



NEWS RELEASE

ALTAGAS SUBMITS HARMATTAN CO-STREAM APPLICATION TO REGULATORS

Calgary, Alberta (April 23, 2009) – AltaGas Income Trust (AltaGas or the Trust) (TSX: ALA.UN) announced today that it has submitted its application for the Harmattan Co-stream Project to the Alberta Energy Resources Conservation Board (ERCB).

“The Co-stream Project will use spare, highly efficient ethane and natural gas liquids (NGL) extraction capacity at the Harmattan Complex deep cut facilities to produce a cost effective, stable long-term supply of ethane to Alberta’s petrochemical industry,” said David Cornhill, Chairman and CEO of the Trust. “It will also provide a competitive supply of propane, butane and condensate to local Alberta markets.”

If approved, the Co-stream Project would allow 250 million cubic feet per day (Mmcf/d) of rich, sweet natural gas sourced from the NGTL Western Alberta System to be processed using spare capacity at the Harmattan Complex to recover ethane and NGLs. The Project involves constructing and operating two new large-diameter high-pressure sweet natural gas pipelines and one small-diameter high vapour pressure product pipeline, as well as modifying existing equipment for processing gas at the Complex. The application was submitted under the Trust’s indirect, wholly-owned Taylor Processing Inc. entity.

The current throughput at the Harmattan Complex is approximately 150 Mmcf/d, or 30 percent of the licenced plant capacity. Upon approval from the ERCB, construction of the project would take approximately 14 months to complete. The project is expected to begin contributing to operating income in late 2010. Capital cost estimates for the Co-stream Project are \$100 to \$120 million.

AltaGas Income Trust is one of Canada’s largest and fastest growing energy infrastructure organizations. The Trust creates value by acquiring, growing and optimizing gas and power infrastructure, including a focus on renewable energy sources.

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

This news release contains forward-looking statements. When used in this news release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Trust or an affiliate of the Trust, are intended to identify forward-looking statements. In particular, this news release 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. 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 the Trust's 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, general economic conditions and other factors set out in the Trust's public disclosure documents. Many factors could cause the Trust's actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. 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 news release as intended, planned, anticipated, believed, sought, proposed, estimated or expected, and such forward-looking statements included in, or incorporated by reference in this news release, should not be unduly relied upon. Such statements speak only as of the date of this news release. The Trust does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

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