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ENERGY

MANAGEMENT'S DISCUSSION AND ANALYSIS
CRIUS ENERGY TRUST

May 13, 2015

The following management's discussion and analysis ("**MD&A**") for Crius Energy Trust (the "**Trust**") dated May 13, 2015 has been prepared with all information available up to and including May 13, 2015. This MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three month periods ended March 31, 2015 and 2014 and the Trust's audited consolidated financial statements and accompanying notes and MD&A for the year ended December 31, 2014. The Trust's financial statements and other disclosure documents, including the Trust's Annual Information Form for the year ended December 31, 2014, dated March 24, 2015, are available on www.sedar.com under the Trust's issuer profile and on the Trust's website at www.criusenergytrust.ca. The Trust's units ("**Units**") are traded on the Toronto Stock Exchange ("**TSX**") under the symbol "**KWH.UN**".

The Trust prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standard Board ("**IASB**"). The consolidated financial statements of the Trust are presented in United States dollars. All figures within this MD&A are presented in United States dollars unless otherwise indicated. Certain totals, subtotals and percentages may not reconcile due to rounding.

Certain information contained in this MD&A constitutes non-IFRS financial measures and forward-looking statements. Investors should read the *"Non-IFRS Financial Measures"* and *"Forward-Looking Statements"* sections at the end of this MD&A. Certain key terms used in this MD&A may be found in the *"Key Terms and Abbreviations"* section below.

Overview of the Trust

The Trust is an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario on September 7, 2012. The Trust was established to provide investors with a distribution-producing investment through the acquisition of a 26.8% ownership interest ("**Acquisition of the Company Interest**") in Crius Energy, LLC ("**Crius Energy**" or the "**Company**") by the Trust's indirect wholly-owned subsidiaries. The Trust's ownership interest in the Company entitles it, through its wholly-owned subsidiaries, to appoint a majority of the members of the Company's board of directors, and thereby to control the Company's day-to-day operations.

Throughout this MD&A, the Trust and its subsidiaries are collectively referred to as the "**Trust**", and the term "**Company**" or "**Crius Energy**" refers to Crius Energy, LLC and its consolidated subsidiaries. References to the results of operations refer to operations of the Company, of which the Trust holds a 26.8% ownership interest.

Key Terms and Abbreviations

"**Adjusted EBITDA**" means EBITDA adjusted to exclude any change in the fair value of derivative instruments, change in fair value of non-controlling interest, change in fair value of warrant liability, unit-based compensation, goodwill impairment and distributions to non-controlling interest. See the *"Reconciliation of Net Loss and Comprehensive Loss to EBITDA and Adjusted EBITDA"* section of this MD&A for a reconciliation of EBITDA and Adjusted EBITDA to net loss and comprehensive loss as calculated under IFRS, the most directly comparable measure in the Trust's consolidated financial statements.

"**Customer**" refers to an RCE (see definition of RCE below).

"**Distributable Cash**" means the amount of cash available to the Trust to meet its distribution obligations. See the *"Distributable Cash and Distributions"* section of this MD&A for a reconciliation of Distributable Cash to Cash flows provided by (used in) operating activities as calculated under IFRS, the most directly comparable measure in the Trust's consolidated financial statements.

"**EBITDA**" means earnings before interest, taxes, depreciation and amortization.

"**KWh**" means Kilowatt hour and is a measurement of electricity.

"**MWh**" means Megawatt hour and is a measurement of volume of electricity.

"**MW**" means Megawatt and is a measurement of capacity of electricity.

"**MMBtu**" means one million British Thermal Units and is a measurement of volume of natural gas.

"**RCE**" means residential customer equivalents, which is an industry standard unit of measurement of consumption per annum equivalent to 10 MWh (or 10,000 KWh) in the case of the electricity and 100 MMBtu in the case of natural gas. We have estimated the number of residential customer equivalents in accordance with industry conventions based on information available regarding customers and their historical usage.

Unless the context indicates otherwise, references in this MD&A to "volume", "usage" and "consumption" refer to MWh in the case of electricity and MMBtu in the case of natural gas.

Overview of Business

Crius Energy is a comprehensive energy solutions partner that provides electricity, natural gas and solar products to residential and commercial customers. Crius Energy connects with energy customers through an innovative family-of-brands strategy and multi-channel marketing approach. This unique combination creates multiple access points to a broad suite of energy products and services that make it easier for consumers to make informed decisions about their energy needs. Crius Energy currently sells energy products in 20 states and the District of Columbia with plans to continue expanding its geographic reach.

The Company's revenues are earned primarily from electricity and natural gas sales and are recognized based on customer consumption. Seasonal variability of customer usage of electricity and natural gas may cause the Company's revenues and gross margins to fluctuate. In general, electricity consumption is highest during the summer months of July and August due to cooling demand and, to a lesser extent, during the winter months of January and February due to heating demand. Heating demand also influences natural gas consumption, which is typically highest between the months of November through March. The Company's revenues may also fluctuate because of retail rates charged to customers, customer growth and customer attrition.

The Company also receives revenues from the marketing of solar products, primarily based on the generating capacity of the solar systems sold, and these revenues are recognized upon execution of the contracts with customers, net of expected cancellations that may occur prior to installation of the solar systems. The Company also receives revenues associated with fees paid by independent contractors in the network marketing channel. Independent contractors pay sign-up fees and other fees to the Company to participate in the network marketing channel. Sign-up fees are deferred and recognized on a straight line basis over the twelve-month term of the agreement entered with each independent contractor, while other fees are recognized on a monthly basis.

The Company procures its energy and hedging requirements in various wholesale energy markets, including physical and financial markets, using both short-term and long-term contracts. For electricity and natural gas, the Company procures its wholesale energy requirements at various utility load zones for electricity and city gates for natural gas, based on the energy usage and geographic location of our customers. The Company manages its exposure to short-term and long-term movements in wholesale energy prices, by hedging using derivative instruments. These derivative instruments are principally physical forward contracts and financial fixed-for-floating swaps, whereby the Company agrees to take physical delivery or cash settle the difference between the floating price and the fixed price on a notional quantity of electricity or natural gas for a specified timeframe, at a specified location. The Company remains subject to commodity risk for any volumetric differences between the actual quantities used by customers and the forecasted quantities upon which such hedging instruments are based.

The Company's gross margin is derived from the difference between the revenues received from its electricity and natural gas customers and the cost of sales paid to its energy and non-energy suppliers, together with its net revenues from the marketing of solar products and the fees paid by independent contractors in the network marketing channel. The Company also incurs selling expenses through a mixture of upfront and residual-based payments. All such costs are recognized as expenses in the period incurred, pursuant to the applicable contractual arrangements in place. In addition, the Company incurs general, administrative, financing and other expenses while operating its business.

Q1 2015 HIGHLIGHTS

- **Fourth consecutive quarter of strong financial performance**
  - Adjusted EBITDA of $14.5 million, compared to a loss of $4.3 million in the first quarter of 2014.
  - Gross margin of $40.3 million, or 23.9% of revenue, compared to $19.1 million, or 10.7% of revenue, in the first quarter of 2014.
  - Distributable cash of $8.6 million and total distributions paid of $4.8 million, representing a payout ratio of 55.4%.

- **Net growth of 12,000 customers representing a 2.1% increase in the Company's electricity and natural gas portfolio**
  - Customer growth highlighted by strong contributions from Direct Marketing and Commercial channels.
  - Customer attrition nominally lower relative to the fourth quarter of 2014, negatively impacted by non-renewals, particularly in the Company's Commercial segment.

- **Continued strong growth in solar energy business**
  - Solar revenue of $2.3 million, a 146.7% increase from $0.9 million in the first quarter of 2014 and 54% greater than $1.5 million in the fourth quarter of 2014.
  - Commercial solar sales, which were initiated in the fourth quarter of 2014, represented over half of the total 9.8 MW in solar generation capacity sold in the first quarter of 2015.

- **Entered into a strategic partnership with Comcast**
  - Entered into an exclusive three-year agreement with Comcast Corporation (Nasdaq: CMCSA, CMCSK) ("**Comcast**") to offer electricity and natural gas products to Comcast customers under the white label brand "Energy Rewards".
  - Comcast is the largest video, high-speed Internet and phone provider to residential customers in the U.S.
  - Started offering energy products to Comcast customers in Pennsylvania and Illinois in April 2015.

- **Enhanced relationship with SolarCity**
  - Entered into an amended agreement with SolarCity to expand geography and increase revenue contribution from solar sales.
  - Added new markets, including New Mexico, Nevada, and Pennsylvania, with plans to add additional markets throughout 2015.
  - Increased margin contribution from solar sales with additional long-term revenue received over a 15-year period.

HIGHLIGHTS SUBSEQUENT TO QUARTER END

- **Completed largest acquisition since IPO**
  - On April 1, 2015, the Company closed on the acquisition of TriEagle Energy LP ("**TriEagle Energy**"), a Houston-based energy retailer with approximately 200,000 customers in New Jersey, Pennsylvania and Texas, for a purchase price of $19.1 million.
  - The acquisition is expected to provide cash flow accretion in the year for the Trust's unitholders with significant growth upside through commercial customer growth and geographic expansion.

- **Expanded credit facility with Macquarie Energy LLC**
  - Crius Energy expanded its credit facility with Macquarie Energy LLC ("**Macquarie Energy**") to accommodate future growth initiatives and the addition of TriEagle Energy's business.
  - Increased overall exposure limit from $150.0 million to $250.0 million.
  - Reduced fee structure through adjustments to the volumetric fee and elimination of certain other fees.
  - Improved flexibility to procure energy from market counterparties and an increased ability to enter into fixed price products for a term up to 60 months.

Q1 2015 DISCUSSION

The first quarter of 2015 highlights the overall strength of the Crius Energy platform, as Management delivered strong financial results and net electricity and natural gas customer growth in the period.

Total revenue for the quarter was $168.3 million, a decline of 5.2% from the first quarter of 2014, primarily reflecting reduced volumes from the previous quarter. Electricity revenue was $141.0 million and natural gas revenue was $24.2 million representing declines of 6.6% and 2.3%, respectively.

Solar revenues continued to grow in the first quarter of 2015. Revenues increased to $2.3 million, up 146.7% from $0.9 million in the first quarter of 2014, and up 53% from $1.5 million in the fourth quarter of 2014. The increased revenue was driven by record sales as the Company sold systems with a total generation capacity of 9.8 MW in the period and reflects continued success in the residential solar market coupled with the Company's fourth quarter 2014 initiative to enter commercial solar market.

Gross margin was $40.3 million in the first quarter of 2015, or 23.9% of revenue, a 111.1% increase from $19.1 million in first quarter of 2014, primarily attributable to improved energy procurement and risk management in the current quarter together with the severe impacts of the "polar vortex" weather event experienced in the first quarter of last year and an increased contribution from solar energy sales. Gross margin in the quarter benefited from increased electricity and natural gas usage per customer due to colder than normal temperatures together with low energy prices and volatility.

Adjusted EBITDA in the first quarter of 2015 was $14.5 million compared to a loss of $4.3 million in the first quarter of 2014. On a trailing twelve-month basis, Adjusted EBITDA was $57.3 million, the highest for any twelve-month period in the Company's history. Distributable Cash was $8.6 million, compared to a loss of $5.3 million in the first quarter of 2014. The Trust paid $4.8 million in distributions in the period, representing a payout ratio of 55.4% in the period and the fourth consecutive quarter with a payout ratio less than 75%. On a trailing twelve-month basis, the Trust's payout ratio was approximately 60%.

In the first quarter of 2015, the Company had a 2.1% increase in customers, its first net organic growth in customers since the fourth quarter of 2013, as the Company has managed through the challenges resulting from the "polar vortex" weather event in early 2014. Customer growth was driven by key contributions from the Direct Marketing and Commercial channels. Gross customer attrition trended down slightly in the first quarter of 2015 when compared with customer attrition during the fourth quarter of 2014 and was down materially over the first quarter of 2014. However, attrition was higher than expected by Management and negatively impacted by customer losses, particularly in the Commercial segment that had been added through the acquisitions involving Superior Plus Energy ("**Superior Plus**") and HOP Energy LLC ("**HOP Energy**"), as the Company chose not to compete with low margin competitive offerings. The Trust had approximately 800,000 customers pro-forma the acquisition of TriEagle Energy which closed on April 1, 2015.

The Company finished the first quarter of 2015 in a strong cash position. The Trust has no long-term debt and total cash and cash availability increased to $48.2 million at the end of the quarter from $46.3 million at December 31, 2014. Cash and cash availability consisted of $13.1 million in cash and cash equivalents and $35.1 million available under the credit facility with Macquarie Energy. Cash flows from operating activities for the quarter ending March 31, 2015 were $7.3 million, compared to negative $2.3 million in the first quarter of 2014.

OUTLOOK

Management expect to continue to deliver solid performance as the Company has materially improved risk management and operations through investments in people, process and technology and has successfully executed on its strategy to diversify its customer portfolio which reduces earnings volatility and the Company risk profile.

The Company has several new growth initiatives that are expected to increase organic customer acquisition capabilities. These initiatives include: commercial segment expansion, entry into Texas, the strategic partnership with Comcast and solar growth.

Commercial Expansion

Management will build on TriEagle Energy's strong presence and expertise in the commercial segment by deploying their commercial broker relationships across the expanded footprint of 20 states and the District of Columbia plus the addition of new natural gas and solar energy products. Additionally, the commercial platform is expected to drive increased sales volumes through our existing channels, particularly Network Marketing.

Texas Market Entry

Management will leverage the TriEagle Energy operations and license to expand geographically into the Texas electricity market. Texas is the largest deregulated energy market in the U.S. representing 31% of total competitive electricity volumes. The Texas market is also forecasted to grow at four times the rate of other U.S. markets through 2019. Management expects robust growth in the Texas market through continued investment in the TriEagle Energy brand and the introduction of other Crius Energy brands, beginning with its Network Marketing channel in the second half of 2015.

Strategic Partnership with Comcast

Management successfully launched the Comcast Energy Rewards brand on April 15, 2015 in Illinois and Pennsylvania. In January 2015, Crius and Comcast entered into an exclusive three year agreement to offer electricity and natural gas products to Comcast customers under a white label brand “Energy Rewards.” With more than 27 million customer relationships across the U.S., Comcast is the largest video, high-speed Internet and phone provider to residential customers in the U.S. and operates under the XFINITY brand. Crius and Comcast are currently working on subsequent phases of the rollout plan for additional states which are expected to launch in the second half of 2015.

Solar Growth

Management expects continued growth in our solar energy business as highlighted by the record first quarter performance, as the Company sold 9.8 MW of total generating capacity. The solar energy market in the U.S. continues to grow rapidly, and Crius Energy is well positioned to continue to capture market share. Management expects our solar business to continue to increase market share for several reasons, including our: (1) multi-channel marketing platform to drive lead volume; (2) entry into new markets in 2015; (3) increased commercial sales; (4) improved sales optimization efforts; and (5) increased focus on customer cross-selling. The Company recently invested in additional resources to support the increased lead generation and market opportunity. Additionally, as a result of the Company's amended agreement with its partner SolarCity, the Company will start to receive incremental revenue on each system sold, which is payable over a 15-year period.

In addition to strong organic customer growth prospects, merger and acquisition activity remains a strong growth opportunity for Crius Energy due to the fragmented nature of the retail energy industry and the continued challenging market conditions. Management will remain disciplined and focused on deals that are near-term accretive. The Company has sufficient cash availability to execute on accretive transactions through its working capital facility with Macquarie Energy. The Company has made four acquisitions and added more than 250,000 customers since IPO. These acquisitions have demonstrated that Crius has a scalable platform that enables the addition of new customers with minimal additional operating costs.

Management continues to be focused on reducing customer attrition and anticipates attrition in 2015, as measured on a full year basis, to improve over the levels experienced in 2014 when the "polar vortex" weather event caused attrition to reach record levels. Management are confident that several changes to the customer portfolio, including increased presence in the commercial customer segment and an increased number of customers on fixed rate contracts, will continue to have a positive impact on attrition in the future. As a result, Management expects attrition in 2016 to show steady improvement over the current level of attrition experienced in the business.

While the Company's growth prospects are strong, the regulatory environment continues to evolve. The "polar vortex" had a significant impact on the Company's customers, as customers on variable rates saw significant increases to their energy bills. As a result, many state regulatory agencies acted quickly to: (i) increase consumer awareness regarding variable rate plans; (ii) require retail energy providers to engage in increased consumer notifications and disclosures; and (iii) increase verification procedures for customer enrolments through certain channels, such as door-to-door and on-line enrolment. The Company had largely been following best practices, so many of the new regulations were already operationally in effect; however, certain regulations may increase operational costs, impact customer growth and attrition or limit the products that the Company can offer to consumers. Further, in certain states, regulatory activity is continuing, and the Company cannot predict future regulatory actions or changes, which could impact the Company.

In addition to the fundamental strength of our business model, the sustainability of our distributions will be further bolstered in 2015 and 2016 by the strength of the U.S. dollar against the Canadian dollar, which results in a lower payout ratio as business operations generate earnings in U.S. dollars and the distribution to unitholders is a set amount in Canadian dollars per Unit. We maintain an active currency hedging program that has hedged our current distribution levels through December 2016 at rates that are now more favourable to current market levels using foreign currency options, which serve to eliminate any downside risk while retaining upside from further U.S. dollar strength. Additionally, we have implemented several changes which improve efficiencies within the Trust's structure related to intra-group funding of distributions as well as the treatment of certain U.S. state and local withholding taxes paid on behalf of the non-controlling interest, which will further lower the payout ratio.

The retail energy and distributed generation industries are dynamic, and Crius Energy, through its industry-leading, multichannel marketing approach, is uniquely positioned to capitalize on diverse opportunities as they emerge. Given the investments made in human resources and information technology, the Company's ability to take advantage of the significant opportunity for growth, both organically and through acquisitions, is continually improving. With four consecutive quarters of strong performance, Crius Energy's growth prospects, combined with its financial capability, position it to continue its market leadership.

Selected Q1 2015 Information

The following selected historical financial information has been derived from the unaudited interim condensed consolidated financial statements of the Trust for the three month periods ended March 31, 2015 and 2014 and the audited consolidated financial statements as at December 31, 2014. The operating data has been prepared by Management based on the Company's records.

Statement of Comprehensive Loss Highlights
(in millions)

	Quarter ended March 31, 2015 (unaudited)	Quarter ended March 31, 2014 (unaudited)
Revenue	**$168.3**	**$177.6**
Cost of sales	**128.0**	**158.5**
Gross margin	**40.3**	**19.1**
Expenses		
Selling expenses	9.9	9.3
General and administrative	15.9	14.1
Unit-based compensation	0.8	—
Depreciation and amortization	10.1	9.5
Operating income (loss)	3.6	(13.8)
Other (expenses) income		
Finance costs	(1.8)	(2.0)
Goodwill impairment	—	(77.1)
Distributions to non-controlling interest	(3.9)	(5.2)
Change in fair value of derivative instruments	1.6	(29.0)
Change in fair value of warrant liability	(0.5)	0.3
Change in fair value of non-controlling interest	(29.8)	58.9
Loss before income taxes	(30.8)	(67.9)
Provision for (benefit from) income taxes	0.9	(12.9)
Net loss and comprehensive loss	**(31.7)**	**(55.0)**
EBITDA(1)	(18.9)	(56.4)
Adjusted EBITDA(1)	**$14.5**	**$(4.3)**

(1) EBITDA and Adjusted EBITDA have limitations as analytical tools and should not be considered in isolation from, or as an alternative to, net loss or other data prepared in accordance with IFRS. See *"Non-IFRS Financial Measures"*. The following table is a reconciliation of net loss and comprehensive loss to EBITDA and Adjusted EBITDA for the periods indicated.

Reconciliation of Net Loss and Comprehensive Loss to EBITDA and Adjusted EBITDA
(in millions)

	Quarter ended March 31, 2015 (unaudited)	Quarter ended March 31, 2014 (unaudited)
Net loss and comprehensive loss	$(31.7)	$(55.0)
Excluding the impacts of:		
Finance costs	1.8	2.0
Provision for (benefit from) income taxes	0.9	(12.9)
Depreciation and amortization	10.1	9.5
EBITDA	(18.9)	(56.4)
Excluding the impact of:		
Unit-based compensation	0.8	—
Goodwill impairment	—	77.1
Distributions to non-controlling interest	3.9	5.2
Change in fair value of derivative instruments	(1.6)	29.0
Change in fair value of warrant liability	0.5	(0.3)
Change in fair value of non-controlling interest	29.8	(58.9)
Adjusted EBITDA	**$14.5**	**$(4.3)**

Statement of Financial Position Highlights
(in millions)

	As at March 31, 2015 (unaudited)	As at December 31, 2014
Current assets	$100.8	$104.6
Total assets	252.7	263.3
Current liabilities	124.7	132.6
Long-term liabilities	149.4	119.0
Unitholders' (deficit) equity	(21.4)	11.7

Statement of Cash Flows Highlights
(in millions)

	Quarter ended March 31, 2015 (unaudited)	Quarter ended March 31, 2014 (unaudited)
Cash flows provided by (used in) operating activities	$7.3	$(2.4)
Cash flows used in investing activities	(1.9)	(0.2)
Cash flows (used in) provided by financing activities	(6.6)	2.6
Cash and cash equivalents at beginning of period	14.3	15.3
Cash and cash equivalents at end of period	13.1	15.3

Operational Highlights

	Quarter ended March 31, 2015 (unaudited)	Quarter ended March 31, 2014 (unaudited)
Electricity		
Volumes (MWh)	1,264,000	1,339,000
Revenue ($ million)	141.0	151.1
Gross margin ($ million)	28.3	12.0
Gross margin ($/MWh)	22.37	8.96
Gross margin as a % of revenue	20.0%	7.9%
Natural gas		
Volumes (MMBtu)	3,238,000	2,893,000
Revenue ($ million)	24.2	24.7
Gross margin ($ million)	8.8	5.2
Gross margin ($/MMBtu)	2.73	1.81
Gross margin as a % of revenue	36.6%	21.1%

Customer Aggregation

The following table summarizes the Company's gross additions and drops in electricity and natural gas customers over the trailing four quarters ending March 31, 2015.

Customer Aggregation
(in customers)

	Opening Customer Count	Customer Adds	Customer Drops	Net Change	Closing Customer Count
Electricity	509,000	86,000	(76,000)	10,000	519,000
Natural Gas	78,000	12,000	(9,000)	3,000	81,000
Quarter ending June 30, 2014	**587,000**	**98,000**	**(85,000)**	**13,000**	**600,000**
Net Change % of Opening Customer Count				***2.2%***	
Electricity	519,000	53,000	(68,000)	(15,000)	504,000
Natural Gas	81,000	5,000	(10,000)	(5,000)	76,000
Quarter ending September 30, 2014	**600,000**	**58,000**	**(78,000)**	**(20,000)**	**580,000**
Net Change % of Opening Customer Count				***(3.3)%***	
Electricity	504,000	74,000	(81,000)	(7,000)	497,000
Natural Gas	76,000	8,000	(12,000)	(4,000)	72,000
Quarter ending December 31, 2014	**580,000**	**82,000**	**(93,000)**	**(11,000)**	**569,000**
Net Change % of Opening Customer Count				***(1.9)%***	
Electricity	497,000	92,000	(78,000)	14,000	511,000
Natural Gas	72,000	10,000	(12,000)	(2,000)	70,000
Quarter ending March 31, 2015	**569,000**	**102,000**	**(90,000)**	**12,000**	**581,000**
Net Change % of Opening Customer Count				***2.1%***	

Summary of Quarterly Results

Quarterly Results (unaudited)
(in millions)

	Quarter ended March 31, 2015	Quarter ended December 31, 2014	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended September 30, 2013	Quarter ended June 30, 2013
Revenue	**$168.3**	**$134.3**	**$154.6**	**$134.0**	**$177.6**	**$128.6**	**$145.6**	**$113.9**
Cost of sales	**128.0**	**96.1**	**116.7**	**100.3**	**158.5**	**103.7**	**115.6**	**86.3**
Gross margin	**40.3**	**38.2**	**37.9**	**33.7**	**19.1**	**24.9**	**30.0**	**27.6**
Expenses								
Selling expenses	9.9	9.8	8.1	8.1	9.3	5.2	8.7	7.1
General and administrative	15.9	14.0	14.6	12.4	14.1	13.7	10.8	10.4
Unit-based compensation	0.8	0.4	0.3	0.7	—	0.1	0.1	—
Depreciation and amortization	10.1	10.3	10.2	9.6	9.5	9.5	9.5	9.7
Operating income (loss)	3.6	3.7	4.7	2.9	(13.8)	(3.6)	0.9	0.4
Other (expenses) income								
Finance costs	(1.8)	(1.6)	(1.6)	(1.7)	(2.0)	(1.5)	(1.6)	(1.4)
Goodwill impairment	—	—	—	—	(77.1)	(60.5)	—	—
Distributions to non-controlling interest	(3.9)	(1.5)	(4.9)	(6.7)	(5.2)	(6.7)	(6.7)	(7.0)
Change in fair value of derivative instruments	1.6	(39.4)	4.9	4.6	(29.0)	24.1	3.8	(7.0)
Change in fair value of warrant liability	(0.5)	(0.1)	—	(0.3)	0.3	—	—	—
Change in fair value of non-controlling interest	(29.8)	(3.1)	10.2	(43.3)	58.9	43.5	(19.9)	54.9
(Loss) income before income taxes	(30.8)	(42.0)	13.3	(44.5)	(67.9)	(4.7)	(23.5)	39.9
Provision for (benefit from) income taxes	0.9	(14.8)	(0.5)	(0.7)	(12.9)	1.9	(4.4)	(4.8)
Net (loss) income and comprehensive (loss) income	**$(31.7)**	**$(27.2)**	**$13.8**	**$(43.8)**	**$(55.0)**	**$(6.6)**	**$(19.0)**	**$44.7**

Reconciliation of Net (Loss) Income and Comprehensive (Loss) Income to EBITDA and Adjusted EBITDA

	Quarter ended March 31, 2015	Quarter ended December 31, 2014	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended September 30, 2013	Quarter ended June 30, 2013
Net (loss) income and comprehensive (loss) income	$(31.7)	$(27.2)	$13.8	$(43.8)	$(55.0)	$(6.6)	$(19.0)	$44.7
Excluding the impacts of:								
Finance costs	1.8	1.6	1.6	1.7	2.0	1.5	1.6	1.4
Provision for (benefit from) income taxes	0.9	(14.8)	(0.5)	(0.7)	(12.9)	1.9	(4.4)	(4.8)
Depreciation and amortization	10.1	10.3	10.2	9.6	9.5	9.5	9.5	9.7
EBITDA	(18.9)	(30.1)	25.1	(33.2)	(56.4)	6.3	(12.3)	51.0
Excluding the impact of:								
Unit-based compensation	0.8	0.4	0.3	0.7	—	0.1	0.1	—
Goodwill impairment	—	—	—	—	77.1	60.5	—	—
Distributions to non-controlling interest	3.9	1.5	4.9	6.7	5.2	6.7	6.7	7.0
Change in fair value of derivative instruments	(1.6)	39.4	(4.9)	(4.6)	29.0	(24.1)	(3.8)	7.0
Change in fair value of warrant liability	0.5	0.1	—	0.3	(0.3)	—	—	—
Change in fair value of non-controlling interest	29.8	3.1	(10.2)	43.3	(58.9)	(43.5)	19.9	(54.9)
Adjusted EBITDA	**$14.5**	**$14.4**	**$15.2**	**$13.2**	**$(4.3)**	**$6.1**	**$10.5**	**$10.1**

Distributable Cash and Payout Ratio

	Quarter ended March 31, 2015	Quarter ended December 31, 2014	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended September 30, 2013	Quarter ended June 30, 2013
Cash flows from operating activities	$7.3	$15.7	$19.8	$17.7	$(2.3)	$11.5	$5.4	$10.9
Changes in operating assets and liabilities	4.9	(2.2)	(4.8)	(3.8)	(0.7)	(4.0)	5.9	(0.2)
Cash flows from operating activities excluding changes in operating assets and liabilities	**12.2**	**13.5**	**15.0**	**13.9**	**(3.0)**	**7.5**	**11.3**	**10.7**
Finance costs included in financing activities	(1.7)	(1.4)	(1.8)	(1.4)	(2.1)	(1.3)	(1.6)	(1.2)
Maintenance capital expenditures[(1)]	(1.9)	(1.0)	(1.3)	(1.4)	(0.2)	(1.5)	(1.0)	(0.2)
Distributable Cash	**$8.6**	**$11.1**	**$11.9**	**$11.1**	**$(5.3)**	**$4.7**	**$8.7**	**$9.3**
Distributions to non-controlling interest	3.4	4.6	4.9	6.3	5.8	6.7	6.6	7.1
Distributions to Unitholders	1.4	1.6	1.6	1.6	2.1	2.4	2.4	2.5
Total distributions	**$4.8**	**$6.2**	**$6.5**	**$7.9**	**$7.9**	**$9.1**	**$9.0**	**$9.5**
Payout Ratio	**55.4%**	**56.0%**	**54.1%**	**70.7%**	**NA**	**195.9%**	**104.1%**	**103.4%**

(1) Maintenance capital expenditures consisted of Cash flows used in investing activities from the Consolidated Statement of Cash Flows, adjusted to exclude Cash flows used in investing activities relating to acquisitions.

Discussion of Operations
For the three month periods ended March 31, 2015 and 2014

Revenue

For the three month period ended March 31, 2015 revenue was $168.3 million, representing a decrease of 5.2% from $177.6 million for the three month period ended March 31, 2014.

Electricity

Electricity revenue for the three month period ended March 31, 2015 was $141.0 million representing a decrease of 6.6% from $151.1 million for the three month period ended March 31, 2014, as a result of a 5.6% decrease in volume combined with 1.1% lower average retail rates per unit. Electricity volumes for the three month period ended March 31, 2015 were 1,264,000 MWh representing a decrease of 5.6% from 1,339,000 MWh for the three month period ended March 31, 2014, with the decrease primarily resulting from lower average customer numbers.

Natural Gas

Natural gas revenue for the three month period ended March 31, 2015 was $24.2 million representing a decrease of 2.3% from $24.7 million for the three month period ended March 31, 2014, as a result of 12.8% lower average retail rates per unit partially offset by an 11.9% increase in volume. Natural gas volumes for the three month period ended March 31, 2015 were 3,238,000 MMBtu representing an increase of 11.9% from 2,893,000 MMBtu for the three month period ended March 31, 2014, with the increase primarily resulting from higher average usage per customer and partially offset by the lower average customer numbers.

Solar Revenue

Solar revenue for the three month period ended March 31, 2015 was $2.3 million, representing fees earned in connection with the marketing of solar systems with total generation capacity of 9.8 MW. This represents an increase of 146.7% from revenues of $0.9 million and 1.8 MW in the three month period ended March 31, 2014. The growth in revenues represents the rapid growth of our solar business over the period, from its launch in late September 2013. Additionally, the significant period-over-period growth of the generation capacity of the systems sold was driven by the launch of our commercial solar program, which resulted in sales of systems with higher generation capacity and lower revenue, on a per MW basis, for each system sold.

Fee Revenue

Fee revenue, consisting of sign-up fees and other monthly fees received from independent contractors in the network marketing channel, for the three month period ended March 31, 2015 was $0.8 million representing a decrease of 12.9% from $0.9 million for the three month period ended March 31, 2014, which was primarily attributable to a reduced enrolment fee structure.

Gross Margin

For the three month period ended March 31, 2015, gross margin was $40.3 million, representing an increase of 111.1% from $19.1 million for the three month period ended March 31, 2014. Gross margin for the three month period ended March 31, 2015 was 23.9% of total revenue representing an increase from 10.7% of total revenue for the three month period ended March 31, 2014. The period-over-period increases in gross margin are primarily attributable to improved energy procurement and risk management in the current quarter together with the severe impacts of the "polar vortex" weather event experienced in the first quarter of last year. Gross margin benefited from increased electricity and natural gas usage per customer due to colder than normal temperatures together with low energy prices and volatility. In addition, gross margins in the current period benefited from an increased contribution from the solar business.

Electricity

Electricity gross margin for the three month period ended March 31, 2015 was $28.3 million, representing an increase of 135.5% from $12.0 million for the three month period ended March 31, 2014. For the three month period ended March 31, 2015, electricity gross margin was 20.0% of electricity revenues, and electricity gross margin per unit was $22.37/MWh, representing increases from 7.9% and $8.96/MWh, respectively, for the three month period ended March 31, 2014. Higher gross margins per unit were primarily attributable to improved energy procurement and risk management in the first quarter of 2015, in which energy prices were lower and less volatile than in the prior comparable period during the "polar vortex" weather event.

Natural Gas

Natural gas gross margin for the three month period ended March 31, 2015 was $8.9 million representing a 69.5% increase from $5.3 million for the three month period ended March 31, 2014. For the three month period ended March 31, 2015, natural gas gross margin was 36.6% of natural gas revenues, and natural gas gross margin per unit was $2.73/MMBtu, representing increases from 21.1% and $1.81/MMBtu, respectively, for the three month period ended March 31, 2014, with the gross margins benefitting from higher usage due to colder temperatures as well as a lower energy price and volatility environment.

Other

Gross margin for the three month period ended March 31, 2015 also included solar revenues of $2.3 million and revenues from independent contractors in the network marketing channel of $0.8 million. For the three month period ended March 31, 2014, solar revenues were $0.9 million and revenues from independent contractors in the network marketing channel were $0.9 million. These revenues do not have associated cost of sales.

Selling Expenses

Selling expenses consist of commissions due to (i) independent contractors in the network marketing channel, telemarketing and door-to-door channels, (ii) partners in our strategic partnerships, (iii) employees for enrolling new electricity, natural gas and solar customers, and for customer consumption, and (iv) various vendors used in the Company's direct mail campaigns. Selling expenses are expensed in the period that they are earned by the independent contractors, strategic partnerships, employees or vendors.

Commissions earned are comprised of upfront commissions, which are primarily based on the successful enrolment of customers, and residual commissions, which are primarily based on customer consumption and receipt of customer payments. The commission structures utilized are summarized below:

- Commissions due to independent contractors for customers acquired through network marketing are calculated according to a multi-level compensation plan designed to reward independent contractors for building successful marketing networks. Under the compensation plan, independent contractors are eligible to earn upfront and residual commissions, cash bonuses and promotional pay based on a number of factors, including, but not limited to, customer enrolment and energy usage.

- Commissions due for customers acquired through our strategic partnerships are calculated primarily based on upfront commissions calculated per customer enrolled, and may be subject to a partial or full repayment of such commission for customers who terminate their service within certain timeframes and a residual based commission based on a revenue or energy usage over a customer's term of enrolment.

- Commissions due to independent contractors in our telemarketing and door-to-door channels are primarily comprised of upfront commissions, based on successful customer enrolments, and may be subject to a partial or full repayment of such commission for customers who terminate their service within certain timeframes, or paid under hourly contracts. Selling costs also include costs from various vendors used in direct mail campaigns.

- Commissions due to employees in a sales team focusing on solar sales are based on the size and pricing of the solar systems sold.

For the three month period ended March 31, 2015, selling expenses were $9.9 million, representing an increase of 6.8% from $9.3 million for the three month period ended March 31, 2014. Selling expenses for the three month period ended March 31, 2015 amounted to 5.9% of revenue compared to 5.2% of revenue for the three month period ended March 31, 2014. These expenses consist of:

(a) Upfront electricity and natural gas customer acquisition commissions for the three month period ended March 31, 2015 of $4.2 million (amounting to $41.10 per customer acquired) representing an increase from $3.9 million for the three month period ended March 31, 2014 (amounting to $47.19 per customer acquired), with the increase being attributable to the increase in customer enrollments as compared to the prior year period of approximately 20,000, partially offset by higher promotional bonuses per customer offered in the network marketing channel in the prior comparable period.

(b) Residual based electricity and natural gas commissions for the three month period ended March 31, 2015 of $4.9 million (amounting to 2.9% of revenues), representing no change from $4.9 million for the three month period ended March 31, 2014 (amounting to 2.7% of revenues) with the slight increase in the percentage of revenue being attributable to a higher proportion of the Company's customer portfolio attracting residual based commissions in the three month period ended March 31, 2015, reflecting stronger relative growth in network marketing and commercial sales.

(c) Solar commissions for the three month period ended March 31, 2015 of $0.9 million (amounting to 37.8% of solar revenues), representing an increase from $0.6 million for the three month period ended March 31, 2014 (amounting to 59.7% of solar revenues). The increase was due to the growth of solar sales volumes over the period, and the decrease in the commissions as a percentage of solar revenues was primarily attributable to efficiencies achieved by spreading certain fixed selling costs over higher solar revenues.

General and Administrative Expenses

General and administrative expenses for the three month period ended March 31, 2015 were $15.9 million. This represented an increase from $14.1 million for the three month period ended March 31, 2014, as set out in the tables below.

	Quarter ended March 31, 2015		**Quarter ended March 31, 2014**	
	$	**%**	**$**	**%**
General and Administrative Expenses (in $ millions and % of revenue)				
POR fees / bad debt	$1.9	1.1%	$2.9	1.6%
Processing costs	1.5	0.9%	1.2	0.6%
Human resources	6.4	3.8%	5.1	2.9%
Gross receipts taxes and other taxes	1.3	0.8%	1.4	0.8%
Professional and consultant fees	1.2	0.7%	1.1	0.6%
Legal and regulatory	0.7	0.4%	0.5	0.3%
Other	2.9	1.7%	1.9	1.1%
Total	**$15.9**	**9.4%**	**$14.1**	**7.9%**

General and administrative expenses incurred during the first quarter of 2015 were made up of the following categories:

(a) POR fees / bad debt represent fees paid to the local distribution companies ("**LDCs**") pursuant to Purchase of Receivables ("**POR**") programs, under which the LDCs assume credit risk associated with customer non-payment and bad debt costs incurred in markets where the Company does not operate under a POR program, which exposes the Company to customer credit risk. The POR fees / bad debt costs for the three month period ended March 31, 2015 was $1.9 million, representing 1.1% of revenue, compared to $2.9 million for the three month period ended March 31, 2014, representing 1.6% of revenue for that period. The decreases reflect lower bad debt expense driven primarily by the build out of an accounts receivable management team, systems involved with customer receivables and collections, enhancements made to the credit and collections processes, as well as certain markets in which the Company was subject to credit risk, the LDCs adopted POR programs.

(b) Processing costs for the three month period ended March 31, 2015 of $1.5 million include various data processing and information technology costs incurred to service our customers and salesforce. This figure compares to $1.2 million for the three month period ended March 31, 2014. The increase was primarily due to increased information technology costs related to customer and salesforce data processing in the period.

(c) Human resource costs for the three month period ended March 31, 2015 of $6.4 million, consist of costs incurred in relation to the Company's employee base, temporary staff and independent contractors. The increase over the prior comparable quarter in 2014 of $5.1 million was primarily the result of increased incentive compensation, higher salary levels reflecting annual merit based increases and overall growth in employee headcount over the period to support our growth initiatives, including the Comcast Energy Rewards brand, improve operational and risk management capabilities and manage public company requirements.

(d) Gross receipts taxes and other taxes for the three month period ended March 31, 2015 of $1.3 million represent operational taxes in various states and jurisdictions and are primarily driven by revenue. This compares to the $1.4 million incurred in the prior comparable period in 2014. The slight decrease is primarily due to lower revenues in the three month period ended March 31, 2015.

(e) Professional and consultant fees for the three month period ended March 31, 2015 of $1.2 million represent audit, tax, investor relations, share registry, valuation, due diligence, internal controls consulting and other fees and compares closely to $1.1 million in prior comparable period.

(f) Legal and regulatory costs for the three month period ended March 31, 2015 of $0.7 million represent external legal fees incurred in Canada and the United States and compares to $0.5 million in prior comparable period. The current period amount was impacted by $0.2 million relating to legal services provided in relation to acquisition due diligence work performed during the first quarter of 2015.

(g) Other costs for the three month period ended March 31, 2015 of $2.9 million represent the balance of corporate, operational and marketing related expenses incurred to operate our business. These costs compare to $1.9 million in the prior comparable period in 2014. The increase was impacted by, among other things, the regulatory environment in certain markets leading to increased fulfillment costs related to customer notices, as well as increased third party verification expenses related to new customer enrolments.

Unit-Based Compensation

The unit-based compensation charge relates to the cumulative net issuance of Restricted Trust Units ("**RTUs**") and Phantom Unit Rights ("**PURs**") to Management and the directors of the Administrator. For the three month period ended March 31, 2015, unit-based compensation expense amounted to $0.8 million compared to $- in the three month period ended March 31, 2014. The expense reflects the fair value of the unit-based compensation based on the market price of the Units at the end of the period and the applicable vesting period. The unit-based compensation expense in the current period was impacted by an increasing Unit price as well as increased unit based issuances. Also, the prior period was impacted by a declining Unit price.

Depreciation and Amortization

Depreciation and amortization relate to the property and equipment, and intangibles used in the Company's operations. Depreciation and amortization for the three month period ended March 31, 2015 was $10.1 million, representing an increase from $9.5 million for the three month period ended March 31, 2014, with the increase being primarily attributable to amortization associated with intangible asset additions made by the Company during the second quarter of 2014, including the Superior Plus and HOP Energy asset acquisitions.

Finance Costs

Finance costs for the three month period ended March 31, 2015 were $1.8 million, compared to $2.0 million for the three month period ended March 31, 2014. Finance costs are primarily incurred pursuant to the Company's credit facility with Macquarie Energy. Refer to the discussion in the *"Liquidity and Capital Resources"* section in this MD&A, for a detailed description of this facility. The lower finance fees for the three month period ended March 31, 2015 as compared to the prior year were primarily attributable to having no usage on the working capital facility in the current period.##

Goodwill Impairment

There was no goodwill impairment for the three month period ended March 31, 2015. The Trust recorded a goodwill impairment charge for the three month period ended March 31, 2014 of $77.1 million due to the carrying value of equity being in excess of the market capitalization of the Trust, adjusted for an estimated acquisition premium. The impairment charge in the prior period was non-cash and did not impact our normal business operations or liquidity, cash flow from operations or financial covenants under our credit facility with Macquarie Energy.

Distributions to Non-Controlling Interest

Distributions to non-controlling interest for the three month period ended March 31, 2015 were $3.9 million, compared to $5.2 million for the three month period ended March 31, 2014. The reductions were due to the 30.0% reduction in the Trust's monthly distribution to unitholders from C$0.0833 to C$0.0583, starting in February 2014 and a stronger USD/CAD exchange rate, which results in lower U.S. denominated distributions to the non-controlling interest.

Due to certain provisions in the Trust's governance documents, which in change of control circumstances provide the non-controlling interest a redemption right, the non-controlling interest is classified as a long-term liability on the interim condensed consolidated statement of financial position. Accordingly, monthly distributions paid by Crius Energy to the non-controlling interest based on their 73.2% interest in Crius Energy are included in the profit and loss.

Change in Fair Value of Derivative Instruments

The change in fair value of derivative instruments consists of changes in unrealized gains or losses on derivatives, which represent the estimated amount that the Trust would need to pay or receive to dispose of the remaining notional commodity or currency positions in the market if the derivative contracts were to be terminated at the respective period end (see the *"Financial Instruments and Risk Management"* section in this MD&A).

For the three month period ended March 31, 2015, the unrealized gains and losses associated with derivative contracts were a net gain of $1.6 million (March 31, 2014 — $29.0 million loss).

Change in Fair Value of Derivative Instruments
(in millions)

	Quarter ended March 31, 2015	**Quarter ended March 31, 2014**
Forward electricity positions	$0.1	$(27.4)
Forward natural gas positions	2.1	(1.4)
Weather derivative positions	(0.3)	—
Forward currency positions	(0.3)	(0.2)
Unrealized Gain/(Loss) on Derivatives	**$ 1.6**	**$ (29.0)**

These gains and losses represent non-cash gains and losses associated with mark-to-market movements on forward hedge positions that are outstanding at period end. These hedges are put in place to hedge either the fixed price exposure of customers on fixed price contracts, the expected short-term exposure of variable priced customers, or the impacts of currency movements on the Trust's distributions thus minimizing the impact of these unrealized mark-to-market losses.

Change in Fair Value of Warrant Liability

The change in fair value of warrant liability for the three month period ended March 31, 2015 was a $0.5 million loss (March 31, 2014 — $0.3 million gain). This loss represents the mark-to-market valuation of the 750,000 Unit purchase warrants ("**Warrants**") in the Units issued to Macquarie Energy as consideration for the expansion of the Supplier Agreement (as defined in the *"Liquidity and Capital Resources"* section in this MD&A) in February 2014. The valuation of the warrants is based on an option valuation model, and accordingly the non-cash loss is the result of changes in the price, volatility and yield of the Units, the time to maturity and the risk-free rate over the period.

Change in Fair Value of Non-controlling Interest

The change in fair value of non-controlling interest for the three month period ended March 31, 2015 was a loss of $29.8 million (March 31, 2014 — $58.9 million gain). These gains and losses represent the mark-to-market valuation of the non-controlling interest liability included on the statement of financial position. The mark-to-market valuation gains in the period ended March 31, 2015 and mark-to-market valuation losses in the prior period are primarily the result of increases and decreases in the Unit price, respectively, during the reporting periods.

Due to certain provisions in the Trust's governance documents, which in change of control circumstances provide the non-controlling interest a redemption right, the non-controlling interest is classified as a long-term liability on the interim condensed consolidated statement of financial position. Accordingly, this non-controlling interest is measured at fair value at the end of each period with the gain or loss being recorded in the interim condensed consolidated statement of comprehensive loss. The fair value of the non-controlling interest is measured principally based on the price of Units quoted on the TSX, with an adjustment for profit interest units of the Company that is calculated using an option pricing model.

Provision for (benefit from) Income Taxes

For the three month period ended March 31, 2015, the provision for income tax expense was $0.9 million (March 31, 2014 — $(12.9) million tax benefit). The Trust was in a pre-tax loss position for the quarter, and was in a loss position for the same period after adjusting for permanent differences, including the change in fair value of non-controlling interest and removing the profit or loss of the Company that is attributed directly to the non-controlling partners. Under United States partnership taxation rules, the Company is not a taxable entity; therefore, its taxable income / (loss) flows directly to its partners who are then taxed on their allocable share of the partnership income / (loss). The increase in tax expense in March 31, 2015 was primarily attributable to the benefit of tax losses and other temporary differences not recognized, compared to the first quarter of 2014.

Net Loss and Comprehensive Loss

For the three month period ended March 31, 2015, net loss and comprehensive loss was $31.7 million, compared to net loss and comprehensive loss of $55.0 million for the three month period ended March 31, 2014, with the changes being attributable to the factors noted above. Net loss and comprehensive loss is impacted by numerous non-cash items, some being a result of the structure of the Trust and its subsidiaries as well as the industry in which it operates. Accordingly, Management believes the additional non-IFRS financial measures of Adjusted EBITDA and Distributable Cash are useful metrics to be considered together with net loss and comprehensive loss for evaluating the Trust's financial and operating performance, as they are measures that Management uses internally to assess performance.

Liquidity and Capital Resources

The Trust expects to have sufficient liquidity to fund its planned operations for the foreseeable future. The following are the primary sources of funding for future expenditures that are expected by Management to be available: (i) internally generated cash flow from operations; (ii) existing cash and working capital; and (iii) borrowing capacity under the Company's supplier agreement (the "**Supplier Agreement**") with Macquarie Energy. Additionally, Management may seek to raise capital through the following means: (iv) external debt financing; and (v) the issuance of additional Units.

Supplier Agreement

The Supplier Agreement provides for the exclusive supply of the Company's wholesale energy needs and hedging requirements for a term ending in January 2019. Under the Supplier Agreement, Macquarie Energy assumes the responsibility for meeting all the credit and collateral requirements with each Independent System Operator ("**ISO**"). Further, the LDCs serving the Company's customers are directed to remit all customer payments into a designated restricted bank account (the "**Lockbox**"), and the funds in that account are used to pay Macquarie Energy for energy supplied and other fees and interest due under the Supplier Agreement. The trade payables are secured by funds pledged in the Lockbox, accounts receivable, natural gas inventory and all other Company assets.

Macquarie Energy extends trade credit to buy wholesale energy supply, with all amounts due being payable in the month following the delivery of the energy. The credit extended under the Supplier Agreement is limited to an overall exposure limit of $150.0 million subject to certain standard financial covenants, and limited to a calculated credit base based on restricted cash in the Lockbox, billed and unbilled receivables, natural gas inventory, forward value of customers and certain other items. At March 31, 2015, the Company was in compliance with all covenants under the Supplier Agreement. The Company incurs a volumetric fee based on the wholesale energy delivered, which is included in the Trust's finance costs in the interim condensed consolidated statements of comprehensive loss.

The Supplier Agreement includes a working capital facility with a sub-limit of $60.0 million under which letters of credit and cash advances can be made based on the calculated credit base. Such letters of credit and cash advances under this line are subject to an annual interest rate of 5.5% plus LIBOR (0.18% and 0.16% at March 31, 2015 and December 31, 2014, respectively), with an incremental interest rate of 1.25% applied to borrowings above a certain threshold.

Under the Supplier Agreement, the Company and its operating subsidiaries are permitted to make monthly distributions provided that (i) no event of default, termination event or potential event of default under the Supplier Agreement has occurred, (ii) Macquarie Energy has been paid in full for all amounts owing under all then outstanding monthly invoices, (iii)

Macquarie Energy has not received notice that any amount owed to any party is then currently past due, and (iv) the requested distribution would not result in a breach of any covenant under the Supplier Agreement. For a detailed description of the Supplier Agreement, refer to the discussion under the heading *"Principal Agreement with Macquarie Energy"* in the Trust's Annual Information Form for the year ended December 31, 2014, which is available on www.sedar.com under the Trust's issuer profile and on the Trust's website at www.criusenergytrust.ca.

As at March 31, 2015 and 2014, the Trust has no long-term debt and no amounts outstanding under its credit facility.

On April 1, 2015, in conjunction with the closing the of the TriEagle Energy acquisition, the Company expanded its credit facility with Macquarie Energy. Key changes to the credit facility include: an increased overall exposure limit from $150.0 million to $250.0 million; a reduced fee structure through adjustments to the volumetric fee and elimination of certain other fees; improved flexibility to procure energy from market counterparties; and an increased ability to enter into fixed price products for a term up to 60 months. The working capital sub-limit and the base interest rate of LIBOR plus 5.5% remained unchanged.

Cash and Availability

As of March 31, 2015, the Trust had total cash and availability of $48.2 million consisting of cash and cash equivalents of $13.1 million and $35.1 million of availability under the credit facility. This compares to the total cash and availability as at December 31, 2014 of $46.3 million, consisting of cash and cash equivalents of $14.3 million and $32.0 million of availability under the credit facility.

Cash Flow from Operations

Cash flow from operations for the three month period ended March 31, 2015 amounted to $7.3 million and included net outflows of $4.9 million for changes in operating assets and liabilities, which compared to cash flow from operations for the three month period ended March 31, 2014 of $(2.3) million and included net inflows of $0.7 million for changes in operating assets and liabilities. Excluding these changes in operating assets and liabilities, cash flow from operations was $12.2 million for the three month period ended March 31, 2015, compared to $(3.0) million for the three month period ended March 31, 2014.

Changes in operating assets and liabilities primarily arise due to the time lag associated with the cash conversion cycle or the period between the time the Company pays for wholesale energy and the time it receives payments from our customers for the energy sold, which is also impacted by the business' growth and seasonality. The credit facility in place with Macquarie Energy is a borrowing base facility and, as such, provides access to cash that is needed to fund changes in operating assets and liabilities associated with the build-up of customer accounts receivables and trade payables.

Working Capital

As of March 31, 2015, the Trust had an adjusted working capital balance, defined as current assets less current liabilities, excluding unrealized gains and losses on derivatives, of $11.6 million (December 31, 2014 — $7.9 million). The increase of $3.7 million was primarily attributable to the amount by which Distributable Cash exceeded total distributions in the first quarter of 2015. Refer to the discussion in the *"Distributable Cash and Distributions"* section in this MD&A. The table below shows a reconciliation of adjusted working capital to the Trust's consolidated balance sheet as prepared under IFRS:

Adjusted working capital
(in millions)

	As at March 31, 2015	**As at December 31, 2014**
Current assets	$100.8	$104.6
Current liabilities	124.7	132.6
Working capital	**$(23.9)**	**$(28.0)**
Adjusted for the impact of:		
Other current financial assets	(0.4)	(2.1)
Other current financial liabilities	35.9	38.0
Adjusted working capital	**$11.6**	**$7.9**

Distributable Cash and Distributions

Distributable Cash for the three month period ended March 31, 2015 was $8.6 million and total distributions paid for the quarter were $4.8 million, which represented a payout ratio of 55.4% of Distributable Cash. This compares to Distributable Cash of $(5.3) million and total distributions of $7.9 million for the quarter ending March 31, 2014.

The following table provides a reconciliation of Cash flows provided by operating activities to Distributable Cash and shows the payout ratio of total distributions as a percentage of Distributable Cash.

Distributable Cash and Payout Ratio (unaudited)
(in millions)

	Quarter ended March 31, 2015	Quarter ended March 31, 2014
Cash flows from operating activities	$7.3	$(2.3)
Changes in operating assets and liabilities	4.9	(0.7)
Cash flows from operating activities excluding changes in operating assets and liabilities	**12.2**	**(3.0)**
Finance costs - included in financing activities	(1.7)	(2.1)
Maintenance capital expenditures[(1)]	(1.9)	(0.2)
Distributable Cash	**$8.6**	**$(5.3)**
Distributions to non-controlling interest	3.4	5.8
Distributions to Unitholders	1.4	2.1
Total distributions	**$4.8**	7.9
Payout Ratio	**55.4%**	**NA**

(1) Maintenance capital expenditures consisted of Cash flows used in investing activities from the Consolidated Statement of Cash Flows, adjusted to exclude cash flows used in investing activities relating to acquisitions.

Contractual Obligations

In the normal course of business, the Company is obligated to make future payments under various non-cancellable contracts and other commitments. As at March 31, 2015, the payments due by period are set out in the following table:

Contractual Obligations
(in millions)

	Carrying amount	Contractual cash flow	Less than 1 year	1 to 5 years	More than 5 years
Trade and other payables	$87.5	$87.4	$87.4	$—	$—
Operating leases	—	1.1	0.8	0.3	—
Financing leases	0.8	0.9	0.3	0.6	—
Distribution payable	0.4	0.4	0.4	—	—
Other long-term liabilities	0.5	0.4	—	0.4	—
	$89.2	**$90.2**	**$88.9**	**$1.3**	**$—**

Outstanding Unit Data

At the date of this MD&A, the Trust had 9,960,151 Units outstanding and 750,000 Warrants outstanding, which were issued to Macquarie Energy in February 2014. The Warrants have a strike price of C$6.23 per unit and a five-year term.

During the period commencing April 11, 2014 and ending April 10, 2015, the Trust was authorized pursuant to a normal course issuer bid to purchase through the facilities of the TSX, in accordance with its rules or alternative Canadian trading platforms, a maximum of 500,746 Units representing approximately 5.0% of the public float (as defined by the rules and guidelines of the TSX) as of April 7, 2014. The price for any such Unit purchases was the prevailing market price at the time of such purchases. The Trust did not purchase any Units in the three months ending March 31, 2015. In the year ended December 31, 2014, the Trust repurchased 94,193 Units for cancellation at an aggregate cost of $0.4 million.

Financial Instruments and Risk Management

Overview

The Trust's operations are affected by a number of underlying risks, both internal and external to the Trust. The Trust's financial position, results of operations and cash distributions are directly impacted by these factors. A full listing of the operational and business risks is set out in the Trust's Annual Information Form for the year ended December 31, 2014, which is available on www.sedar.com under the Trust's issuer profile and on the Trust's website at www.criusenergytrust.ca. The Trust's activities expose it to a variety of financial risks that arise as a result of its operating, investing, and financing activities, including:

- market risk, including commodity risk, interest rate risk and foreign currency risk;
- credit risk, including customer credit risk and counterparty credit risk;
- liquidity risk; and
- supplier risk.

This part of the MD&A sets out information about the Trust's exposure to each of the above-noted risks, the Trust's objectives, policies and processes for measuring and managing such risks, and the Trust's management of capital. Further quantitative disclosures are included throughout the Trust's audited consolidated financial statements.

Market Risk

Market risk is the potential loss that may be incurred as a result of changes in the market or fair value of a particular instrument or commodity. Components of market risk to which the Trust is exposed are discussed below.

Commodity risk

The Company has entered into contracts with customers to provide electricity or natural gas at variable or fixed prices. Fixed-price contracts expose the Company to changes in market prices of electricity and natural gas, as the Company is obligated to purchase electricity and natural gas at floating wholesale market prices for delivery to its customers. The Trust is, therefore, exposed to market risks associated with commodity prices and market volatility where estimated customer requirements do not match actual customer requirements. Management actively monitors these positions on a daily basis in accordance with the Company's risk management policy (the "**Risk Management Policy**"). This Risk Management Policy prohibits speculative positions and sets out a variety of hedging limits, most importantly a target of maintaining a 100% hedged position, within certain tolerance bands, at all times for fixed-price contracts exposure in our electricity and natural gas portfolios. The Trust's exposure to market risk is affected by a number of factors, including the accuracy of estimation of customer commodity requirements, commodity prices, and market volatility and liquidity.

Electricity and natural gas derivatives

To reduce its exposure to short-term and long-term movements in commodity prices, arising from the procurement of electricity and natural gas at floating prices, the Company uses derivative instruments. These derivative instruments are principally physical forward contracts and fixed-for-floating swaps, whereby the Company agrees with a counterparty, through the Supplier Agreement, to take physical delivery or cash settle the difference between the floating price and the fixed price on a notional quantity of electricity or natural gas, for a specified timeframe at a specified location. The cash flow from these instruments is expected to be effective in offsetting the Company's price exposure and serves to fix the Company's wholesale cost of electricity or natural gas to be delivered to the customer. The Company remains subject to commodity risk for any volumetric differences between the actual quantities used by customers and the forecasted quantities upon which the commodity hedging instruments are based.

Realized swap settlements under derivative instruments are included in cost of sales in the consolidated statement of comprehensive loss. Unrealized gains or losses resulting from changes in the fair value of the derivative instruments, generally referred to as mark-to-market gains or losses, have been recognized as the change in fair value on derivative instruments in the consolidated statement of comprehensive loss.

The fair value of derivative financial instruments is the estimated amount that the Company would pay or receive to dispose of these derivative instruments in the market in the unlikely event that the Company was required to dispose of its derivative instruments. The Company has estimated the value of its derivative instruments using market-based, forward wholesale price curves wherever available.

As at March 31, 2015, the Company had electricity and natural gas derivative instruments outstanding with the following terms:

	Notional Volume	Total Remaining Volume	Maturity Date	Fixed Price ($)	Fair Value ($)	Notional Value ($)
Fixed-for-floating electricity swaps..................	(15) – 30 MW	2,987,275 MWh	1 –32 months	$28.83 to $79.50	$(34.4)	$166.3
Fixed-for-floating electricity basis swaps..........	(25) – 25 MW	— MWh	1–9 months	$34.25 to $52.85	$(0.2)	$0.5
Fixed-for-floating natural gas swaps	123 – 31,000 MMBtu	2,018,800 MMBtu	1–33 months	$2.74 to $4.47	$(1.4)	$7.5
Physical natural gas forward contracts	(34) – 4,711 MMBtu	457,236 MMBtu	1 month	$1.18 to $3.06	$0.1	$0.9
Fixed-for-floating natural gas basis swaps	2,275 MMBtu	68,250 MMBtu	1 month	$(0.82)	$—	$(0.1)
Electricity financial transmission rights	0.1 – 9.1 MW	84,229 MWh	1 month	$(3.38) to $5.71	$—	$(0.1)
Electricity transmission congestion contracts....	1 – 2 MW	15,120 MWh	1 month	$(0.99) to $0.12	$—	$—

The fair value of electricity and natural gas financial instruments is significantly influenced by the variability of forward commodity prices. Periodic changes in forward prices could cause significant changes in the mark-to-market valuation of these financial instruments. For example, assuming that all other variables remain constant, a market move of +/-10% would result in an increase / (decrease) in net loss and comprehensive loss of $13.9 million in the consolidated statements of comprehensive loss, but would not impact Adjusted EBITDA or Distributable Cash.

Interest rate risk

The Trust is exposed to interest rate risk on certain advances within the Supplier Agreement. As at March 31, 2015, the Trust has letters of credit outstanding of $9.5 million under the Supplier Agreement and, therefore, is exposed to interest rate risk. The Trust's current exposure to interest rate risk does not economically warrant the use of derivative instruments, and the Trust does not currently believe that it is exposed to material interest rate risk. In the three month period ended March 31, 2015, the impact of a 1.0% increase (decrease) in the interest rate on these balances would not have had a material impact on Finance costs in the interim condensed consolidated statements of comprehensive loss.

Foreign currency risk

The Trust is exposed to currency rate risk because the Company's business operations are conducted in United States dollars; however, the Trust's distributions and Units are denominated in Canadian dollars.

Currency derivatives

The Trust's policy is to mitigate its exposure to currency rate movements by entering into currency derivative products including foreign currency options whereby the Company agrees with a counterparty to have the right to swap the floating price and the fixed price on a notional quantity of currency at or over a specified timeframe. The Trust maintains a rolling hedging program for this foreign currency exposure of at least 12 forward months that is extended on a quarterly basis and, as at March 31, 2015, was hedged to C$1.28 per US$1.00, based on its current monthly distribution payout rate of C$0.70 per Unit to December 31, 2016.

Realized settlements under derivative instruments are included in the relevant section of the interim condensed consolidated statement of comprehensive loss or interim condensed consolidated balance sheet. Unrealized gains or losses resulting from changes in the fair value of the derivatives, generally referred to as mark-to-market gains or losses, have been recognized as the change in fair value on derivative instruments in the interim condensed consolidated statement of comprehensive loss.

The fair value of derivative financial instruments is the estimated amount that the Company would pay or receive to dispose of these derivative instruments in the market in the unlikely event that the Company was required to dispose of its derivative instruments. The Company has estimated the value of derivative instruments using market-based prices and option valuation methods.

As at March 31, 2015, the Company had foreign currency derivatives outstanding with the following terms:

	Notional Value	Total Remaining Volume	Maturity Date	Fixed Price	Fair Value
March 31, 2015					
Foreign currency options	US$9.5 C$12.2	US$9.5 C$12.2	1–21 months	C$1.28 per US$1.00	US$0.4

Period to period changes in forward currency prices could cause significant changes in the mark-to-market valuation of these hedge contracts. For example, assuming that all other variables remain constant, a market move of +/-10% would result in increase / (decrease) in net loss and comprehensive loss of $(0.3) million and $0.7 million, respectively, in the interim condensed consolidated statements of comprehensive loss, but would not impact Adjusted EBITDA.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Trust is exposed to credit risk in two specific areas: customer credit risk and counterparty credit risk.

Customer credit risk

In the majority of markets in which the Company serves electricity and natural gas customers, LDCs provide collection services and assume the risk of any bad debts owing from the Company's customers for a fee, which is referred to as a POR fee. Management believes that the risk of the LDCs failing to deliver payment to the Company is minimal; however, there is no assurance that the LDCs that provide these services will continue to do so in the future.

In the other markets in which the Company operates, the Company is exposed to customer credit risk. As a result, credit review and other processes have been implemented to perform credit evaluations of customers and manage customer defaults. Customer credit risk exposure represents the risk related to the Company's accounts receivable from certain markets. If a significant number of customers in these markets were to default on their payments, it could have an adverse effect on the operations and cash flows of the Company.

As at March 31, 2015, the customer credit risk exposure was in the amount of $3.1 million (December 31, 2014 — $3.3 million) and the accounts receivable aging for these markets are as follows:

	Total	Current	30-59 days	Over 60 days
Accounts receivable	$3.1	$2.0	$0.6	$0.5

The Company receives revenues from a third party for the marketing of solar products. Management believes that the risk of this party failing to deliver payment to the Company for the associated receivables is minimal.

Counterparty credit risk

Counterparty credit risk represents the loss that the Trust would incur if a counterparty fails to perform its contractual obligations. This risk would manifest itself in the Trust replacing the contracted commodities or currencies at prevailing market rates, thus impacting the related financial results. Counterparty risk is limited to Macquarie Energy for all wholesale energy supply positions and other counterparties for currency and other derivatives. The failure of a counterparty to meet its contracted obligations could have a material adverse effect on the operations and cash flows of the Trust.

The maximum counterparty credit risk exposure amounted to $0.4 million as at March 31, 2015 (December 31, 2014 — $2.1 million) representing the risk relating to the Company's derivative financial assets.

Liquidity risk

Liquidity risk is the potential inability to meet financial obligations as they fall due. The Trust manages this risk by monitoring near-term and long-term cash flow forecasts to ensure adequate and efficient use of cash resources and credit facilities.

The table in the *"Contractual Obligations"* section of this MD&A outlines the contractual maturities of the Trust's financial liabilities as at March 31, 2015.

Supplier risk

The Company purchases the energy it delivers to its customers through contracts entered into with Macquarie Energy. This exposes the Company to supplier risk, as its ability to continue to deliver energy to its customers depends upon the ongoing operations of this supplier and its fulfillment of its contractual obligations.

Off-Balance Sheet Arrangements

Pursuant to the Supplier Agreement, the Company has issued letters of credit totaling $9.5 million (December 31, 2014 – $7.6 million) to various counterparties, principally LDCs.

Pursuant to separate arrangements with International Fidelity Insurance Corporation and ACE American Insurance Company, the Company has issued surety bonds to various counterparties, including states, regulatory bodies and LDCs in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required in order to operate in certain states or markets. Surety bonds issued as at March 31, 2015 totaled $10.2 million (December 31, 2014 – $8.6 million).

Transactions Between Related Parties

Certain transactions between the Trust and its subsidiaries meet the definition of related party transactions, including intercompany notes and administrative service fees between the Trust and its subsidiaries. These transactions are eliminated on consolidation and are not disclosed in these consolidated financial statements.

The Company is a party to the Supplier Agreement with Macquarie Energy, which is related to Macquarie Americas Corp., a unitholder in the Company. Both Macquarie entities are part of the same group. As at March 31, 2015, Macquarie Energy had extended trade credit to the Company totaling $32.7 million (December 31, 2014 — $36.0 million) under the Supplier Agreement. As at March 31, 2015, there were letters of credit issued totaling $9.5 million (December 31, 2014 — $7.6 million), and no cash advances drawn under the working capital facility. During the three month period ended March 31, 2015, energy purchases totaled $118.4 million (March 31, 2014 — $147.9 million) and interest expenses under the Supplier Agreement totaled $1.6 million (March 31, 2014 — $1.7 million). As at March 31, 2015, the aggregate availability under the credit facility was $35.1 million (December 31, 2014 — $32.0 million).

During the year ended December 31, 2014, the Trust made certain tax payments on behalf of the non-controlling interest holders, which are treated as advances of future distributions. The balance as at March 31, 2015 was $1.6 million (December 31, 2014 — $2.1 million) and is included in Other current assets in the interim condensed consolidated statements of financial position. This amount is being repaid through future distribution disbursement and is expected to be fully recouped during 2015. Due to the short-term nature for the repayment of these advances, there is no interest being charged.

All related party transactions are in the normal course of operations and have been measured at the agreed to exchange amounts, which are the amounts of consideration established and agreed to by the related parties.

Proposed Transactions

In April 2015, the Company acquired 100% of the partnership interest in TriEagle, a Houston based energy retailer, for a preliminary purchase price of approximately $19.1 million. The acquisition added approximately 200,000 additional customers in Texas, Pennsylvania and New Jersey. The acquisition was funded by cash and availability under the Company's credit facility with Macquarie Energy. The purchase price included $15.9 million in cash and $3.2 million in PURs, which are to be settled in cash based on future trading prices of Units on the TSX on the first and second anniversary date of the closing. This transaction is subject to a customary working capital adjustment. The Trust will account for this transaction as a business combination, which will be reflected in its interim condensed consolidated financial statements for the three month period ended June 30, 2015.

The foregoing summary of the transaction is qualified in its entirety by the full text of the Purchase Agreement, a copy of which is available on SEDAR at www.sedar.com under the Trust's issuer profile.

Critical Accounting Estimates

The preparation of the consolidated financial statements requires the use of judgments, estimates and assumptions to be made in applying accounting policies that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities, at the date of the consolidated financial statements, and the reported income and expenses during the reporting period.

Judgment is commonly used in determining whether a balance or transaction should be recognized in the consolidated financial statements and estimates and assumptions are more commonly used in determining the measurement of recognized transactions and balances. However, judgment and estimates are often interrelated. As the basis for its judgments, Management uses estimates and related assumptions, which are based on previous experience and various commercial, economic and other factors that are considered reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Actual outcomes may differ from these estimates under different assumptions and conditions.

Judgments, made by Management in the application of IFRS that have a significant impact on the consolidated financial statements relate to the following:

Revenue recognition

Accounts receivable includes an unbilled receivables component, representing the amount of energy consumed by customers as at the end of the period but not yet billed. Unbilled receivables are estimated by the Trust using usage data available, multiplied by the current customer average sales price per unit.

Solar revenues are recognized net of expected cancellations, which are estimated based on Management's judgment of historical cancellation rates.

Allowance for doubtful accounts

The Trust reviews its accounts receivables at each reporting date to assess whether an allowance needs to be provided to reflect estimated amounts that will not be collected from customers. In particular, judgment by Management is required in the estimation of the amount and timing of collectability of accounts receivable, based on financial conditions, the aging of the receivables, customer and industry concentrations, the current business environment and historical experience.

Fair value of financial instruments

Determining the fair value of financial instruments requires judgment and is based on market prices or Management's best estimates if there is no market and/or if the market is illiquid. Where the fair value of financial instruments recorded cannot be derived from active markets, they are determined using valuation techniques including making internally generated adjustments to quoted prices in observable markets. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility of the underlying commodity price. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

In assessing the recoverable amount of intangible assets or non-financial assets for potential impairment, the Trust evaluates value in use and fair value less costs of disposal. In doing so, assumptions are made regarding the market capitalization of the Trust, recent market transactions or other market indicators, future cash flows, including the discount rate to be used to calculate the present value of those cash flows. These calculations require the use of estimates. If these estimates change in the future, the Trust may be required to record impairment charges related to intangible assets or other non-financial assets.

Deferred taxes

Significant Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable income realized, including the usage of tax-planning strategies.

Useful life of property and equipment and intangible assets

The amortization method and useful lives reflect the pattern in which Management expects the asset's future economic benefits to be consumed by the Trust, including customer attrition rates.

Acquisition accounting

Management uses judgment to determine whether an acquisition qualifies as an asset acquisition or a business combination by reviewing inputs, processes, and outputs within a transaction. All identifiable assets, liabilities and contingent liabilities acquired in an asset acquisition or business combination are recognized at fair value on the date of acquisition. Estimates are used to calculate the fair value of these assets and liabilities as at the date of acquisition.

Classification of Units as equity

Units give the holder the right to put the Units back to the Trust in exchange for cash. IAS 32 *Financial Instruments: Presentation* establishes the general principle that an instrument which gives the holder the right to put the instrument back to the issuer for cash should be classified as a financial liability, unless such instrument has all of the features and meets the conditions of the IAS 32 "puttable instrument exemption". If these "puttable instrument exemption" criteria are met, the instrument is classified as equity. The Trust has examined the terms and conditions of its Trust Indenture and classifies its outstanding Units as equity because the Units meet the "puttable instrument exemption" criteria as there is no contractual obligation to distribute cash.

Consolidation of entities in which the Trust has less than majority of ownership interest

The Trust has determined that it controls the operating subsidiaries through its indirect wholly owned subsidiary, Crius Energy Corporation, notwithstanding that its ownership interest is less than 50% of the voting interest. The factors the Trust considered in this determination include the relative size and dispersion of holdings by other shareholders, the Trust's right to a majority of Board Members and the sharing of key management positions between the entities.

New Standards and Accounting Policies Adopted

These interim condensed consolidated financial statements have been prepared following the same accounting policies as the financial statements for the year ended December 31, 2014, with the exception of the following new standards:

Amendments to IAS 19 Defined Benefit Plans: *Employee Contributions* requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. IAS 19 requires such contributions that are linked to service to be attributed to periods of service as a negative benefit. These amendments had no impact on the Trust's interim condensed consolidated financial statements.

Two new annual improvements including Annual Improvements to IFRS 2010 – 2012 Cycle and Annual Improvements 2011 – 2013 Cycle included amendments effective immediately and, thus, were effective for periods beginning January 1, 2015; however, they did not have an impact on the interim condensed consolidated financial statements of the Trust.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

Internal control over financial reporting ("**ICFR**") is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and of the preparation of financial statements for external purposes in accordance with IFRS. Management, including the Chief Executive Officer and the Chief Financial Officer, are responsible for establishing and maintaining adequate ICFR, as such term is defined in National Instrument 52-109, to provide reasonable, but not absolute, assurance regarding the reliability of the Trust's financial reporting and designing disclosure controls and procedures to provide reasonable assurance that information required to be disclosed by the Trust in its corporate filings has been recorded, processed, summarized and reported within the time periods specified by securities legislation.

A material weakness in ICFR exists if a deficiency is such that there is reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis. Because of its inherent limitations, ICFR may not prevent or detect misstatements. Also, projections or any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, the Trust's disclosure controls and procedures, and its ICFR are designed to provide reasonable, not absolute, assurance that the objectives of its control systems have been met.

As of December 31, 2014, the Trust assessed the effectiveness of its ICFR using the criteria set forth in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**"), and concluded that it was effective as at that date.

The Trust initially designed its internal control structure under the COSO 1992 Framework and will be transitioning to the COSO 2013 Framework in 2015 by mapping its ICFR control set to the principles under the new COSO 2013 Framework to identify any potential gaps that may exist and highlight where there are opportunities to further enhance our control structure. The Trust will then implement the required design changes to position us to test them as part of our 2015 ICFR testing program.

Limitation on Scope of Design

The CEO and CFO have limited the scope of design of disclosure controls and procedures and internal control over financial reporting to exclude controls, policies and procedures of TriEagle Energy, which was acquired on April 1, 2015. This scope limitation is in accordance with section 3.3(1)(b) of NI 52-109, which allows for an issuer to limit the design of disclosure controls and procedures and internal control over financial reporting for a business that the issuer acquired not more than 365 days before the last day of the period covered by this MD&A.

Changes to Internal Control over Financial Reporting

National Instrument 52-109 also requires public companies in Canada to disclose in their MD&A any change in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. There were no changes in ICFR during the quarter ended March 31, 2015 that materially affected, or are reasonably likely to materially affect, the Trust's ICFR.

Non-IFRS Financial Measures

Statements throughout this MD&A make reference to EBITDA, Adjusted EBITDA, Distributable Cash and payout ratio, which are non-IFRS financial measures commonly used by financial analysts in evaluating the financial performance of companies, including companies in the energy industry. Accordingly, Management believes EBITDA, Adjusted EBITDA, Distributable Cash and payout ratio may be useful metrics for evaluating the Trust's financial performance as they are measures that Management uses internally to assess performance, in addition to IFRS measures. As there is no generally accepted method of calculating EBITDA, Adjusted EBITDA, Distributable Cash and payout ratio, these terms as used herein are not necessarily comparable to similarly titled measures of other companies. EBITDA, Adjusted EBITDA, Distributable Cash and payout ratio have limitations as analytical tools and should not be considered in isolation from, or as an alternative to, net (loss) income or other data prepared in accordance with IFRS. EBITDA is calculated as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA adjusted to exclude any change in the fair value of derivative instruments, change in fair value of non-controlling interest, change in fair value of warrant liability, unit based compensation, goodwill impairment and distributions to non-controlling interest. The items excluded from EBITDA and Adjusted EBITDA are significant in assessing the Trust's operating results and liquidity. See the *"Reconciliation of Net Loss and Comprehensive Loss to EBITDA and Adjusted EBITDA"* section of this MD&A for a reconciliation of EBITDA and Adjusted EBITDA to net loss and comprehensive loss as calculated under IFRS for the relevant periods, the most directly comparable measure in the Trust's consolidated financial statements. See the *"Distributable Cash and Payout Ratio"* section of this MD&A for a reconciliation of Distributable Cash to cash flows provided by (used in) operating activities as calculated under IFRS, the most directly comparable measure in the Trust's consolidated financial statements. Other financial data has been prepared in accordance with IFRS.

Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") that involve substantial known and unknown risks and uncertainties, most of which are beyond the control of the Trust, including, without limitation, those listed under the *"Risk Factors"* and *"Forward-Looking Statements"* headings in the Annual Information Form of the Trust for the year ended December 31, 2014, which is available on www.sedar.com under the Trust's issuer profile and on the Trust's website at www.criusenergytrust.ca. A statement may be considered a forward-looking statement when it uses what the Trust knows or expects today to make a statement about the future. Forward-looking statements may be identified by words such as anticipate, assume, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, seek, should, strive, target, will or other similar expressions. Statements that are not historical facts may be considered forward-looking statements and may involve estimates, assumptions and uncertainties, which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. Forward-looking statements in this MD&A include, without limitation, statements pertaining to EBITDA, Adjusted EBITDA, Distributable Cash, payout ratio, treatment under governmental regulatory regimes (including statements pertaining to the Trust's objectives and status as a mutual fund trust and not a SIFT trust), hedging strategies, risk management, market risk, credit risk, off-balance sheet arrangements, transactions between related parties, liquidity and capital resources, critical accounting estimates, ICFR, derivative instruments, potential transactions, results of operations, financial position or cash flows, customer revenues and margins, customer additions and renewals, customer attrition, customer consumption levels, expenses and distributions to Unitholders. Investors are cautioned that important factors could cause the Trust's actual results to differ materially from those contained in forward-looking statements. No assurance can be given that the expectations set-forth in this MD&A will ultimately prove to be accurate and, accordingly, such forward-looking statements should not be unduly relied upon. It is not possible for Management to predict new factors that may emerge from time to time, or to assess in advance the impact of each such factor on the Trust's business, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in forward-looking statements. These forward-looking statements are given only as of the date of this MD&A and the Trust does not assume any obligation to update or revise any forward-looking statement to reflect new events or circumstances, except as may be expressly required by applicable securities laws.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

AS AT AND FOR THE THREE MONTHS ENDED
MARCH 31, 2015

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2015

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CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2015 AND DECEMBER 31, 2014

(in thousands of U.S. dollars)

	Notes	As at March 31, 2015	As at December 31, 2014
ASSETS		(unaudited)	
Current			
Cash and cash equivalents		$13,089	$14,268
Collateral deposits		1,094	1,008
Accounts receivable		82,588	80,166
Inventory		248	1,141
Income tax receivable		268	2,392
Other current financial assets	7	367	2,067
Other current assets		3,128	3,550
		100,782	**104,592**
Non-current			
Property and equipment		1,983	1,927
Intangible assets	12	42,782	51,069
Deferred tax assets		3,440	1,982
Goodwill	6	103,745	103,745
Other non-current assets		2	7
		$252,734	**$263,322**
LIABILITIES AND UNITHOLDERS' EQUITY (DEFICIT)			
Current			
Trade and other payables		$87,824	$93,667
Income tax payable		185	–
Distribution payable	9	454	489
Unit-based compensation	7,13	387	–
Other current financial liabilities	7	35,865	38,049
Other current liabilities		–	390
		124,715	**132,595**
Non-current			
Contingent consideration liability	7,16	108	260
Warrant liability	7	1,005	470
Unit-based compensation	7,13	1,879	1,510
Non-controlling interest	7	145,422	115,570
Other non-current liabilities		1,041	1,186
		274,170	**251,591**
Unitholders' (Deficit) Equity			
Trust capital		90,058	90,058
Accumulated deficit		(92,549)	(60,840)
Accumulated distributions		(18,945)	(17,487)
Total Unitholders' (Deficit) Equity		**(21,436)**	**11,731**
		$252,734	**$263,322**
Commitments and contingencies	16		

See accompanying notes to the interim condensed consolidated financial statements.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014

(in thousands of U.S. dollars)
(Unaudited)

	Notes	For the three months ended March 31, 2015	For the three months ended March 31, 2014
Revenue		$168,310	$177,629
Cost of sales		128,053	158,558
Gross margin		40,257	19,071
Expenses			
Selling expenses		9,945	9,311
General and administrative expenses		15,863	14,066
Unit-based compensation	13	756	(12)
Depreciation and amortization		10,112	9,504
Operating income (loss)		3,581	(13,798)
Other (expenses) income			
Finance costs		(1,787)	(1,970)
Goodwill impairment	6	–	(77,121)
Distributions to non-controlling interest		(3,907)	(5,240)
Change in fair value of derivative instruments	7	1,647	(29,042)
Change in fair value of warrants		(535)	301
Change in fair value of non-controlling interest	7	(29,852)	58,899
Loss before income taxes		(30,853)	(67,971)
Provision for (benefit from) income taxes	8	856	(12,950)
Net loss and total comprehensive loss		**$(31,709)**	**$(55,021)**

See accompanying notes to the interim condensed consolidated financial statements.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014

(in thousands of U.S. dollars, except unit amounts)
(Unaudited)

	Notes	Number of Trust Units	Trust Capital	Accumulated Earnings (Deficit)	Accumulated Distributions	Total Equity (Deficit)
Balance at December 31, 2013		10,014,924	$90,402	$51,430	$(10,977)	$130,855
Distribution to unitholders	9	—	—	—	(1,812)	(1,812)
Net loss and total comprehensive loss		—	—	(55,021)	—	(55,021)
Balance at March 31, 2014		**10,014,924**	**$90,402**	**$(3,591)**	**$(12,789)**	**$74,022**

	Notes	Number of Trust Units	Trust Capital	Accumulated Deficit	Accumulated Distributions	Total Equity (Deficit)
Balance at December 31, 2014		9,940,021	$90,058	$(60,840)	$(17,487)	$11,731
Distribution to unitholders	9	—	—	—	(1,458)	(1,458)
Net loss and total comprehensive loss		—	—	(31,709)	—	(31,709)
Balance at March 31, 2015		**9,940,021**	**$90,058**	**$(92,549)**	**$(18,945)**	**$(21,436)**

See accompanying notes to the interim condensed consolidated financial statements.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014

(in thousands of U.S. dollars)
(Unaudited)

	Notes	For the three months ended March 31, 2015	For the three months ended March 31, 2014
Net inflow (outflow) of cash related to the following activities:			
Operating Activities			
Net loss and total comprehensive loss		$(31,709)	$(55,021)
Add net income items related to financing activities:			
Finance costs		1,787	1,970
Distributions to non-controlling interest		3,907	5,240
Add (deduct) items not affecting cash			
Depreciation of property and equipment		243	229
Goodwill impairment	6	—	77,121
Amortization of intangible assets	12	9,869	9,275
Change in fair value of contingent consideration liability	7	(152)	—
Change in fair value of derivative instruments	7	(1,647)	29,042
Change in fair value of non-controlling interest	7	29,852	(58,899)
Change in fair value of warrant liability	7	535	(301)
Unit-based compensation	13	756	(12)
Bad debt expense	7	313	1,371
Non-cash interest		(69)	(69)
Provision for income taxes	8	(1,458)	(12,950)
		12,227	(3,004)
Net change in operating assets and liabilities	11	(4,952)	726
		7,275	(2,278)
Investing Activities			
Purchase of intangible assets	12	(1,186)	(192)
Development expenditures	12	(396)	—
Purchase of property and equipment		(299)	(37)
		(1,881)	(229)
Financing Activities			
Credit facility advances	5	—	18,572
Credit facility repayments	5	—	(6,000)
Repayment of finance leases		(71)	(67)
Finance costs		(1,724)	(2,135)
Distributions to non-controlling interest		(3,403)	(5,816)
Distributions to unitholders		(1,375)	(2,054)
		(6,573)	2,500
Net cash outflow		(1,179)	(7)
Cash and cash equivalents, beginning of period		14,268	15,343
Cash and cash equivalents, end of period		**$13,089**	**$15,336**

See accompanying notes to the interim condensed consolidated financial statements

1. NATURE AND ORGANIZATION

Crius Energy Trust (the "**Trust**") is an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario on September 7, 2012. The Trust was established to provide investors with a distribution producing investment through its acquisition (the "**Acquisition**") of an approximate 26.8% ownership interest in Crius Energy, LLC (the "**Company**"), a Delaware limited liability company, by its indirect wholly-owned subsidiary, Crius Energy Corporation.

The Trust is administered by Crius Energy Administrator (the "**Administrator**"), pursuant to the Administration Agreement dated September 7, 2012 between Computershare Trust Company, as Trustee of the Trust, and the Administrator. The Board of Directors of the Administrator therefore performs the majority of the oversight and governance role for the Trust. The Trust is domiciled at: 3400, One First Canadian Place, P.O. Box 130, 100 King Street West, Toronto, Ontario, Canada M5X 1A4.

The following is a summary of the entities directly or indirectly wholly-owned by the Trust:

- Crius Energy Holdings Inc. was incorporated under the *Business Corporations Act* (Ontario) on October 23, 2012. The Trust is the sole shareholder of Crius Energy Holdings Inc. Crius Energy Holdings Inc. was incorporated for the purpose of forming, acquiring and holding all of the issued and outstanding shares in Crius Energy Corporation.

- Crius Energy Corporation was incorporated under the Delaware General Corporation Law on October 26, 2012. Crius Energy Corporation was incorporated for the purpose of acquiring a controlling 26.8% interest in the Company.

- Crius Energy Commercial Trust was established as an unincorporated open-ended limited purpose trust under the laws of the Province of Ontario on November 7, 2012. Crius Energy Commercial Trust was established for the purpose of acquiring and holding the debt of the Trust's other subsidiary, Crius Energy Corporation.

The following are the subsidiaries that the Trust, through its indirect wholly-owned subsidiary Crius Energy Corporation, holds a 26.8% ownership interest in the Company and its subsidiaries: Cincinnati Bell Energy, LLC; Citra, LLC; Crius Energy Management, LLC; Everyday Energy, LLC; FairPoint Energy, LLC; Public Power Energy, LLC; Public Power, LLC (a Connecticut limited liability company); Public Power, LLC (a Pennsylvania limited liability company); Public Power & Utility, Inc.; Public Power & Utility of Maryland, LLC, Public Power & Utility of New Jersey, LLC; Public Power & Utility of NY, Inc.; Regional Energy Holdings, Inc.; Viridian Energy, LLC; Viridian Energy NY, LLC; Viridian Energy PA, LLC; and Viridian Network, LLC.

2. OPERATIONS

The Company's business primarily involves the sale of electricity and natural gas to residential and commercial customers under variable price and fixed price contracts. The Company, through its subsidiaries, principally markets electricity and natural gas, and derives its gross margin from the difference between the price at which it sells the commodities to its customers and the price at which it purchases the associated volumes from its supplier. The Company, through its subsidiaries, markets solar products to its existing customers as well as to new prospects.

Through its licensed operating subsidiaries, the Company (i) provides retail electricity to its customers in the Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, New

Hampshire, New Jersey, New York, Ohio, Pennsylvania, and Rhode Island markets; (ii) provides retail natural gas to its customers in the California, District of Columbia, Illinois, Indiana, Maryland, New Jersey, New York, Ohio, Pennsylvania and Virginia markets; and (iii) markets solar energy products in the Arizona, California, Connecticut, Delaware, District of Columbia, Hawaii, Maryland, Massachusetts, Nevada, New Jersey, New York , Oregon, Pennsylvania and Washington markets.

3. BASIS OF PRESENTATION

Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") applicable to the preparation of interim financial statements, including International Accounting Standard ("**IAS**") 34 "*Interim Financial Reporting Standards*". Accordingly, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("**IASB**"), have been omitted or condensed. These interim condensed consolidated financial statements should be read in conjunction with the Trust's annual financial statements for the year ended December 31, 2014**.**

Basis of presentation and interim reporting

The Trust's operations are seasonal and, therefore, the interim operating results are not necessarily indicative of the results that may be expected for the year ending December 31, 2015. Electricity consumption is typically highest during the summer months of July and August due to cooling demand and the winter months of January and February due to heating demand. Natural gas consumption is typically highest during the months of November through March due to heating demand. The impact of seasonality on customer usage is one of the many factors impacting revenues, which are also affected by retail rates charged to customers, customer growth and customer attrition.

The interim condensed consolidated financial statements are presented in U.S. dollars, the functional currency of the Trust and all subsidiaries, and all values are rounded to the nearest thousands. The interim condensed consolidated financial statements are prepared on a going concern basis under the historical cost convention except for certain financial assets and liabilities which are stated at fair value.

Accounting policies and new standards adopted

These interim condensed consolidated financial statements have been prepared following the same accounting policies as the financial statements for the year ended December 31, 2014, with the exception of the following new standards:

Amendments to IAS 19 Defined Benefit Plans: *Employee Contributions* requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. IAS 19 requires such contributions that are linked to service to be attributed to periods of service as a negative benefit. These amendments had no impact on the Trust's interim condensed consolidated financial statements.

Two new annual improvements including Annual Improvements to IFRS 2010 – 2012 Cycle and Annual Improvements 2011 – 2013 Cycle included amendments effective immediately and, thus, were effective for periods beginning January 1, 2015, however, they did not have an impact on the Trust's interim condensed consolidated financial statements.

Principles of consolidation

The interim condensed consolidated financial statements include the financial statements of the Trust and entities controlled by the Trust and the Administrator including subsidiaries as at March 31, 2015 and December 31, 2014, respectively, and include all the subsidiaries and entities over which the Trust has power to govern the financial and operating policies for and are consolidated from the date of acquisition and control, and continue to be consolidated until the date that such control ceases. All intercompany balances, income, expenses, and unrealized gains and losses resulting from intercompany transactions are eliminated on consolidation.

Reclassification

Certain reclassifications have been made in 2014 to conform to the 2015 presentation. For 2014, inventory and repayment of finance leases in the amounts of $47 and $(67) were reclassified from the change in other current assets to Trade and other payables, respectively, in the interim condensed consolidated statements of cash flows.

4. ASSET ACQUISITIONS

In May 2014, the Trust purchased approximately 38,000 retail electric and natural gas customer accounts from Superior Plus Energy Services. In addition to customer relationships, the following assets and liabilities were included in the transaction (i) electricity derivative contracts, (ii) billing software, (iii) a two-year non-compete/non-solicitation agreement and (iv) residual based broker commissions. This transaction was accounted for as an asset acquisition with the purchase price of $3,783 allocated as follows: $2,967 to customer relationships; $561 to electricity derivative contracts; $444 to billing software; $54 to the non-compete/non-solicitation agreement and $243 as a liability for residual based broker commissions. The purchase price contains contingent consideration of $578, which the Trust expects to pay in 2015. The assets acquired are being amortized over their estimated useful lives as follows: three years for customer relationships; within one year for electricity derivative contracts; three years for billing software and two years for the non-compete/non-solicitation agreement.

In June 2014, the Trust purchased approximately 16,000 retail electric customer accounts from HOP Energy, LLC. This transaction was accounted for as an asset acquisition with the purchase price of $1,287 allocated to customer relationships. This asset is being amortized over its estimated useful life of three years.

5. FINANCING

Macquarie Energy Supplier Agreement

In September 2012, the Company and its operating subsidiaries entered into several agreements (the "Supplier Agreement") with Macquarie Energy LLC ("**Macquarie Energy**") for the exclusive supply of the Trust's wholesale energy needs and commodity hedging requirements for a term ending in October 2017. Effective February 7, 2014, an amendment to the Supplier Agreement extended the term to January 2019 and amended the facility limits. In consideration for entering into this amendment, a one-time payment in the amount of $1,250 was made to Macquarie Energy, and the Trust also issued Macquarie Energy 750,000 warrants to purchase Trust units with a strike price of C$6.23 per unit and a term of five years, with the warrants being exercisable over a four-year period, which were fair valued using an option pricing model. The amendment fee, together with the fair value of the warrants issued, are being amortized over the life of the extended Supplier Agreement.

(in thousands of U.S. dollars, unless otherwise stated)

Under the Supplier Agreement, Macquarie Energy assumes the responsibility for meeting credit and collateral requirements with each independent system operator ("**ISOs**") and the utilities serving the Company's customers are directed to remit all customer payments into a designated restricted bank account, (the "**Lockbox**"), whereby the funds in that account are used to pay Macquarie Energy for the energy supplied and other fees and interest due under the Supplier Agreement. The trade payables are secured by funds pledged in the Lockbox and all other assets of the Company.

Macquarie Energy extends trade credit to buy wholesale energy supply, with all amounts due being payable in the month following delivery of the energy. The credit extended under the Supplier Agreement, as amended, is limited to an overall exposure limit of $150,000 subject to certain standard financial covenants, and limited to a calculated credit base based on restricted cash in the Lockbox, billed and unbilled receivables and natural gas inventory. At March 31, 2015, the Company was in compliance with all covenants. The Company incurs a volumetric fee based on the wholesale energy delivered, which is included in finance costs in the interim condensed consolidated statements of comprehensive loss.

The Supplier Agreement, as amended, includes a working capital facility with a sub-limit of $60,000 under which letters of credit and cash advances can be made based on the calculated credit base. Such letters of credit and cash advances under this line are subject to an annual interest rate of 5.5% plus LIBOR (.18% and 0.16% at March 31, 2015 and December 31, 2014, respectively), with an incremental interest rate of 1.25% applied to borrowings above a certain threshold.

Macquarie Energy has extended trade credit to the Company totaling $32,678 and $36,046 under this Supplier Agreement as at March 31, 2015 and December 31, 2014, respectively. There were letters of credit issued totaling $9,455 and $7,573, under the working capital facility as at March 31, 2015 and December 31, 2014, respectively. Total energy purchases totaled $118,352 and $147,940 and interest expense under the Supplier Agreement totaled $1,566 and $1,664 during the three months ended March 31, 2015 and 2014, respectively. The availability under the credit facility was $35,143 and $31,966 at March 31, 2015 and December 31, 2014, respectively. Subsequent to March 31, 2015, the Supplier Agreement was amended to include an overall exposure limit increase from $150 million to $250 million, a reduced fee structure and an increased ability to enter into fixed price commodity products for a term up to 60 months (Note 18). The working capital sub-limit and the base interest rate of LIBOR plus 5.5% remained unchanged.

6. IMPAIRMENT OF GOODWILL

The following schedule provides the continuity of Goodwill:

Goodwill	**As at March 31, 2015**	**As at December 31, 2014**
Goodwill at the beginning of the period	$241,381	$241,381
Goodwill recognized	–	–
Goodwill at the end of the period	**$241,381**	**$241,381**

Accumulated impairment	**As at March 31, 2015**	**As at December 31, 2014**
Balance at the beginning of the period	$(137,636)	$(60,515)
Goodwill impairment	–	(77,121)
Balance at the end of the period	**$(137,636)**	**$(137,636)**
Net book value at the end of the period	**$103,745**	**$103,745**

Goodwill acquired through a business combination has been allocated to a single Cash Generating Unit ("**CGU**"), as the Trust operates under a single segment. The Trust performed a review of impairment indicators as at March 31, 2015 including a review of the relationship between its market capitalization and its carrying value, among other factors and concluded no impairment indicator was present. As at March 31, 2014, the market capitalization of the Trust was below the carrying value of its equity, indicating that a potential impairment of goodwill existed. The recoverable amount as at March 31, 2014 was determined based on a fair value less cost of disposal calculation using the market capitalization of the Trust units plus an estimated acquisition premium. The recoverable amount was classified as Level 2 in the FV hierarchy. As a result, a non-cash goodwill impairment charge of $77,121 was recorded in the interim condensed consolidated statements of comprehensive loss for the three months ended March 31, 2014. The principal sensitivity of the fair value less cost of disposal calculation is the Trust unit price. Future reductions in the Trust unit price may result in additional impairment of goodwill in subsequent reporting periods. The impairment charge does not impact our normal business operations nor will it affect liquidity, cash flows from operations or financial covenants under our credit facility.

7. FINANCIAL INSTRUMENTS

Fair value

Fair value is the estimated amount that the Trust would pay or receive to dispose of financial instruments in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Management has estimated the fair value of financial instruments using a method that employs market forward curves that are either directly sourced from third parties or are developed internally based on third party market data. These curves can be volatile thus leading to volatility in the mark to market with no impact to cash flows. To the extent the Trust has derivative instruments that are either not traded directly on an exchange or there is no published market data available, Management uses a valuation based on actual historical data on certain spreads to adjust forward published market prices to arrive at a forward curve. The fair value of the non-controlling interest is measured principally based on the publicly traded unit price of the Trust, with an adjustment for the profit interest units of the Company that is calculated using an option pricing model. The principal sensitivity of the fair value of non-controlling interest is the Trust unit price. Changes in the Trust unit price will result in additional gains (losses) in subsequent reporting periods. The fair value of the unit-based compensation is measured by applying the publicly traded unit price of the Trust. The fair value of the warrant liability is based on an option pricing model. The fair value of the contingent consideration liability was determined based on an internally developed discounted cash flow model that was based on the financial budgets and long-term plan approved by the Board of Directors of the Trust, as well as the contractual terms of the contingent consideration. The cash flows projections were discounted using the estimated weighted average cost of capital of a market participant. The fair value of the weather derivative was determined based on an internally developed model that was based on certain historical temperature and electricity pricing data together with the contractual terms of the derivative.

The Trust's activities expose it to a variety of market risks, principally from fluctuating commodity and currency prices. The Trust has established risk management policies and procedures designed to reduce the potentially adverse effects of price volatility on operating results and distributions. The Trust's risk management activities include the use of derivative instruments such as options, swaps, forward contracts, weather derivatives, financial transmission rights and transmission congestion contracts. The Trust maintains commodity and currency price risk management strategies that use derivative instruments, within approved risk tolerances to minimize significant, unanticipated fluctuations in earnings or distributions caused by market price volatility.

(in thousands of U.S. dollars, unless otherwise stated)

The following table illustrates changes in fair value (gains and (losses)) of derivative instruments related to financial instruments classified as held-for-trading and recorded in the interim condensed consolidated statements of comprehensive loss:

	For the three months ended March 31, 2015	**For the three months ended March 31, 2014**
Foreign exchange options	$(269)	$(192)
Fixed-for-floating electricity swaps	50	(27,414)
Fixed-for-floating natural gas swaps	949	(68)
Physical natural gas forward contracts	726	(110)
Fixed-for-floating electricity basis swaps	32	10
Fixed-for-floating natural gas basis swaps	427	(1,268)
Weather derivatives	(268)	—
Change in fair value of derivative instruments	**$1,647**	**$(29,042)**

The following table summarizes the fair value of the financial assets and liabilities classified as held-for-trading and recorded in the interim condensed consolidated statements of financial position as at March 31, 2015:

	Other current financial assets	**Other current financial liabilities**
Foreign exchange options	$367	$–
Fixed-for-floating electricity swaps	—	34,367
Fixed-for-floating natural gas swaps	—	1,396
Physical natural gas forward contracts	—	(80)
Fixed-for-floating electricity basis swaps	—	168
Fixed-for-floating natural gas basis swaps	—	14
	$367	**$35,865**

The following table summarizes the fair value of the financial assets and liabilities classified as held-for-trading and recorded in the interim condensed consolidated statements of financial position as at December 31, 2014:

	Other current financial assets	**Other current financial liabilities**
Foreign exchange options	$79	$–
Fixed-for-floating electricity swaps	—	34,417
Fixed-for-floating natural gas swaps	—	2,345
Physical natural gas forward contracts	—	646
Fixed-for-floating electricity basis swaps	—	200
Fixed-for-floating natural gas basis swaps	—	441
Weather derivatives	1,988	—
	$2,067	**$38,049**

(in thousands of U.S. dollars, unless otherwise stated)

The following table summarizes the fair value of the financial assets and liabilities classified as held-for-trading and recorded as at March 31, 2015 and December 31, 2014:

	Notional Volume	Total Remaining Volume	Maturity Date (month)	Fixed Price ($)	Fair Value ($)	Notional Value ($)
March 31, 2015						
Fixed-for-floating electricity swaps	(15) - 30 MW	2,987,275 MWh	1 - 32	$28.83 to $79.50	$(34,367)	$166,269
Fixed-for-floating natural gas swaps.............................	123 – 31,000 Mmbtu	2,018,800 Mmbtu	1 - 33	$2.74 to $4.47	$(1,396)	$7,461
Physical natural gas forward contracts.................	(34) – 4,711 Mmbtu	457,236 Mmbtu	1	$1.18 to $3.06	$80	$929
Fixed-for-floating electricity basis swaps	(25) – 25 MW	– MWh	1 - 9	$34.25 to $52.85	$(168)	$460
Fixed-for-floating natural gas basis swaps....................	2,275 Mmbtu	68,250 Mmbtu	1	$(.82)	$(14)	$(56)
Financial transmission rights....................................	0.1 – 9.1 MW	84,229 MWh	1	$(3.38) to $5.71	$0	$(46)
Transmission congestion contracts	1 - 2 MW	15,120 MWh	1	$(.99) to $.12	$0	$(7)
December 31, 2014						
Fixed-for-floating electricity swaps	(15) - 50 MW	2,868,237 MWh	1 - 35	$32.61 to $141.25	$(34,417)	$170,571
Fixed-for-floating natural gas swaps.............................	123 – 31,000 Mmbtu	3,027,800 Mmbtu	1 - 32	$3.51 to $4.47	$(2,345)	$11,938
Physical natural gas forward contracts.................	2 – 8,066 Mmbtu	966,177 Mmbtu	1 - 3	$1.30 to $7.98	$(646)	$3,848
Fixed-for-floating electricity basis swaps	(25) – 25 MW	– MWh	1 - 12	$34.25 to $52.85	$(200)	$610
Fixed-for-floating natural gas basis swaps....................	1,000 – 3,000 Mmbtu	229,000 Mmbtu	1 - 3	$2.00 to $6.62	$(441)	$976
Financial transmission rights....................................	0.1 – 11.6 MW	132,814 MWh	1	$(9.62) to $17.86	$0	$940

The following table summarizes the fair value of the foreign exchange options as at March 31, 2015 and December 31, 2014:

	Notional Value	Total Remaining Volume	Maturity Date (month)	Fixed Price ($)	Fair Value ($)
March 31, 2015					
Foreign exchange options.....	US$9,530 C$12,170	US$9,530 C$12,170	1 - 21	C$1.2770 per US$1	US$367
December 31, 2014					
Foreign exchange options.....	US$6,060 C$6,954	US$6,060 C$6,954	1 - 12	C$1.1475 per US$1	US$79

(in thousands of U.S. dollars, unless otherwise stated)

The following table summarizes the financial assets and liabilities that are subject to offsets and related arrangements and the effect of offsets and arrangements on the amounts recorded in the interim condensed consolidated statements of financial position:

	Gross Assets	Gross Liabilities	Offset	Net Amount
March 31, 2015				
Commodity contracts	$2,107	$(37,972)	$2,107	$(35,865)
December 31, 2014				
Commodity contracts	$2,925	$(40,974)	$(40,974)	$(38,049)

Fair value ("FV") hierarchy

Level 1

The fair value measurements are classified as Level 1 in the FV hierarchy if the fair value is determined using quoted, unadjusted market prices.

Level 2

Fair value measurements that require inputs other than quoted prices in Level 1, either directly or indirectly, are classified as Level 2 in the FV hierarchy. This could include the use of statistical techniques to derive the FV curve from observable market prices. However, in order to be classified under Level 2, inputs must be substantially observable in the market. Derivative assets and liabilities included in Level 2 are valued using multiple prices quoted by market participants other than exchanges, industry pooling, volatility and other inputs that are derived principally from, or collaboratively by, observable market data.

Level 3

Fair value measurements that require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs, such as internally developed assumptions used in pricing an asset or a liability, for example, an estimate of cash flows used in internally developed present value of future cash flows are classified as Level 3 in the FV hierarchy. The Trust's policy is to recognize transfers in and out as at the end of the reporting period.

When the inputs used to measure fair value fall within more than one level of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measure in its entirety.

The following table illustrates the classification of financial assets and liabilities in the FV hierarchy as at March 31, 2015:

<u>Recurring measurements</u>	Level 1	Level 2	Level 3	Total
Financial assets				
Other current financial assets	$–	$367	$–	**$367**
Financial liabilities				
Other current financial liabilities	$–	$(35,633)	$(232)	**$(35,865)**
Contingent consideration liability	–	–	(108)	**(108)**
Warrant liability	–	(1,005)	–	**(1,005)**
Unit-based compensation	(2,266)	–	–	**(2,266)**
Non-controlling interest	–	–	(145,422)	**(145,422)**

(in thousands of U.S. dollars, unless otherwise stated)

The following table illustrates the classification of financial assets and liabilities in the FV hierarchy as at December 31, 2014:

Recurring measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Other current financial assets	$–	$79	$1,988	**$2,067**
Financial liabilities				
Other current financial liabilities	$–	$(37,608)	$(441)	**$(38,049)**
Contingent consideration liability	–	–	(260)	**(260)**
Warrant liability	–	(470)	–	**(470)**
Unit-based compensation	(1,510)	–	–	**(1,510)**
Non-controlling interest	–	–	(115,570)	**(115,570)**

The following tables illustrate the changes in net fair value of financial assets and liabilities classified as Level 3 in the FV hierarchy:

Contingent consideration liability	As at March 31, 2015	As at December 31, 2014
Liability at the beginning of period	$260	$–
Additions	–	93
Changes in fair value of contingent consideration liability	(152)	167
Liability at the end of period	**$108**	**$260**

Non-controlling interest	As at March 31, 2015	As at December 31, 2014
Liability at the beginning of period	$115,570	$138,234
Changes in fair value of non-controlling interest	29,852	(22,664)
Liability at the end of period	**$145,422**	**$115,570**

Commodity contracts	As at March 31, 2015	As at December 31, 2014
Net balance at the beginning of period	$1,547	$2,700
Total loss	(2,706)	(10,977)
Purchases	1,424	1,547
Settlements	(371)	8,277
Transfer out of Level 3	(126)	–
Net balance at the end of period	**$(232)**	**$1,547**

Classification of financial assets and liabilities

As at March 31, 2015 and December 31, 2014, respectively, the carrying amounts of the financial assets and liabilities, except for derivative assets and liabilities, contingent consideration liability, warrant liability, unit-based compensation liability and non-controlling interest, approximated their fair value due to the short-term nature of these items. The derivative assets and liabilities, contingent consideration liability, warrant liability, unit-based compensation liability and non-controlling interest are recorded at fair value.

Management of risks arising from financial instruments

The risks associated with the Trust's financial instruments are as follows:

Market risk

Market risk is the potential loss that may be incurred as a result of changes in the market or fair value of a particular instrument or commodity. Components of market risk to which the Trust is exposed are discussed below.

Commodity price risk

The Trust is exposed to market risks associated with commodity prices and market volatility where estimated customer requirements do not match actual customer requirements. Management actively monitors these positions on a daily basis in accordance with its Risk Management Policy. This policy sets out a variety of limits, most importantly thresholds for open positions in the electricity and natural gas portfolios. The Trust's exposure to market risk is affected by a number of factors, including accuracy of estimation of customer commodity requirements, commodity prices, volatility and liquidity of markets. The Trust enters into derivative instruments including but not limited to commodity forwards, swaps, options and weather derivatives in order to manage exposures to changes in commodity prices. The inability or failure of the Trust to manage and monitor the above market risks could have a material adverse effect on the operations and cash flow of the Trust.

The fair value of electricity and natural gas financial instruments is significantly influenced by the variability of forward commodity. Periodic changes in forward prices could cause significant changes in the mark-to-market valuation of these financial instruments. For example, assuming that all other variables remain constant, a market move of +/-10% would result in an increase/(decrease) in net loss and total comprehensive loss of $13,915 in the interim condensed consolidated statements of comprehensive loss.

Interest rate risk

The Trust is exposed to interest rate risk on certain advances within the Supplier Agreement with Macquarie Energy. As at March 31, 2015 and December 31, 2014 respectively, the Trust has aggregate letters of credit outstanding of $9,455 and $7,573 under this facility, and therefore is exposed to interest rate risk. The Trust's current exposure to interest rate risk does not economically warrant the use of derivative instruments and the Trust does not currently believe that it is exposed to material interest rate risk. In the three months ended March 31, 2015, the impact of a 1% increase (decrease) in the interest rate on these balances would have not had a material impact on Finance costs in the interim condensed consolidated statements of comprehensive loss.

Foreign currency risk

The Trust is exposed to currency rate risk in that its business operations are conducted in United States dollars, however, its distributions and publicly listed units are denominated in Canadian dollars. The Trust's policy is to mitigate its economic exposure to currency rate movements by entering into currency derivative products including options and swaps.

Period to period changes in forward currency prices could cause significant changes in the mark to market valuation of these contracts. For example, assuming that all other variables remain constant, a market move of +/-10% would result in increase/(decrease) in net loss and total comprehensive loss of $(304) and $749, respectively, in the interim condensed consolidated statements of comprehensive loss.

(in thousands of U.S. dollars, unless otherwise stated)

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Trust is exposed to credit risk in two specific areas: customer credit risk and counterparty credit risk.

Customer credit risk

The Trust is exposed to customer credit risk and, therefore, credit review and other processes have been implemented to perform credit evaluations of customers and manage customer default. The Trust has customer credit risk exposure relating to all or certain accounts receivable in the states of Delaware, District of Columbia, Illinois, Maine, New Hampshire, New Jersey, Ohio, Rhode Island and Virginia ("**Non-POR markets**"). If a significant number of customers in these markets were to default on their payments, it could have a material adverse effect on the operations and cash flows of the Trust.

For the remaining markets, the local distribution companies ("**LDCs**") provide collection services and assume the risk of any bad debts owing from the Trust's customers for a fee. Management believes that the risk of the LDCs failing to deliver payment to the Trust is minimal. There is no assurance that the LDCs that provide these services will continue to do so in the future.

As at March 31, 2015, the customer credit risk exposure from Non-POR markets amounts to $3,130 (December 31, 2014 – $3,347) and the accounts receivable aging for these markets are as follows:

Accounts Receivable at	**Total**	**Current**	**30-59 days**	**Over 60 days**
March 31, 2015	$3,130	$1,983	$594	$553
December 31, 2014	$3,347	$2,114	$431	$802

Changes in the allowance for doubtful accounts were as follows:

	As at March 31, 2015	**As at December 31, 2014**
Balance, beginning of year	$1,519	$4,984
Bad debt expense	313	1,747
Bad debts written off	(480)	(5,212)
Balance, end of year	**$1,352**	**$1,519**

The Trust receives revenues from a third party for the marketing of solar products. Management believes that the risk of this party failing to deliver payment to the Trust for the associated receivables is minimal.

Counterparty credit risk

Counterparty credit risk represents the loss that the Trust would incur if a counterparty fails to perform under its contractual obligations. This risk would manifest itself in the Trust replacing the contracted commodities or currencies at prevailing market rates, thus impacting the related financial results. Counterparty risk is limited to Macquarie Energy for all wholesale energy supply positions and other counterparties for currency and other derivatives. The failure of a counterparty to meet its contracted obligations could have a material adverse effect on the operations and cash flows of the Trust.

The maximum counterparty credit risk exposure amounted to $367 and $2,067 as at March 31, 2015 and December 31, 2014, respectively, representing the risk relating to its derivative financial assets.

(in thousands of U.S. dollars, unless otherwise stated)

Liquidity risk

Liquidity risk is the potential inability to meet financial obligations as they fall due. The Trust manages this risk by monitoring near-term and long-term cash flow forecasts to ensure adequate and efficient use of cash resources and credit facilities.

The following are the contractual maturities of the Trust's financial liabilities as at March 31, 2015:

	Carrying amount	**Contractual cash flow**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
Trade and other payables	$87,488	$87,367	$87,367	$–	$–
Operating leases	–	1,105	786	318	–
Financing leases	831	909	336	573	–
Distribution payable	454	454	454	–	–
Other non-current liabilities	468	417	–	417	–
	$89,241	**$90,252**	**$88,943**	**$1,308**	**$–**

The following are the contractual maturities of the Trust's financial liabilities as at December 31, 2014:

	Carrying amount	**Contractual cash flow**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
Trade and other payables	$91,142	$91,021	$91,021	$–	$–
Operating leases	–	906	558	348	–
Financing leases	902	993	336	657	–
Distribution payable	489	489	489	–	–
Other non-current liabilities	529	448	–	448	–
	$93,062	**$93,857**	**$92,404**	**$1,453**	**$–**

Supplier risk

The Trust purchases its energy delivered to its customers through contracts entered into with Macquarie Energy. The Trust has an exposure to supplier risk as the ability to continue to deliver energy to its customers is reliant upon the ongoing operations of this supplier and its contractual obligations.

8. INCOME TAXES

The Trust has recorded an income tax expense (benefit) for the three months ended March 31, 2015 and 2014 in the amount of $856 and $(12,950), respectively. The income tax expense recorded is based on management's estimate of the average annual income tax rate expected for the full financial year. The income tax expense (benefit) attributable to the Trust's continuing operations differs from the amount derived by applying the U.S. statutory federal rate of 34% to pretax (loss) income principally due to the effect of state taxes, judgments related to the ability to realize deferred taxes, and permanent items such as the change in fair value of non-controlling interest, distributions to non-controlling interest holders and the impairment of non-deductible goodwill. Under United States partnership taxation rules, Crius Energy, LLC is not a taxable entity and its taxable income (loss) flows through to its partners who are then taxed on their allocable share of the partnership income tax (benefit).

(in thousands of U.S. dollars, unless otherwise stated)

9. TRUST CAPITAL

Repurchase of Trust Units

During the period commencing April 11, 2014 and ending on April 10, 2015 or on such earlier date, the Trust has approval to make a normal course issuer bid to purchase up to 500,746 trust units, representing approximately 5% of the issued and outstanding units. Purchase of units may be made through the facilities of the Toronto Stock Exchange in accordance with its rules or alternative Canadian trading platforms. Daily limits will be limited to 12,531 Units, other than block purchase exceptions. The price that the Trust will pay for any units purchased under the bid will be the prevailing market price at the time of purchase and any units purchased by the Trust will be cancelled. The Trust did not purchase any units in the three months ending March 31, 2015. In the year ending December 31, 2014, the Trust purchased 94,193 units for approximately $435.

Distributions paid and proposed

For the three months ended March 31, 2015, monthly distributions of C$0.0583 per unit were declared by the Trust for January, February and March which together amounted to $1,375. These distributions were approved throughout the periods by the Board of Directors of the Trust and all amounts were paid by April 15, 2015 to unitholders of record at the close of business on March 31, 2015. For the three months ended March 31, 2014, distributions of C$0.0833 per unit were declared by the Trust for January and monthly distributions of C$0.0583 per unit were declared by the Trust for February and March which together amounted to $1,812.

Declared dividends subsequent to quarter-end

On April 14, 2015, the Board of Directors of the Trust declared monthly distributions for April through June 2015, in the amount of C$0.0583 per unit per month. The April 2015 distribution will be paid on May 15, 2015, to unitholders of record at the close of business on April 30, 2015. The May 2015 distribution will be paid on June 15, 2015, to unitholders of record at the close of business on May 31, 2015. The June 2015 distribution will be paid on July 15, 2015 to unitholders of record at the close of business on June 30, 2015.

10. LOSS PER UNIT

	For the three months ended March 31, 2015	**For the three months ended March 31, 2014**
Net loss and total comprehensive loss	$(31,709)	$(55,021)
Weighted average number of units outstanding	9,940,021	10,014,924
Basic loss per unit	**$(3.19)**	**$(5.49)**
Net loss and comprehensive loss	$(31,709)	$(55,021)
Adjust for change in fair value of unit-based compensation	–	–
Adjusted net loss and comprehensive loss	**$(31,709)**	**$(55,021)**
Weighted average number of units outstanding	9,940,021	10,014,924
Weighted average number of dilutive units outstanding	–	–
Diluted weighted average number of total units outstanding	9,940,021	10,014,924
Diluted loss per unit	**$(3.19)**	**$(5.49)**

(in thousands of U.S. dollars, unless otherwise stated)

RTUs and 750,000 warrants are anti-dilutive to loss per unit and are therefore excluded from the determination of dilutive per unit amounts for the three months ended March 31, 2015 and 2014. Phantom rights are excluded from the determination of dilutive per unit amounts as they are settled in cash.

11. CONSOLIDATED STATEMENT OF CASH FLOWS

The (outflows) inflows of net change in operating assets and liabilities are as follows:

	For the three months ended March 31, 2015	For the three months ended March 31, 2014
Accounts receivable	$(2,735)	$(6,866)
Collateral deposits	(86)	36
Inventory	893	47
Other current financial assets	1,163	(96)
Other current assets	(110)	292
Other non-current assets	5	—
Trade and other payables	(5,892)	7,644
Dividend payable	(35)	—
Income tax receivable	2,309	(211)
Other current liabilities	(390)	—
Other non-current liabilities	(74)	(120)
	$(4,952)	**$726**

12. INTANGIBLE ASSETS

2015	Computer software	Customer relationships	Non-compete agreements	Sales network	Exclusive marketing relationships	Total
Cost						
Balance as at December 31, 2014	$6,198	$80,535	$1,523	$19,300	$24,947	$132,503
Additions	1,383	—	—	—	—	1,383
Internally developed software	396	—	—	—	—	396
Asset acquisition adjustment	—	(197)	—	—	—	(197)
Balance as at March 31, 2015	**$7,977**	**$80,338**	**$1,523**	**$19,300**	**$24,947**	**$134,085**
Accumulated amortization						
Balance as at December 31, 2014	(1,113)	(55,210)	(1,486)	(5,884)	(17,741)	(81,434)
Amortization	(525)	(6,566)	(10)	(689)	(2,079)	(9,869)
Balance as at March 31, 2015	(1,638)	(61,776)	(1,496)	(6,573)	(19,820)	(91,303)
Net book value – March 31, 2015	**$6,339**	**$18,562**	**$27**	**$12,727**	**$5,127**	**$42,782**

13. UNIT-BASED COMPENSATION

Restricted Trust and Phantom Unit Plans

Under the Trust's Restricted Trust Unit Plan ("**RTUP**"), restricted trust units ("**RTUs**") may be granted by the board of the Administrator, or an appointed committee thereof (the "**RTUP Administrator**") to directors, officers, employees or direct or indirect service providers ("**Participants**") of the Trust. The number of Units reserved for issuance pursuant to the redemption of RTUs granted under the RTUP and pursuant to all other security based compensation arrangements of the Trust shall, in the aggregate, not exceed 10% of the number of Units then issued and outstanding. If any RTUs are redeemed, the number of

(in thousands of U.S. dollars, unless otherwise stated)

Units to which such redeemed RTUs relate shall be available for the purpose of granting additional RTUs under the RTUP. In addition, if any RTUs expire or terminate for any reason without having been redeemed, any unissued Units to which such RTUs relate shall be available for the purposes of granting additional RTUs under the RTUP. The vesting of RTUs is determined by the RTUP Administrator at the time of grant, provided that no vesting conditions shall extend beyond December 20th of the third calendar year following the service year in respect of which the RTUs were granted. Unless otherwise provided in the applicable award agreement, all RTUs shall vest: (i) one-third on the first anniversary of the date of grant of such RTUs (the "**Grant Date**"); (ii) an additional one-third on the second anniversary of the Grant Date; and (iii) the final one-third on the third anniversary of the Grant Date.

At the determination of the RTUP Administrator, on a date on or before the date which is three calendar years following the end of the service year in respect of which the RTUs were granted, the holder will receive, subject to applicable withholding taxes, for each RTU held either (i) the cash equivalent of one Unit; or (ii) at the election of the Trust, one Unit, which may be issued from treasury or purchased by a designated broker on the TSX. The determination of the value of the cash equivalent of Units will be determined based upon the volume weighted average trading price of the Units on the TSX for the last five trading days prior to the date of calculation. Participant's RTU account will be credited with additional RTUs in respect of any distributions declared by the Trust on the Units that would have been paid to the Participant if the RTUs in the Participant's account were outstanding Units during the relevant period ("**accrued distributions**"). A Participant shall not have the right or be entitled to exercise any voting rights, receive distributions or have or be entitled to any other rights as a unitholder of the Trust in respect of any RTUs.

On March 25, 2015, the Trust granted 19,535 RTUs to directors of the Administrator, which vested immediately and are fully exercisable upon issuance. These RTUs, along with accrued distributions, remained outstanding as at March 31, 2015.

The following schedule provides the continuity of the RTUs:

	Number of Units
As at December 31, 2014	—
RTUs issued	19,535
RTUs accrued distributions	595
RTUs converted	—
As at March 31, 2015	**20,130**

In December 2014, RTUs that were not previously forfeited due to employment separation or converted into units were voluntarily forfeited by Participants. Each Participant received the same number of Phantom Units Rights along with all accrued units.

The Company adopted a cash settled Phantom Unit Right Plan ("**PURP**") for the benefit of directors, officers or employees or direct or indirect service providers of the Company residing in the United States ("**U.S. Participants**"). In December 2014, the PURP was renamed under Crius Energy Management, LLC. The purpose of the PURP is to provide incentive compensation based on the appreciation in value of the Trust units and distributions payable in respect of these units, thereby providing additional incentive for continued efforts in promoting the growth and success of the Trust and in attracting and retaining management personnel in the United States. The PURP mirrors the material terms of the RTUP with the exception that Phantom Unit Rights ("**PURs**") may only be settled with cash payments by Crius Energy Management, LLC. The PURP allows U.S. Participants to comply with tax and securities laws in the United States applicable to the awards. As at March 31, 2015, there were no vested PURs.

(in thousands of U.S. dollars, unless otherwise stated)

The PURs will vest between January 2016 and January 2018 and are being expensed ratably over this period.

The following schedule provides the continuity of the PURs:

	Number of Units
As at December 31, 2014	755,414
PURs issued	385,403
PURs accrued distributions	32,902
Forfeitures	(28,082)
As at March 31, 2015	**1,145,637**

For the three months ended March 31, 2015 and 2014, unit-based compensation of $756 and $(12) was included in the interim condensed consolidated statements of comprehensive loss.

14. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial or operating decisions. The definition includes subsidiaries and other persons.

Subsidiaries

Certain transactions between the Trust and its subsidiaries meet the definition of related party transactions, including primarily intercompany notes and administrative service fees amongst its subsidiaries. These transactions are eliminated on consolidation and are not disclosed in these interim condensed financial statements.

Other related party transactions

The Company has entered into a Supplier Agreement with Macquarie Energy, which is related to Macquarie Americas Corp which is a unitholder in the Company. Both Macquarie entities are part of the same group (Note 5).

During the year ended December 31, 2014, the Trust made certain tax payments on behalf of the non-controlling interest holders, which are treated as advances. The balance as at March 31, 2015 and December 31, 2014, was approximately $1,597 and $2,129, respectively, and is included in other current assets in the interim condensed consolidated statements of financial position. This amount is being repaid through future distribution disbursement and is expected to be fully recouped during 2015. Due to the short-term nature for the repayment of these advances, there is no interest being charged.

15. REPORTABLE BUSINESS SEGMENTS

Operating segments

For the three months ended March 31, 2015 and 2014, the Trust operated in a single operating segment and evaluates the performance of the business as a single segment.

Products

For the three months ended March 31, 2015, revenue by product is as follows: $141,020 for electricity, $24,154 for natural gas, $854 for fee revenue and $2,282 for solar revenue. For the three months ended March 31, 2014, revenue by product is as follows: $151,053 for electricity, $24,730 for natural gas, $922 for fee revenue and $924 for solar revenue.

Geographic information

All of the Trust's revenues from external customers and assets are located in the United States of America. The Trust does not have any key customers. For the three months ended March 31, 2015, the Trust operated in three states which together comprised 58.1% of revenue, three of which comprise 20.3%, 19.0%, and 18.8%, respectively. For the three months ended March 31, 2014, the trust operated in three states which together comprised 61.3% of revenue, which comprise 25.7%, 22.1% and 13.5%, respectively.

16. COMMITMENTS AND CONTINGENCIES

Surety bonds

As at March 31, 2015 and December 31, 2014, the Trust had surety bonds issued of $10,181 and $8,556, respectively, to the various state regulatory commissions and LDCs.

Contingent consideration liability

As at March 31, 2015 and December 31, 2014, respectively, the Trust had contingent consideration payable related to the acquisition of a technology platform in the amounts of $108 and $260, respectively. The amount of contingent consideration payable is based on an agreed percentage of the cash flows generated by use of the technology platform over a four-year period commencing in 2015.

Operating leases

The Trust leases an office facility under a non-cancelable operating lease which contains fixed escalation clauses and is subject to extension at the option of the Trust. The Trust takes into account escalation clauses when determining the amount of future minimum lease payments. Furthermore, the Trust has entered into an agreement to occupy additional office space, which does not contain escalations or an extension. All future minimum lease payments are recognized on a straight-line basis over the minimum lease term. For the three months ended March 31, 2015 and 2014, rent expense under its operating leases of $149 and $114, respectively, were included in the interim condensed consolidated statements of comprehensive loss. Deferred rent liability associated with the operating lease is included within other non-current liabilities in the interim condensed consolidated statements of financial position.

Financing leases

The Trust leases certain property and equipment under non-cancelable financing leases. These leases are measured at amortized cost using the effective interest rate method and are initially measured at fair value. A purchase option is provided at the end of the lease term and ranges in value from $1 to fair market value. For both the three months ended March 31, 2015 and 2014, depreciation expense under its financing leases of $74 was incurred and are included in the interim condensed consolidated statements of comprehensive loss. The related lease liability is included within trade and other payables and other non-current liabilities on the interim condensed consolidated statements of financial position.

Regulatory proceedings

The Company is an independent energy marketer of retail electricity and natural gas to residential and commercial customers across numerous states. Market rules and regulations locally, regionally and state to state change periodically. These changes will likely have an impact on the Company's business; some may be material and others may not. Some changes may lead to new or enhanced business opportunities, some changes may result in a negative impact on the Company's business. As such, there is no way to impute an exact effect through a cost benefit analysis, because there are many variables. The regulatory process does allow for some participation, and the Company engages in that participation, however, such participation provides no assurance as to the outcome of such proceedings. The Trust does not expect proceedings to have a material adverse effect on the Trust's financial condition or results of operations.

Litigation and other claims

The Company is involved in various disputes and litigation. In the opinion of management, the resolution of these disputes against the Company will not have a material effect on the consolidated results of operations, cash flows or financial position of the Trust.

From time to time, the Company is subject to state and federal tax audits. In the opinion of Management, assessments levied against the Company as a result of these audits will not have a material effect on the consolidated results of operations, cash flows or financial position of the Trust.

17. APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed financial statements were authorized for issue on May 12, 2015 by the Board of Directors of the Administrator.

18. SUBSEQUENT EVENTS

In April 2015, the Trust acquired 100% of the partnership interest in TriEagle Energy LP ("**TriEagle Energy**"), a Houston-based energy retailer, for a preliminary purchase price of approximately $19.1 million. The acquisition added approximately 200,000 additional customers in Texas, Pennsylvania and New Jersey. The acquisition was funded by cash and availability under the Company's credit facility with Macquarie Energy LLC. The purchase price included $15.9 million in cash and $3.2 million in PURs, which are to be settled in cash based on future trading prices of Trust units on the Toronto Stock Exchange on the first and second anniversary date of the closing. This transaction is subject to a customary working capital adjustment. The Trust will account for this transaction as a business combination, which will be reflected in its financial statements as at and for the period ended June 30, 2015.

In April 2015 and in conjunction with the closing of the TriEagle Energy acquisition, the Trust expanded its credit facility with Macquarie Energy LLC. Amendments to the credit facility include an overall exposure limit increase from $150 million to $250 million, a reduced fee structure and an increased ability to enter into fixed price commodity products for a term up to 60 months. The working capital sub-limit and the base interest rate of LIBOR plus 5.5% remained unchanged.