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Moderator: Good afternoon ladies and gentlemen. Welcome to the Just Energy group conference call to discuss fourth quarter year end results for the period ended March 31st 2011. As a reminder all lines will be on listen-only mode and we will conduct a Q&A session at the end of the call. If you need assistance during the call please press *0 to speak with an operator. At this time I'd like to turn the meeting over to Ms. Rebecca MacDonald. Go ahead Ms. MacDonald.

Ms. Rebecca MacDonald: Good afternoon. I'd like to welcome you all to our fourth quarter and year-and conference call. I have with me this afternoon Ken Hartwick, CEO and Beth Summers, our CFO. Ken and I will make short presentation and then we'll open the call to questions. These are all first annual results as Just Energy group following our January 1st conversion to a corporation. We're very pleased with the smooth transition so far and look forward to building a strong shareholder base at the listed equity. Let me preface the call by telling you that our earnings release and potentially our answers to 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 will have Ken go through the highlights of the quarter and the year end and then I will talk about future. After that we will answer your questions.

Mr. Ken Hartwick: Thanks Rebecca. Fiscal 2011 saw Just Energy take a number of steps to diversify our long term sources of revenues and profits within our energy focus. The year began with the acquisition of Hudson energy and its commercial sales platform. We have built our inside sales team to leverage this platform and are expanding the Hudson footprint to all Just Energy markets. Our national home services water heater and HVAC business continues its rapid growth with a 50% increase in installed base for the year. We've begun offering tax advantage solar installation through Hudson Solar. We have started in New Jersey and believe this business will also grow very quickly. On the residential side we have provided our door to door sales force with strong green offerings, expanded the sales channel with state of the art internet driven telemarketing. Overall it was a year of innovation and renewed growth. The highlight for fiscal 2011 was our customer additions. The prior year saw record 505,000 customers added. With the addition of our Hudson Energy commercial platform in the first quarter we were able to deliver both record residential and record commercial additions. Our 999,000 total adds were 98% increase over last year's total. Our net additions of 361,000 were up almost 400% from the prior year. Adding the customers we acquired with Hudson our base was up 45% year over year. This helps not only fiscal 2011 but will continue to contribute in future years. This is shown in the future margins embedded in our contracts. This future value increased 20% year over year reaching over 1.4 billion dollars. The value of our US book doubled more than offsetting the 7% decline in the US exchange rate. Fiscal 2011 was a year of two parts. The first 6 months showed solid customer aggregation but lower than expected distributable cash growth due to the residual effects of the record warm 2009 – 2010 winter. The loss margin from this combined with the sharp decline in the US dollar exchange rate reduced our distributable cash by almost $50 million. Our margin and distributable cash were down year over year after 6 months. The last chapter of the year saw a return to the normal Just Energy growth and profitability. The fourth quarter we reported today was clear evidence of this. Our sales were up 16%, our gross margin was up 18%, our distributable cash was up 19% after margin replacement and up 21% after all marketing. Adjusted EBITDA was up 9%. This was all driven by a 77% increase in gross customer additions and a 460% increase in net customer additions. Our payout ratio for the quarter was 56% after margin replacement and 63% overall versus last year's 71% after all marketing. Our dividends were very comfortably covered despite the weak first half. As you're aware the economics of the commercial business are different than residential. A commercial customer generates approximately 60% of the annual margin per customer equivalent of a residential customer. The aggregation cost of the customer is also approximately 60% and the long term customer care costs are far lower. Overall the short term impact of the growth for our commercial book is lower percentage margins but a stronger more diverse and sustainable business. While our fourth quarter margin growth was 18% it was in fact slightly less than our expectations before the quarter. Two main factors contribute to this. Firstly the relatively cold winter resulted in a larger than expected cost on our weather derivative hedge contracts. Offsetting this will be 5 million dollars in positive reconciliations with utilities which will not be realized in seasonally adjusted margin until Q1 and Q2 of next year. Second the extreme February weather in Texas caused price spikes and blackouts which reduced our margin there by approximately 2 million dollars. We remain disciplined in our execution. Since the start of the US recession our attrition rates have consistently been above target. In the fourth quarter were down sharply reflecting fewer US foreclosures and our blend and extend offer to customers with high contract prices. Our bad debt which peaked at 3.8% in the recession was right back on target at 2.7%. Our GNA costs in the energy marketing business were up 17%. A very reasonable number given that our customer base grew by 45%. Overall solid operating performance. Let me turn it over to you Rebecca.

Ms. Rebecca MacDonald: Thank you Ken. The year just completed so a number of key steps in the continued growth of Just Energy, we completed that Hudson acquisition immediately making us the market leader in the commercial energy sales. We converted Just Energy from an income trust to a corporation on January 1st. We expanded into Massachusetts in a new utility territory in New York. Fiscal 2011 also had its challenges. As Ken pointed out we overcame the worst weather scenario possible for us and still generated profits which comfortably covered our dividends. Our payout ratio for the year was 74% after margin replacement and 88% after all marketing right in line with our target. Our green business continues it's very rapid growth. A year ago 5% saw a total electricity customer base had green supplies. Today it is 10%. A year ago 3% of our gas customers to green supply, today it is six. Not only did our green business double in one year but it generates the most profitable customers in our book. During the year we added Just Clean to our green product portfolio. Just Clean allows customers who do not want to lock in their commodity price route to reduce their carbon footprint either through green electricity supply or by carbon offsets against their home gas usage. Our Hudson saw business introduced this year. [INDISCERNIBLE] broadens our green offerings and provides yet another profit stream for the company. Just Energy is and will remain a leader in profitable green energy. And in the past we have provided guidance for the fiscal 2012. We expect per share growth of 5% for both our margins and adjusted dividends. We believe this growth will come from net customer growth as we do not expect higher margins per customer. In a low inflation world we believe this represents solid operating performance. We are very comfortable with the level of dividends and expect to maintain the current $1.24 per year going forward. It seems I'm never happy with our share price but it is up more than 10% in the past year over and above our substantial dividends. We will work hard in the coming year to advance the Just Energy story to new investors. We have an outstanding track record of growth and profitability in the past 10 years and very exciting opportunities for the future. On this note I will open up for questions.

Moderator: If you'd like to ask a question please press 01 on your keypad and you'll be placed into the queue. Again if you'd like to ask a question please press 01 on your telephone keypad. Okay looks like we have several questions. Our first question comes from Tony Cortright go ahead Tony.

Mr. Tony Cortright: Thanks very much. I'm wondering if you could kindly provide detail about the change in the balance and the balance sheet for contract initiation cost. It went up- the net amount went up 24 million year over year but I don't know how much was that, and how much was advertised. Nor do I know the difference between what was added for commercial customers or what pertained to national home service customers.

Ms. Beth Summers: I think that- Tony this is Beth, roughly you're right. It includes both national home services as well as the commercial customers. Roughly on the addition it is approximately half and half. So from an additions perspective there's roughly 19 million on the contract initiation cost that would've been added, it's roughly half and half. And that's both on a quarterly basis as well as an annual basis. Between the two businesses.

Mr. Tony Cortright: Yeah the balance is increase 24 million year end over year end so with- are you implying 19 for each segment or-

Ms. Beth Summers: No. No, no, no. It's roughly half and half Tony.

Mr. Tony Cortright: Alright then what was the gross addition to the balance? Because all I see is a net change on the balance of 24 million over the course of the year.

Ms. Beth Summers: Oh the amortization was roughly in the range of 12. Is that helpful? So it would be roughly 19+ a piece.

Mr. Tony Cortright: So if I started the year at 5 and I added 19 and then amortized 12 I wouldn't come to the closing balance of 29.

Ms. Beth Summers: Yeah the amortization numbers, I mean Tony it might be easier actually for me, I've got to grab my statements and walk it through...

Mr. Tony Cortright: Alright, while you're doing that can I ask... The cost to enter into these weather derivatives what's the cost? What percentage of gross margin are you giving up? Or what is the dollar per gross margin per RC that it's costing you to acquire these weather derivatives? And is it a particular market you're acquiring them for? Or is it across all of your markets?

Ms. Beth Summers: The weather derivatives Tony were purchased through 3 markets. Primarily Ontario, Ohio and Illinois. And we purchased those in the 3 markets, the cost overall it was roughly 6 million dollars for a 3 month period and that compares to the overall margin I guess that we would have had from the overall increase weather or from the extreme weather about 12 million.

Mr. Ken Hartwick: And again Tony the reason we're putting the weather derivatives on is we've grown as a company is very consistent with what our strategy is all the time. We know what we want from a target margin from a customer and whether it is hedging out the actual commodity itself over the term of the contracts and then removing the risk, we factor that in to how we price to get into the margins we want and we're always willing to pay to ship risk off so that we get our design margins rather than having the risk be too extreme on either side of those margins. So again this is in addition to what we want to do as that book grows to make sure we get what we expect.

Mr. Tony Cortright: Understand. So you do this for weather, what about FX?

Mr. Ken Hartwick: Yeah we also have an FX program which is sentover in the statements and it's the same approach where we are looking at the cash flows that we expect to come back across to support dividend payments. Because a lot of our US funds stay in the US to fund growth in Hudson and our business there but the net cash flows, we have a program in place where we take a portion of that and continually hedge it forward. So the same basis. And that's where we priced our margins in the US we are assuming a certain Canadian dollar based off that hedge program.

Mr. Tony Cortright: Alright. In terms of just- I want to clarify- it's a comment that Just Green Energy or products now represent 10% and 6% of the electric and the gas book respectively. Is this the company's overall book? Or just the consumer book?

Mr. Ken Hartwick: Yeah it is the consumer book. That's a good clarification Tony. I think it's- as we've mentioned before in the commercial side of the business there's a slight commercial that might do something, it would tend to be a restaurant or a business that wants to rebrand or point us out to consumers but it's a very small segment on the commercial side.

Mr. Tony Cortright: And is it fair to say that it's generally a 60/40 split for the consumer versus the commercial book for either kilowatt hours or gigajouls mmbtus?

Mr. Ken Hartwick: Yes.

Mr. Tony Cortright: Alright. That's- I mean if I- if somebody could get back to me on the contract initiation costs, that's all I have.

Mr. Ken Hartwick: Okay, alright Tony. After the call Beth will give you a call back.

Mr. Tony Cortright: Appreciate it.

Mr. Ken Hartwick: Thank you.

Moderator: Okay our next question comes from Marco Pinsek. Go ahead Marco.

Mr. Marco Pensek: Thanks, good afternoon, a couple of questions, first in your MD&A you talk about how you expect the amount of collateral you post to increase the use of referred to because of increasing customers. My question is, is there any notable structural changes in your collateral posting requirements that have occurred?

Ms. Beth Summers: Marco what happens is as we enter into some of the new markets, every market has different collateral posting requirements. It's generally with the various ISOs and so I'm not going to say that there was a structural change but there are some increases overall in that level of collateral which impact the level of letters of credit that we have and that's just as we enter new markets and those new rules that are in place.

Mr. Ken Hartwick: Yeah and we want to differentiate that between from a supply standpoint with the group of 7 suppliers that we have, we don't post collateral, so these are just specific to the system operators that exist in the various regions.

Mr. Marco Pensek: Oh okay good. Thank you that's helpful. My second question has to do with the Hudson solar initiative. Just so I understand what's happening here you guys actually build own and operating solar projects and using that as a source of green energy for your customers?

Mr. Ken Hartwick: Yes we have just started- launched our Hudson solar in New Jersey and are doing I'd say our primary focus will be on the commercial segment. Overtime we might do a little bit of residential but we will- arrange- we don't actually do the install but we arrange for the install with the customer, we own the equipment and we get both the energy off of it as well as the green attributes that are associated with it as well. And in that case, ask Rex if it's solar system.

Mr. Marco Pensek: Right and do you have a target in mind in terms of how many megawatts you plan on building?

Mr. Ken Hartwick: Yeah I'd say we are now two months into installing, so perhaps ask the same question next quarter and we'll give a little bit of guidance as far as what we think we'll do volume wise per year. Which then leads to also the capital commitment towards it over the course of the upcoming year as well. But we're- like I said we like this business. It fits very well with what we do, from a marketing standpoint, from a green standpoint and we like the economics on it as well.

Mr. Marco Pensek: Okay. A couple of questions about the ethanol business. You mentioned that you're in discussions with debencher holders on those TGF debentures. Can you talk about sort of indicative terms might be or sort of where you are in that process?

Ms. Beth Summers: Yeah we're currently finalizing on the terms and the papering of that. It will extend our the maturity of that and it will likely extend out the amortization period.

Mr. Marco Pensek: And now that that business is put in I guess two profitable quarters now, what are your thoughts about retention or disposition, etc?

Ms. Rebecca MacDonald: I'd sell it if somebody would buy it. So we advertising left, right and center that it's for sale. If only somebody walks in and wants to give us a fair price, it's sold.

Mr. Ken Hartwick: Yeah and to maybe to supplement back, it's you know the people at the plant have done a remarkable job of bringing that plant to operate the way it is. I have an utmost respect for the team out there and now that it's sort of operating the way it should and it's paying for itself and working I think that as a requisite gives perhaps a buyer a more meaningful asset to look at. So hats off really to that team out there for that job they've done.

Mr. Marco Pensek: Great. And what's happening with wheat supply, given weather, etc?

Mr. Ken Hartwick: The- I'd say- Good question- we ran into the same issue last year just with excess of rain and just like I said farmers have a difficulty sometimes getting into the field but again we tend to sort our way out. I know plants running today, we have sufficient wheat there but we always end up running a few days where if it continues to be wet we'll have trouble getting grain there. But again what the team has been able to do with that plant now is that we've got much better now at planning outages to do normal maintenance that we need to do to fit around that. So again if the plant operates better, the flexibility to deal with weather related items becomes much easier.

Mr. Marco Pensek: Now are you finding that there's any previous milling grade wheat that's been damaged that you guys can now procure rather than it being sold through the Canada?

Mr. Ken Hartwick: Uh...

Ms. Beth Summers: Yeah I think last year with the weather we certainly found that. This year it's not quite clear based on the way the crops are whether that we'll have the same opportunity.

Mr. Marco Pensek: Okay you had previously from a capital markets point of view there was some talk about exploring a US listing. What's the update on that?

Ms. Rebecca MacDonald: Well we told everyone we wanted them to convert first and then potentially look at US listings. I would say within the next 12 months it's logical for us to be hopefully listed on the New York stock exchange or close to it. As our customer grows in United States and what we hope our shareholder base grows in the United States. We feel it is really necessary to be listed there just to make the whole transaction that much easier for US investors. But give us a year. We've got a lot of stuff to absorb now we've got new markets that we entered so we need the little breather.

Mr. Marco Pensek: Okay you're now giving EBITDA growth guidance rather than distributable cash. I'm just wondering what would prompt you to increase your dividend from the $1.24. I mean is it really that- with some of the other issues that you're talking about there's going to be increased investment so really we shouldn't see a proportion increase in what was your distributable cash flow?

Ms. Rebecca MacDonald: Well a few things. First of all as long as we are trading at 8% year- it's not going to prompt us to increase our dividends. Secondly we want to make sure that the money that we would potentially spend on dividends we don't need on future growth. And obviously if we see our stock price going up and no need for extra cash in our future growth and expansion we will consider increasing our dividends. Right now I think we are one of the highest dividend paying stocks so I don't see any reason why we should be even higher.

Mr. Marco Pensek: Okay a question for Beth. In the distributable cash sort of statement there's the other line and for Q4 I calculate a cash inflow on the other items line of about 50 million dollars. What is that?

Ms. Beth Summers: It's primarily from the other – in the cash flow it's primarily amortization from both water heater business as well as care grain fuel. In addition to that weather derivative cost. Which the cash payments will be made in- that cash payment will be made in April.

Mr. Marco Pensek: Okay, can I make a request? Beth is it possible for you to send us the schedule on page 17 of your MD&A for the fourth quarter only as opposed to the full year?

Ms. Beth Summers: 17 of the MD&A?

Mr. Marco Pensek: Yeah.

Mr. Ken Hartwick: Margin for Customer.

Mr. Marco Pensek: Yeah you provide us with a bunch of-

Ms. Beth Summers: Yeah we can. Yeah that's no problem we'll forward it to you, Marco.

Mr. Marco Pensek: Okay. Thank you all.

Mr. Ken Hartwick: Thank you.

Ms. Rebecca MacDonald: Thank you.

Moderator: Okay our next question comes from Tal Wooley, go ahead please.

Mr. Wooley: Hi good afternoon.

Mr. Ken Hartwick: Hi Tal.

Ms. Rebecca MacDonald: Hi.

Mr. Wooley: I'm just wondering if you can talk a bit about your M&A outlook for this year. Your almost a year out from Hudson, I'm wondering what you're thinking for this year.

Mr. Ken Hartwick: Yeah I think sort of our view is that we have seen the market get a little more active recently. I think there have been a couple of announcements as far as Gateway and MX which were two of our smaller competitors getting acquired and our view remains the same. We think there are some assets available predominantly in the US that would be of interest to us. We've never been in a rush to buy something, we wanted to definitely take our time after we acquired Hudson to make sure the support was around them to build that out. Which is going very nicely. But we are constantly looking and given our profile within the industry we tend to get contacted regularly. But again have the luxury of being very selective in what we do and making sure that whatever we consider is additive in some nature versus just buying a bulk of business. Which buying a block of customers tends not to have as much interest to us. But we're active in it and I think historically have sort of done one a year, but we'll see what this year brings.

Ms. Rebecca MacDonald: Well it's fair to say that our growth, it will come through acquisition and organic growth, but as Ken pointed out we just are in no rush to buy anything. And if we look at something we want to make sure it's a great invent. If it is not the reason, it's never going to get done. But can you expect other acquisitions this year? Possibly. But it's not going to be you know three or four. It might be one.

Mr. Wooley: Okay. And so in the interim we would expect to see any sort of incremental cash flow you know just to be used as sort of wind down tether over the course of the year?

Mr. Ken Hartwick: Correct. Yes.

Mr. Wooley: Okay. Just to talk a little bit about what's sort of going into guidance as well. If we think of your gross margin guidance you're saying it's up 5%, trying to think of it in two components so that the margin per customer and the number of customers you get some color around how you see both of those playing our next year. Just wondering if you could sort of walk through what kind of margin compression per customer you kind of expect to see on average and then that gives us where- what you're sort of targeting aggregation wise.

Mr. Ken Hartwick: I think on- with respect to compression I wouldn't characterize it that way. It's that the mix of commercial and obviously with the commercial having a lower margin and I think if you look at the margins and realize from those two businesses into four that you would expect to see something similar as we go through this coming year. So you could see customer aggregation on a much steeper incline than what the margin number would be naturally because of the commercial additions that we're bringing through. So I'd really use, like I said if you're looking to model it I would look at Q4 and say that's a pretty good basis for estimating how you get to the 5% that we talked about.

Mr. Wooley: Okay so if there were something it wouldn't be out of line to expect on the whole like- for- you know- you could potentially see that that margin per RC number slow down you know high single digits to low double digit and then be offset by the growth in customer base on the other side.

Mr. Ken Hartwick: Correct. And again as I mentioned in my comments the scalability of that commercial business from a cost standpoint you know G&A, etc, is extremely scalable. Which again makes for that overall even number to be strong in that scenario.

Mr. Wooley: Okay and then if we could just talk about you know where, by customer type and region, where you expect to see your growth per- in customers for next year. Yeah. So if you could just give us some color there too that'd be great.

Mr. Ken Hartwick: Certainly if you look to the consumer side of the business first the biggest and fastest growing markets remain New York, Texas, Ohio and Michigan. We're relatively recently into both Massachusetts and Pennsylvania which we like a lot. Those are there. We continue to add in Ontario on the consumer side. If you go to the commercial side of the business that I guess where Hudson currently originated from being New York, Illinois, Texas, you see strong growth but again we're very, very confident now on the Hudson side that we're going to see that growth in each of the big markets. Where they operate in. So again the belief is on Hudson it'll be very widespread growth across the markets that they operate in. But I'd say typically where the bigger populations are, a state like Texas or New York are bigger so intuitively we're going to get more residential and then commercial customers in those markets just given the size that they are from a population and a distance standpoint.

Mr. Wooley: So if we were going to take that back to sort of how you guys tend to present your customer count we'd expect to see the Canadian natural gas, electricity would be flat to down slightly. Gas would continue to grow, and then electricity would be where the most of the most of the robust growth is coming up.

Mr. Ken Hartwick: Yeah. I think- in the US certainly electricity is strong growth and we think gas is there as well. Perhaps electricity is stronger I believe. And I think you're right on your comments on Canada. I think if we can have Canada with Hudson in there be flat to you know down or up a little bit. I think we'd be happy with that for the time being. Particularly with the gas markets the way they are.

Mr. Wooley: Okay that's great, thank you very much.

Mr. Ken Hartwick: Thanks, Tom.

Moderator: Okay again ladies and gentlemen if you'd like to ask a question please press zero one on your telephone keypad. Okay it looks like we do have one more question. It comes from Trevor Johnson, go ahead Trevor.

Mr. Trevor Johnson: Hey, good afternoon folks.

Ms. Rebecca MacDonald: Hi.

Mr. Trevor Johnson: I just had a quick question on the taxes. You mentioned some guidance that fiscal 2012 taxes payable to more level as fiscal 2011 on the back of some of the Hudson solar projects. Can you give us a sense of if those projects hadn't materialized what you might have been looking at from a tax payable for a fiscal 2012?

Ms. Beth Summers: For fiscal 2012 it would be slightly higher than what you would have seen in fiscal 2011. There's other tax referrals that are in place of going forward which is where we expect it to be relatively. You know roughly maybe 5 million higher.

Mr. Trevor Johnson: That's it for me. Thanks for the help.

Mr. Ken Hartwick: Thank you.

Ms. Rebecca MacDonald: Thanks.

Moderator: Okay again if you'd like to ask a question please press zero one on your telephone keypad.

Ms. Rebecca MacDonald: Well if there are no further questions- Are there anymore questions?

Moderator: We actually do have one more.

Ms. Rebecca MacDonald: Okay no problem.

Moderator: And it's another one from Tony Cortright. Go ahead, Tony.

Mr. Tony Cortright: Thanks very much. I know that the banks have granted you a major concession of 25 to 75 bits in terms of the credit spread, but it's governed by some financial covenants could you just describe the nature of those covenants?

Ms. Beth Summers: The covenants are broadly linked to the borrowing base, having a borrowing base tied up in the calculations. They're linked to maintaining a distributable free cash flow basis. They are also linked to a level of gross margin per RC on an average basis.

Mr. Ken Hartwick: So Tony all of which we have a good amount of room within each of those covenants. So again which gave us- gives us the flexibility to keep growing where we want to grow.

Mr. Tony Cortright: Good. Beth a second- you said borrowing base uh- uh- first gross margin priority, last and then maintaining a measure of, what was it?

Ms. Beth Summers: We have to be within a range of distributable free cash flow.

Mr. Tony Cortright: Range of distributable free cash flow. So alright.

Ms. Beth Summers: Yeah, we can only- based on the covenant there's a limit to the level of distribution based on the level of cash coming in. So that- just a distributable free cash flow limitation.

Mr. Tony Cortright: So you probably want to be able to pay out more than you were generating.

Ms. Beth Summers: Correct.

Mr. Tony Cortright: Got ya. Thank you.

Ms. Rebecca MacDonald: I assume there are no more questions, but if you have any questions after our conference call feel free to call Ken, Beth or myself. Thank you for joining us and we really do want to thank all of you for your ongoing support of Just Energy. Until next quarter.

Moderator: Thank you ladies and gentlemen that concludes this conference.