project	Expected Capex[1,4]	Target In-Service[1]
Constitution Pipeline	$120	TBD
Central Penn Pipeline	$517	2018
Mountain Valley	$441	2018
Stonewall Expansion	TBD	TBD
Total Midstream[2]	**$1,078**	
New Business	$831	2018– 2021
Replacements	$1,072	2018– 2021
Other Utility	$326	2018– 2021
Total Utility	**$2,228**	
Distributed Generation	$502	2018– 2021
Total Power	**$502**	
Total WGL	**$3,808**	

Pro Forma (C$bn)

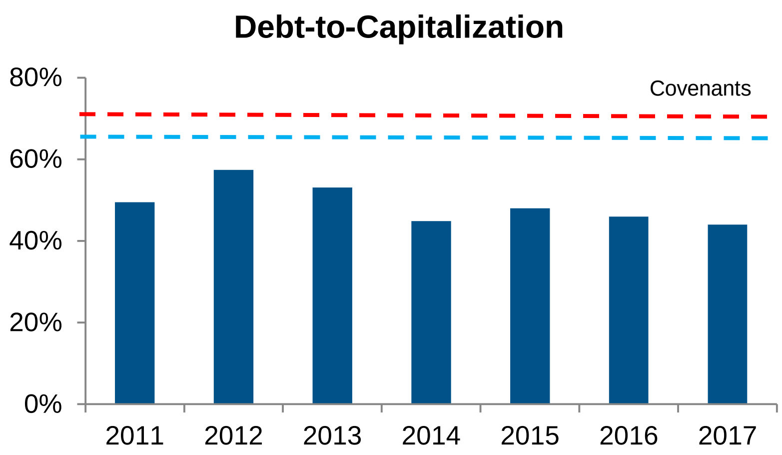
Business	Pro Forma Capex
Total Midstream	**$1.9**
Total Utility	**$2.9**
Total Power	**$1.0**
Total Pro Forma	**$5.8**

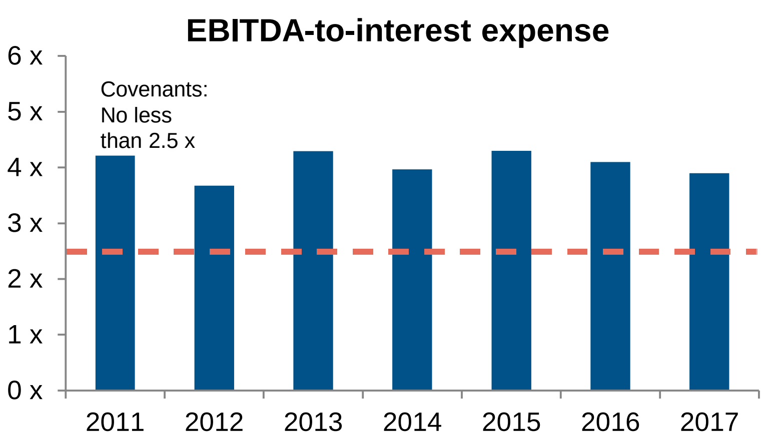


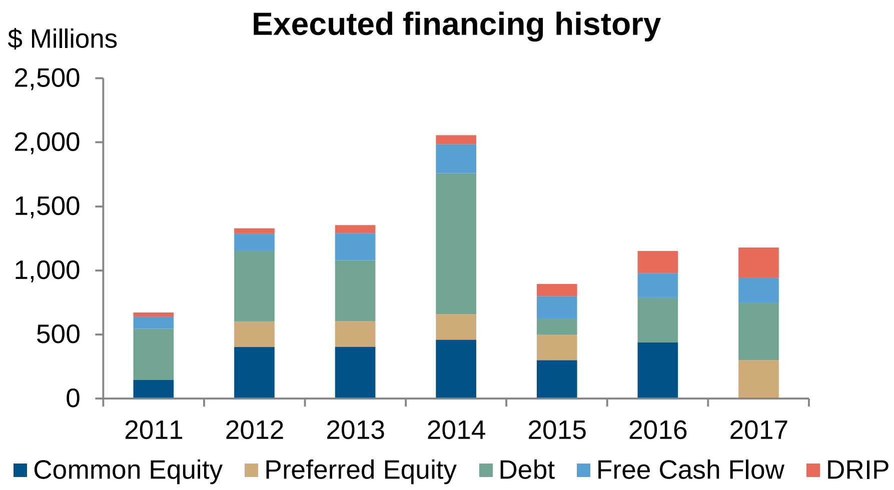
~C$6 bn of identified opportunities support a diversified business mix

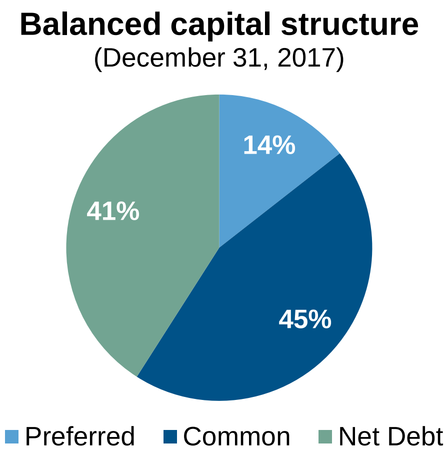
1 Expectations based on most recent public disclosure / financial reports for AltaGas and WGL; 2 Reflects AltaGas' and WGL's share of the total cost (both incurred and expected); 3 Reflects AltaGas' portion of project capital. Ownership will be 70% ALA and 30% Royal Vopak; 4 Based on a CAD/USD FX rate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

Sound Financial Position

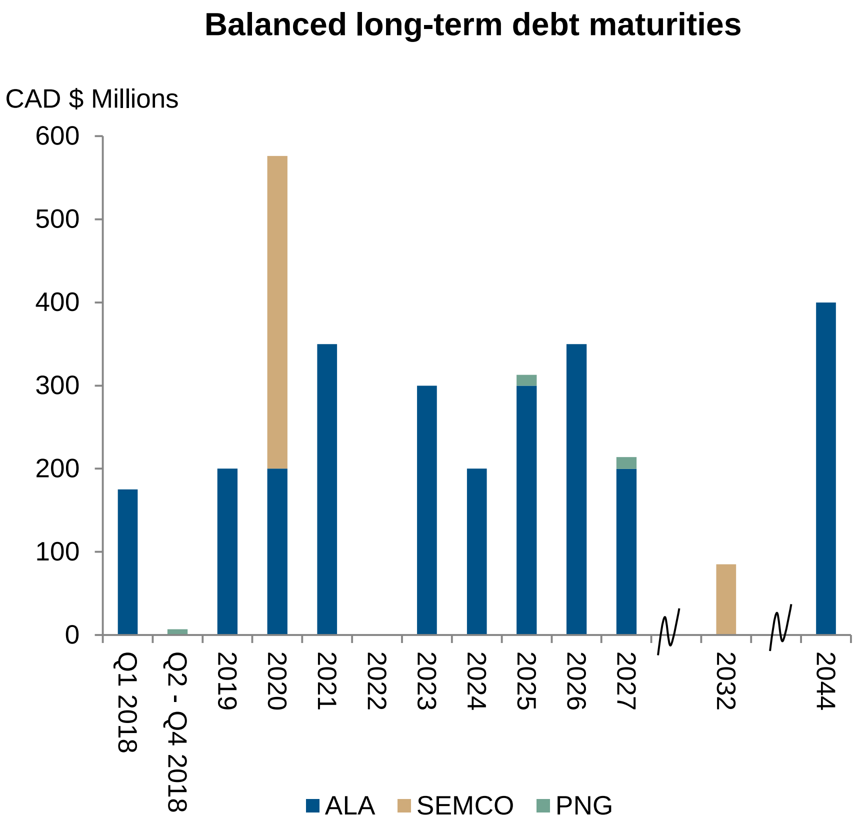


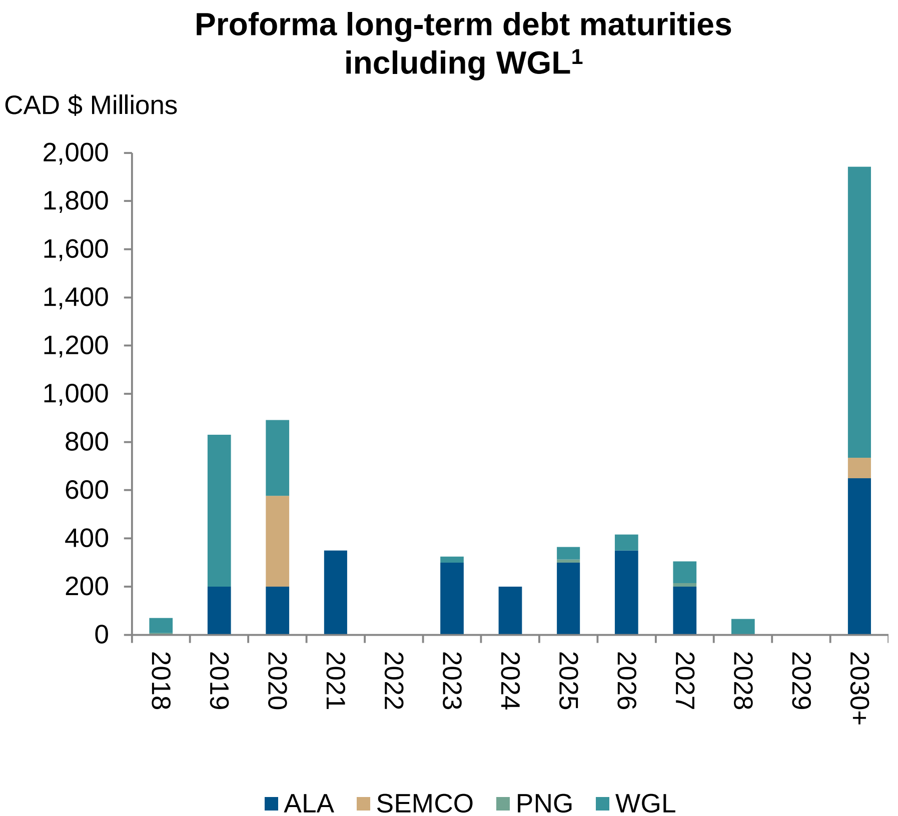






Debt Maturities

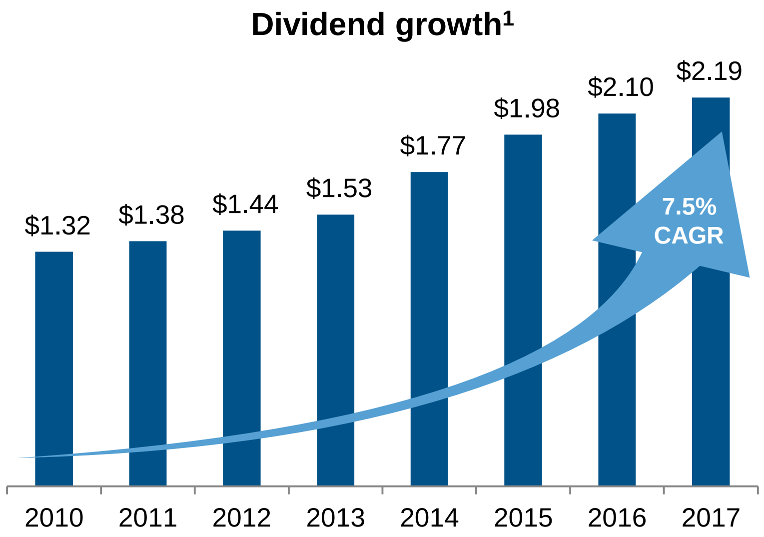


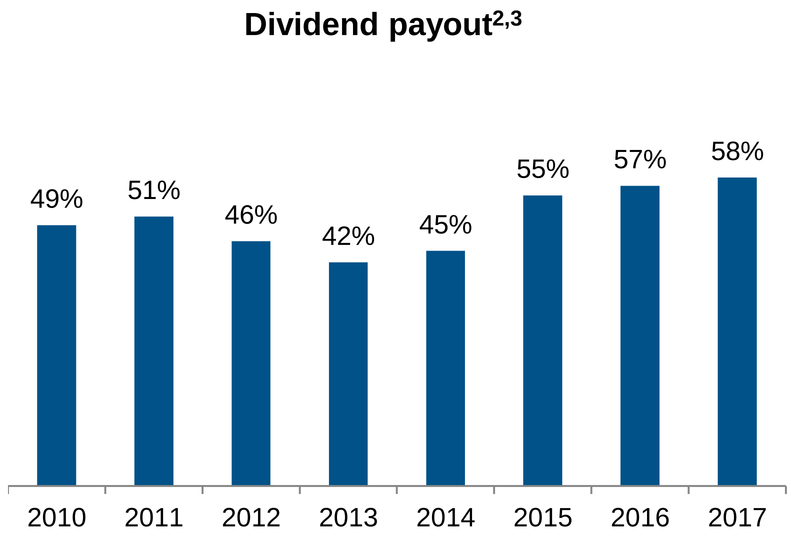


*Moody's rating, not rated by S&P
** Negative outlook by S&P
1 WGL long-term debt converted at FX of 1.26 CAD/USD
See "forward-looking information"

Delivering Growth and Security

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

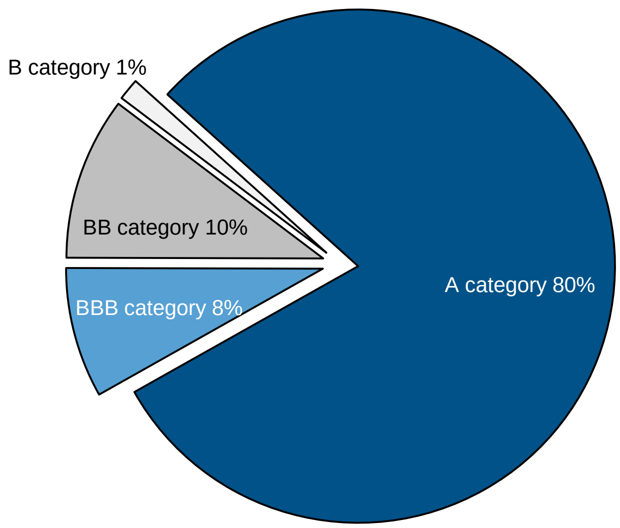




1 Based on annualized run rate
2 2010 in accordance with CGAAP. 2011 and forward in accordance with U.S. GAAP
3 Dividends paid as a percentage of FFO.
See "forward-looking information"

Managing Counterparty Credit Exposure

Total exposure by rating



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

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

Overall credit exposure

- Over 85% 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

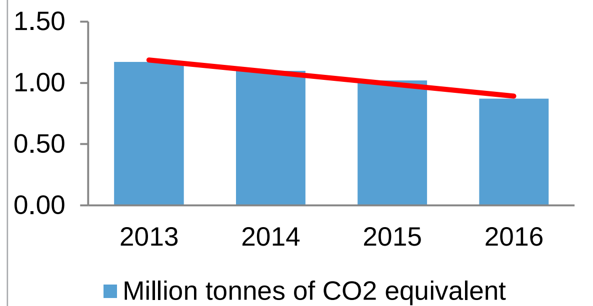
1 Expectations as at March 1, 2018
See "forward-looking information"

U.S. Tax Reform – State Regulatory Update

	Michigan	Alaska	D.C.	Virginia	Maryland
Commission Action	Regulated utilities have been ordered to report how lower taxes will benefit customers	No update from regulators. RAPA has petitioned the regulator to investigate the impact of income tax reduction on utility's revenue requirement.	All regulated utilities shall track the impact of tax reform and provide for appropriate accruals effective Jan 1, 2018. This included the revenue requirement impact and the impact from the revaluation of the deferred tax liability.		
Company Proposal	AltaGas has proposed an immediate rate reduction using last filed rate case calculated using the new federal tax rate. Adjustment to deferred tax liability to factor into next rate case.	Waiting for regulator to communicate action required.	WGL has proposed an immediate rate reduction using the last filed rate case calculated using the new federal rate. The impact of the revaluation of the deferred tax liability has also been factored into the rate reduction.		
Status	No formal decision by commissions				Commission has approved WGL's submission

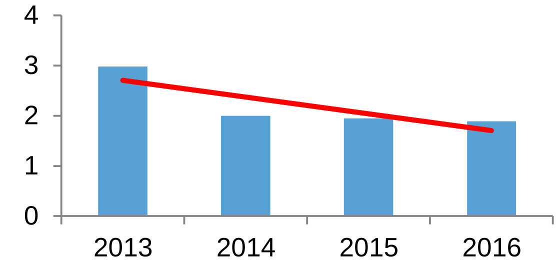
AltaGas' Key Focus Areas

Greenhouse Gas Emissions*

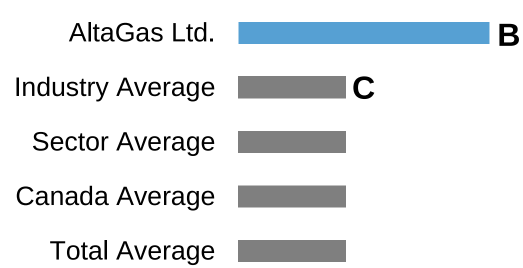


* Gas Division

Total Recordable Injury Frequency



CDP Scores 2016



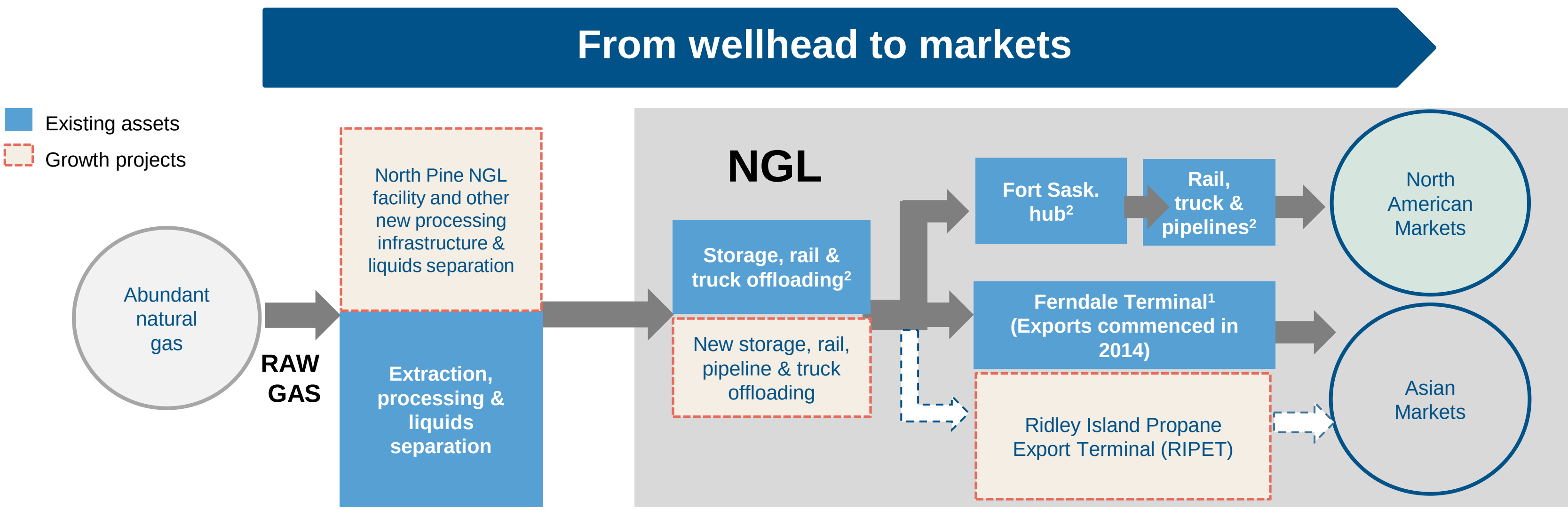
ROBECOSAM Sustainability Award Bronze Class 2017

Alberta's TOP 70 EMPLOYERS 2017

CANADA'S TOP EMPLOYERS FOR YOUNG PEOPLE 2017

Gas

Building Infrastructure to Serve New Markets



PROCESSING / FRAC

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

LOGISTICS

- Petrogas
- Ferndale
- RIPET

END MARKETS

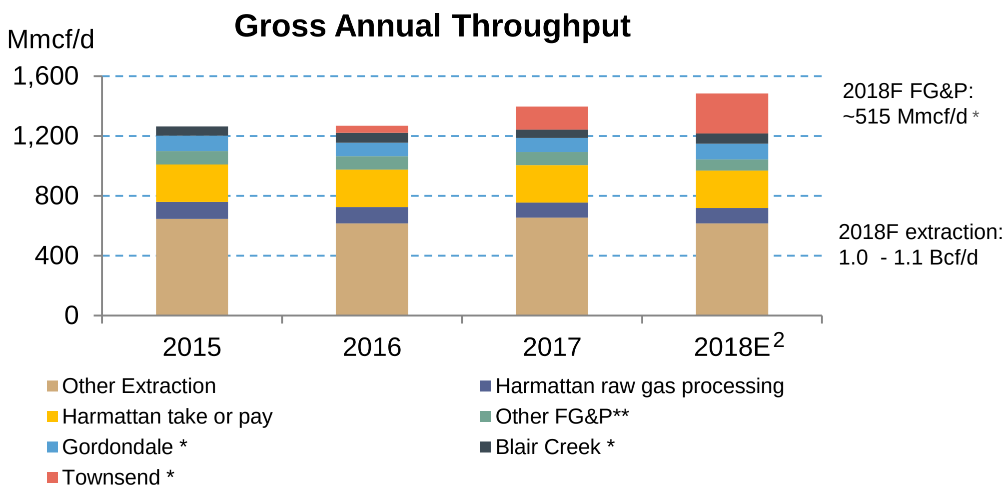
- Astomos
- Idemitsu
- Other third parties

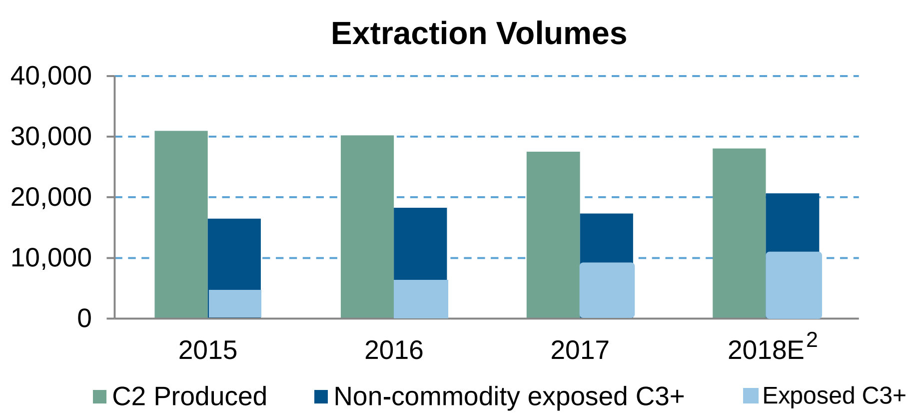
Fully-integrated, customer-focused value chain provides **increased value** to producers

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
2017 – 57Mmcf/d
2018E – 60 – 70 Mmcf/d

Gordondale
2016 – 90 Mmcf/d
2017 – 94 Mmcf/d
2018E – 100 – 110 Mmcf/d

Harmattan
2016 – 109 Mmcf/d
2017 – 101 Mmcf/d
2018E – 95 – 105 Mmcf/d[3]

Townsend[1]
2017 – 154 Mmcf/d
2018E – 260 – 270 Mmcf/d

Younger[4]
2016 – 290 Mmcf/d
2017 – 267 Mmcf/d
2018E – 210 – 220 Mmcf/d[5]

Other FG&P
2016 – 90 Mmcf/d
2017 – 87 Mmcf/d
2018E – 70 – 80 Mmcf/d[6]

AltaGas

1 Includes Townsend and Townsend 2A 2 Expectations as at March 8, 2018 3 Includes a turnaround in 2018 4 Volumes net to AltaGas 5 Reflects reduced ownership percentage for April onwards 6 Reflects sale of Acme and Shaunovan
* 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"

Gordondale: New Long-Term Processing Arrangement
Maximizing the long-term value and returns of deep cut facility

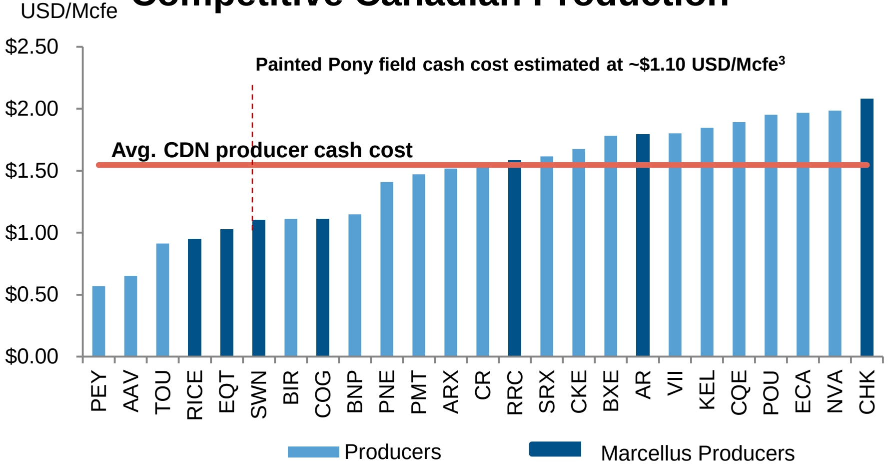
New long-term take-or-pay agreement for at least 15 years

- Agreement provides stable long-term cash flow by filling the existing operational capacity of 120 Mmcf/d
- Enables AltaGas to source third party gas for the first time, in addition to Birchcliff
  - Active discussions with third party producers to tie in additional gas from the Gordondale/Pouce Coupe area within the liquids rich Alberta Montney
  - Incremental volumes will maximize existing licensed capacity of 150 Mmcd/d (2017A volumes were 100 Mmcf/d)[1], and lay the ground work for future plant expansion
- Growing propane volumes to be dedicated to AltaGas' Ridley Island Propane Export Terminal

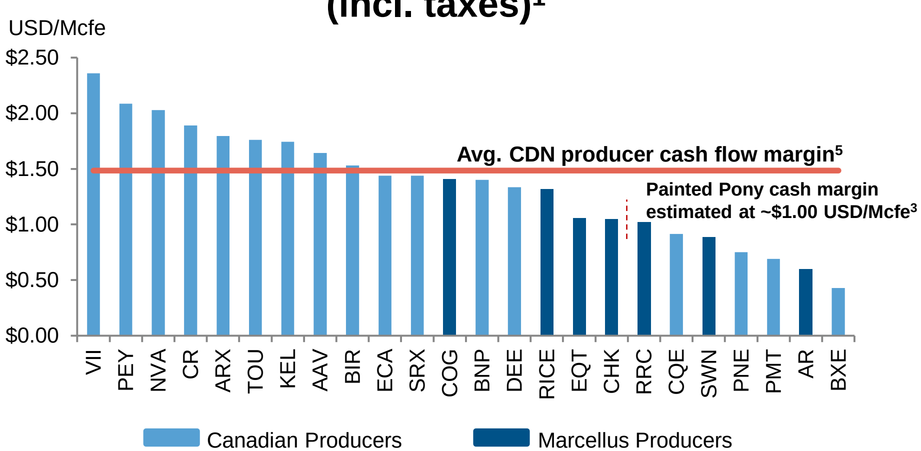
1 Exluding planned turnaround. Including turnaround volumes were 94 Mmcf/d
* Expectations as at April 4, 2018.
See "forward-looking information"

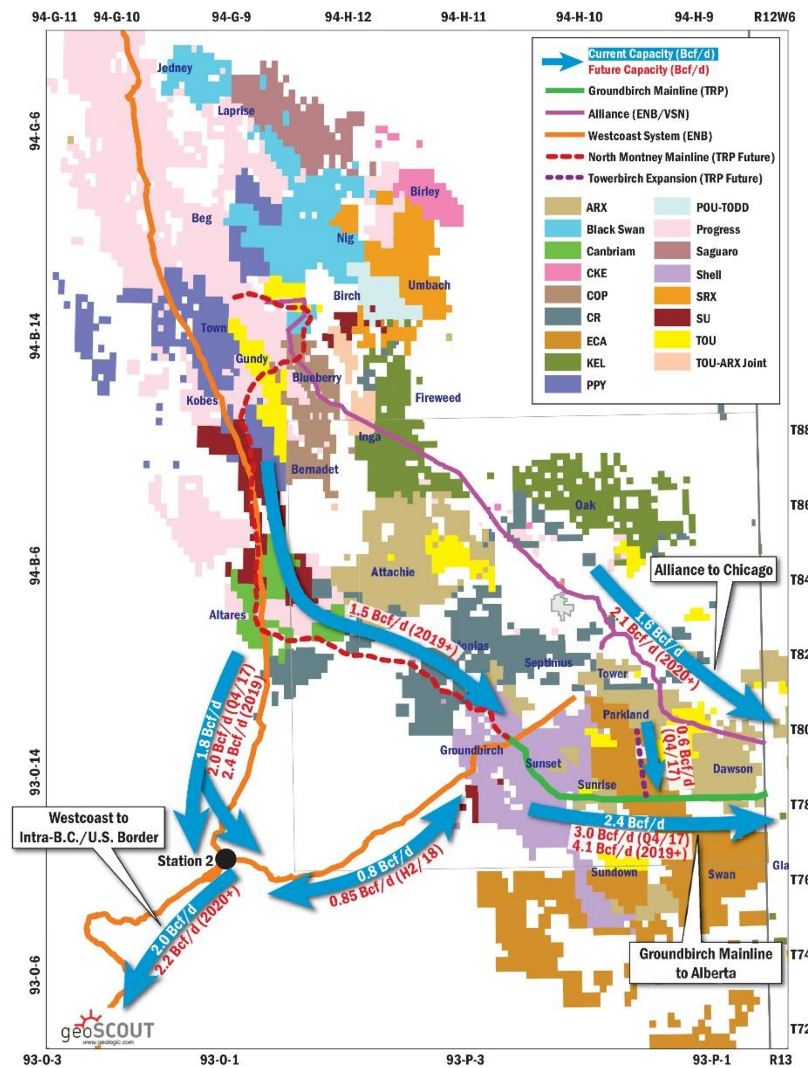
Montney Competitive at Current Prices

Competitive Canadian Production[1,2]



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

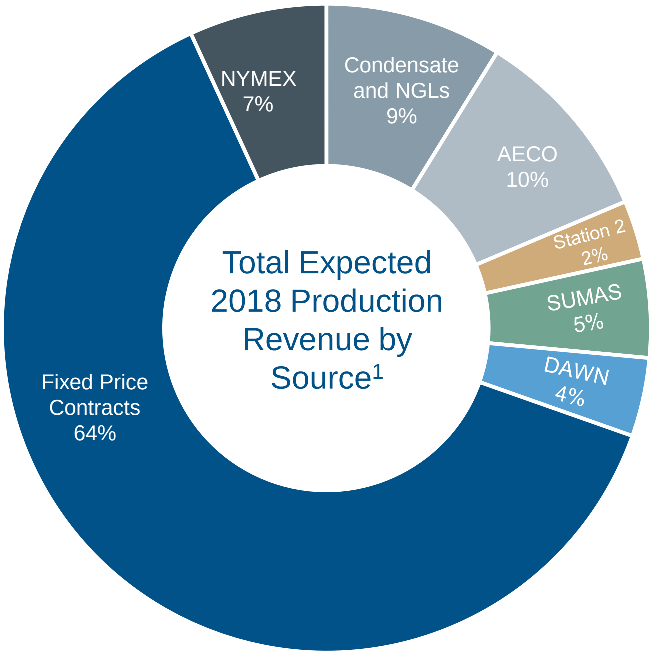




1 Peters report October, 2017
2 BMO data, October 2017
3 Painted Pony October 30, 2017 Investor Presentation, Based on a CAD/USD FX rate of 1.26
4 Cash costs including transportation, operating costs, G&A and interest expense
5 Unhedged cash flow (net of royalties)
6 J.P. Morgan / JPM Energy Research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

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**
  - 1.6x proved Developed Producing 2017 F&D Recycle Ratio[1]
  - 6% decrease in per unit operating costs in 2017[2]
- Calculated first-year capital efficiencies are expected to average approximately $1,500/Mcfe/d ($9,000/boe/d)[1]
- Current production rate ~**360 Mmcfe/d**[1]
  - Expecting 45% annual average daily production growth from 2017 to 2018 based entirely on growth through the drill-bit
- 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 ~2% of forecasted revenue[1]
- **Solid financial position**
  - December 31, 2017 net debt of $363.9 million (~30% of capacity)[2]
  - Meaningfully hedged production in 2018 (55%)[1]
    - 14 year supply contract signed with Methanex starting in 2018

1 Painted Pony March 2018 Investor Presentation.
2 Painted Pony 2017 Annual Report
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 March 1, 2018
See "forward-looking information"

North Pine NGL Separation Facility to Serve Montney Producers

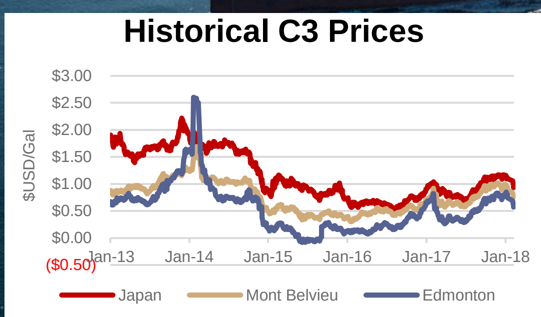
- NGL facility to serve Montney producers in northeast British Columbia, near Fort St. John
- On-stream December 1, 2017
- First train capable of producing up to 10,000 Bbls/d of C3+ processing capacity, with capacity of 6,000 Bbls/d of C5+
- Two NGL supply pipelines will be constructed connecting the 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[1]
- 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 March 1, 2018
See "forward-looking information"

AltaGas' Northeast B.C. and Energy Export Strategy

Provides new 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

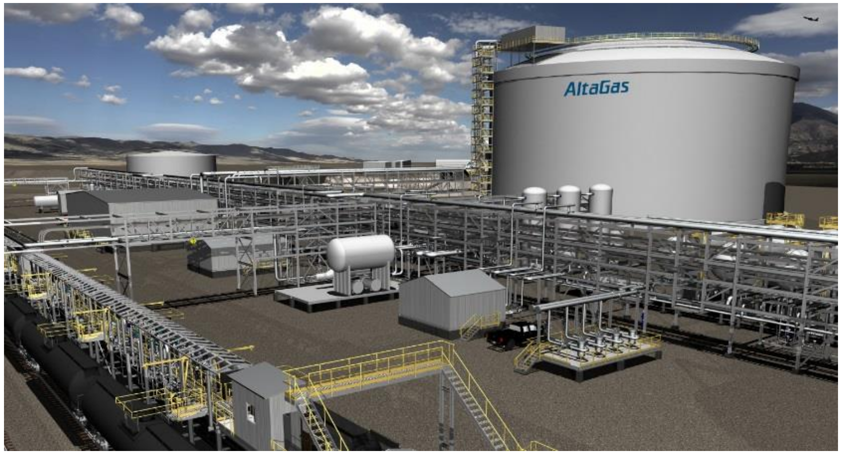


Ridley Island Propane Export Terminal

First mover competitive advantage

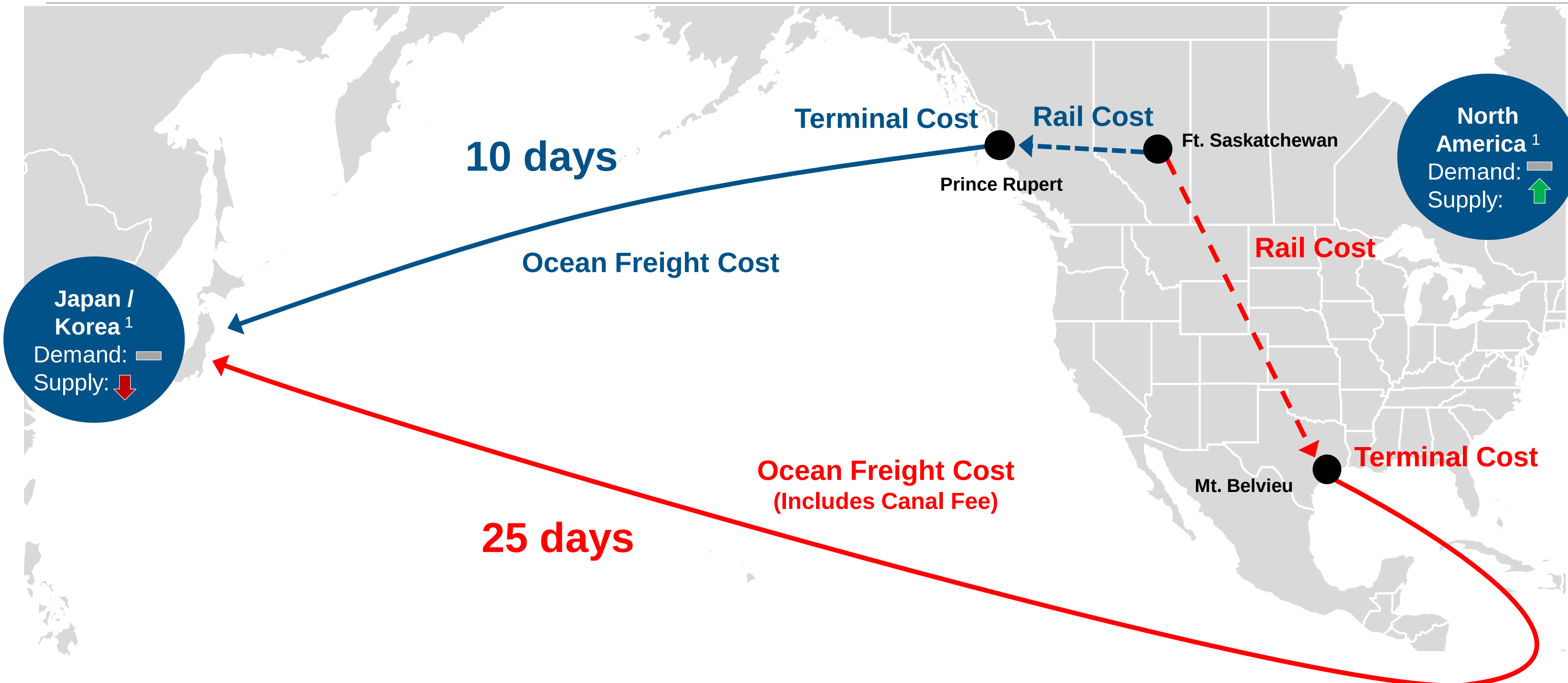
Expected to be Canada's first West Coast propane export terminal

- 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 March 1, 2018. 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"


CUBIC FEET
sensus
R-275
ALTAGAS UTILITIES INC.
104681
CUBIC FEET
sensus
R-275
ALTAGAS UTILITIES INC.
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CUBIC FEET
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Utilities

Utilities Portfolio - AltaGas[1]

5 Gas Distribution Utilities[1]:
Serving over 580,000 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, subject to review in general rate case

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

- Under the second generation PBR plan approved by the AUC, incremental capital funding is established under a formula based on historical capital additions

1 Excludes WGL
2 Expectations as at March 1, 2018; 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$135 - $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
- Engineering and property acquisitions expected to begin in 2018, and construction to be completed in 2019
- MCP is expected to be in service in Q4 2019

Supportive Regulatory Environment for Regulated Gas Utilities

Utility	Location	Allowed ROE and Equity Thickness	Regulatory
Pacific Northern Gas Ltd.	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, 2018 - 2022 current term ▪ 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 ▪ Next rate case to be filed in 2021
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

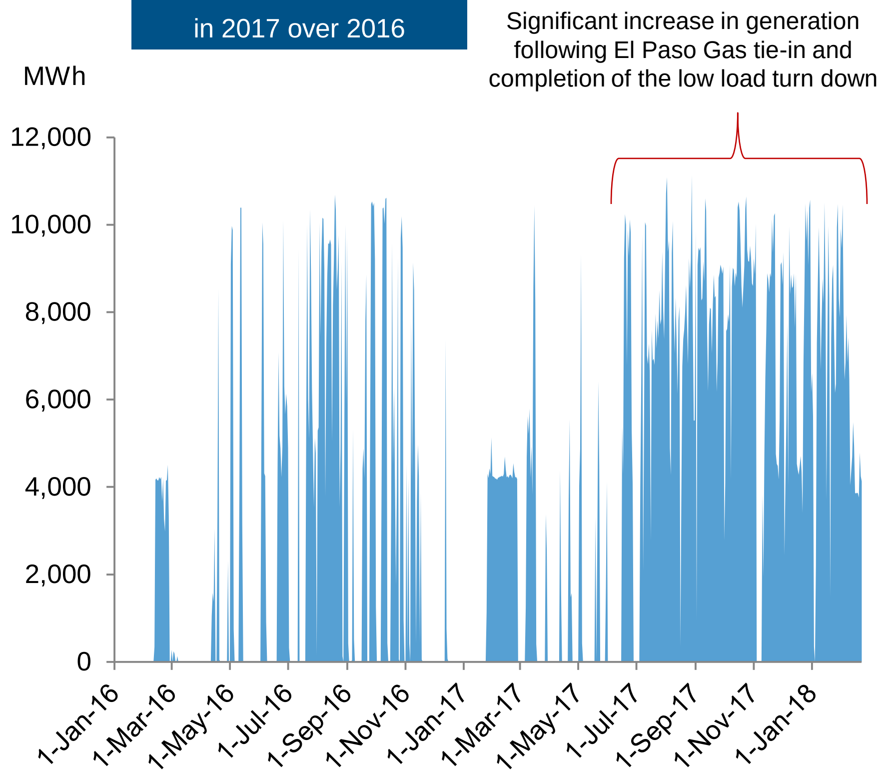
Power

Increasing optionality at Blythe

Blythe

- Fully contracted with SCE through Q2 2020
- Additional flexibility added with tie in to El Paso Gas supply in June 2017, and low-load turn down completed in July 2017
- Large site capable of accommodating large scale solar or energy storage which can be combined with Blythe to offer in as a Bucket 2 resource
- New potential customers and options around re-contracting given the recent proliferation of Community Choice Aggregators
- Strengthening Resource Adequacy (RA) market, coupled with energy and ancillary services offerings also bode well post 2020.
  - RIPON awarded RA contract for June – Sept, 2018

Generation increased by
98%
in 2017 over 2016

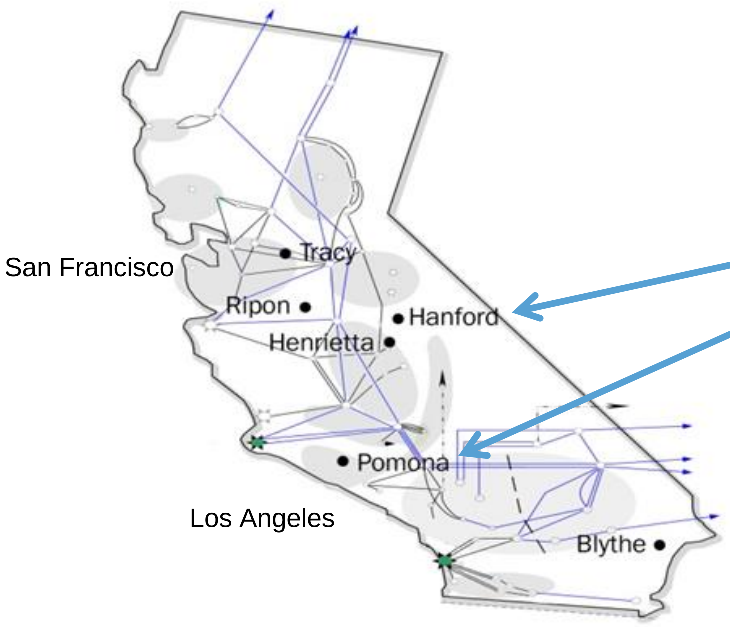


Existing Permitted Gas Plants in California Have Embedded Value Which Can Grow Over Time

High barriers to entry for new gas 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]



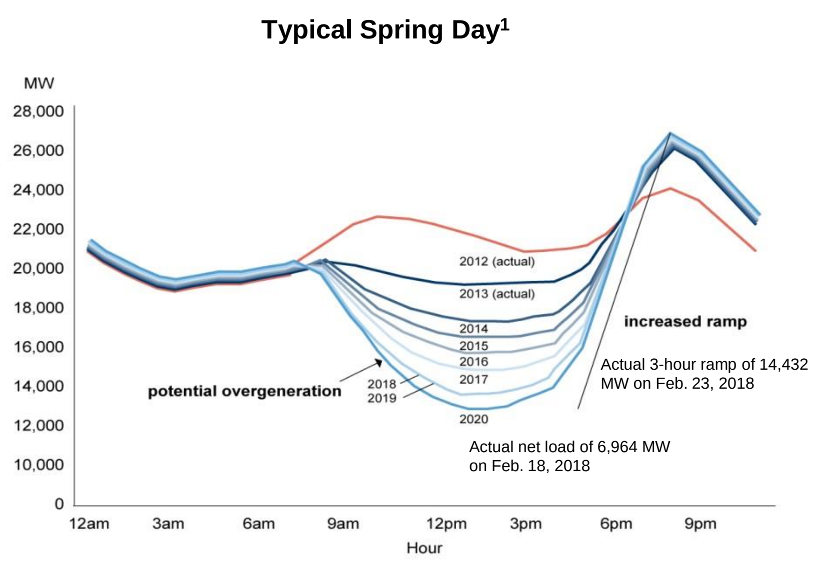
- Tracy, Hanford, Henrietta and Ripon are all located in the San Joaquin Valley region east and south of San Francisco. Provide grid stability with flexible and fast ramping capacity that backstops renewables
- Pomona is in the LA Basin load pocket
- Existing sites are all well suited for energy storage, resulting in lower brownfield development costs

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

Duck Curve Becoming More Extreme

Changing California Supply Mix Results in Market Imbalance and Instability

Actual net-load and 3-hour ramps are about **four years ahead of ISO's original estimate**



Solutions are necessary to handle the deeper belly and steeper ramps of the duck curve including:

- **Battery storage** – increase the effective participation by energy storage resources
- **Flexible fast ramping generation** – invest in fast-responding resources like gas-fired generation that can follow sudden increases and decreases in demand

1 CAISO
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

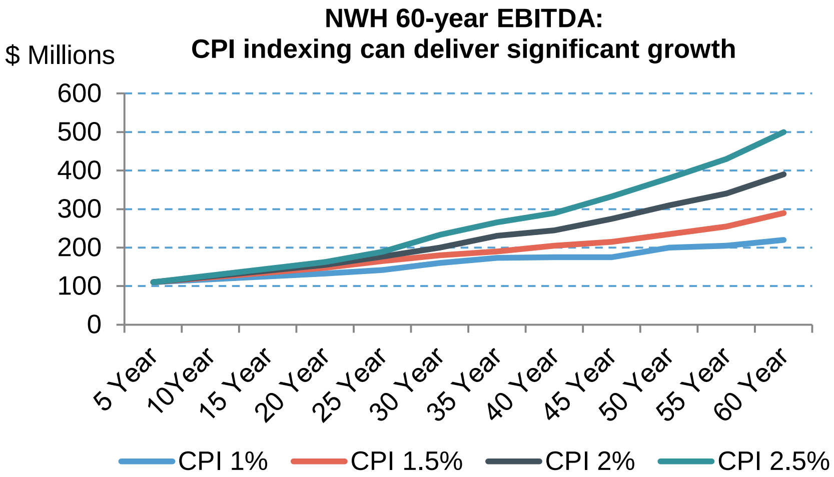
Renewable Integration & Flexibility

- 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

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



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

Expectations as at March 1, 2018
See "forward-looking information"