

ALTAGAS COMMISSIONS TOWNSEND 2A AND PROVIDES UPDATE ON NORTH PINE AND RIDLEY ISLAND PROPANE EXPORT TERMINAL

Calgary, Alberta (October 2, 2017)

AltaGas Ltd. ("AltaGas") (TSX:ALA) announced today that commercial operations commenced at its 99 Mmcf/d shallow-cut natural gas processing facility (Townsend 2A), located on the existing Townsend site, adjacent to the currently operating Townsend Facility. Commissioning of Townsend 2A was completed on October 1, 2017. Volumes are expected to progressively ramp up through the fourth quarter of 2017 to the first quarter of 2018. The \$125 million project was completed slightly ahead of schedule and approximately \$5 million under budget. AltaGas and Painted Pony Energy Ltd. (Painted Pony) have entered into 20-year take-or-pay agreements in respect of Townsend 2A and the incremental field compression equipment, subject to the satisfaction of certain conditions contained in those agreements.

"By linking our significant midstream projects together - Townsend, North Pine and the Ridley Island Propane Export Terminal (RIPET) - we are executing on our vision of offering Canadian producers a complete energy value chain. Our Townsend Gas Processing Complex is at the heart of our northeast British Columbia strategy and the safe commissioning of Townsend 2A marks the second stage of development at the complex, with permitting in place to increase by a further 99 Mmcf/d," said David Harris, President and CEO of AltaGas. "The on-time and under budget commissioning of Townsend 2A was made possible through the success of AltaGas' self-perform model and by the outstanding contributions of local First Nations, including Halfway River First Nation and Blueberry River First Nation, our dedicated employees and contractors."

AltaGas has also significantly advanced its other major construction projects for its northeast B.C. and energy export strategies. The 10,000 Bbls/d North Pine NGL Separation Facility is tracking under budget and ahead of its previous schedule of the first quarter of 2018, with an online date now expected in early December 2017. This investment will be backstopped by long-term supply agreements with Painted Pony for a portion of the total capacity, and will include dedication of all of Painted Pony's NGL produced at the Townsend and Blair Creek facilities. The remaining capacity is expected to be filled with NGL produced in the area.

At RIPET, construction continues to progress with the third of eight concrete pours underway and the final pour scheduled near the end of 2017. As construction progresses at RIPET, AltaGas is seeing increased interest from western Canadian producers and aggregators looking for new access to premium Asian markets for their propane. Construction is tracking on budget and RIPET is expected to be in service by the first quarter of 2019.

AltaGas is an energy infrastructure company with a focus on natural gas, power and regulated utilities. AltaGas creates value by acquiring, growing and optimizing its energy infrastructure, including a focus on clean energy sources. For more information visit: www.altagas.ca

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