



NEWS RELEASE

ALTAGAS LTD. SIGNS ELECTRICITY PURCHASE AGREEMENTS FOR MCLYMONT CREEK AND VOLCANO CREEK PROJECTS

Calgary, Alberta (November 2, 2011) – AltaGas Ltd. (AltaGas) (TSX: ALA) today announced that it has signed Electricity Purchase Agreements (EPAs) with BC Hydro for the McLymont Creek and Volcano Creek run-of-river hydroelectric projects.

“With a combined capacity of approximately 82 MW the McLymont Creek and Volcano Creek projects, in addition to our 195 MW Forrest Kerr project, represent a \$1 billion investment in British Columbia,” said David Cornhill, Chairman and Chief Executive Officer of AltaGas. “These three projects align with our strategy of adding low-risk, long-life assets as we continue to build long-term contracted assets that will generate power and deliver strong shareholder value for generations to come.”

Collectively the three projects totaling approximately 277 MW are known as the Northwest Projects. They will be the anchor tenants for the Northwest Transmission Line, which will form the backbone of electrical infrastructure in northwest BC supporting job creation and industrial development. The projects will generate more than 400 direct jobs during construction and many times that in indirect economic benefits resulting from increased business activities in the area. “Not only will our Northwest Projects help support government job creation strategies but they will also provide much needed power to BC Hydro, which will allow them to meet the growing demand for power in the northwest,” said Cornhill.

The terms of these EPAs are similar in all material respects as the EPA signed for the Forrest Kerr project on May 28, 2010. The three projects are located in close proximity to each other approximately 1,000 km north of Vancouver, BC. AltaGas will take advantage of synergies and shared construction infrastructure for all three projects, and is now targeting an in-service date of fourth quarter 2015 for both the McLymont Creek and Volcano Creek projects. AltaGas expects the Forrest Kerr project currently under construction, to come into service in July 2014.

The Northwest Projects will be constructed solely within Tahltan Nation traditional territory. AltaGas and the Tahltan Nation have signed IBAs for all three projects and have established a strong working relationship that will provide the people of the Tahltan Nation with employment, business opportunities, and economic participation. Once completed, the projects will provide enough electricity for approximately 95,000 homes in British Columbia and will offset more than 780,000 tonnes of greenhouse gas equivalents annually.

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.

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.

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