AltaGas
Investor Presentation

AltaGas | April 2020

Forward-Looking Information

FORWARD-LOOKING INFORMATION
This document contains forward-looking information (forward-looking statements). Words such as "may", "can", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "aim", "seek", "propose", "contemplate", "estimate", "focus", "strive", "forecast", "expect", "project", "target", "potential", "objective", "continue", "outlook", "vision", "opportunity" and similar expressions suggesting future events or future performance, as they relate to the Corporation or any affiliate of the Corporation, are intended to identify forward-looking statements. In particular, this document contains forward-looking statements with respect to, among other 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 annual consolidated normalized EBITDA segment contributions; normalized earnings per share of approximately $1.20 to $1.30 per share in 2020; percentage of regulated and contracted normalized EBITDA; percentage of normalized EBITDA attributable to regulated utilities and investment grade counterparties; $3.4 billion anticipated in available liquidity; anticipated capital growth plan of approximately $900 million; [anticipated dividend payout ratio]; estimated 2020 Utilities revenue allocation; anticipated LPG demand in Asia; anticipated percentage of protected Utilities revenue; expected natural gas and propane supply in North America and demand in Asia; projected Far East Index vs. Mont Belvieu and Alberta spreads; increased utilization of RIPET in 2020; ratio of net debt to EBITDA outlook for 2020; anticipated debt maturity until 2025; sources and uses of a self-funded model in 2020; expected annual consolidated normalized EBITDA of approximately $1.275 to $1.325 billion in 2020; anticipated growth drivers in 2020; anticipated Utilities capital ROE and Midstream capital IRR and anticipated FFO for 2020. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events and achievements to differ materially from those expressed or implied by such statements. Such statements reflect AltaGas' current expectations, estimates, and projections based on certain material factors and assumptions at the time the statement was made. Material assumptions include: the U.S/Canadian dollar exchange rate, financing initiatives, the performance of the businesses underlying each sector; impacts of the hedging program; commodity prices; weather; frac spread; access to capital; timing and receipt of regulatory approvals and orders; timing of regulatory approvals related to Utilities projects; seasonality; planned and unplanned plant outages; timing of in-service dates of new projects and acquisition and divestiture activities; taxes; operational expenses; returns on investments; and dividend levels.

AltaGas' forward-looking statements are subject to certain risks and uncertainties which could cause results or events to differ from current expectations, including, without limitation: health and safety risks; operating risks; infrastructure risks; service interruptions; regulatory risks; litigation risk; decommissioning, abandonment and reclamation costs; climate and carbon tax risks; reputation risk; weather data; Indigenous land and rights claims; crown duty to consult with Indigenous peoples; changes in laws; capital market and liquidity risks; general economic conditions; internal credit risk; foreign exchange risk; debt financing, refinancing, and debt service risk; interest rates; cyber security, information, and control systems; technical systems and processes incidents; dependence on certain partners; growth strategy risk; construction and development; RIPET rail and marine transport; impact of competition in AltaGas' Midstream and Power businesses; commitments associated with regulatory approvals for the acquisition of WGL; counterparty credit risk; composition risk; collateral; regulatory agreements; non-controlling interests in investments; delays in U.S. federal government budget appropriations; consumption risk; market risk; market value of common shares and other securities; variability of dividends; potential sales of additional shares; volume throughput; natural gas supply risk; risk management costs and limitations; underinsured and uninsured losses; Cook Inlet gas supply; securities class action suits and derivative suits; electricity and resource adequacy prices; cost of providing retirement plan benefits; labor relations; key personnel; failure of service providers; compliance with Section 404(a) of Sarbanes-Oxley Act; integration of WGL; and the other factors discussed under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2019 (AIF) and set out in AltaGas' other continuous disclosure documents.

Many factors could cause AltaGas' or any particular business segment's actual results, performance or achievements to vary from those described in this document, including, without limitation, those listed above and 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 document as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, projected or targeted and such forward-looking statements included in this document, should not be unduly relied upon. The impact of any one assumption, risk, uncertainty, or other factor on a particular forward-looking statement cannot be determined with certainty because they are interdependent and AltaGas' future decisions and actions will depend on management's assessment of all information at the relevant time. Such statements speak only as of the date of this document. 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 document are expressly qualified by these cautionary statements.
Financial outlook information contained in this document about prospective financial performance, financial position, or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on AltaGas management's (Management) assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this document should not be used for purposes other than for which it is disclosed herein.

Additional information relating to AltaGas, including its quarterly and annual MD&A and Consolidated Financial Statements, AIF, and news releases are available through AltaGas' website at www.altagas.ca or through SEDAR at www.sedar.com.

Non-GAAP Financial Measures
This document contains references to certain financial measures that do not have a standardized meaning prescribed by US GAAP and may not be comparable to similar measures presented by other entities. The non-GAAP measures and their reconciliation to US GAAP financial measures are shown in AltaGas' Management's Discussion and Analysis (MD&A) as at and for the period ended December 31, 2019. These non-GAAP measures provide additional information that management believes is meaningful regarding AltaGas' operational performance, liquidity and capacity to fund dividends, capital expenditures, and other investing activities. Readers are cautioned that these non-GAAP measures should not be construed as alternatives to other measures of financial performance calculated in accordance with US GAAP.

EBITDA is a measure of AltaGas' operating profitability prior to how business activities are financed, assets are amortized, or earnings are taxed. EBITDA is calculated from the Consolidated Statements of Income (loss) using net income (loss) adjusted for pre tax depreciation and amortization, interest expense, and income tax recovery . Normalized EBITDA includes additional adjustments for unrealized gains (losses) on risk management contracts, losses on investments, transaction costs related to acquisitions and dispositions, merger commitment cost recovery due to a change in timing related to certain WGL merger commitments, gains (losses) on the sale of assets, accretion expenses related to asset retirement obligations, realized losses on foreign exchange derivatives, provisions on assets, provisions on investments accounted for by the equity method, foreign exchange gains (losses), distributed generation asset related investment tax credits, non-controlling interest of certain investments to which Hypothetical Liquidation at Book Value (HLBV) accounting is applied, and changes in fair value of natural gas optimization inventory. AltaGas presents normalized EBITDA as a supplemental measure. Normalized EBITDA is frequently used by analysts and investors in the evaluation of entities within the industry as it excludes items that can vary substantially between entities depending on the accounting policies chosen, the book value of assets and the capital structure.

Normalized funds from operations is used to assist management and investors in analyzing the liquidity of the Corporation. Management uses these measures to understand the ability to generate funds for capital investments, debt repayment, dividend payments and other investing activities. Funds from operations are calculated from the Consolidated Statements of Cash Flows and are defined as cash from (used by) operations before net changes in operating assets and liabilities and expenditures incurred to settle asset retirement obligations. Normalized funds from operations is calculated based on cash from (used by) operations and adjusted for changes in operating assets and liabilities in the period and non operating related expenses (net of current taxes) such as transaction and financing costs related to acquisitions, merger commitments and current taxes due to asset sales.

Net debt is used by the corporation to monitor its capital structure and financing requirements. It is also a measure of the Corporation's overall financial strength. Net debt is defined as short-term debt (excluding third-party project financing obtained for the construction of certain energy management services projects), plus current and long-term portions of long-term debt, less cash and cash equivalents.
.

COVID-19

“We are committed to doing everything we can to support the communities and those on the frontlines during this unsettled and difficult time.”

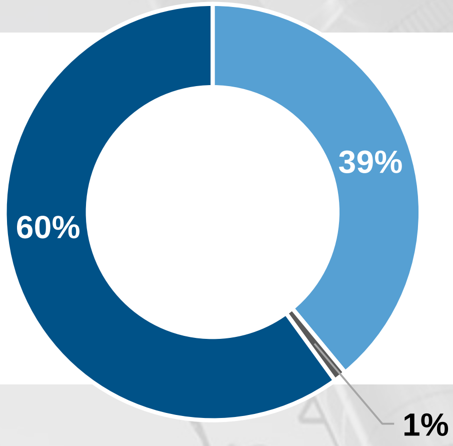
Randy Crawford
President and Chief Executive Officer

In response to the COVID-19 pandemic we’re taking action to help our customers and communities, by:

- Committing $1 million in emergency assistance to support our community partner organizations during this health crisis
- Suspending shut-offs and waiving interest on late payments for our Washington Gas, ENSTAR and SEMCO customers
- Maintaining critical energy services to homes, businesses, and hospitals across five U.S. States and the District of Columbia

Highlights ($CAD unless otherwise noted)

Diversified low-risk, high growth Utilities and Midstream businesses deliver stable and reliable results



$1.20 - $1.30 2020e Normalized EPS[2]

$1,275 - $1,325M
2020e Normalized EBITDA[2]

~85% Regulated and Contracted

~80% Regulated Utility and Investment Grade Counterparties[1]

Strong Financial Position

Fitch:	DBRS:	S&P:
BBB (stable)	BBB (low/stable)	BBB- (stable)

$3.4B In Available Liquidity

$900M Self-funded Capital Program ~80% Utilities

70-80% Payout Ratio[3]

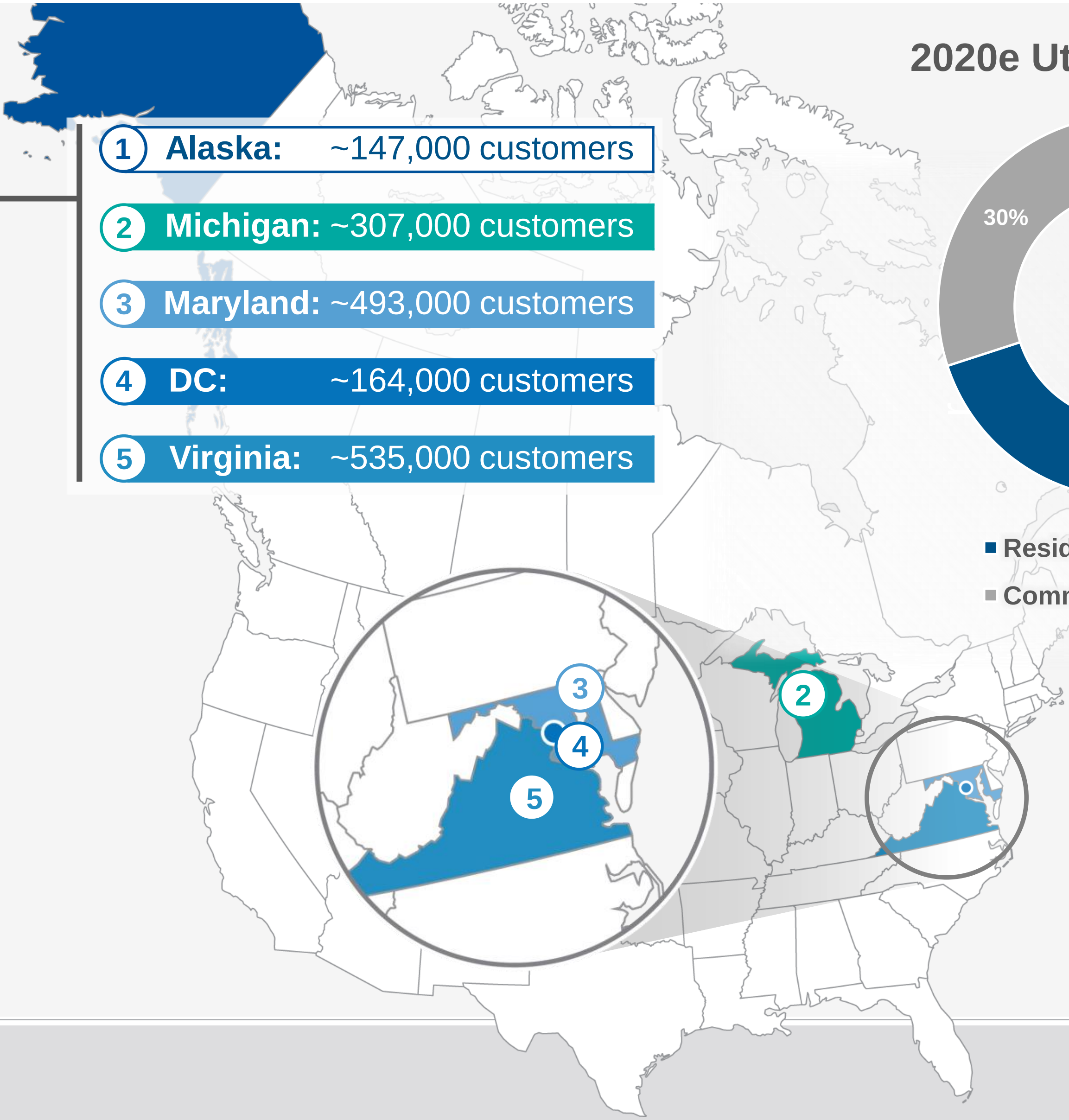
1. Based on 2020E EBITDA (Underpinned by utility business and midstream take-or-pay and fee-for-service contracts) 2. Non-GAAP measure; see discussion in the advisories
3. Based on monthly dividend of $0.08/share and 2020 normalized EPS guidance range of $1.20-1.30. 4. Redefined segments. See "Forward-looking Information“

Rate Regulated Utilities Provide Stability and Growth

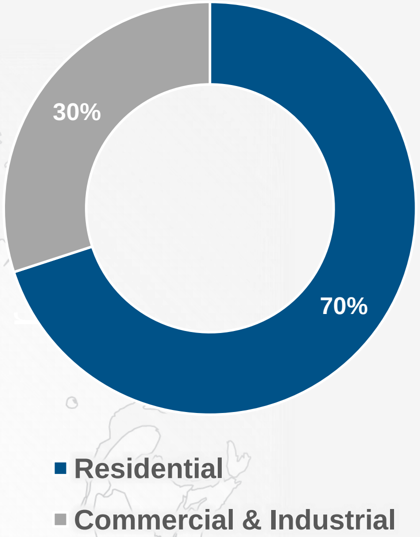
~60% of 2020e normalized EBITDA from Utilities Segment[1]

- 1.7 million customers in stable and growing jurisdictions
- ~70% of Utilties revenue protected
  - Fixed distribution charges
  - Decoupled rate structures in Maryland and Virginia
- Expect limited sensitivity on unprotected revenue
  - Entering lower demand spring and summer
  - ~70% of revenue derived from residential customers
  - Uncollected revenue applied for in future rates

1. **Alaska:** ~147,000 customers
2. **Michigan:** ~307,000 customers
3. **Maryland:** ~493,000 customers
4. **DC:** ~164,000 customers
5. **Virginia:** ~535,000 customers



2020e Utility Revenues



1. Redefined segments

See "Forward-looking Information

Premier Midstream Business Connecting Canadian Producers to Global Markets

Leverage RIPET and our integrated value chain to attract volumes

Montney Basin

Key Assets:

- Ridley Island Propane Export Terminal (RIPET)
- Ferndale Terminal[1]
- Townsend Expansion
- Aitken Creek Development
- North Pine Expansion

Strategic Benefits:

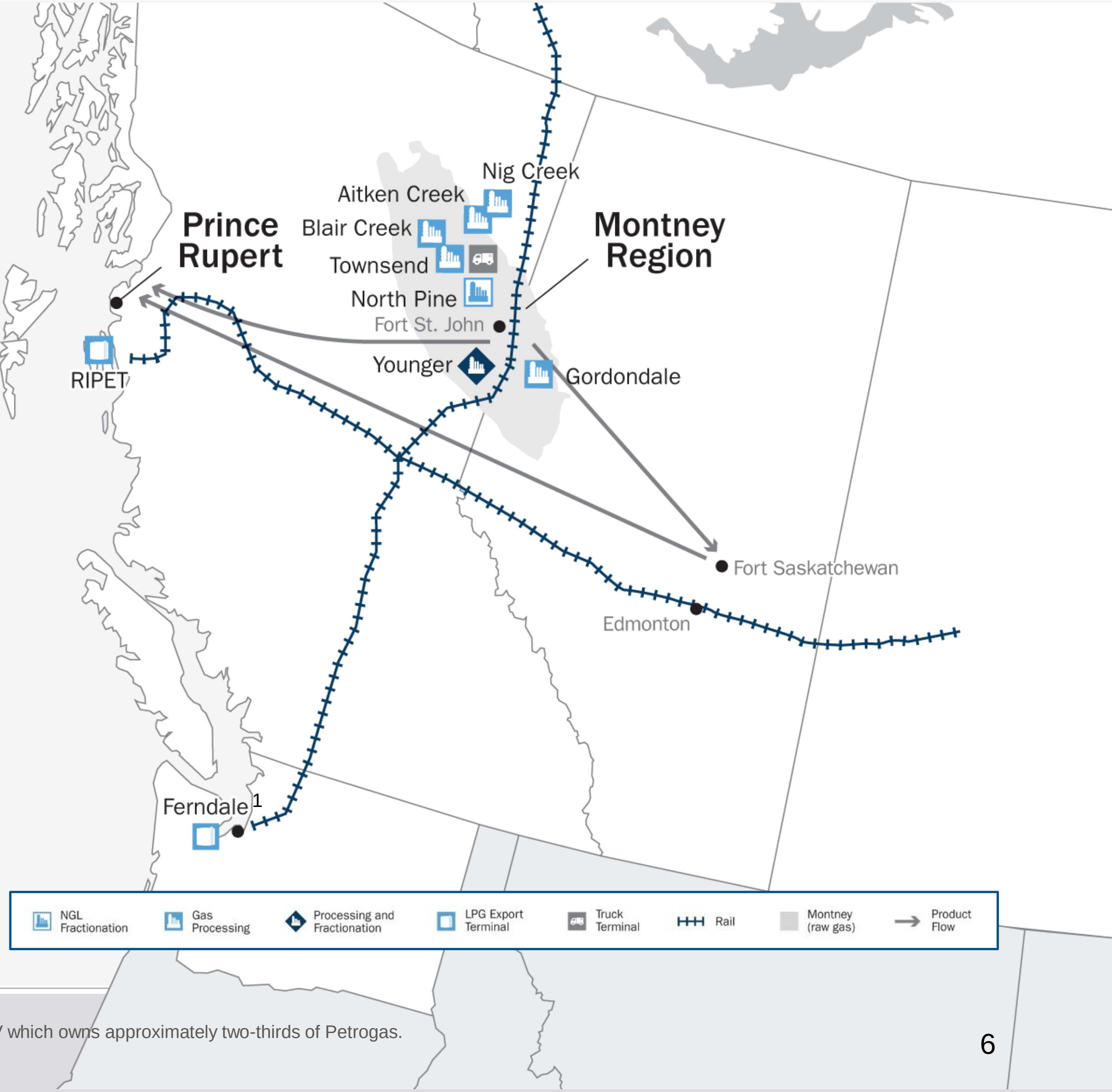
- Global demand market access
- Leverages existing assets
- Increases producer netbacks
- Expansion of existing assets

Opportunities:

- Continued Montney LPG growth driven by condensate demand
- LNG Canada and Coastal GasLink
- Increasing Asian demand for LPG

Strategy:

- Build on export competency
- Leverage first-mover advantage
- Increase throughput at existing facilities
- Optimize rail infrastructure

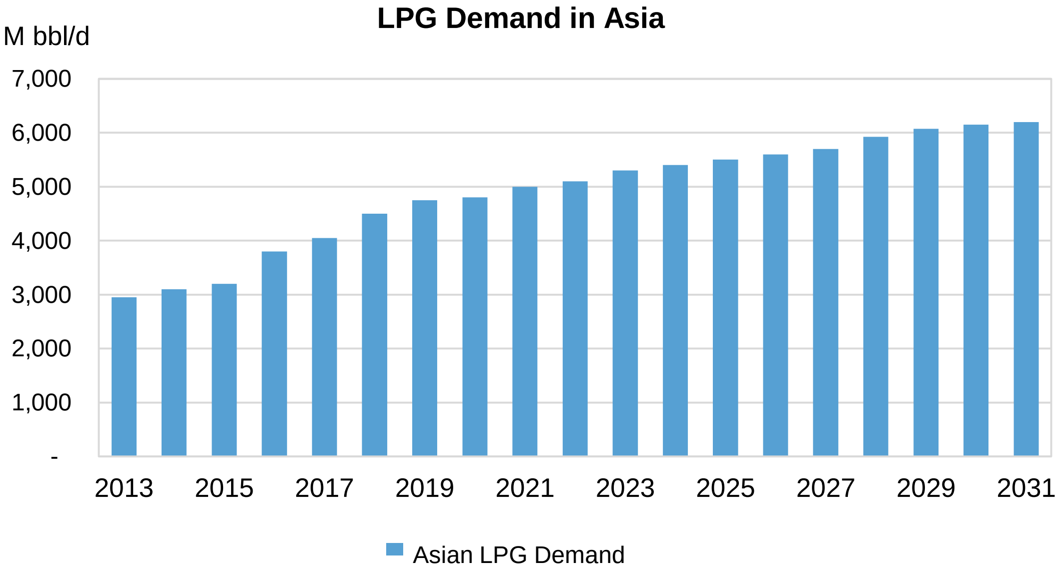


1. Ferndale is owned and operated by Petrogas. AltaGas holds 50% interest in AIJV which owns approximately two-thirds of Petrogas.
See "Forward-looking Information"

Energy Export Strategy Underpinned by Strong Fundamentals

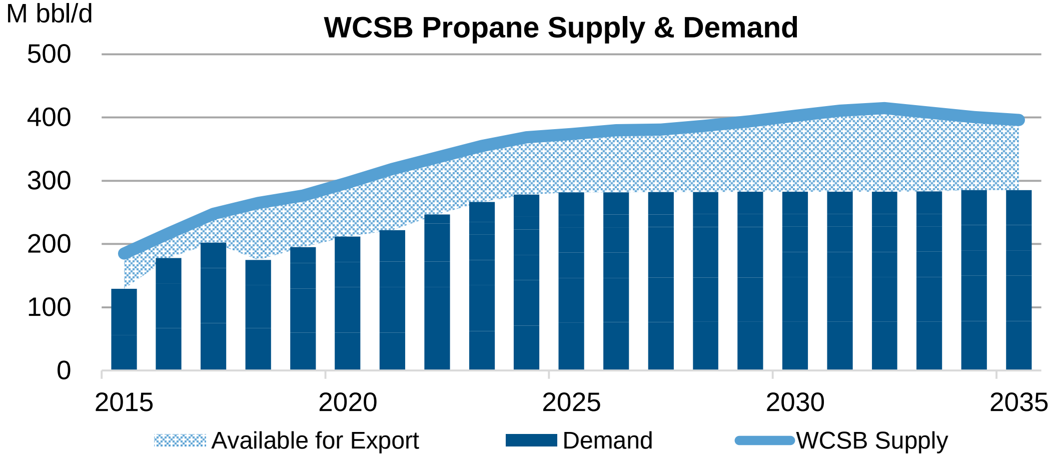
Lack of egress will continue to support ALA's strategic export advantage

Propane demand growth in Asia supported by appetite for cleaner burning energy



Long-term supply/demand imbalance supports the need for Canadian exports

Montney region has some of the lowest break-evens in North America

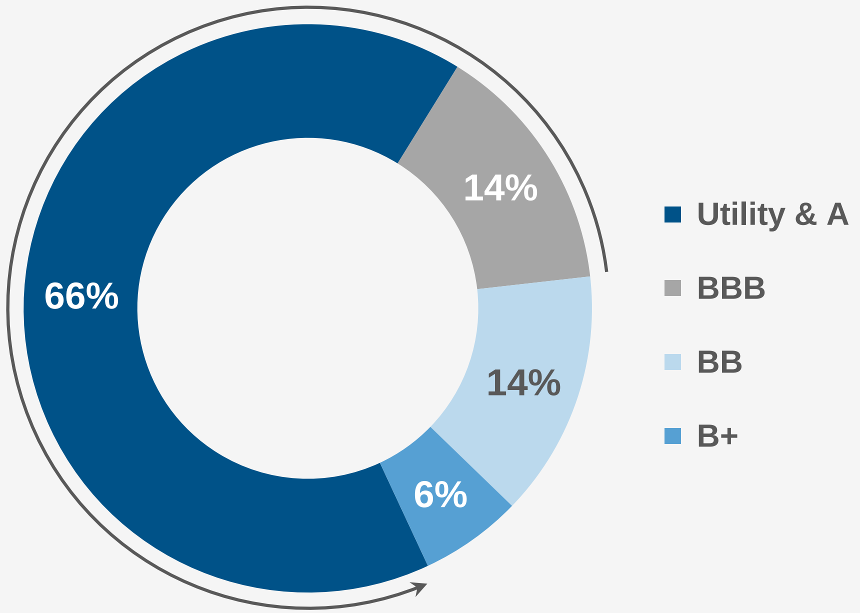


Source: Wood Mac & ICE

Counterparty Credit

~80% of 2020e normalized EBITDA from regulated Utilities and investment grade counterparties

Credit Quality



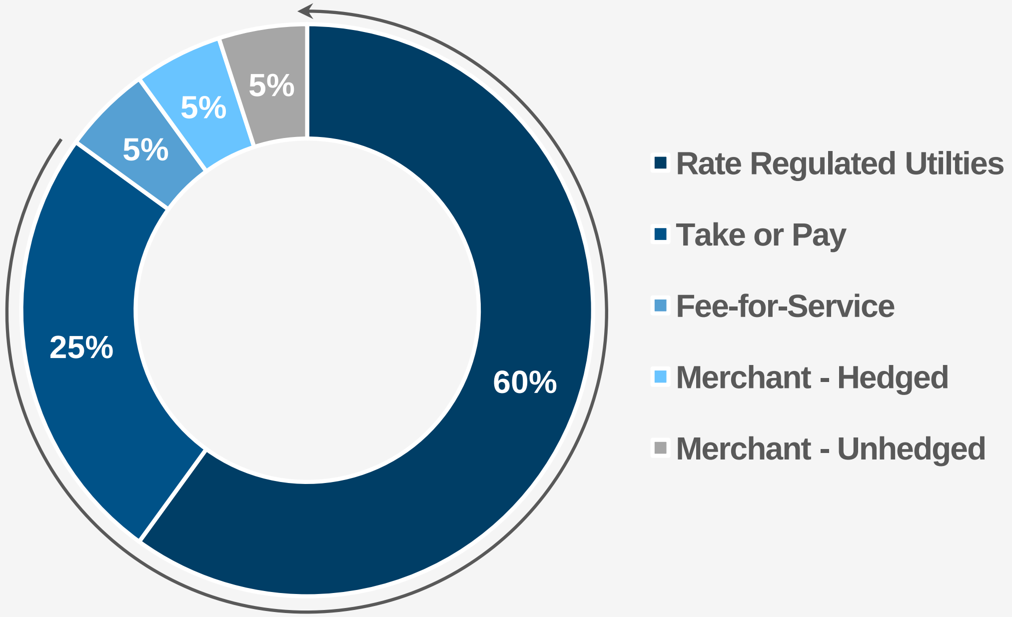
Counterparty Credit Risk Mitigants:

- 60% regulated Utilties with ~1.7 million customers
- Diversified Midstream customer base
- Letters of credit, parental guarantees
- Gas marketing and netting agreements
- Access to premium pricing in Asia
- Midstream customers' located in world-class resource basin – Montney

Strong Commercial Underpinning

~85% of 2020e normalized EBITDA from rate regulated utilities and take or pay contracts

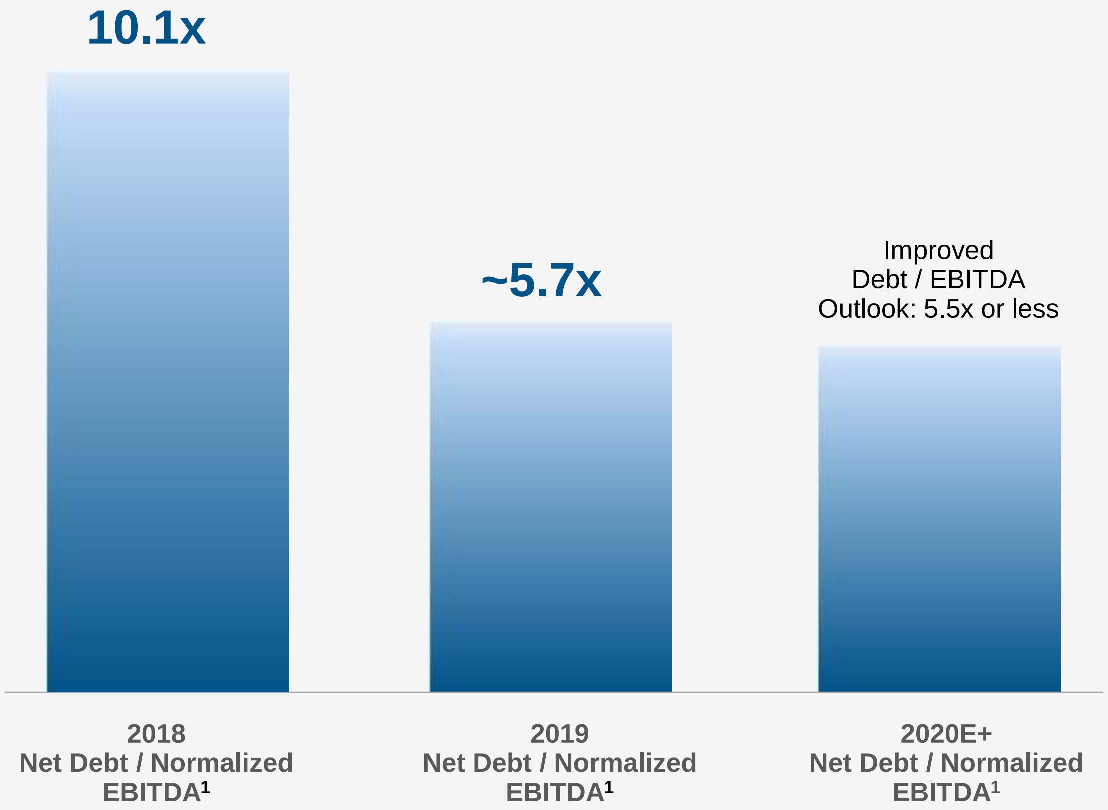
Contract Type



- ~70% of 2020e normalized EBITDA underpinned by low-risk regulated and contracted U.S. assets
- Merchant EBITDA largely underpinned by energy export strategy and demand pull from Asia
- 33% of RIPET’s 2020e volumes are under long-term take or pay arrangements with an average remaining term of ~7 years

Investment Grade Credit Rating

Business risk assessment underpinned by 60% regulated Utilities business



- Commitment to investment grade credit rating
- Regained financial flexibility and improving Debt/EBITDA metrics
- Stronger access to debt markets

Issuer Credit Ratings[2]

	S&P	Fitch	Moodys	DBRS
AltaGas	BBB- (stable)	BBB (stable)		BBB (low) (stable)
SEMCO	BBB (stable)		Baa1 (stable)	
WGL Holdings	BBB- (stable)	BBB (stable)	Baa1 (stable)	
Washington Gas	A- (stable)	A- (stable)	**A3 (stable)**	

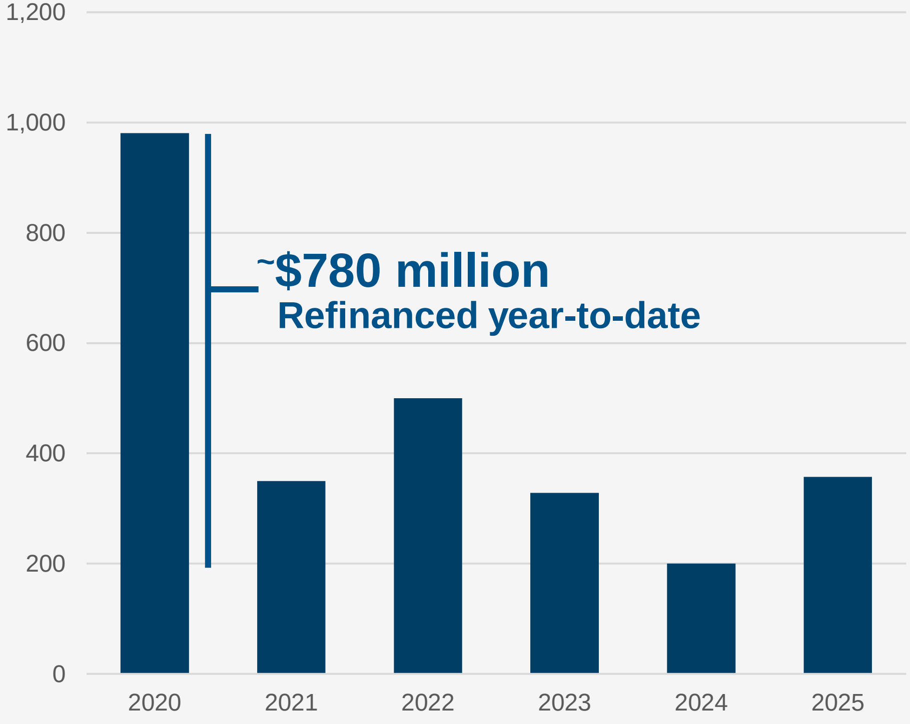
1 Non-GAAP financial measure ; see discussion in the advisories
2 As at January 30, 2020, bolded rating reflect changes made in February 2020
See "Forward-looking Information".

AltaGas

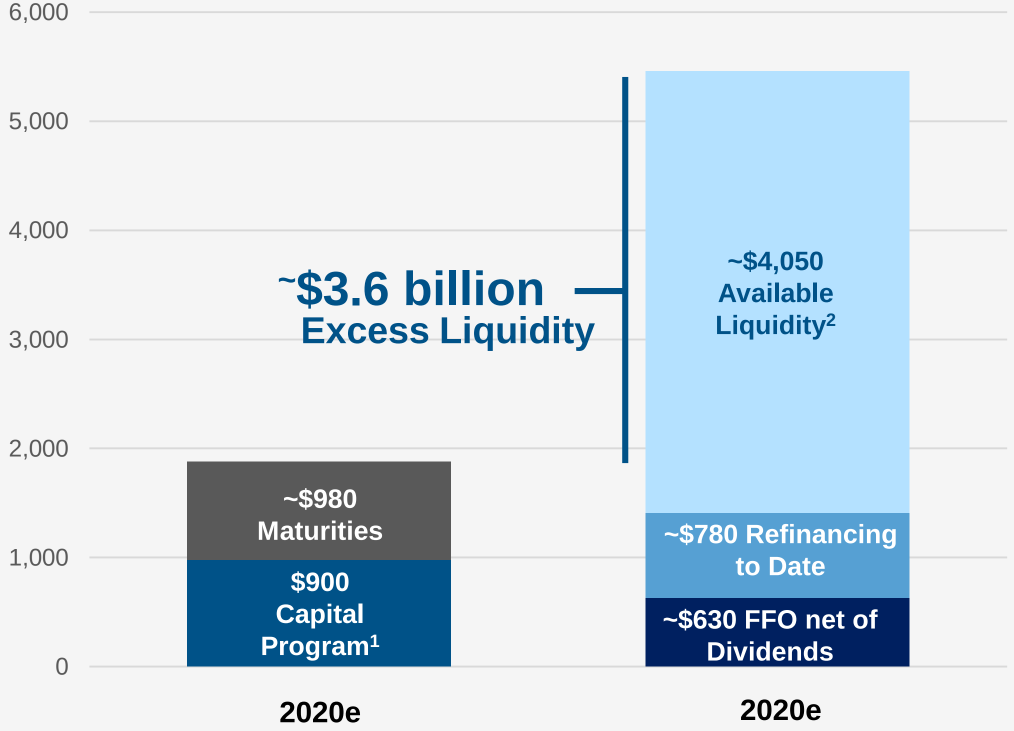
Financial Flexibility

Significant excess liquidity minimizes capital market funding risk beyond 2020

Debt Maturity Profile
($ millions)



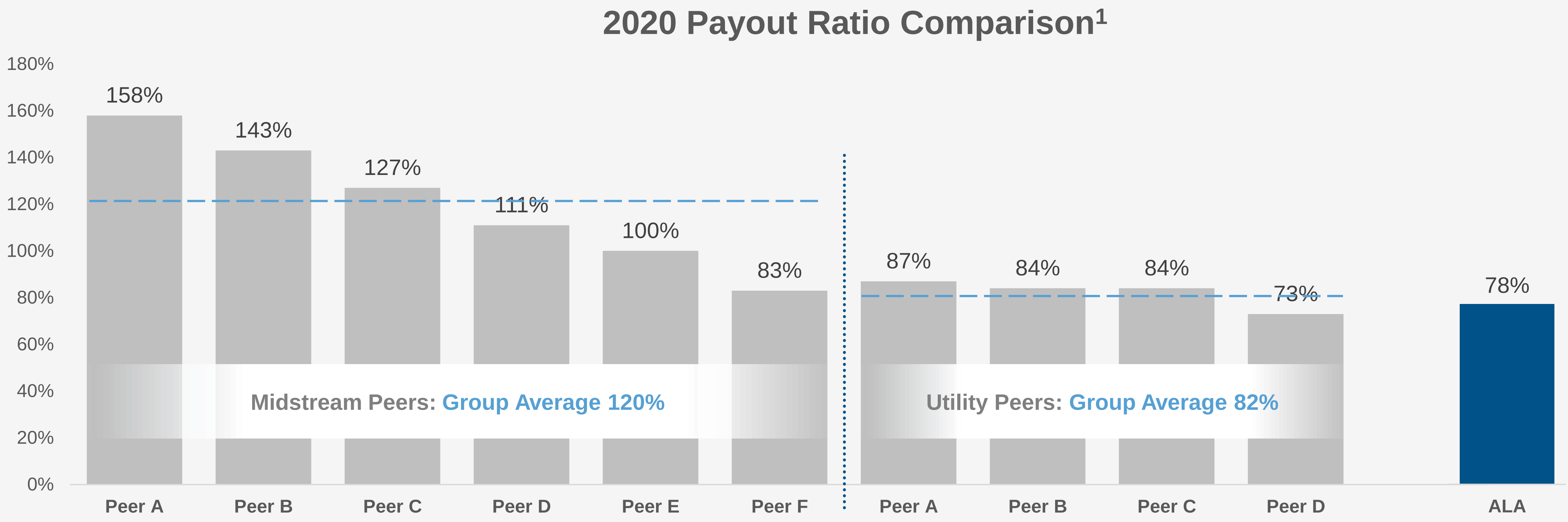
Funding & Liquidity
($ millions)



1 Excludes pending Petrogas acquisition
2 Includes proceeds from sale of approximate 37% interest in ACI which closed on March 31, 2020
See "Forward-looking Information"

Strong Dividend Coverage

Prudent dividend payout largely underpinned by stable and predictable Utilities earnings



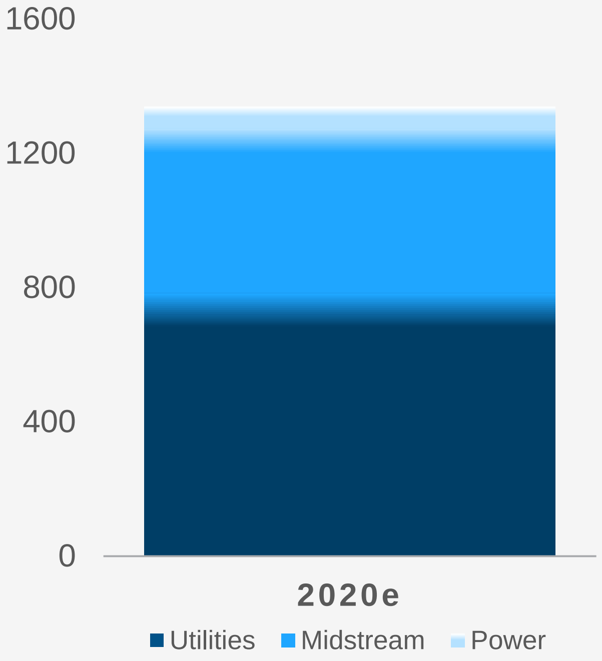
1 Based on consensus data from Nasdaq (March 30, 2020)
See "Forward-looking Information"

Appendix - 2020 Outlook

2020: Outlook Unchanged

Strong growth in base business underpins 2020 outlook

2020 Normalized EBITDA Guidance[2]
($ millions)



2020 Normalized EPS Guidance[2]
(per share)

AltaGas

1 Non-GAAP financial measure; see discussion in the advisories
2 Net of asset sales that are anticipated to close in 2020 (ACI)
See "Forward-looking Information".

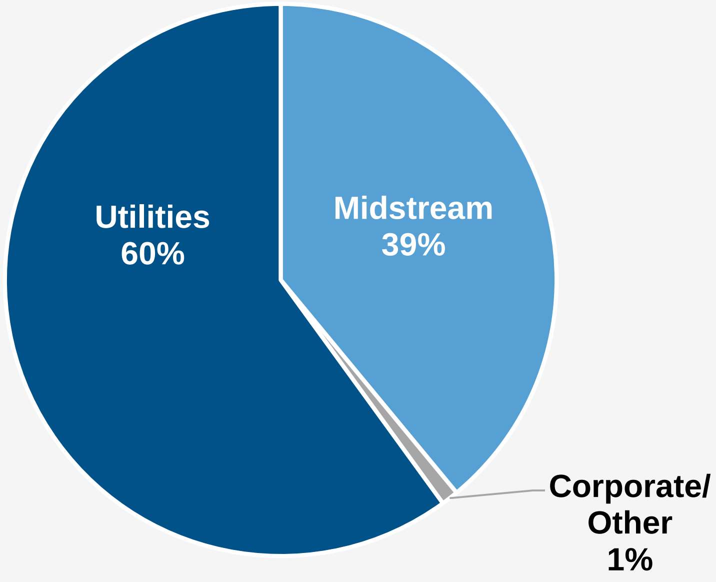
2020 Normalized EBITDA Drivers

Normalized 2020E EBITDA[1]	Growth Drivers
Utilities	▲ Rate base growth through disciplined investment in aging infrastructure ▲ Achieving higher returns on equity ▲ Cost-reduction initiatives and decreasing leak rates ▲ Customer growth ▼ Sale of ACI
Midstream	▲ Full year and increased utilization of RIPET ▲ Higher volumes at Northeast B.C. facilities: North Pine, Townsend and Aitken Creek ▲ Higher expected margins on U.S. Midstream storage and transportation ▼ Asset sales
Power	▼ Asset sales

2020 Normalized EBITDA Guidance[1]

($ millions)

$1,275 - $1,325



1 Redefined Segments

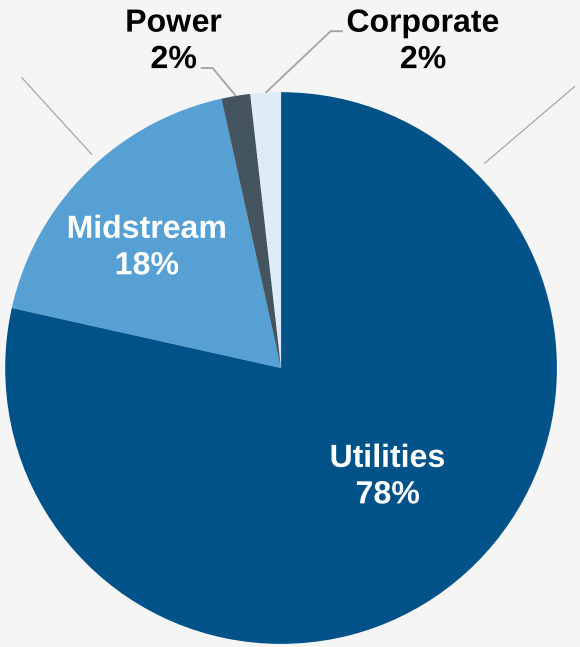
See "Forward-looking Information“

2020 Disciplined Capital Allocation

Strong organic growth drives robust risk adjusted returns

~$900[1] million in top-quality projects drive earnings growth

Identified Projects:
- MVP – Southgate Expansion
- Townsend Expansion
- North Pine – Train 2



Identified Projects:
- System betterment across all Utilities
- Accelerated pipe replacement programs in Michigan, Virginia, Maryland and Washington D.C.
- Customer growth

Capital Allocation Criteria:

- Strong organic growth potential and strategic fit
- Strong commercial underpinning
- Strong risk adjusted return:
  - Utilities Capital ROE: ~8-10%;
  - Midstream Capital IRR: ~10-15%
- Capture near-term returns by maximizing spending through Accelerated Replacement Programs

AltaGas

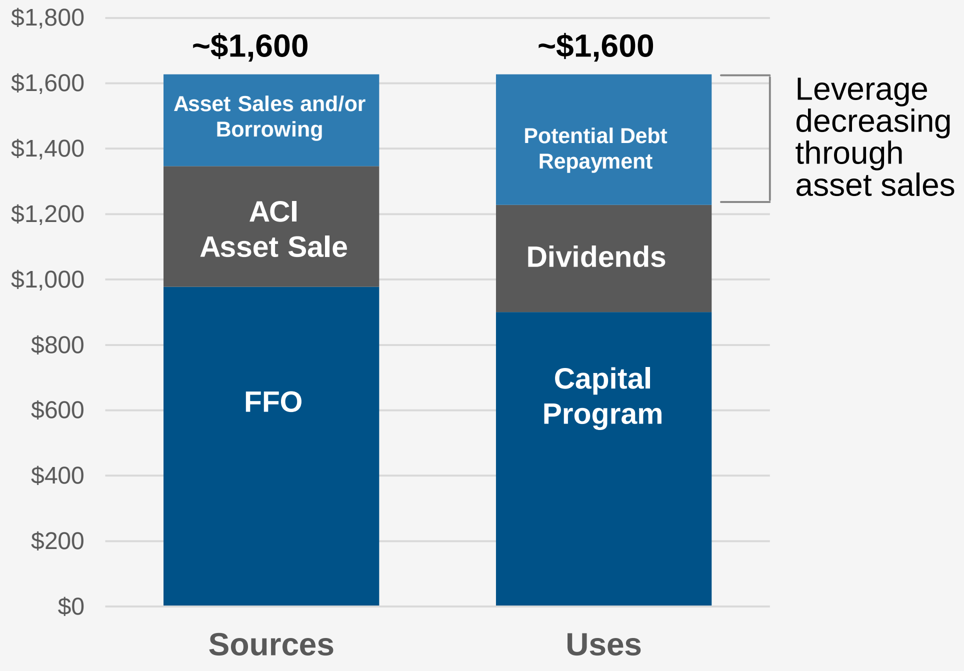
1 Excludes pending Petrogas acquisition
See "Forward-looking Information"

2020: Self-Funded Model

Growth in cash flow eliminates need for common equity and provides funding flexibility

2020 capital plan funded internally and focused on projects with near-term returns

2020e Sources and Uses[1]
($ millions)



- Suspension of the DRIP program supported by EPS growth
- Asset sales continue to provide efficient source of capital to further strengthen the balance sheet

AltaGas

1 Excludes pending Petrogas acquisition
See "Forward-looking Information"