2019 Outlook and Strategic Financial Review

AltaGas | December 13, 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, are intended to identify forward-looking statements. In particular, this presentation contains forward-looking statements with respect to, among others things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Specifically, such forward-looking statements included in this document include, but are not limited to, statements with respect to the following: expected performance, growth, funding and deleveraging of AltaGas; anticipated optimization of per share cash flow and earnings growth; expected provision of additional clarity on long term growth and performance; expected further asset sales, proceeds and use of proceeds, including deleveraging, funding growth and eliminating short term equity requirements; expected liquidity and financial flexibility; expected maintenance of investment grade credit rating; expected additional credit facilities; expected repayment of the bridge facility; expected 2019 capital spending and allocation, including by segment and project; expected projects; expectation that Midstream and U.S. Utilities projects will have strong risk adjusted returns and near term contributions to normalized FFO and normalized EBITDA; expected impact of the dividend reset; expected 2019 normalized EBITDA, normalized FFO and normalized FFO per share; expected sale of and proceeds from the sale a 55% indirect equity interest in the Northwest Hydro Facilities; expected EBITDA impact from the asset sales; expected funding sources for 2019 capital investment; expected future debt and hybrid equity capital market issuances; expectation that near-term equity requirements will be eliminated; expected benefits of the dividend cut, including expected impact on financial flexibility and credit profile; expected retained dividends as a result of the dividend reset; expectation that the dividend will be within 2019 earnings; expected stability and sustainability of the dividend program; expected 2019 normalized EBITDA by segment and expected growth drivers; and expected in service timing for RIPET and WGL midstream investments; expected FFO/Share outlook associated with the dividend cut; expected FFO/debt from 2019 – 2023; expected achievement of 13-15% FFO/debt through 2023; expected credit facilities; targeted criteria to allocate capital; expected 2019 sources and uses of funds; expectation that common equity will not be required in the near term expected AFFO and UAFFO; expected maintenance capital for Midstream and Power in 2019; targeted in service dates on major projects; expected EBITDA multiple on major projects; expected increase in rate base; expected increase in revenues due to accelerated pipe replacement; targeted asset optimization in the utilities potential ROE in the utilities; expected benefits of RIPET; and targeted gas strategy. 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, 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 alternate sources of funding that would be used to replace the bridge financing facility, including asset sales on desirable term; the 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 acquisition, risks associated with the loss of key personnel, risks relating to unanticipated costs of integration in connection with the WGL acquisition, 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 announcing 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”), and AFFO and UAFFO 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, 2018 for a description of the manner in which AltaGas calculates such non-GAAP measures and for a reconciliation to the nearest GAAP financial measure.

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.

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Randy Crawford

Introduction
Enhancing the Value
of our Asset Footprint

Randy Crawford
President and Chief Executive Officer

World-Class Assets

$21B

Assets

More than 3 Bcf / d

Natural Gas Transacted

$4.4B

U.S. Utilities Rate Base

75%

Normalized EBITDA[1] backed by medium and long-term agreements

1 Non-GAAP measure; see discussion in the advisories

Immediate Priorities

1. De-lever the balance sheet
2. Create financial flexibility
3. Improve credit metrics
4. Achieve a self-funded capital plan

The Game Plan

Balancing prudent financial management with investment opportunities in Midstream and U.S. Utilities

	Steps	Action Items
1	**Reshape AltaGas** Focus on Midstream and U.S. Utilities	✓ Closed $9.3 billion WGL acquisition ✓ Phase 1 asset sales of $2.4 billion

The Game Plan

Balancing prudent financial management with investment opportunities in Midstream and U.S. Utilities

	Steps	Action Items	
1	**Reshape AltaGas** Focus on Midstream and U.S. Utilities	✓ Closed $9.3 billion WGL acquisition ✓ Phase 1 asset sales of $2.4 billion	
2	**Balanced Funding Plan and Improving Cost of Capital**	✓ Optimize cost of capital ✓ Suspension of Premium DRIP™ plan at year-end ✓ Reset dividend rate ✓ Focused and strategic capital allocation	✓ Balanced funding plan designed to maintain investment grade credit rating ✓ Agreement reached to sell remaining 55% interest in Northwest Hydro Facilities for ~$1.39 billion ▪ Balance of the bridge facility targeted to be refinanced with new US$1.2 billion revolving credit facility by year-end

TM denotes trademark of Canaccord Genuity Corp.
See "Forward-looking Information“

Asset Sales – Northwest Hydro Facilities

Agreement to sell remaining 55% interest in Northwest Hydro

- Agreement to sell remaining 55% interest in Northwest Hydro Facilities for ~$1.39 billion
- The valuation achieved for the remaining interest is largely in line with the valuation of the 35% interest sold in June 2018
- Sale expected to close in Q1 2019[1]

~$1.39B
In Proceeds

1 Subject to obtaining third-party consents and regulatory approval
See "Forward-looking Information“

The Game Plan

Balancing prudent financial management with investment opportunities in Midstream and U.S. Utilities

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3 **Driving Performance and Operational Excellence**	▪ Focus on our key assets ▪ Improve operational excellence and drive improved business performance ▪ Invest ~$1.3 billion in opportunities that earn superior and timely returns	▪ Phase 3 asset sales of ~$1.5 - $2.0 billion in 2019 are being pursued to further de-lever, fund future growth and eliminate any near-term equity requirements

Balanced Funding Plan Priorities

Regain financial strength and flexibility to efficiently fund growth

Financial flexibility

- Accelerate de-levering
- Stabilize balance sheet
- Maintain investment grade credit rating

Optimize cost of capital

Eliminate near-term common equity requirements and work towards a self-funding model

Maintain capital discipline

Execute only the highest quality, highest return projects

Recapture share value

Focus on long-term per share earnings and cash flow growth

Tim Watson

Balanced Funding Plan
Strengthening the Cost of Capital

Tim Watson
Executive Vice President and Chief Financial Officer

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Dividend Reset

Designed to maximize long-term value and strengthen the cost of capital

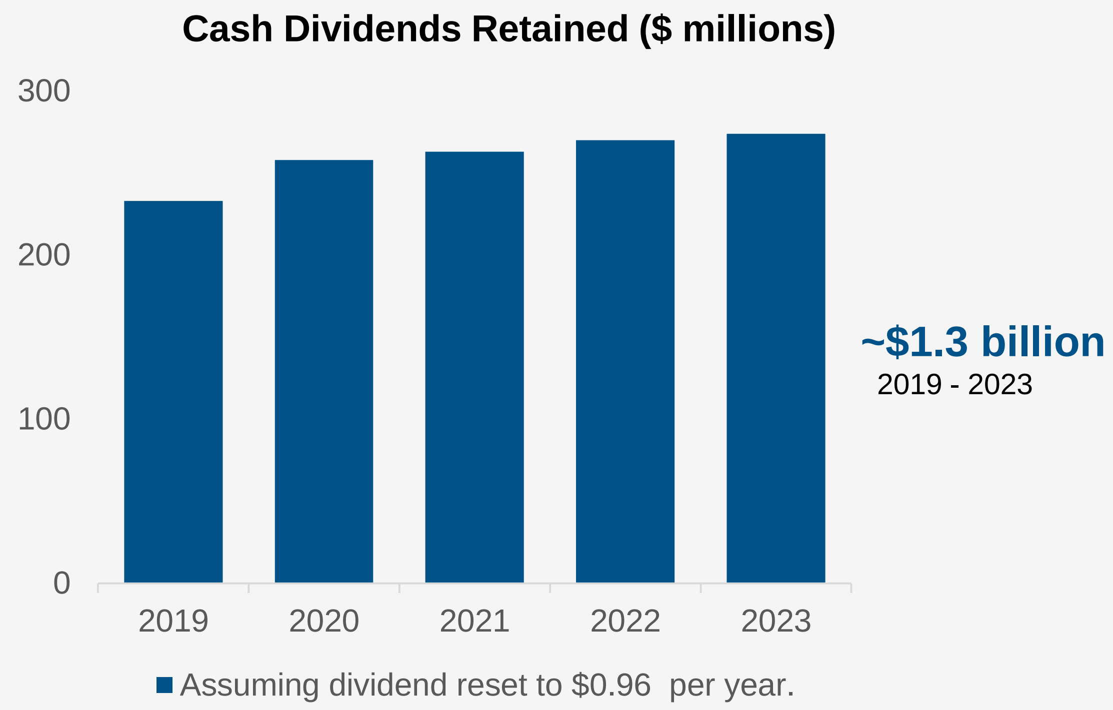
January dividend reset to $0.08 (equating to $0.96 annually) – 56% reduction

1. Retained cash flow provides efficient source of funding for attractive, low-risk, organic growth capital program
2. Eliminates near-term equity requirements and supports the funding plan
3. Meaningful impact on the credit profile and financial flexibility
4. Supports long-term earnings and cash flow per share growth

Dividend Reset

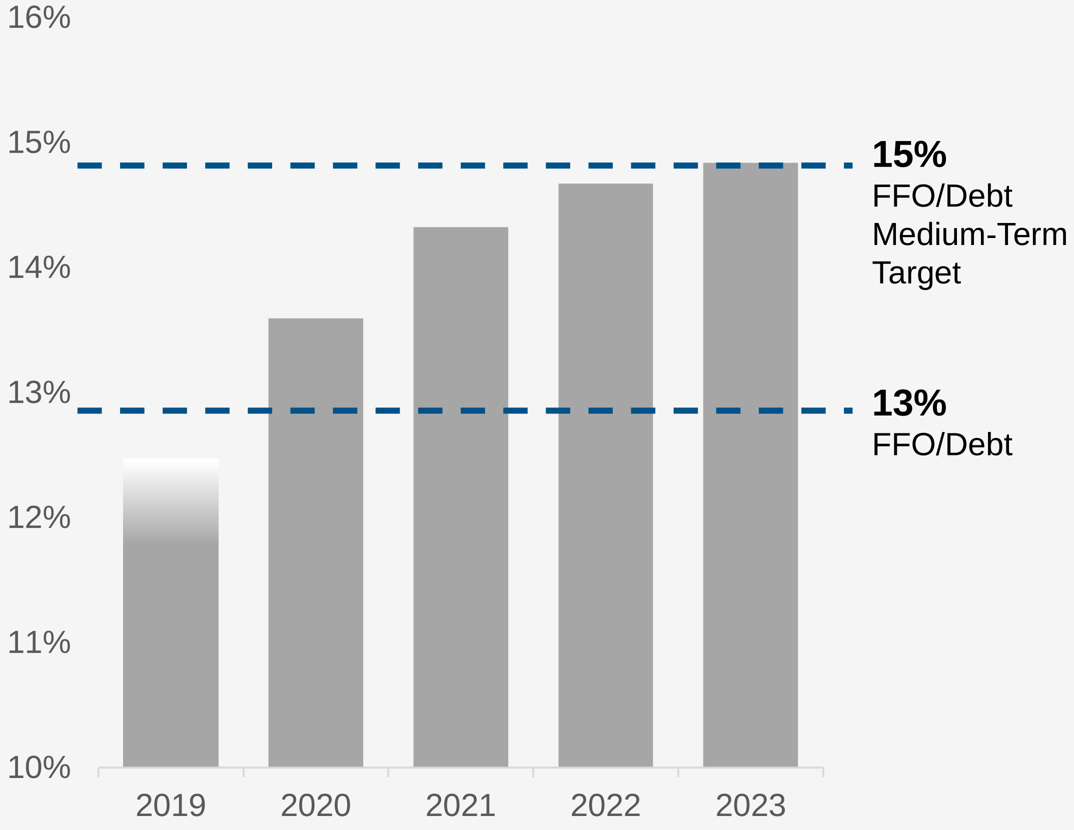
Significant impact on financial flexibility and credit profile through 2023

- ~$1.3 billion of cash dividends retained through 2023 provides efficient source of financing to de-lever and fund growth
- Meaningful impact on financial flexibility and balance sheet strengthening
- Benefit on a per share basis increases over time due to the compounding effect on lower share count and lower debt balance
- Expect long-term dividend growth to be in line with earnings and cash flow growth



Value Investment Grade Credit Rating

FFO[1]/Debt Outlook - Illustrative



Unsecured Debt Ratings

	S&P[2]	Fitch	Moodys	DBRS
AltaGas	BBB (Neg)	BBB		BBB (UR)
SEMCO	BBB (Neg)		Baa1	
WGL Holdings	BBB- (Neg)	BBB	Baa1	
Washington Gas	A- (Neg)	A-	A2	

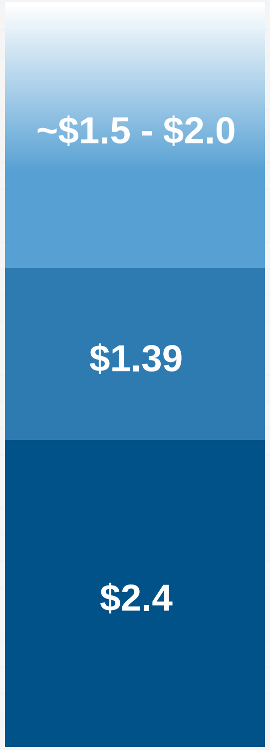
- Highly confident funding plan:
  - **Phase 1:** $2.4B of asset sales (NWH 35%, ACI IPO, Non-Core Midstream and Power)
  - **Phase 2:** ~$1.39B announced (NWH 55%)
  - **Phase 3:** ~$1.5 - $2.0B in additional asset sales in 2019
- Dividend reset supports de-levering and improves FFO/Debt through 2023
- Lower business risk profile combined with strengthening credit profile between 13% and 15% FFO/Debt through 2023

1 Non-GAAP measure; see discussion in the advisories
2 Anticipate annual review to be completed before the end of Q4 2018.
See "Forward-looking Information".

Asset Sales

Efficient source of capital to strengthen balance sheet and fund growth

Asset Sales ($ billions)



Phase 3 > 2019

Phase 2 > 55% NWH

Phase 1 > 35% NWH
Non-Core Midstream and Power
ACI IPO

Strong Execution – ~$3.8 billion completed or agreed to

Asset Sales	Sale Proceeds[1] ($millions)
Targeted additional asset sales	**~$1,500 - $2,000**
55% Northwest Hydro	**$1,390**
35% Northwest Hydro	$922
Non-Core Midstream and Power	$570
ACI IPO	$910
Sub-total	**$2,400**

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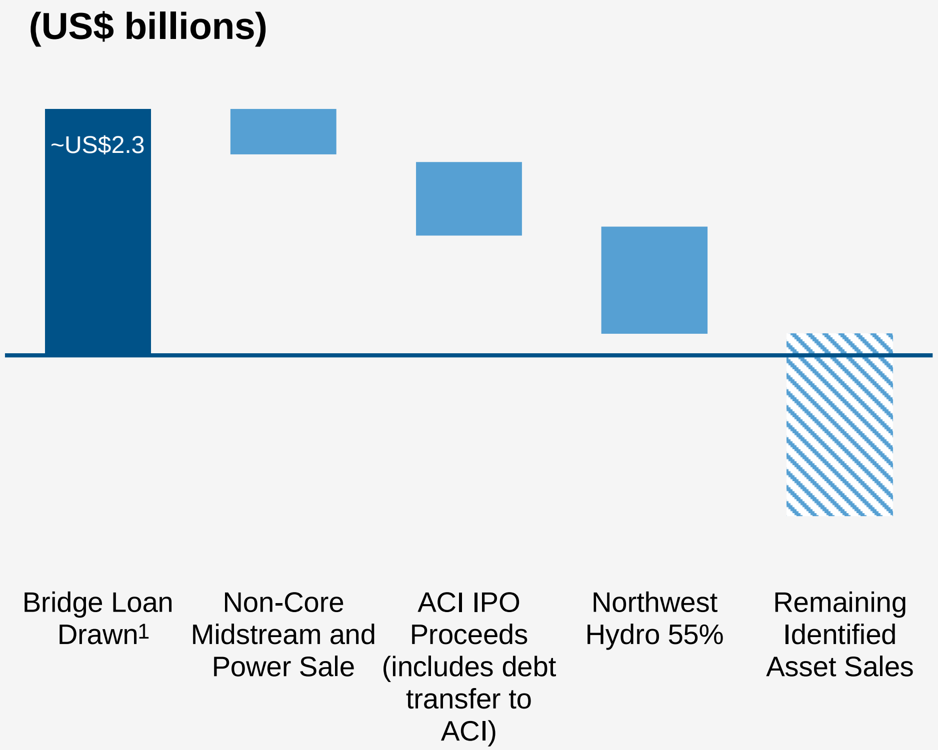
1 Before transaction costs.
See "Forward-looking Information".

Strengthening the Balance Sheet

Accelerated de-leveraging and repaying the bridge facility



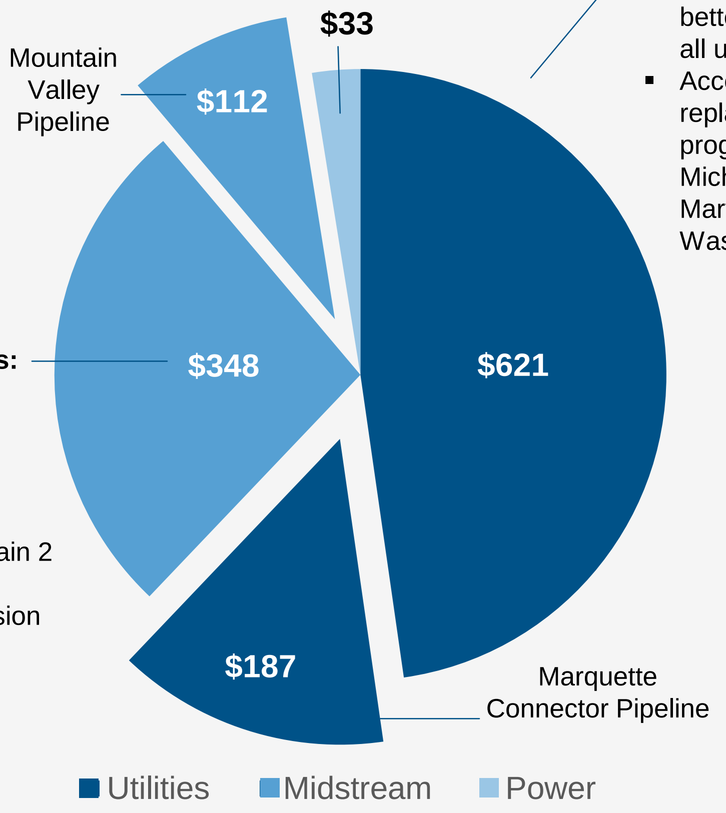
- ~$1.39 billion of proceeds from sale of remaining 55% interest in Northwest Hydro will be received in early 2019 and will repay existing debt
- Proceeds from remaining ~$1.5 - $2.0 billion asset sales can be used to further de-lever
- Bridge facility targeted to be refinanced with new US$1.2 billion revolving credit facility by year end

1. The original bridge loan requirement of US$3.0 billion was reduced by the C$922 million of sale proceeds from the 35% interest in Northwest Hydro in June 2018.
See "Forward-looking Information".

Disciplined Capital Allocation

~$1.3 Billion Top-Quality Projects

($ millions)



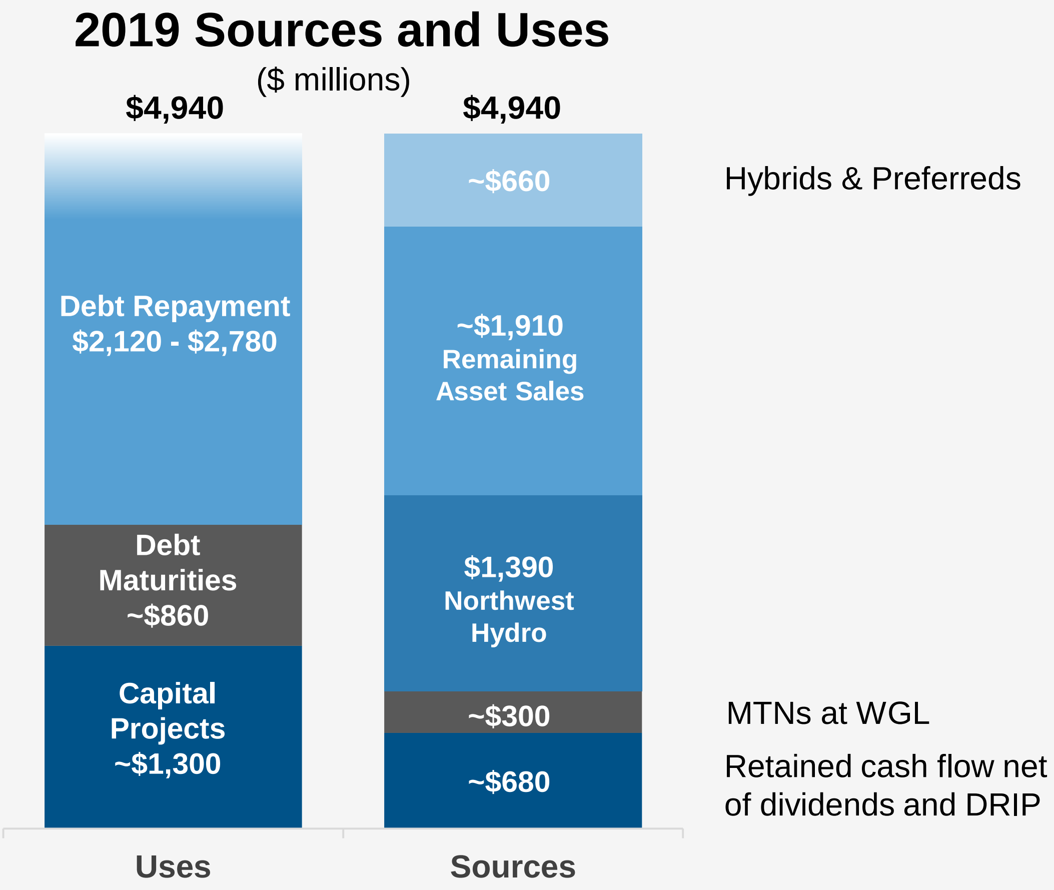
Identified Projects:
- Approved system betterment across all utilities
- Accelerated pipe replacement programs in Michigan, Virginia, Maryland and Washington D.C.

Identified Projects:
- RIPET
- Townsend Expansion
- Aitken Creek Development
- North Pine – Train 2
- Central Penn Pipeline Expansion

Capital Allocation Criteria:

- Strong organic growth potential and strategic fit
- Strong risk adjusted returns and near-term contributions to per share FFO & Earnings
- Strong commercial underpinning

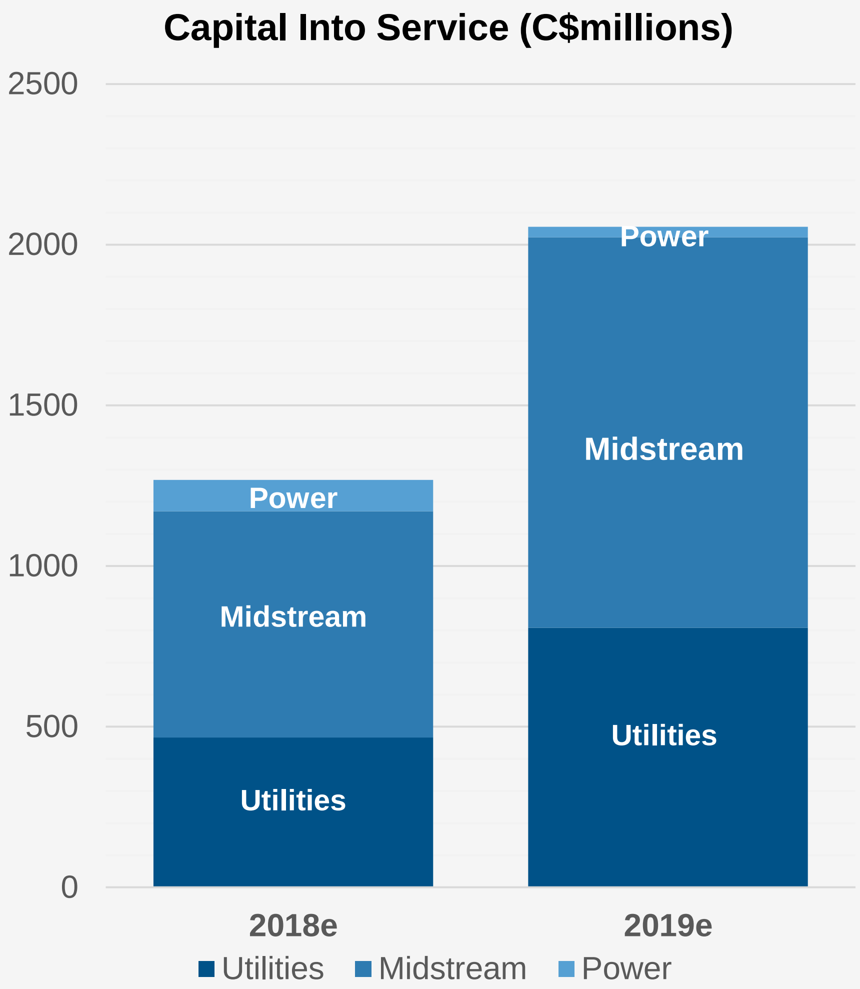
2019 Balanced Funding Plan



- Balanced funding plan eliminates the need for near-term common equity and provides funding flexibility
- Asset sales provide efficient source of capital to pay down debt and fund growth
- Dividend reset retains cash flow
- 2019 capital plan drives earnings and cash flow growth in 2020 and beyond
- No requirement to access term debt or hybrid market in the near-term. These options will be considered on an opportunistic basis.

2019 Financial Outlook

Secured Capital In-Service Drives 2019 EBITDA Growth



Secured Capital Program

(C$millions unless otherwise specified)

Utility 2019 Annual Capital	Expected Capex[1,2]	Target In-Service[1]	Capital/EBITDA Target[5]
Washington Gas	US$411	2019	9 – 11x
ENSTAR	US$19	2019	
SEMCO	US$41	2019	
Marquette Connector Pipeline	US$154	2019	
Midstream Capital Projects			
Townsend Expansion	$180	2019	7 – 9x
North Pine – Train 2	$58	2019/2020	
Ridley Island Propane Export Terminal	$315-$350	Q1 2019	
Central Penn Pipeline[3]	US$450	In Service	
Black Swan (Aitken)	$230	2018/2019/2020	
Mountain Valley Pipeline[4]	US$350	Q4 2019	

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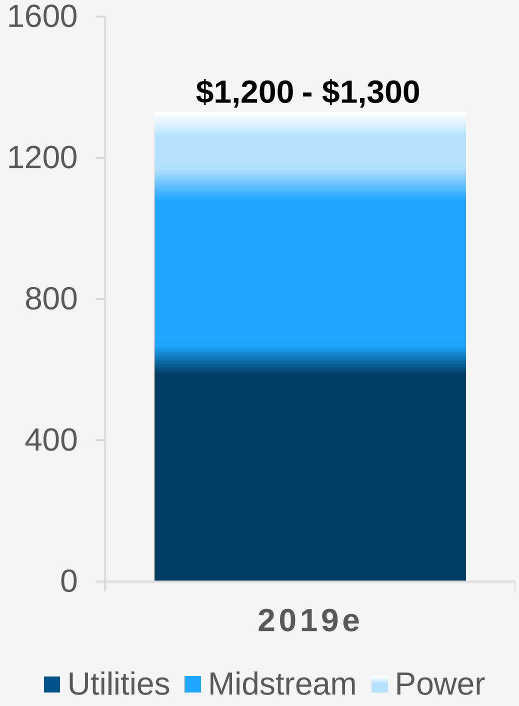
1 Expectations based on most recent public disclosure / financial reports for AltaGas; 2 Reflects AltaGas' share of the total cost (both incurred and expected); 3. Majority of capital cost funded by WGL prior to acquisition closing; 4 AltaGas' investment capped at US$350 million for 10% ownership interest. 5 Indicative targeted returns for asset group as a whole
See "forward-looking information" - Note: Numbers may not add due to rounding

2019 Outlook – Segmented EBITDA

2019 EBITDA[1] Guidance
($ millions)



Normalized 2019 EBITDA	2019e	% of Segmented EBITDA	Growth Drivers
Utilities	$650 - $700	51%	+ Full year of WGL + Utility capital and rate base growth
Midstream	$450 - $520	37%	+ Full year of WGL (Central Penn, Stonewall pipelines) + RIPET and new Canadian assets into service + WGL Midstream assets into service (Mountain Valley Pipeline)
Power[2]	$140 - $180	12%	+ Full year of WGL - Northwest Hydro asset sale
Total Segmented EBITDA	**$1,240 - $1,400**		
Corporate	($30) - ($40)		
Asset Sales	($50) - ($100)		Asset sales expected to close in 2019
Total Consolidated	**$1,200 - $1,300**		

1 Non-GAAP financial measure ; see discussion in the advisories
2 Includes impacts resulting from Northwest Hydro Facilities asset sale
See "Forward-looking Information".

2019 Financial Outlook – UAFFO

2019 Guidance ($ millions)

FFO	2019e
Normalized EBITDA[1]	**$1,200 - $1,300**
Cash Interest	(330) - (340)
Other[2]	15 - 25
Current Tax	(30) - (40)
FFO Total	**$850 - $950**
NCI - received/(paid)	10 - 15
Preferred Dividends Paid	(70) - (80)
Midstream and Power Maintenance Capital	(30) - (40)
AFFO[1] Total	**$750 - $850**
Utilities Depreciation	$(245) - $(255)
UAFFO[1]	**$500 - $600**

Maintenance Capital	2019e
Midstream Maintenance Capital	$14MM
Power Maintenance Capital	$21MM

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1 Non-GAAP financial measure ; see discussion in the advisories
2. Among other things includes net impact of equity earnings and cash distributions.
See "Forward-looking Information“.

Closing Remarks
Playing Where We Can Win and Maximizing Returns

Randy Crawford
President and Chief Executive Officer

Executing on our Strategy

STRATEGY

Leverage and enhance the strength of our asset footprint to provide customers with integrated solutions including global market access

1

Grow footprint in Western Canadian Sedimentary Basin by developing assets that enhance our integrated midstream offering

Continue developing northeast U.S. natural gas value chain and complement existing footprint

2

Drive incremental returns at our U.S. Utilities through:

- Strengthening operational excellence
- Improving the customer experience
- Achieving accelerated returns through the execution of projects like the Marquette Connector Pipeline

Building a Premier Midstream Business

Grow our footprint by developing assets that enhance our integrated midstream offering and connect producers to market

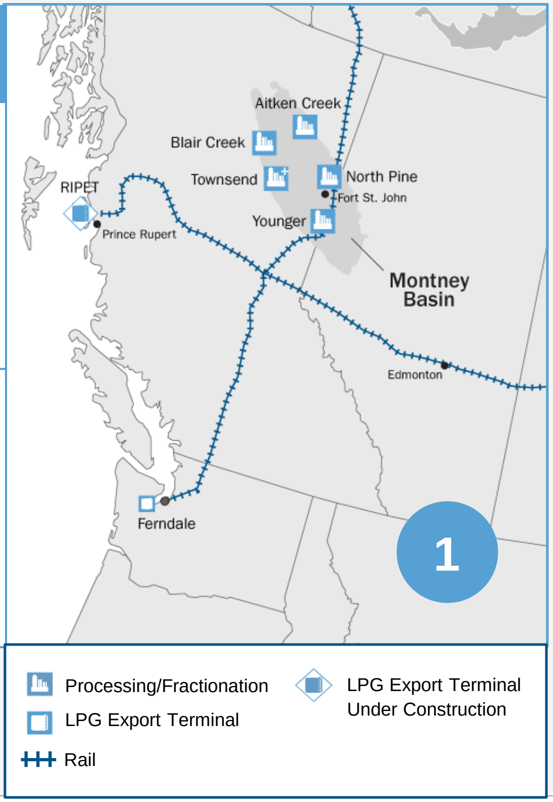
Montney Basin

Key Assets:

- Ridley Island Propane Export Terminal (RIPET)
- Townsend Expansion
- Aitken Creek Development
- North Pine – Train 2

Strategic Benefits:

- Global demand market access
- Leverages existing assets
- Increases producer netbacks
- Expansion of existing assets



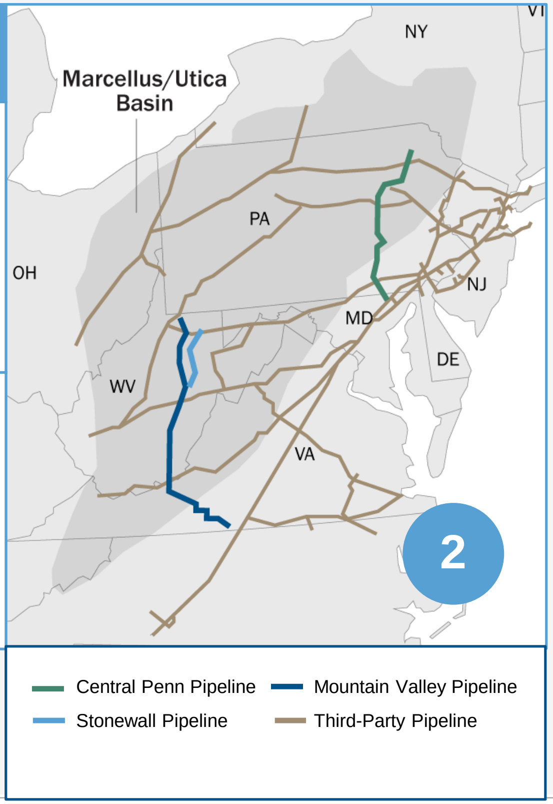
Marcellus/Utica Basin

Key Assets:

- Central Penn Pipeline
- Stonewall Pipeline
- Mountain Valley Pipeline

Strategic Benefits:

- Economic expansion opportunities
- Leverages WGL footprint
- Asset optimization opportunities



Building a Premier Midstream Business

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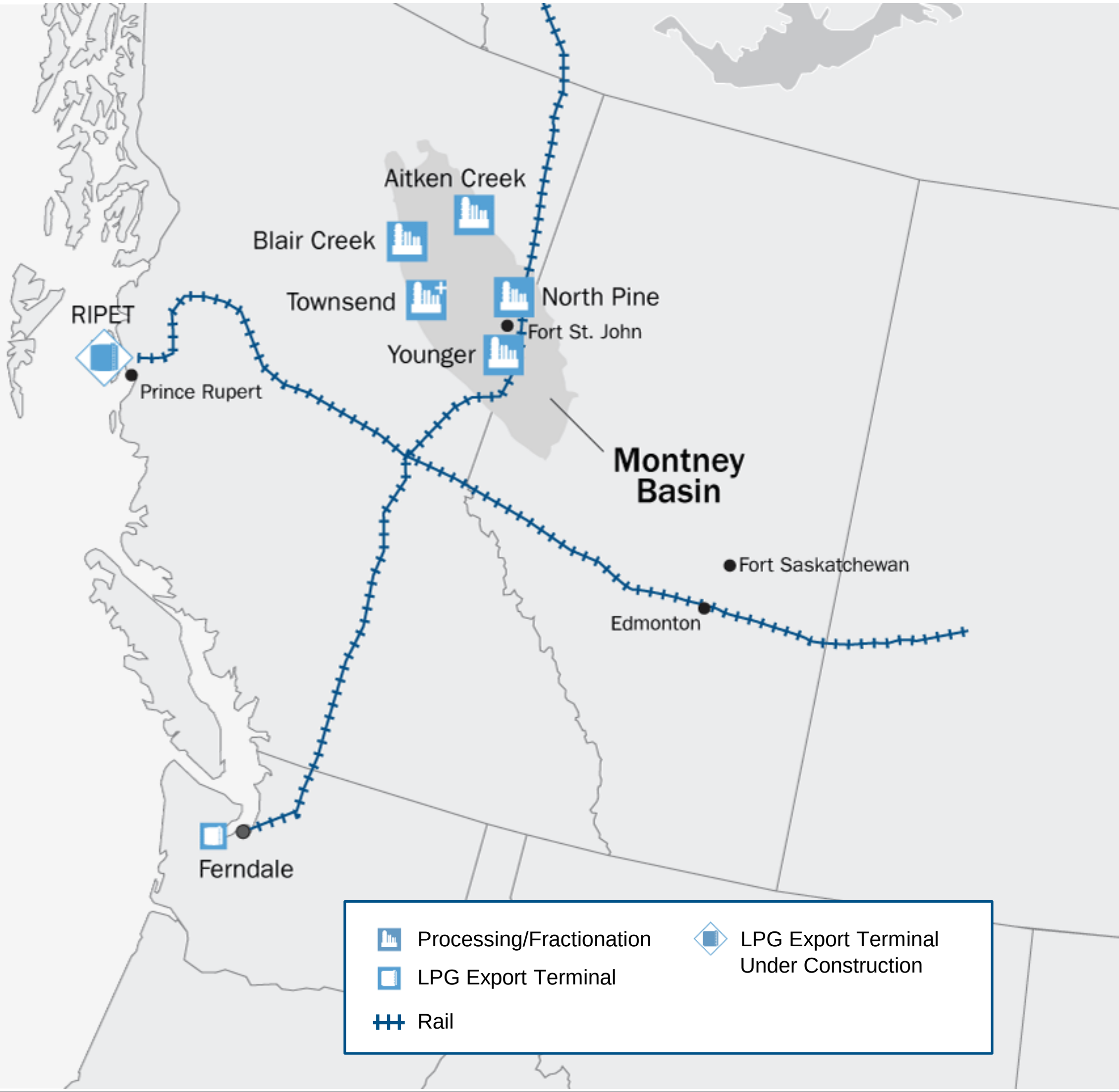
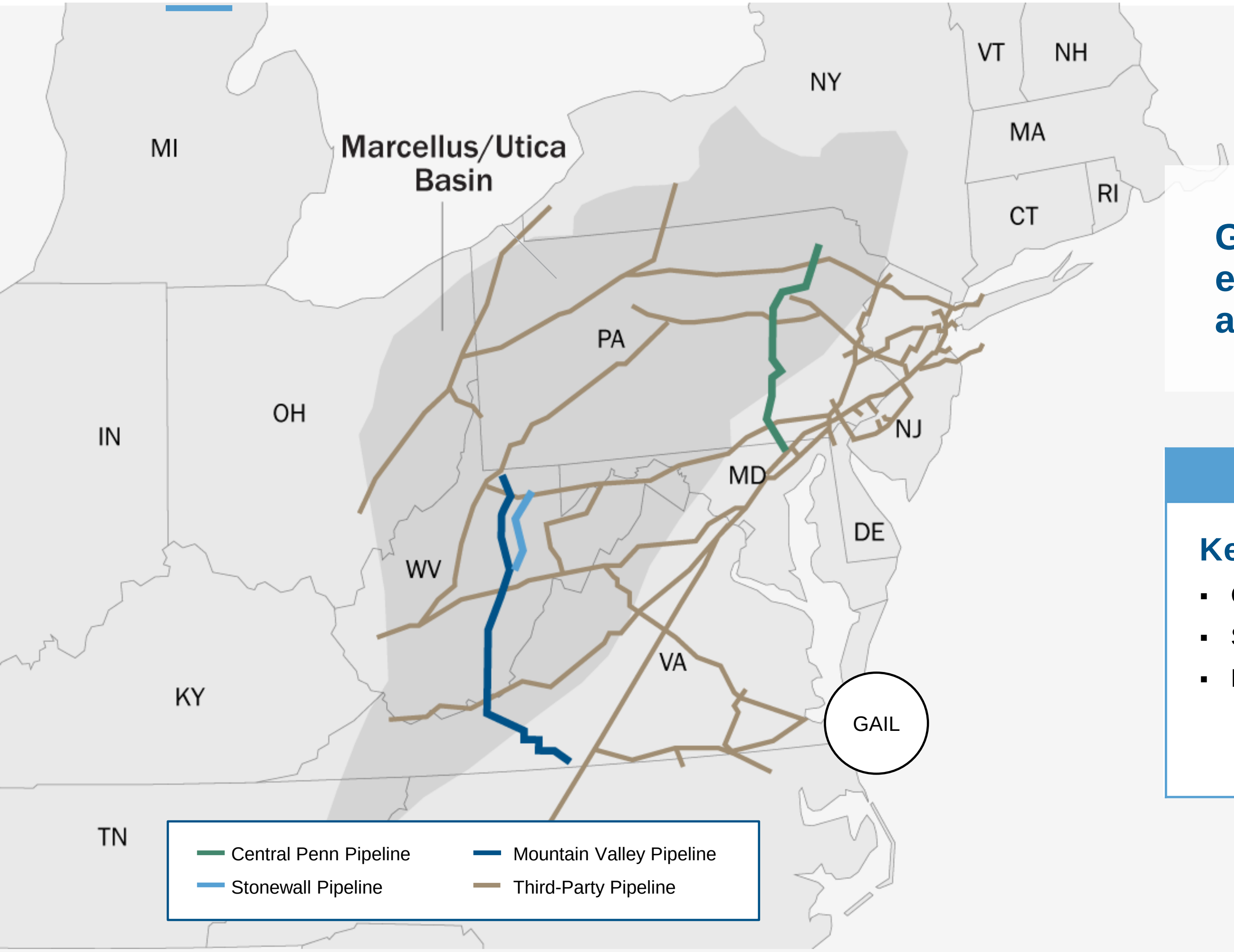
Montney Basin	
Key Assets: ▪ Ridley Island Propane Export Terminal (RIPET) ▪ Townsend Expansion ▪ Aitken Creek Development ▪ North Pine Expansion	**Strategic Benefits:** ▪ Global demand market access ▪ Leverages existing assets ▪ Increases producer netbacks ▪ Expansion of existing assets



Building a Premier Midstream Business



Grow our footprint by developing assets that enhance our integrated midstream offering and connect producers to market

Marcellus/Utica Basin

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- Stonewall Pipeline
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- Leverages WGL footprint
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Key Priorities

Immediate Priorities

1. De-lever the balance sheet
2. Create financial flexibility
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4. Achieve a self-funded capital plan

Long-Term Priorities

1. Drive operational excellence
2. Achieve superior returns on invested capital in our Midstream business
3. Enhance our return across our Utilities

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AltaGas

December 13, 2018