

ALTAGAS LTD. COMMISSIONS ITS FIRST WIND FARM IN THE U.S.**Calgary, Alberta (October 16, 2012)**

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) today announced the successful commissioning of the Busch Ranch Wind Project ("Busch Ranch") in southern Colorado. AltaGas owns a 50 percent interest in the 29 MW wind project with the local utility Black Hills/Colorado Electric Utility Company LP ("Black Hills Energy"). The power generated from AltaGas' 50 percent interest is sold pursuant to a 25-year renewable energy purchase agreement with Black Hills Energy. The project was completed ahead of schedule with a cost to AltaGas of US\$25 million.

"Busch Ranch is a strong addition to our renewable portfolio in the U.S.," said David Cornhill, Chairman and CEO of AltaGas. "We continue to execute our growth strategy with long-term contracted assets that provide stable earnings and strong growth for our shareholders."

Busch Ranch, alongside the biomass generation assets acquired earlier in 2012, increases AltaGas' current renewable power generation in the U.S. to approximately 50 MW. All of these U.S. renewable power assets are fully contracted with long-term power purchase agreements.

AltaGas is an energy infrastructure business 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 renewable energy sources. For more information visit: www.altagas.ca.

Investment Community
1-877-691-7199
investor.relations@altagas.ca

Media
(403) 691-9873
media.relations@altagas.ca

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 AltaGas or an affiliate of AltaGas, 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 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, general economic conditions and other factors set out in AltaGas’ public disclosure documents. Many factors could cause AltaGas’ 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. AltaGas 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.