

JUST ENERGY
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Moderator: Hello, and welcome to the webcast titled Q4 Year End Call. We have just a few announcements before we begin. The slides will advance automatically throughout the presentation. To enlarge the slides, click the “Enlarge slides” link located above your presentation window. Should you need technical assistance, click on the “Help” link. If your screen freezes or the slides do not appear to be advancing as they should, please try exiting and restarting the session as it may be an issue with your connectivity. There will be a question and answer session at the end of your presentation. At that time you may press 01 on your telephone keypad to enter the Q&A queue.

I will now turn the call over to Ms. Rebecca MacDonald, Executive Chair. Please go ahead.

Ms. Rebecca MacDonald: Good afternoon. I'd like to welcome you all to our fourth quarter and year-end conference. I have with me this afternoon Ken Hartwick, our CEO, and Beth Summers, our CFO. Ken and I will make a short presentation and then we will open the call to questions. Before we get going, let me preface the call by telling you that our earnings release and potentially our answers to your questions will contain forward-looking financial information. This information may eventually prove to be inaccurate, so please read the disclaimer regarding such information at the bottom of our press releases.

I'm pleased to report our results for the year end March 31st 2013. It was a year focused on expansion of the business and customer growth which allows us to build on the future value of Just Energy. Our long term expectations for the business are deeply rooted in what we believe will be key growth drivers for our business. Let me take a few moments to highlight a few of those areas and how our efforts during 2013 position our business for long term value creation. While we work diligently to implement our long term growth strategy, our business experienced some challenges. The company has taken proactive steps to deal with these issues and because of our investment in growth, stands poised to see a major resurgence in profitability in fiscal 2014 and onwards.

Fiscal 2013 saw a continuation of the high customer growth cycle the company has been in for the last three years. This was seen in another record year for customer additions to our sales channels. Our energy marketing business added 1,335,000 new customers, up 24% from the previous record of 1,091,000 customers added in a fiscal 2012. Both sides of energy marketing contributed to this record; increased sales through nontraditional channels, and geographic expansion resulted in 631,000 customer additions by the consumer division, up 47% from fiscal 2012, and by far the most in company history. The strong commercial division broker channel also benefited from expansion into new territories, adding 724,000 new customers equivalent, up 9% from fiscal 2012. After all additions and renewals, net customer additions were 352,000, up 11% from a year earlier. As Just Energy grows, there is a need to replace a greater number of customers annually. Fortunately, our expansions, both geographically and by channels, have allowed us to meet this challenge. I am particularly happy that our high margin consumer division saw net customer growth for the first time in two years. As our existing high price commodity contracts entered their final year, we have seen improvements in both attrition and renewals.

Fiscal 2013 customer attrition rates improved to an annual rate of 12% from 13 in fiscal 2012, and 15% in fiscal 2011. This improvement has come as our base of existing customer contracts have prices in line with current market levels, reducing the motivation to terminate the contract early. Customer renewal rates improved to 69% from 64 in fiscal 2012, and 65 in fiscal 2011. Similarly, the last very high priced Canadian customers now coming up for renewal. Once all renewals are from contracts at market prices, we believe the rates will stabilize around the 70% historical average. The improvements seen in renewal and attrition rates will have a major effect on our long term profitability. Strong customer growth was also seen at our NHS water heater/HVAC unit driven by organic and small acquisitions.

NHS built its install base from 165,000 to 235,000 over the year growth of 42%. NHS has recently moved into Quebec and Texas, and has seen positive early results, particularly with our new smart thermostat product. Overall, our customer base has reached 4,457,000, up 10% year-over-year. Just Energy operates in a high growth industry, retailing a deregulated commodity. We are the second largest residential retailer in North America, and we are the seventh largest and fastest growing player in the commercial market. We believe we are well placed to profitably capitalize in our growth.

I will have Ken go through the detailed highlights of the quarter and the year end. We will then answer your questions.

Mr. Ken Hartwick: Thanks, Rebecca. Let me quickly cover fiscal 2013 and the quarter, and then I will focus on our future. The customer growth Rebecca has described resulted in fiscal '13 gross margin of \$526 million, up 5% year-over-year, falling short of our published growth guidance of 10 – 12%. Our fourth quarter margins were \$158 million, down 8% year-over-year. The shortfall was created by both challenges in our commercial division and the trailing impact of the extreme warm winter in 2011 on our gas business.

Fiscal 2013 saw realized margins of \$121 per customer annually. This is a reduction from the \$138 per customer in fiscal 2012. In commercial electricity, price competition in Texas and unforeseen increased capacity costs in the northeast resulted in margin compression, both on realized margins and new per-customer margins, which fell from \$82 in fiscal '12 to \$74 in fiscal 2013. We believe that this situation has stabilized, and that margin should remain in this range for fiscal '14.

Natural gas realized margins were also down, due to the fact that we must reconcile underconsumed gas from the warm winter of fiscal '12, during the first half of the current fiscal year, fiscal '13. This reduced realized gas margins in the current year, despite the fact that winter weather was normal during the period. With these reconciliations completed, fiscal 2014 will not see similar negative impact.

The remainder of the company's fiscal 2013 results reflect the costs of our expansion into ten new utility territories, and the sale on marketing costs to bring in the record customer additions seen over the past year.

Administrative expenses were \$138 million, an increase of 22% over fiscal '12. This increase was higher than the 10% increase in customers due to two main factors. First, we had fulcrum for only part of the year in fiscal 2012, so there's a natural increase on a comparative basis. Second, and most important, we have entered ten new utility territories in the year. Administrative costs were \$36.7 million in the fourth quarter, up 14% vs. the comparative quarter, in line with the 10% customer growth and the cost of opening new markets.

Our sales and marketing expense was \$208 million, up 17%. This increase was less than the 24% growth in customers. Fourth quarter selling and marketing was \$49 million, down 16%, despite a 5% increase in

customers added. Lower selling costs reflected the lower per-customer aggregation cost from new channels, such as internet, network marketing, and telemarketing.

Our base EBITDA from continued operations of \$163 million was down 16%, vs. \$193 million in fiscal '12. In the fourth quarter base EBITDA was down 7% year-over-year. You will notice I said "continuing operations," as we are in the process of selling our ethanol plant. And it is included in our statements as a discontinued operation. We do not expect the proceeds of the sale will exceed the debt on the plant, however the \$67 million in debt associated with ethanol is non-recourse and will be eliminated on the sale. As I have noted, costs grew more rapidly than did margins. In each case, the higher costs are attributable to expenditures with an advanced long term value.

Adjusted EBITDA from continued operations for fiscal 2013 was \$248 million, down 7% vs. \$268 in fiscal '12, falling short of our expectations. We advised during our quarterly results that we would not meet our guidance for adjusted EBITDA. Net income from continued operations was \$4.30 per share basic, vs. a loss of 93 cents per share in fiscal '12. Net income in the fourth quarter was \$1.44 per share, up from a loss of 55 cents per share a year ago. Though we do not use EPS as an internal measure, we feel it is important to allow shareholders who wish to focus on IFRS results to see the business performance on this basis.

Overall, fiscal '13 was a year of expansion. The expansion came at a cost, but as in the past, we believe shareholders will be pleased when the benefits are realized in fiscal 2014 and beyond. All of us at Just Energy believe that our business foundation has been put in place, and as a result, the performance of the business is set to accelerate. The investments we have made in new marketing channels, new geographic territories, and new products have placed us at a point where substantial cash flow growth is expected in the coming year and in the years to follow. This expectation is not based on improvements to our business but rather on the current book of contracts and the margin embedded within them.

We have provided guidance to the market, stating that we believe our base EBITDA for fiscal 2014 will be approximately \$220 million. And I would like to remind you that we are seasonal, and approximately 40% of our margin is realized in our first two quarters, with the remaining 60% in our Q's 3 & 4. Achieving this target would result in base EBITDA growth of 34% for the year, up from the \$163 million recorded for fiscal 2013. Base EBITDA has been selected as a well understood measure in the industry that allows comparisons of Just Energy results against those of retail divisions of larger companies.

To see the rationale for such significant growth, one need only look to the growth of our embedded margin within our customer contracts. It is up 15% in the year, matching the growth seen in fiscal 2012. These double digit increases show the growth in the true value of our customer base, a value which is not reflected on the company balance sheet. The year-end total equates to \$15.70 per share, providing a valuable underpinning to our share value.

The second factor which will drive our expected 34% growth is the EBITDA profile of our new geographic markets. We have entered ten new utility territories in the past year; among these is our first expansion outside of North America to the United Kingdom electricity market. Our expansion into these markets resulted in significant planned up-front costs, but as reflected by the 19,000 new customers in the UK, these promise to be new core markets for Just Energy. These expenditures build a base for future profit, but as in the past, new markets generate negative cash flow in their first year. In the second year of a market, cash flow moves from very negative to positive, and grows annually until the market reaches maturity. In our case, we will have ten markets entering their profitable second year in fiscal 2014, with only one new market, Delaware, scheduled to open next year. This will have a positive year-over-year EBITDA impact far in excess of new customers added.

Our administrative costs should be consistent with our fourth quarter run rate, as the one-time cost of opening markets will be down significantly, offsetting the cost of customer growth. Our sales and marketing expense should be down year-over-year in fiscal 2014 as lower cost sales channels continue to expand. The result of all these factors is the expected growth of EBITDA for the coming year. We see this as the first in a series of high growth years to come.

Long term, we intend to maintain our growth in line with rapidly expanding industry we operate in. We intend to do this in a number of ways. First, we will make investments in future growth opportunities to continue to grow our market share gains throughout existing North American footprint. Further, we will expand upon our first steps in the UK. We will maintain our position as the leader among all commodity retailers in providing green supply to our customers. We will penetrate the existing and new customer base with more products through bundling and other cross-selling initiatives. Doing this will broaden the customer relationship, create a more profitable and stable customer relationship less impacted by commodity pricing. We will reduce our payout ratio to a sustainable level, and we will right-size the company balance sheet by reducing debt to a target of 3.5 to 4 times EBITDA by the end of fiscal 2016. And, we will build cash reserves, allowing flexibility in meeting future refinancing and growth needs. These strategies, along with Just Energy's proven strength in sales and marketing, will build the base for renewed profitability and growth at our company. As Just Energy shareholders, we are confident that investors will see better returns in the future.

We will now open for questions.

Moderator: Thank you. Ladies and gentlemen, at this time if you would like to ask a question, please press 01 on your telephone keypad. Once again, that's 01 on your telephone keypad to enter the queue to ask a question. And our first question is from Nelson Eng with RBC Capital Markets.

Mr. Nelson Ng: Okay, thanks. Good afternoon, everyone.

Ms. Rebecca MacDonald: Hi.

Mr. Nelson Ng: Just a quick question on the NHS business, the government recently – I think they introduced a bill to kind of double the cooling off period to 20 days, and to also kind of prevent installations of the water heaters during that period. Has that had an impact on the business yet? Or has it been implemented?

Mr. Ken Hartwick: No, the bill is still in, I believe, its second reading. So it is – and then it will go off to the committee process within the government process, so to speak. And we think there are opportunities to amend and change some of the provisions within it. We don't disagree with a longer cooling off period, so if it's 20 days, that's fine, whether it's 10 or 20 shouldn't matter. But we do have other items in there that we think will be addressed in that process. So it has not impacted the business currently, and I think we'll need to see where the bill finally ends up before we could assess it.

Mr. Nelson Ng: Okay. And then also on the water heater business. Has there been any kind of one-off items in Q4? I was just looking at the numbers, and if my calculations are correct, I think revenues increase by about 50% from Q3. So I was just wondering whether the rates have increased materially this year, or whether it's like a one-time item somewhere?

Ms. Beth Summers: Yeah, Nelson, there would be two things. The one is in January, is when you would typically see the percentage increase on the contracts, that we have the ability under the contracts to put in place. So for the quarter you would have seen that percentage increase. You'd also see all the impact from these acquired water heater contracts.

Mr. Nelson Ng: Okay. And it's just those two items?

Ms. Beth Summers: Yes. Those would be the two items that would have the largest impact, yes.

Mr. Nelson Ng: Okay, thanks. And then just moving on to the NCIB. So you haven't made any purchases yet, and I was just wondering whether you intend to do so, or under what circumstances you would look to buy back shares or convertible debt?

Mr. Ken Hartwick: Yeah, I think given the recentness of the dividend change, our first goal is, as we said we wanted – we made the dividend change in time to ensure that we could fund growth and then look to reset parts of the balance sheet. So I think as we proceed along here, our view is the same, that a couple of those long – the converts that are out in the 17 and 18 range are of more interest to us, and we'll just balance off the cash needs for the growth relative to doing that, which we will do on a monthly basis. So the intention is still there, but again, it's a relatively short period of time since we made the dividend change.

Mr. Nelson Ng: Okay, thanks.

Ms. Rebecca MacDonald: And just to add to it, Nelson, dividend change took place last month, so this is not something that's gonna have an impact on what we do on a monthly basis. This is going to have impact on going forward over the next three to five years.

Mr. Nelson Ng: Got it. Okay, thanks, Rebecca. And just one last question. This past winter, I presume it was an average winter in terms of the temperature?

Mr. Ken Hartwick: Yes.

Mr. Nelson Ng: And I was just looking at the Canadian gas business vs. the US gas business, and I think the margins in Canada went down, whereas the margins in the US went up. I was just wondering what was the – what were the reasons for that divergence?

Mr. Ken Hartwick: Well, I think on the Canadian gas customer base, you actually have a decline in the customer base to begin with, and that would be probably the primary factor. And then just in general around the gas markets, it is the options we had in place and how we effectively account for those. But you have a declining Canadian gas base.

Mr. Nelson Ng: Okay, great. Okay, thanks a lot. I'll get back in the queue.

Mr. Ken Hartwick: Thanks, Nelson.

Moderator: Our next question is from Kevin Chiang with CIBC.

Mr. Kevin Chiang: Hi, good afternoon. I just have a question on your assumption that your renewal rates get back to 70%, as you kind of rolled through some of your higher priced contracts. I know the 70% number comes from, I guess, the historical rate that it's typically been at. But when you look forward, with the stable gas price environment or if we assume a stable gas price environment, is it realistic to assume that you'll get 7 out of 10 customers willing to pay a premium to fix those costs, if what they're reading in the newspaper is that gas prices are expected to remain relatively low for the foreseeable future? And I guess, what type of earning sensitivity or cash flow sensitivity do you have around that 70% number?

Mr. Ken Hartwick: Yeah, I guess I look at it maybe a little bit differently in that we're seeing the trend back to 70%, which we've seen now for the last number of quarters. And again, the consumer mindset – and this may be more true of Canada, but to some degree in the US – is similar to the mortgage analogies that we've used. Interest rates have been low for a long time, but people still go into five year mortgages. So, why would they? It's still the same – the premise is the same for the consumer. And I think when we have customers coming off of the equivalent of \$8 or \$9 gas down to \$4 gas, they do question their decision. But what we've seen, and believe will continue, is that when they're coming off of the equivalent of \$4 gas onto \$4 gas, that we will get that decision made again for the renewal at the levels that we expect. And again, all the data is trending there. And also the other gauge on that one is what is happening with attrition rates. Because attrition is just a customer that wouldn't have renewed when they get to the – or some of them wouldn't have renewed when they get to the end of their contract. And the fact that attrition rates are getting better in line with the same principles in Canada and the US would tell us that that is a very realistic assumption.

Ms. Rebecca MacDonald: And just to add to it, a few years ago everybody was looking at declining gas prices and they were even talking about the \$2 gas, where it's been settling now around \$4 range. It's safe to say that when a customer is looking at relatively stable pricing on that level, as Ken pointed out, exactly compared to mortgage scenario, they're just saying, "I don't see them going down, but there is the potential down the road that they will go up, and I like this price and I like the level that I can potentially lock it in."

Mr. Ken Hartwick: The other thing to note is that 70% of our business is electricity. So again, you have to look on – it's not just gas prices; it is also what happens to power prices and the volatility in those as well.

Mr. Kevin Chiang: Okay. No, that's a fair point, and you're right, your attrition rates have turned into extremely low levels here. Actually, on that last point you made on the electricity market, you know, the US electricity business seems to be where you're seeing a good clip of growth. Can you – are you able to, I guess, differentiate for me what percentage of those new customer adds come from existing geographies that you currently service vs. new geographies that you happen to move into over the last couple of quarters? Like, is this – are these – is this uptake in increase in market penetration within existing geographies? Or is this a reflection of your growing footprint overall?

Mr. Ken Hartwick: Yeah, well, I think it's – what I said in my commentary, that we've entered a number of new utility jurisdictions in the past year. And our sales force, led by our door to door group, is very intentionally slow and methodical when we go into a new jurisdiction to make sure that we have the marketing right, have the sales process right. So a lot of the additions in fiscal '13 are coming from existing markets that we've been operating in, and as we enter the other ones we slowly build them. And that's why I mentioned that by year two they start to look better from a cash flow standpoint, and then year three are almost all positive. So I think the reason we're bigger in electricity is those markets are just bigger in the US and the product itself is more volatile so it's easier than natural gas to get a good customer value proposition. So that's – if we're going to put our next best sales organization in a market, it's going to be probably directed towards an electricity market.

Mr. Kevin Chiang: Okay. Can you remind me again what your market share is within the geographies you currently play in? And where you view the – kind of that threshold is, where the turn is more one for one and it's tougher to kind of get that incremental customer? If I remember correctly, I thought you were around 5%, and you thought, like, 10 or 15% was where the market penetration gets more challenged.

Mr. Ken Hartwick: Yeah, you're exactly right. We'd be somewhere between 5 and 6, depending on, again, how long we've been in a particular state. And, like you say, in virtually every market we operate in, we can easily see us doubling our customer footprint in that market over the upcoming years. So we think it's realistic to expect to get to 10.

Mr. Kevin Chiang: Okay. And –

Mr. Ken Hartwick: In the US, specifically.

Ms. Rebecca MacDonald: And that's obviously over time, and remember that most of those jurisdictions that we operate have a much higher population than we ever had in Canada. So –

Mr. Kevin Chiang: Very true.

Ms. Rebecca MacDonald: - that's why it's not surprising after all these years that 70% of our revenue is coming from the States. It's a sheer number of potential customers that we've got there.

Mr. Kevin Chiang: Okay. Point noted. And then maybe lastly for me, just on your leverage targets, your debt to EBITDA targets, maybe you can just walk me through in greater clarity how you think about getting there and the levers you need to pull to get to your targeted leverage ratio. And the reason why I ask that is, you have a naturally increasing debt level through your self-financing mechanism at NHS. And it seems to me as though, while I agree that your dividend cut was prudent and does save you some cash flow, it seems like a big chunk of that goes to offset that growing NHS debt, at least when I look at the trajectory over the past three years.

So how do you get the debt lower, then? Do we need to see better earnings? Better renewal rates? Is the dividend cut sufficient within your modeling? I'm just trying to get a sense of how you view the path to your leverage target?

Mr. Ken Hartwick: I think there's three parts to it. First of all, to answer your question, we do think the dividend cut is sufficient. So to remove that from the equation. But the first part, obviously, is just earnings. You know, as we head towards the embedded margin book that we have built on existing customers, which will contribute towards the \$220 million of EBITDA in the fiscal '14, the guidance that we've given. And in the guidance, we've said that moving towards a payout ratio of 60 to 65% over the upcoming number of years, by its nature, generates cash flow that we can use to remove some of the leverage on the company, including some of the converts that we have, which is a form of debt. So that's the Step 1. On NHS, it is self-liquidating, so it acts very much like a mortgage. And as that base of customers has grown and those customers pay back the debt that has been incurred on them, on a relative basis, the number of new NHS customers we're adding relative to the base should allow that number to stabilize as well.

And again, it's very much back. But the first – your first point was right. It is the earnings performance of that embedded margin that will allow us to move towards the debt levels that we think is appropriate.

Mr. Kevin Chiang: Okay.

Ms. Rebecca MacDonald: And I have to tell you, we cannot emphasize strong enough – because of speculation that's out there on the Street – how confident we are when we locked into our dividend cut, and making sure that that was sufficient for us, to satisfy all our needs and lower the leverage over the next four, five years. So if anybody out there is talking about Just Energy doing another dividend cut, they are very, very wrong. And we want that on the record.

Mr. Kevin Chiang: And I guess – is that how you got to the fiscal 2016 time frame? Because I would imagine, if I remember correctly, a lot of your NHS contracts have a roughly five year length before the – as you mentioned – the self-liquidating. So is it in that 2016 time period that we should start seeing that roll forward?

Mr. Ken Hartwick: Yeah. Well, we've been in the business on some of the contracts now, I think we're entering our fifth year of the NHS business. Or are about to. So like I say, some of those contracts, to the extent that they exist, are going to start being free of the cash flow. But the 2016, that was – by us giving the guidance we did, that was around the cash flow from the dividend change and just the pure earnings of the company.

Mr. Kevin Chiang: Okay. No, that's it from me. Thank you.

Moderator: As a reminder, if you'd like to ask a question, please press 01 on your telephone keypad. Our next question is from Damir Gunja with TD Securities.

Mr. Damir Gunja: Thank you, good afternoon.

Ms. Rebecca MacDonald: Hi, Damir.

Mr. Damir Gunja: I just wanted to get a little clarity on the northeast commercial electricity business, and just to understand the gross margin compression there. You were citing increased capacity costs. What exactly would that involve?

Mr. Ken Hartwick: Yep. In a number of the markets that we operate in, the cost or price to a commercial customer is comprised of an energy element and then a capacity piece. And what we saw in the northeast was typically capacity, especially for some of the more constrained areas, might be in the 10 to 15% range of the total cost to the customer, or total price to the customer. And with a number of the constraints that we saw in the last year, or in the period of time, was that that changed to closer to 25 to 30% above the total because of the constraints in the system itself. And that's something – so from our standpoint, it obviously impacts the margin of the customer, the capacity. You cannot – it hedges differently than energy. And what we've really done from a going forward basis until we see the volatility, maybe, reduce again is really allow some of that to be passed through to the customer, which virtually all of our competitors are now doing, because of the same dynamic that we saw, that they saw. Or at least capping what portion of capacity we'll fix.

So again, it's – each of our competitors have seen exactly the same thing and are approaching the customer arrangement same way I've just described.

Mr. Damir Gunja: So sounds like it'll be less of an issue going forward?

Mr. Ken Hartwick: Yes.

Mr. Damir Gunja: Okay. And I guess obviously your guidance for EBITDA, a lot of that has to do with operating leverage heading into the new year, here. How are you thinking about margins on a year-over-year basis? I guess customers lost vs. customers gained? Are we going to see that gap narrow a little bit?

Mr. Ken Hartwick: Yes. I think you're going to see the gap between the two be very, very small. So it's – what we add will be within a few dollars of what we lose.

Mr. Damir Gunja: Okay. So marginal improvement there.

Mr. Ken Hartwick: Yes.

Mr. Damir Gunja: Okay. And the potential for strategic alliances, how should we be thinking about that? I guess on the one hand, thinking about that, I mean, potentially a big driver? Or is it more of a slow, gradual build as you develop a relationship and sort of add customers?

Mr. Ken Hartwick: Yeah. I think it's on any type of a partnership or alliance that we do; it'll be slow and gradual. And I think that's on both parties of any partnership, it's going to be "how do you make sure that you have the right customer propositions working?" But I think it's something that we're actively working on, and like I say, we think it has big returns, but starts very slowly. Which is why we'll focus on the two or three that we're interested in.

Ms. Rebecca MacDonald: And you know, Damir, the whole premise is looking forward to the next five years of how we will be positioning the company, including our bundling services with the different strategic alliances. So, as Ken said, it's going to be slow, but over time it's going to grow. Because everybody is looking or figuring out how to maximize their customer base value.

Mr. Damir Gunja: Okay, maybe a final one for me. You mentioned you're only entering one territory for the coming year. I guess that's maybe partially a conscious decision to try and sort of right-size the cash flows. Could we see an acceleration again in 2015 as you start to expand a little further?

Mr. Ken Hartwick: Actually, the reason for entering one is that we're in, now, virtually everywhere.

Mr. Damir Gunja: Oh, that's your point of –

Mr. Ken Hartwick: Really, I think, before you'll see us enter two or three more states, for instance, deregulation process has to further advance itself in those states. You know, we have states like Arizona that is just beginning to examine the full deregulation of the state. But that's a two year process, so from the time they start what they're doing to the time they actually open for competition is two years out. So it's as much a function of – we spent a little bit of 2012 and '13 building into everywhere we needed to be, and now it's a case of "we'll wait for other states to open." But we have no market share constraints, so it doesn't really affect the business, but it does make it more profitable because we're not spending to open ten new markets.

Mr. Damir Gunja: Right. Got it. Thanks.

Mr. Ken Hartwick: Thanks, Damir.

Moderator: Our next question is from Steven Sachs. Please go ahead.

Mr. Steven Sachs: Yes, hi. First of all, I'm glad that you reconfirmed the dividend. And to get that on the record, I'm an investor in the company. And the other question I have is regarding the carbon offset program. I know the company made some releases on that, but I didn't hear anything about that. How is that growing? And I'd like to know the answer on that. Thank you.

Mr. Ken Hartwick: Sure. Our green program in general, whether it's the renewable energy credits or carbon offset program, continues to be a major part of our – particularly residential consumer part of our business. So I think we're up to approximately 90 green projects that we've contracted with or are buying

the renewable energy credits and/or the carbon offsets from. So I think from a customer standpoint we're sort of consistently in the high 20s, low 30s with respect to customers who choose some element of green. So yeah, no, maybe we didn't talk about it in the scripting, but it remains a very big part of what we like to do as a business.

Mr. Steven Sachs: Thank you.

Mr. Ken Hartwick: Thank you.

Moderator: Our next question is from Robin [PH] Gullason with RBC.

Mr. Robin Gullason: Hi, thanks for taking my question. I'm just wondering if you can comment on your revolving credit facility that expires later this year.

Ms. Beth Summers: Yeah, it is – as you're saying, on December 31st it will expire. We plan on having it renewed well before the end of the year.

Mr. Robin Gullason: Okay, do you think the terms will be in line with previously, or...?

Ms. Beth Summers: That would be something that we're currently in the process of negotiating.

Mr. Robin Gullason: Okay, thank you.

Moderator: As a reminder, if you'd like to ask a question, please press 01 on your telephone keypad. The next question is from John McIlveen, with Jacob Securities.

Mr. John McIlveen: Yes, good afternoon. I believe there's a potential earn note onto the prior fulcrum shareholders. Will that payment – I think it's \$20 million. Will that payment be made in Q1?

Mr. Ken Hartwick: Yeah, you're referring to the fulcrum acquisition from a year and a half ago. So we are just in the process, actually, of submitting the information to go through the earn out mechanics right now, which actually started as of yesterday. So that's something that we will be able to comment on more fully as we go into our Q1. But the process on that has just started with the various audits and other things that need to be done.

Mr. John McIlveen: Okay, thanks. That's all I have.

Mr. Ken Hartwick: Thank you.

Moderator: For any other questions, please press 01 at this time.

Ms. Rebecca MacDonald: Well, if there are no other questions, we would like to thank you for your support. And if there are any further questions, feel free to call our CEO, Ken, and our CFO or myself any time. And we look forward to talking to you in the middle of August when we'll be reporting our first quarter. And just as a reminder to all of you, at the end of June we will be having our AGM.

Thank you very much again for attending this call.

Moderator: Thank you, ladies and gentlemen. That concludes this webcast.