



NEWS RELEASE

ALTAGAS MAKES ADDITIONAL INVESTMENT IN TAYLOR

Calgary, Alberta (August 19, 2004) – AltaGas Income Trust (TSE:ALA.UN) today announced it has acquired an additional 1,605,000 limited partnership units (“Units”) of Taylor NGL Limited Partnership (“Taylor”) from Taylor’s equity offering of 8,025,000 units at a price of \$6.60 per unit.

With this \$10.6 million investment, AltaGas holds 3,477,735 units of Taylor increasing its ownership interest to 18.9 percent from approximately 18.5 percent of the total Taylor units outstanding. This acquisition fits AltaGas’ strategy of making infrastructure-based investments that provide stable and predictable earnings.

David Cornhill, Chairman and Chief Executive Officer of AltaGas, said “We made our initial investment in Taylor in 2003. We are very pleased with this investment and the opportunity to maintain our ownership interest and strengthen our existing business relationship.”

AltaGas and Taylor each own a 50 per cent interest in the Joffre Ethane Extraction Plant, a facility capable of processing 250 Mmcf/d of natural gas and producing 10,400 bbls/d of ethane and natural gas liquids.

AltaGas is financing the purchase through existing bank facilities. This purchase was executed for investment purposes only and not with the purpose of influencing the control or direction of Taylor. AltaGas has no present intention of purchasing any additional securities of Taylor, but AltaGas reserves the right to do so depending on the price and availability of such securities, future developments in the business of Taylor and economic and market conditions.

AltaGas moves energy from its source to the end user, adding value through the process. The Trust has consolidated assets totalling almost \$950 million and a market capitalization of approximately \$1 billion. Its steadily expanding asset base today includes natural gas gathering and processing facilities, interests in ethane and natural gas liquids extraction plants, and transmission pipelines. AltaGas distributes natural gas to Alberta customers through AltaGas Utilities Inc., to customers in the Northwest Territories through the Ikhil Gas Project and distributes gas in Nova Scotia through its interest in Heritage Gas Limited. The Trust provides energy services to customers, including marketing of natural gas and natural gas liquids and sale of power from its power purchase based arrangements.

AltaGas’ Trust Units are listed on the Toronto Stock Exchange under the symbol ALA.UN. The Trust is included in the S&P/TSX Capped Income Trust Index and the S&P/TSX Capped Energy Trust Index.

When used in this news release, the words “anticipate,” “estimate,” and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in the forward looking statements. These risks and uncertainties include operating performance, regulatory and environmental issues, weather and economic conditions, competition and financing availability. For additional information on these and other factors see the reports filed by AltaGas with Canadian securities regulators. AltaGas disclaims any intention or obligation to update or revise any forward looking information whether as a result of new information or future event.

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