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Operator: *Good afternoon, ladies and gentlemen. Welcome to the Just Energy Group, Inc., Conference Call to discuss the third quarter 2015 results for the period ended December 31st, 2014. At the end of today's presentation, there will be a formal Q&A session at which time if you have a question, you simply press star then one on your touchtone keypad.*

I would now like to turn the meeting over to Ms. Deb Merril. Deb, go ahead.

Deborah Merril: Thank you very much. Hi, my name is Deb Merril. I'm the Co-CEO of Just Energy, and I would like to welcome you all to our Fiscal 2015 Third Quarter Conference Call. I have with me this afternoon Executive Chair Rebecca MacDonald; my Co-CEO James Lewis; as well as Pat McCullough, our CFO. Pat and I will discuss the results of the quarter and our expectations for the future. We will then 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 release.

Our third quarter showed continued progress in delivering our plan to become the premier world-class retailer of energy management solutions. In order to achieve that vision, significant balance sheet improvement was necessary. Less than a year ago, the Company was burdened with more than a billion dollars in debt. We looked at our non-strategic assets and determined that divestiture will provide us the necessary financial flexibility to grow our core business and de-lever the balance sheet. We successfully disposed of those businesses and utilized a large portion of the proceeds to bring our debt to 659 million. This is down 34 percent from a year earlier. We now have a forward pro forma net debt to EBITDA ratio of less than four times, and we remain committed to further debt reductions and a lower ratio moving forward.

Bringing new value propositions to the market is paramount to our strategy. This quarter we entered into a comprehensive agreement to address the North American residential solar market. This entry into high growth, high profit solar space requires no CapEx and through our partnership with Clean Power Finance leverages an existing solar fulfillment network across the continent. We are focused on tapping into Just Energy's unparalleled captive customer base and to leverage our sales and marketing channels. We believe successful execution of our solar strategy will make Just Energy the origination partner of choice in the solar industry. This quarter we will begin test marketing in California and New York. We believe solar has the potential to become a major contributor to the profitability of Just Energy in the near-term and is a prime example of the direction Just Energy is taking to become the premier world-class retailer of energy management solutions. You can expect us to begin providing further updates on our solar initiative on future calls as our pilot program begins producing tangible results.

Overall, we are very pleased with the progress seen in fiscal 2015. We are nine months into our fiscal year and tracking to the high end of the EBITDA guidance that we provided. We believe this progress in performance will provide us with the platform for future growth, specifically double-digit percentage-based EBITDA growth in fiscal 2016.

Let me now provide some detail on the third quarter results. The quarter continued the trend of very strong customer aggregation. Q3 saw 354,000 additions, 6 percent more than fiscal 2014, and the third highest total in Company history. To-date we have signed 1.1 million customers, 13 percent ahead of the record pace seen in fiscal 2014. Even more importantly, net customer additions for the quarter were

58,000, up 53 percent from last year. Year-to-date net additions are 252,000, up 83 percent from a year earlier and more than the total added for all of fiscal 2014. Over the past 12 months, our total customer base increased 7 percent to 4.7 million RCEs. The combined attrition rate for Just Energy was 16 percent for the trailing 12 months ended December 31st, 2014, up 1 percent from attrition reported in the previous quarter. Consumer attrition at 27 percent was flat, while commercial attrition at 7 percent was up 1 percent. Renewal rates were consistent with those reported in the second quarter. Consumer renewals remain unchanged at 75 percent and commercial renewals were down 1 percent to 63 percent on a trailing 12-month basis. This indicates continued satisfaction with the Company's products and services. Commercial renewals are often subject to competitive bid and will inevitably be more volatile than consumer renewals. Overall, management sees stability in renewals around current levels.

Turning now to profitability, the quarter saw lower base EBITDA and cash flow compared to a very strong third quarter and fiscal 2014. This was anticipated in our guidance to the market. Base EBITDA was 50.6 million, down from 62.1 million a year ago. The quarter base EBITDA was on plan despite 4.5 million in non-recurring legal cost. Year-to-date EBITDA is up 1 percent with a promising Q4 ahead. We believe our results for the year will be at the upper end of our guidance range of 163 to 173 million.

Let me turn things over to Pat McCullough to talk about the details of the quarter, and then I will finish with a discussion of the trends we see in the market for future periods.

Patrick McCullough: Thank you, Deb. Before diving into the details of a very strong quarter, let me clarify one bit of accounting that I believe could be confusing to many. We reported an IFRS loss of $371 million on continuing operations in the quarter. This loss is entirely due to mark-to-market on our future supply purchases. Future gas and electricity prices declined in the quarter reducing the theoretical value of our positions. I say theoretical because these positions have all been sold to customers at fixed contract prices, so mark-to-market has no impact on the real value of the position.

Over time, we've seen wild swings in mark-to-market accounting measures both to the positive and negative. However, these swings have no cash consideration or materiality on our results whatsoever.

Let me detail some of the progress towards our financial goals that we've seen in the third quarter. Our sales were up 13 percent reflecting our 7 percent increase in customers and higher selling prices. Year-to-date sales were up 12 percent.

Our gross margin was up 1 percent versus fiscal 2014. As Deb noted, we had a very strong comparable quarter with positive reconciliations with the utilities as compared to negative reconciliations this quarter. Year-to-date margins are up 10 percent in line with our customer growth. This profitability was partly driven by higher new customer margins. We're able to do this because of our innovative new products that achieved value not only for the customer, but also provide better margins for Just Energy. New commercial customers were signed at $85 annual margin, up from $80 last quarter and $68 a year ago. The higher commercial margin is a conscious decision by management to reduce low margin commercial business and focus on more profitable customer segments. We've also benefited from the market exit of a number of smaller low price competitors who were unable to weather the volatility of last winter's polar vortex. New residential customers were at $191 annually, up from a $160 a year ago. Improved margin per customer has been a focus of management. Higher margin on residential customers is a particularly positive trend as these customers are largely locked into five-year contract terms.

Our base EBITDA was down compared to a strong third quarter a year ago. Year-to-date EBITDA is up 1 percent. This was anticipated when we said our guidance for the year and we're happy to be tracking to the high end of our range despite overcoming 8.5 million in unforeseen legal provisions year-to-date. Administrative cost for the impact of these one-time expenses, they were up 41 percent year-over-year in the quarter and 27 percent year-to-date. We have anticipated double-digit growth to fund expansion. Previously mentioned non-recurring charges of 8.5 million in legal costs contributed to the year-over-year variance.

Selling and marketing expense increased by 17 percent year-over-year in the quarter compared to the 6 percent increase in customer additions. Selling costs included amortization of past advances to commercial agents and residual payments to our Internet channel. These costs are not associated with customers added during the period. That debt was at the low end of our target range at 2.2 percent of relevant revenue, an improvement from 2.3 percent.

Our third quarter funds from operations were 21.2 million, down from 37.4 million in fiscal 2014, consistent with our change in EBITDA. Year-to-date funds from operations were $60.5 million down from $71.3 million, with our most profitable quarter coming up next.

Overall, the third quarter was in line with our expectations and consistent with our guidance.

Let me turn it back to Deb to talk about trends for the future.

Deborah Merril: Thank you, Pat. Through prudent fiscal management as well as a clear strategy for the future, we are in a very solid financial position after nine months of fiscal 2015. Our core business is healthy and growing. We're generating record numbers of new customers and customer margins continue to improve. We have a leading market position in all our geographic territories. Our experience in marketing expertise allows us to stay in step with the evolving needs of our target customer. As customer awareness and demands change, we are uniquely positioned to rapidly meet the growing need for energy solutions. We will leverage our access to the best technologies and innovative products in the marketplace today to continue to provide value to our growing customer base. We've reduced our debt, and we'll continue to improve our balance sheet. We're comfortable with our dividend and anticipate no changes to our policy going forward. Management is committed to delivering our strategy of both building our core business and bringing new exciting products to customers. This will allow Just Energy to deliver double-digit growth in fiscal 2016 and ensure the continued success of the Company.

On behalf of Rebecca, James, Pat, and I, we want to thank our employees for their efforts in delivering shareholder value and their commitment to our customers.

We'll now open it up for questions.

Operator: *Thank you. We will now begin the question-and-answer session. If you have a question, please press star then one on your touchtone phone. If you wish to be removed from the queue, please press the pound sign or the hash key. There will be a delay before the first question is announced. If you are using a speakerphone, you may need to pick up the handset first before pressing the numbers. Once again, if you have a question, please press star then one on your touchtone phone.*

And our first question comes from Nelson Ng. Nelson, your line is open.

Nelson Ng: Great, thanks. Congratulations on a strong quarter.

Deborah Merril: Thank you, Nelson.

Patrick McCullough: Thanks, Nelson.

Nelson Ng: First question relates to the Massachusetts' settlement, in terms of $4.5 million settlement. Has that led to any changes in terms of how you source customers in that state going forward?

James Lewis: Nelson, it's James here. What it allows us to do is continue to focus on bringing value-added product to customers. We wanted to get it behind us because we believe that Massachusetts and the customers that we have value products and services that we want to deliver from solar and other fixed price products, so it was our decision there just to move forward and allow management to focus on bringing value to those customers.

Nelson Ng: I see, okay, and then the next question is probably for Patrick. **But in terms of the debt reduction, I guess, now that you've repaid the credit facility, what's your next focus, and will you be more active in your NCIB regarding the convertible debt?**

Patrick McCullough: Yes, thanks for that question, Nelson. As everyone recognizes, we have a strategy here to improve our financial statements to create a healthy and a strong position to take this business forward. The first move that we're working on right now is renewing our credit facility, which is going well, and we expect to have finalized and closed in the short-term. At that point, we'll essentially take the cash proceeds that we received from our non-core asset divestitures and be able to utilize those to address things like the long-term debt in the NCIBs that you're referring to.

Nelson Ng: Okay, thanks, and then just one last question. **I want to touch on cash taxes, so they were higher this quarter. I was just wondering whether the NHS sale contributed to higher taxes or are you generally expecting higher taxes going forward?**

Patrick McCullough: Yes, let's talk about the overall tax picture first. As we go forward, we will become a cash tax payer. That will not be happening in the short-term, that will be happening in a year to two-year time period. As you're aware, we're doing business in the United States, Canada, and the UK, so we are working to create a tax efficient solution for those jurisdictions, but we will become a moderate cash tax payer. You'll see that incorporated as we provide future guidance. As it relates to NHS, I don't believe there was a cash tax ramification associated with that, but I will confirm that and get back to you, Nelson.

Nelson Ng: Okay, thanks. Those are all my questions for now.

Deborah Merril: Thank you.

Patrick McCullough: (Inaudible).

Operator: *Our next question comes - oops, my apologies.*

Patrick McCullough: Sorry, this is Pat. Just a follow-up, Nelson. The cash tax reported this period was sales tax. It was not associated with, sorry, state tax, not associated with the NHS transaction.

Operator: *Okay. Our next question comes from Damir Gunja. Damir, your line is open.*

Damir Gunja: Thank you. Good afternoon. Just wondering if you can give us a little bit more color or elaboration on the double-digit growth expectation for 2016. I guess the - - how much of that could be coming from customer growth or margin expansion or possibly even a solar contribution?

Deborah Merril: Yes, Damir, I think it'll come from all of those things. It's… We've worked very hard this year to continue to add customers, last year we had a light - - a relatively light customer net additions, between the net additions this year as well as the increase in margin that we're seeing. As we look at 2016, we believe that we'll be in a place where we can restore that double-digit growth - - percentage growth in base EBITDA, so it's kind of a combination of a lot of things. It's not only the increase in the customer base, but also the increase in the margins for customers we're seeing, and we fully expect solar to contribute something in fiscal '16 as well. So we're still in the very early stages of test piloting that and really defining our strategy and when we think the money will start really affecting our bottom line, but we're confident that it will at least have an impact in fiscal '16 as well. So it's a combination of lot of things.

Damir Gunja: Okay. **I guess on currency, can you just help us understand, I guess, the impact of the rising dollar? Is that a tailwind to the numbers or it was on a net basis has that been hedged away or is that something that is going to help?**

Patrick McCullough: Yeah, I think there's a little bit to say here. We do hedge transactional currency risk. So as we think about bringing U.S. dollars to Canada to pay dividends and interest payments, we will take a transactional hedge on those amounts anywhere from 12 months to 18 months period of time. We do not hedge for the translation risk or opportunity. And with the U.S. dollar strengthening, we are seeing an improvement to EBITDA. It's probably a little bit less than you might be thinking because our fixed cost is largely distributed with our gross margin, so we have a pretty significant U.S. selling G&A costs. So when we see a 10 percentage point improvement in the U.S. dollar versus the Canadian dollar, that equates to about $2 million of EBITDA a quarter, so $8 million Canadian on a full-year basis.

Damir Gunja: That's helpful. Thank you. That's it for me. I'll get back in the queue. Thank you.

Operator: *Once again, if you have a question, please press star then one on your touchtone phone.*

And we have a question from Trevor Johnson. Trevor, your line is open.

Trevor Johnson: Good afternoon, folks.

Patrick McCullough: Hi, Trevor.

Trevor Johnson: I know it's early stage and you're going to give us more color going forward. but can you just give us maybe a basic sense of what the cash flow profile for a residential solar customer may look like? If you can't even give dollar amounts, just curious about the timing and maybe the payback that you'll be looking at on that venture?

Patrick McCullough: Sure. The origination income part of the deal that we've struck with Clean Power Finance is very beneficial to our financial statements, both from a profit and a cash perspective. We're piloting this to understand that ultimate margin question that I think we all have, and we'll know more in a matter of months, but right now I can tell you how payments will happen. When we close a customer and contract them, so when we get the customer to sign to a PPA or lease or a loan product in solar residential structure nomenclature, we will then provide that contract pre-permit to Clean Power Finance. They have a contractual obligation to pay us on an average 30-day period from the point of receiving that contract, so we will be paid ahead of the installation of the panels in most cases. So while we'll be funding OpEx associated with the direct sale of that origination, we'll be paid quickly behind the incurrence of that cost, and the profit will be reported at that point. So we'll be taking origination income, which will be the delta between the revenue we've negotiated with Clean Power Finance and our direct sales cost at that point.

Trevor Johnson: Times zero. Okay. No, that's helpful. Thank you. **And then just lastly, I know for fiscal Q4 last year there was a little bit of noise in the weather, just wondering if you can just talk about maybe the delta and the relative impact that might be year-over-year when you look at this Q4?**

James Lewis: Yeah, I think as we've spoken before, it was about $15 million impact last Q4. We can't predict what the weather's going to look like, but we feel comfortable with the guidance we gave right now.

Trevor Johnson: Great. Thanks, guys. Appreciate it.

Deborah Merril: You're welcome.

Operator: *All right. And we have Damir with a follow-up question. Go ahead, Damir.*

Damir Gunja: Oh thanks. **Just on the new contracts that are coming in, I just wanted to confirm what even roughly what the average life of those deals is on the residential and the commercial side. Is the residential still largely four/five-year or is there a (inaudible)..**

James Lewis: You are correct. What we're seeing on the residential side is that four- and five-year mixed (inaudible) and then on the commercial side, we have seen the length grow a little bit between 2.5 years and 3 years.

Damir Gunja: 2.5 to 3. **I know it's probably early, and you've actually had some pretty decent customer additions, but is the lower commodity environment, are you seeing any push back in terms of trying to from a sales pitch perspective?**

James Lewis: No, what we've seen is good feedback - - good response from our customers. And when we get some volatility like we saw in November, a little bit on the gas side, you do get some customers looking to lock in even at the low prices on the longer-term. So as we mentioned before, we like volatility, just not extreme volatility.

Deborah Merril: And Damir, to kind of add to that, I think one of the things you see from us today is that we have a wide range of products that aren't necessarily a rate product. For instance, and we have our Just Energy Conservation Program that's a flat bill for $90 a month plus smart thermostat that you get all your gas and power needs from us. So we're seeing that and one of the big focuses of this team and of our Company and of all our employees is to make sure we're kind of change in the conversation a little bit around product so that we're delivering products that have maybe a different kind of value that volatility is less of an issue around those things.

Damir Gunja: Okay. Actually that…

Rebecca MacDonald: Damir, I would just like to add something, it's Rebecca.

Damir Gunja: Yeah.

Rebecca MacDonald: Just I just want to tell you, I'm still in the room. Anyway over the last nine months, management has been talking about the transition, and I think you as analysts have been having the same discussion, that our profile of entire customer base is changing with more addition of a commercial book to the resi book. But what I think is important to note, and Pat touched upon it in his remarks, is not only as James said that the life of that commercial customer is up, but that margin on that commercial customer is up, and that is the key. We said in the last nine months that we want to take the pain with the attrition of that book to move away the small margin customers that correct in our book over the last three years and clean it up with higher margin customers, and we're very pleased that we have been able to deliver effectively on it.

Damir Gunja: Great, and just the final one for me. **I guess outside of solar, can you maybe talk about other bundling initiatives you may be pursuing or other offerings you may be able to add to the mix. Just leading some of the industry news, there seems to be a cost and trend of people partnering up with various entities and offering more product.**

Deborah Merril: Yeah, Damir, one I already spoke out is: We're very happy with results of our bundled smart thermostat with commodity. So far we continue to expand that product across markets. And one of the things I think we want to be really careful of is: The last thing I want to do is just start throwing the things at the wall to see what's going to stick. The next thing you know you're buying a washer and dryer from us or something. It probably doesn't make a lot of sense. So what we're doing is we've got a great team of people that - - with product focus that are constantly out there looking for things that make sense with energy commodity and things that really help to make it easier for our customer to control not only their costs, but also their usage. So I think you'll continue to see us add things, but kind of in a prudent way. The last thing want to do is, like I said, just start pulling a bunch of things in because that takes time and effort of management and our employees. So far we've got a couple of things in the works, but solar is obviously the biggest one that we've recently announced, but we'll keep looking at opportunities to add to that portfolio.

Damir Gunja: Okay. Thanks very much.

Operator: *Once again, if you have a question, please press star then one on your touchtone phone. All right, and I see we have no further questions at this time.*

Deborah Merril: Great. Well on behalf of myself, Jay, Pat, and Rebecca, really appreciate everybody taking the time to join our call. And if there are any further questions, please feel free to contact any of us directly. Have a good day.

Operator: *Thank you, ladies and gentlemen. This concludes today's conference. Thank you for participating. You may now disconnect.*

Please Note: * Proper names/organizations spelling not verified.
[sic] Verbatim, might need confirmation.
- - Indicates hesitation, faltering speech, or stammering.