MANAGEMENT'S DISCUSSION AND ANALYSIS
CRIUS ENERGY TRUST

November 12, 2015

The following Management's discussion and analysis ("**MD&A**") for Crius Energy Trust (the "**Trust**") dated November 12, 2015 has been prepared with all information available up to and including November 12, 2015. This MD&A should be read in conjunction with the Trust's unaudited interim condensed consolidated financial statements and accompanying notes as at and for the three and nine months ended September 30, 2015 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 units of the Trust ("**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 Standards Board. 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 sections entitled *"Non-IFRS Financial Measures"* and *"Forward-Looking Statements"* at the end of this MD&A. Certain key terms and abbreviations used in this MD&A are defined in the section entitled *"Key Terms and Abbreviations"* 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 its indirect ownership interest in Crius Energy, LLC ("**Crius Energy**" or the "**Company**")'. The Trust's indirect 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. The Trust completed its initial public offering on November 13, 2012 of 10,000,000 Units at a price of C$10.00 per Unit. Concurrent with the closing of the initial public offering, the Trust, through its indirect wholly-owned subsidiaries, acquired a 26.8% indirect ownership interest in the Company. On July 2, 2015, the Trust closed a public offering of 6,785,000 Units at a price of C$6.80 per Unit (the "**Offering**"). Concurrent with the closing of the Offering, the Trust, through its indirect wholly-owned subsidiaries, acquired an additional 16.3% ownership interest in the Company, such that the Trust holds a 43.1% indirect ownership interest in the Company as of the date hereof.

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.

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 section entitled *"Reconciliation of Net (Loss) Income and Comprehensive (Loss) Income to EBITDA and Adjusted EBITDA"* in this MD&A for a reconciliation of EBITDA and Adjusted EBITDA to net (loss) income and total comprehensive (loss) income 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 section entitled *"Distributable Cash and Distributions"* in 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 volume 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 RCEs 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 markets 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 in the United 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 will also fluctuate based on 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 various customer fees as well as 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 customers as well as 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.

Q3 2015 HIGHLIGHTS

Financial Highlights

- Adjusted EBITDA of $16.1 million during the quarter representing a payout ratio of 74.0%, compared to $15.2 million and 54.1% respectively in the third quarter of 2014
- During the last twelve months, Adjusted EBITDA and Distributable Cash were $58.6 million and $36.5 million respectively, resulting in a payout ratio of 56.2%
- The credit facility, which had a $19.0 million balance at the end of the second quarter of 2015 primarily related to the acquisition of TriEagle Energy LP ("**TriEagle Energy**") in April 2015, was fully repaid during the third quarter of 2015, increasing cash availability to pre-acquisition levels of $47.5 million

Operational Highlights

- Achieved net customer growth of 1.1%, with 9,000 RCEs added during the third quarter
  - Gross customer adds of 89,000, were higher than the average organic customer adds over the prior four quarters of 83,000, driven by a strong contribution from our direct marketing activities
  - Gross customer drops of 80,000, improved over the average customer drops over the prior four quarters of 85,000 due to the transition of the customer portfolio to more fixed-price and longer-term commercial customers
- Gross sales of solar systems reached new highs in the quarter with 1,372 systems sold representing 11.8 MW of generating capacity, an increase of 16.8% and 29.7% respectively over the second quarter of 2015
- Continued growth of the partnership with Comcast Corporation ("**Comcast**") in the third quarter
  - Following a successful launch in the second quarter of 2015, at the end of the third quarter, the Company had access to 33% of Comcast's addressable subscribers across three states
  - During the quarter, Crius Energy added 4,000 subscribers, which, along with 1,200 subscribers from the second quarter of 2015, totals more than 5,000 subscribers added to the portfolio through the Comcast partnership
- Began expansion of distribution channels into Texas
  - In July 2015, the Company expanded the TriEagle Energy electricity license to include the Viridian Energy ("**Viridian**") and Comcast Energy Rewards trade names
  - Expansion into Texas will enable the introduction of the Comcast strategic partnership and network marketing channels into the state, which are expected to be operational during the fourth quarter of 2015
- Launch of Viridian program enhancements
  - In September 2015, the Company launched new program enhancements at its national convention PowerUp! 2015, which saw record attendance of nearly 2,000 independent contractors
  - Developments included a new compensation plan, product enhancements and an upgraded technology platform
  - Selling costs were impacted in the quarter by non-recurring incremental incentives of $3.2 million offered in the channel as part of the transition to the new compensation plan

Growth and Corporate Highlights

- Entered into a strategic alliance with Sungevity, Inc. ("**Sungevity**")
  - The alliance allows the Company to co-brand and offer Sungevity residential solar energy systems and products through Crius Energy's family of world-class energy brands, retaining brand awareness and upsell opportunity through the life of the solar customer relationship
  - Increased compensation from each solar system sold through Sungevity including enhanced recurring revenue for the life of the system including all customer renewals
  - Received equity warrant position in Sungevity providing partner alignment and additional upside potential from solar growth
- Completed acquisition of 2,000 electricity customers in New Hampshire and Rhode Island
  - Purchased from Gulf Oil, LP for $0.2 million
  - Customers serviced by existing infrastructure with minimal incremental costs
- Completed bought deal offering of 6.8 million Units for gross proceeds of C$46.1 million
  - Net proceeds primarily used to increase the Trust's indirect ownership of Crius Energy to 43.1% from 26.8%
  - Remaining net proceeds of approximately $5.3 million were retained for general corporate purposes

Q3 2015 DISCUSSION

During the third quarter of 2015, the Company continued to show positive financial results from the successful execution of the Company's organic and acquisition growth strategy to expand and diversify the business both geographically and through new product offerings.

Revenue increased 32.1% in the quarter to $204.1 million from $154.6 million in the third quarter of 2014. The increase was largely due to 34.6% greater electricity revenues primarily as a result of higher average electricity customer numbers resulting from the acquisition of TriEagle Energy in April 2015.

Gross sales of solar systems reached new highs in the quarter with 1,372 systems sold representing 11.8 MW of generating capacity, an increase of 16.8% and 29.7% respectively over the second quarter of 2015. During the quarter, the Company entered into a Reseller Agreement with Sungevity. This strategic alliance allows the Company to co-brand and offer Sungevity residential solar energy systems and products through Crius Energy's family of world-class energy brands, retaining brand awareness and upsell opportunity through the life of the solar customer relationship. As part of the partnership, Crius Energy received a one-time grant of 120 million warrants to purchase Series C Preferred Shares of Sungevity with a five year term, at a strike price of US$0.09 per share. The warrants vest at the latter of the one year anniversary of the Reseller Agreement or once certain performance criteria have been met. Due to Sungevity shares being private and with no observable market price, the value of the warrants is not recorded on our financial statements.

While our solar business produced strong underlying gross sales, net solar revenues recognized were $1.0 million during the third quarter of 2015, down 49.0% from the same period in 2014 and the net margin after selling costs was $(0.5) million for the third quarter of 2015 down from $1.3 million in the same period in 2014, with the $1.8 million reduction attributable to increased cancellation rates related to sales reported in current and prior periods that had not reached installation. Crius recognizes solar revenues upon the execution of contracts with customers, net of expected cancellations that may occur prior to installation of the solar systems. Management anticipates a continued temporary impact on solar revenues recognized as the Company transitions to the new solar reseller partnership with Sungevity, following which, cancellations are expected to decrease due to Sungevity's technology platform and broad installation network. In addition, the Company is expected to see improved economics per system sold, a more than 20 year co-branded customer relationship, and starting in early 2016, Sungevity will become a new selling channel for the Company's energy products.

Gross margin for the quarter was $48.0 million, 26.7% greater than $37.9 million in the third quarter of 2014. As a percentage of total revenue, gross margin was 23.5% in the third quarter of 2015, slightly below the 24.5% in the same quarter the previous year. The decline in gross margin as a percentage of revenue was impacted by the increased proportion of commercial customers the Company now services as a result of the TriEagle Energy acquisition. Commercial customers provide diversification to the customer portfolio and have a higher retention profile than residential customers, although with lower average unit margins.

Adjusted EBITDA in the third quarter of 2015 was $16.1 million, a 5.7% increase over $15.2 million in the third quarter of 2014, with the current quarter being impacted by $3.2 million in increased selling costs due to incremental incentives offered in the Viridian channel as part of the transition to the new compensation plan, which was part of broader program enhancements announced at the national sales convention, PowerUP! 2015, in September 2015. Additionally, the prior year comparative period was elevated due to the strategy employed in 2014 to spread extremely high wholesale energy prices incurred in the first quarter due to the "polar vortex" weather event over the balance of the year to recover costs and mitigate customer attrition.

Distributable Cash was $6.9 million in the quarter, representing a quarterly payout ratio of 74.0%. In addition to the impacts on Selling expenses discussed above, Distributable Cash was impacted by elevated levels of capital expenditures during the quarter of $3.2 million, primarily related to development work on our numerous growth initiatives, including the integration of TriEagle Energy, a new technology platform in the network marketing channel, the ongoing launch of the Comcast strategic partner channel and the transition to the Company's new solar partner, Sungevity. These capital expenditures are non-recurring, and expected to contribute to the long-term growth of the Company. It is the intention of Management to maintain a conservative payout ratio to ensure funds are available to execute its growth strategy into 2016.

At September 30, 2015, Crius Energy had 799,000 customers, up from 790,000 at the beginning of the quarter, representing net customer growth of 9,000 customers, or 1.1% over the quarter, which was in line with customer additions in the prior quarter. Net customer adds in the current quarter were consistent with customer growth rates achieved over the last twelve months, and benefited from the 2,000 customers acquired from Gulf Oil, success in the direct marketing channel and commercial sales activity, as well as from declining attrition rates attributable to longer-term fixed price residential and commercial customers in the portfolio. Specifically, average monthly attrition rates in the third quarter of 2015 of 3.2% have improved compared to average monthly attrition rates of approximately 5.0% last year. Taking acquisitions into account, the Company achieved customer growth of 37.8% over the last twelve months.

During the quarter, strong operating cash flows of $26.7 million helped to restore the Trust's liquidity position to pre-TriEagle Energy acquisition levels. At September 30, 2015 the Trust had cash and cash availability of $47.5 million. This consisted of $13.5 million of cash and equivalents and $34.0 million available under the credit facility. This compared to cash and cash availability of $20.6 million at the end of the second quarter, which was impacted by the acquisition of TriEagle Energy in April 2015 as it was primarily funded by cash. During the quarter, the credit facility balance, totaling $19.0 million at the end of the second quarter, was fully repaid, resulting in increased liquidity.

During the third quarter, Adjusted Working Capital improved by $7.2 million from the end of the second quarter to $(10.7) million at the end of the third quarter. Negative working capital resulted from the TriEagle Energy acquisition, and Management continue to be committed to returning to a positive Adjusted Working Capital position.

The Trust continues to have no long-term debt and sufficient resources to execute its growth strategy.

During the quarter, the Trust increased its indirect ownership of Crius Energy through the completion of a bought deal equity offering with a syndicate of underwriters for 6,785,000 Units at a price of C$6.80 per Unit for total gross proceeds of C$46.1 million. The net proceeds were used to purchase additional membership units of Crius Energy and thus increasing the Trust's indirect ownership of Crius Energy to 43.1% from 26.8%, a 16.3% increase. Management expects that the increased ownership of the operating company by the Trust will improve the float of the Trust's Units and market liquidity.

OUTLOOK

Management expect Company performance to continue to benefit from ongoing enhancements to operations and risk management, increased scale and diversity of the customer portfolio, along with a continued investment in the business through both organic and acquisition growth initiatives. For the remainder of the year and into 2016, Management intend to re-invest excess cash into customer growth initiatives. These initiatives are expected to temporarily increase customer acquisition costs through higher upfront selling costs, which are expensed when they occur. Additionally, residential gross margins are expected to be reduced in the near-term due to new products that offer increased customer savings during their first year of service.

These investments, including both higher selling costs and reduced margins to drive growth, are expected to materially improve long-term customer growth rates over and above current run-rate levels**.** Management expect to continue to make progress on strategic growth initiatives in the areas of customer segment, geography, distribution channel, and new products, which include commercial customer growth, geographic expansion into Texas, the Comcast strategic partnership roll-out, and growth in the solar business.

Customer Segment

Commercial Expansion

The Company continues to make progress integrating the TriEagle Energy commercial platform into the Crius Energy business. Management expect integration and associated capital expenditures to be substantially complete by the end of 2015 resulting in an increase in commercial customer growth as the TriEagle Energy platform is leveraged across the Crius Energy footprint.

Geography

Texas Market Entry

The Company continues to make progress deploying its marketing channels into the Texas electricity market. The Company expanded the TriEagle Energy electricity license to include the Viridian and Comcast Energy Rewards trade names during the third quarter of 2015. Management expect Viridian to launch in Texas in November 2015 and Comcast Energy Rewards to be offering electricity service in Texas late in the fourth quarter of 2015. Texas is the largest de-regulated energy market in the United States with high growth in forecasted energy volumes, offering a significant opportunity for the Company to increase its footprint in the State.

Distribution Channels

Strategic Partnership with Comcast

The Company continues to make progress expanding the footprint for marketing electricity and natural gas products under the Comcast Energy Rewards brand name. In addition to offering electricity and natural gas service in Illinois, Pennsylvania, and New Jersey, the Company started offering natural gas service in California in October 2015. Management expect to expand the Comcast Energy Rewards brand into the Texas electricity market before the end of the year, at which time the Company will have access to approximately 53% of addressable subscribers in the channel. The Company remains on track to have access to all Comcast subscribers in deregulated energy markets by the end of 2016.

The strategic partnership with Comcast is progressing in line with Management expectations. Gross customer enrolments have shown consistent growth and are expected to approach 15,000 by the end of 2015.

Viridian Energy

Management anticipate a strong continued growth contribution from the Viridian brand. The channel will benefit from new market expansion into Texas in the fourth quarter of 2015 and program enhancements that were launched in September at the national convention, PowerUp! 2015 including new technology, a new compensation plan, product enhancements and other program improvements. While these initiatives have a short-term impact on Adjusted EBITDA and Distributable Cash as a result of increased selling costs and increased capital expenditures, they are expected to be a catalyst for growth in the deregulated energy and solar customer portfolios.

New Products

Solar

The Company continues to focus on growth in the solar energy business as gross sales of new systems exceeded second quarter 2015 sales by 16.8%. Throughout the remainder of the year, Management are focused on the transition to the new solar reseller partnership with Sungevity which is expected to be completed by early 2016. While results from the solar business in the fourth quarter of 2015 are expected to be lower than the comparable period in 2014 due to the transition, going forward the Company expects to benefit from improved economics per system sold, reduced cancellation rates and a more than 20 year co-branded customer relationship through the alliance with Sungevity.

Additionally, expected in early 2016, Sungevity will become a new selling channel for the Company's energy products, offering additional products to solar customers, including electricity and natural gas through the Viridian brand.

Acquisitions

In addition to our strong organic customer growth prospects, acquisitions remain a core growth strategy for Crius Energy. The Company continues to evaluate multiple acquisition opportunities; however, Management have noticed increased competition for retail energy assets which has resulted in fewer opportunities within our target acquisition valuation range.

Regulatory

While the Company's financial and growth prospects are strong, the regulatory environment continues to evolve as a result of the severe weather events in the first quarter of 2014 which caused significant increases to energy bills for those customers on variable rate plans. 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.

Distributions and Capital Structure

In addition to the fundamental strength of our business model, Management expect the sustainability of the Trust's distributions to be further bolstered for the remainder of 2015 and into 2016 and 2017 by the strength of the U.S. dollar, which results in a lower payout ratio as business operations generate earnings in U.S. dollars whereas the distributions to unitholders are set in Canadian dollars. The Trust maintains an active currency hedging program that uses foreign currency options to set a floor exchange rate for its current distribution levels and is currently hedged through December 2017 at close to current exchange rate levels while retaining upside from further U.S. dollar strength.

Going forward, Management will act on further opportunities to acquire additional membership units of Crius Energy in a similar fashion to the July 2015 equity offering and acquisition of an additional 16.3% interest in the operating business, with the intention of eventually increasing its ownership to 100%. We expect such opportunities will be dependent on a number of factors, including prevailing capital market conditions, the continued improvement in the trading price of Units and the willingness of private owners of LLC Units to sell LLC Units.

Summary

The retail energy and distributed generation industries are dynamic, and Crius Energy, through its industry-leading, multi-channel 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. Crius Energy's growth prospects, combined with its financial capability, position it to continue its market leadership.

Selected Consolidated Financial and Operational Data

The following selected historical financial information has been derived from the unaudited interim condensed consolidated financial statements of the Trust for the three and nine months ended September 30, 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) Income Highlights
(in millions)

	Three months ended September 30, 2015 (unaudited)	Three months ended September 30, 2014 (unaudited)	Nine months ended September 30, 2015 (unaudited)	Nine months ended September 30, 2014 (unaudited)
Revenue	$204.1	$154.6	$538.8	$466.1
Cost of sales	156.1	116.7	410.6	375.4
Gross margin	48.0	37.9	128.2	90.7
Expenses				
Selling expenses	11.5	8.1	29.1	25.5
General and administrative	20.4	14.6	54.9	41.1
Goodwill impairment	-	-	-	77.1
Unit-based compensation	1.7	0.3	3.9	1.0
Depreciation and amortization	17.6	10.2	41.7	29.3
Operating (loss) income	(3.2)	4.7	(1.4)	(83.3)
Other (expenses) income				
Finance costs	(2.5)	(1.6)	(7.3)	(5.3)
Distributions to non-controlling interest	(3.2)	(4.9)	(11.1)	(16.8)
Change in fair value of derivative instruments	11.0	4.9	16.5	(19.5)
Change in fair value of warrant liability	(0.6)	–	(1.3)	–
Change in fair value of non-controlling interest	(17.1)	10.2	(72.2)	25.8
(Loss) income before income taxes	(15.6)	13.3	(76.8)	(99.1)
Provision for (benefit from) income taxes	2.6	(0.5)	3.9	(14.1)
Net (loss) income and comprehensive (loss) income	**$(18.2)**	**$13.8**	**$(80.7)**	**$(85.0)**
EBITDA[1]	4.5	25.1	(27.8)	(64.5)
Adjusted EBITDA[1]	**$16.1**	**$15.2**	**$44.2**	**$24.1**

(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) income and comprehensive (loss) income to EBITDA and Adjusted EBITDA for the periods indicated.

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

	Three months ended September 30, 2015 (unaudited)	Three months ended September 30, 2014 (unaudited)	Nine months ended September 30, 2015 (unaudited)	Nine months ended September 30, 2014 (unaudited)
Net (loss) income and comprehensive (loss) income	$(18.2)	$13.8	$(80.7)	$(85.0)
Excluding the impacts of:				
Finance costs	2.5	1.6	7.3	5.3
Provision for (benefit from) income taxes	2.6	(0.5)	3.9	(14.1)
Depreciation and amortization	17.6	10.2	41.7	29.3
EBITDA	4.5	25.1	(27.8)	(64.5)
Excluding the impact of:				
Goodwill impairment	–	–	–	77.1
Unit-based compensation	1.7	0.3	3.9	1.0
Distributions to non-controlling interest	3.2	4.9	11.1	16.8
Change in fair value of derivative instruments	(11.0)	(4.9)	(16.5)	19.5
Change in fair value of warrant liability	0.6	–	1.3	–
Change in fair value of non-controlling interest	17.1	(10.2)	72.2	(25.8)
Adjusted EBITDA	**$16.1**	**$15.2**	**$44.2**	**$24.1**

Statement of Financial Position Highlights (in millions)

	As at September 30, 2015 (unaudited)	As at December 30, 2014
Current assets	$113.5	$104.6
Total assets	297.7	263.3
Current liabilities	164.7	132.6
Long-term liabilities	172.5	119.0
Unitholders' (deficit) equity	(39.5)	11.7

Statement of Cash Flows Highlights (in millions)

	Three months ended September 30, 2015 (unaudited)	Three months ended September 30, 2014 (unaudited)	Nine months ended September 30, 2015 (unaudited)	Nine months ended September 30, 2014 (unaudited)
Cash flows provided by operating activities	$26.7	$19.9	$33.4	$35.3
Cash flows used in investing activities	(3.2)	(1.3)	(18.2)	(8.6)
Cash flows used in financing activities	(21.8)	(19.0)	(16.0)	(31.6)
Cash and cash equivalents at beginning of period	11.8	10.8	14.3	15.3
Cash and cash equivalents at end of period	13.5	10.4	13.5	10.4

Operational Highlights

	Three months ended September 30, 2015 (unaudited)	Three months ended September 30, 2014 (unaudited)	Nine months ended September 30, 2015 (unaudited)	Nine months ended September 30, 2014 (unaudited)
Electricity				
Volumes (MWh)	2,047,000	1,261,000	4,897,000	3,688,000
Revenue ($ million)	198.6	147.6	496.3	420.7
Gross margin ($ million)	44.8	33.7	106.2	74.8
Gross margin ($/MWh)	21.87	26.73	21.69	20.28
Gross margin as a % of revenue	22.5%	22.9%	21.4%	17.8%
Natural gas				
Volumes (MMBtu)	351,000	630,000	4,481,000	4,704,000
Revenue ($ million)	2.6	4.0	32.8	38.0
Gross margin ($ million)	0.3	1.2	12.3	8.5
Gross margin ($/MMBtu)	0.82	1.89	2.75	1.81
Gross margin as a % of revenue	11.1%	29.7%	37.5%	22.4%

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 September 30, 2015.

Customer Aggregation
(in customers)

	Opening Customer Count	Customer Adds	Customer Drops	Net Change	Closing Customer Count
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%***	
Electricity	511,000	281,000(1)	(71,000)	210,000	721,000
Natural Gas	70,000	7,000	(8,000)	(1,000)	69,000
Quarter ending June 30, 2015	**581,000**	**288,000**	**(79,000)**	**209,000**	**790,000**
Net Change % of Opening Customer Count				***36.0%***	
Electricity	721,000	81,000	(71,000)	10,000	731,000
Natural Gas	69,000	8,000	(9,000)	(1,000)	68,000
Quarter ending September 30, 2015	**790,000**	**89,000**	**(80,000)**	**9,000**	**799,000**
Net Change % of Opening Customer Count				***1.1%***	

(1) Includes approximately 200,000 customers acquired in conjunction with the acquisition of TriEagle Energy on April 1, 2015.

Solar Sales

The following table summarizes the Company's gross solar sales activity over the trailing four quarters ending September 30, 2015.

Solar Sales[1]
(in systems and capacity)

	Systems Sold	Generation Capacity (MW)
Residential	933	6.3
Commercial	–	–
Quarter ending December 31, 2014	**933**	**6.3**
Residential	842	6.2
Commercial	3	6.3
Quarter ending March 31, 2015	**845**	**12.5**
Residential	1,172	8.0
Commercial	3	1.1
Quarter ending June 30, 2015	**1,175**	**9.1**
Residential	1,371	10.5
Commercial	1	1.3
Quarter ending September 30, 2015	**1,372**	**11.8**

(1) Solar sales activity is based on executed contracts and does not account for cancelations that may occur from the execution of the contract and the installation of the solar system. Solar revenues recognized for financial reporting purposes are net of such expected cancelations.

Summary of Quarterly Results
Quarterly Results (unaudited)
(in millions)

	Quarter ended September 30, 2015	Quarter ended June 30, 2015	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
Revenue	$204.1	$166.3	$168.3	$134.3	$154.6	$134.0	$177.6	$128.6
Cost of sales	156.1	126.4	128.0	96.1	116.7	100.3	158.5	103.7
Gross margin	48.0	39.9	40.3	38.2	37.9	33.7	19.1	24.9
Expenses								
Selling expenses	11.5	7.5	9.9	9.8	8.1	8.1	9.3	5.2
General and administrative	20.4	18.6	15.9	14.0	14.6	12.4	14.1	13.7
Goodwill impairment	–	–	–	–	–	–	77.1	60.5
Unit-based compensation	1.7	1.4	0.8	0.4	0.3	0.7	–	0.1
Depreciation and amortization	17.6	14.0	10.1	10.3	10.2	9.6	9.5	9.5
Operating (loss) income	(3.2)	(1.6)	3.6	3.7	4.7	2.9	(90.9)	(64.1)
Other (expenses) income								
Finance costs	(2.5)	(3.0)	(1.8)	(1.6)	(1.6)	(1.7)	(2.0)	(1.5)
Distributions to non-controlling interest	(3.2)	(3.9)	(3.9)	(1.5)	(4.9)	(6.7)	(5.2)	(6.7)
Change in fair value of derivative instruments	11.0	3.8	1.6	(39.4)	4.9	4.6	(29.0)	24.1
Change in fair value of warrant liability	(0.6)	(0.2)	(0.5)	(0.1)	–	(0.3)	0.3	–
Change in fair value of non-controlling interest	(17.1)	(25.3)	(29.8)	(3.1)	10.2	(43.3)	58.9	43.5
(Loss) income before income taxes	(15.6)	(30.2)	(30.8)	(42.0)	13.3	(44.5)	(67.9)	(4.7)
Provision for (benefit from) income taxes	2.6	0.5	0.9	(14.8)	(0.5)	(0.7)	(12.9)	1.9
Net (loss) income and comprehensive (loss) income	**$(18.2)**	**$(30.7)**	**$(31.7)**	**$(27.2)**	**$13.8**	**$(43.8)**	**$(55.0)**	**$(6.6)**

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

Net (loss) income and comprehensive (loss) income	$(18.2)	$(30.7)	$(31.7)	$(27.2)	$13.8	$(43.8)	$(55.0)	$(6.6)
Excluding the impacts of:								
Finance costs	2.5	3.0	1.8	1.6	1.6	1.7	2.0	1.5
Provision for (benefit from) income taxes	2.6	0.5	0.9	(14.8)	(0.5)	(0.7)	(12.9)	1.9
Depreciation and amortization	17.6	14.0	10.1	10.3	10.2	9.6	9.5	9.5
EBITDA	4.5	(13.2)	(18.9)	(30.1)	25.1	(33.2)	(56.4)	6.3
Excluding the impact of:								
Goodwill impairment	–	–	–	–	–	–	77.1	60.5
Unit-based compensation	1.7	1.4	0.8	0.4	0.3	0.7	–	0.1
Distributions to non-controlling interest	3.2	3.9	3.9	1.5	4.9	6.7	5.2	6.7
Change in fair value of derivative instruments	(11.0)	(3.8)	(1.6)	39.4	(4.9)	(4.6)	29.0	(24.1)
Change in fair value of warrant liability	0.6	0.2	0.5	0.1	–	0.3	(0.3)	–
Change in fair value of non-controlling interest	17.1	25.3	29.8	3.1	(10.2)	43.3	(58.9)	(43.5)
Adjusted EBITDA	**$16.1**	**$13.8**	**$14.5**	**$14.4**	**$15.2**	**$13.2**	**$(4.3)**	**$6.1**

Distributable Cash and Payout Ratio

Cash flows from operating activities	$26.7	$(0.5)	$7.3	$15.7	$19.9	$17.7	$(2.3)	$11.5
Changes in operating assets and liabilities	(13.8)	14.6	4.9	(2.2)	(4.9)	(3.8)	(0.7)	(4.0)
Cash flows from operating activities excluding changes in operating assets and liabilities	**12.9**	**14.1**	**12.2**	**13.5**	**15.0**	**13.9**	**(3.0)**	**7.5**
Finance costs included in financing activities	(3.1)	(2.1)	(1.7)	(1.4)	(1.8)	(1.4)	(2.1)	(1.3)
Maintenance Capital Expenditures[(1)]	(2.9)	(2.0)	(1.9)	(1.0)	(1.3)	(1.4)	(0.2)	(1.5)
Distributable Cash	**$6.9**	**$10.0**	**$8.6**	**$11.1**	**$11.9**	**$11.1**	**$(5.3)**	**$4.7**
Distributions to non-controlling interest	3.2	3.1	3.4	4.6	4.9	6.3	5.8	6.7
Distributions to Unitholders	1.9	1.4	1.4	1.6	1.6	1.6	2.1	2.4
Total distributions	**$5.1**	**$4.5**	**$4.8**	**$6.2**	**$6.5**	**$7.9**	**$7.9**	**$9.1**
Payout Ratio	**74.0%**	**44.8%**	**55.4%**	**56.0%**	**54.1%**	**70.7%**	**NA**	**195.9%**

(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 and nine months ended September 30, 2015 and 2014

Revenue

For the three month period ended September 30, 2015, revenue was $204.1 million, representing an increase of 32.1% from $154.6 million for the three month period ended September 30, 2014. For the nine months ended September 30, 2015, revenue was $538.8 million, representing an increase of 15.6% from $466.1 million for the nine months ended September 30, 2014.

Electricity

Electricity revenue for the three month period ended September 30, 2015 was $198.6 million, representing an increase of 34.6% from $147.6 million for the three month period ended September 30, 2014, as a result of a 62.3% increase in volume, partially offset by a 17.1% lower average retail rate per unit, reflecting the continued normalization of variable customer rates as well as lower energy prices. Electricity volumes for the three month period ended September 30, 2015 were 2,047,000 MWh representing an increase of 62.3% from 1,261,000 MWh for the three month period ended September 30, 2014, with the increase being primarily due to higher average customer numbers resulting from the TriEagle Energy acquisition.

Electricity revenue for the nine month period ended September 30, 2015 was $496.3 million, representing an increase of 18.0% from $420.7 million for the nine month period ended September 30, 2014, as a result of a 32.8% increase in volume, partially offset by a 11.2% lower average retail rate per unit. Electricity volumes for the nine month period ended September 30, 2015 were 4,897,000 MWh representing an increase of 32.8% from 3,688,000 MWh for the nine month period ended September 30, 2014, with the increase primarily due to higher average customer numbers resulting from the TriEagle Energy acquisition.

Natural Gas

Natural gas revenue for the three month period ended September 30, 2015 was $2.6 million, representing a decrease of 34.6% from $4.0 million for the three month period ended September 30, 2014, primarily as a result of a decrease in natural gas volumes. Natural gas volumes for the three month period ended September 30, 2015 were 351,000 MMBtu, representing a decrease of 44.3% from 630,000 MMBtu for the three month period ended September 30, 2014, with the decrease resulting from lower average usage per customer and lower average customer numbers.

Natural gas revenue for the nine month period ended September 30, 2015 was $32.8 million, representing a decrease of 13.7% from $38.0 million for the nine month period ended September 30, 2014, as a result of a 9.4% lower average retail rate per unit, as well as a 4.7% decrease in volume. Natural gas volumes for the nine month period ended September 30, 2015 were 4,481,000 MMBtu, representing a decrease of 4.7% from 4,704,000 MMBtu for the nine month period ended September 30, 2014, with the decrease primarily resulting from lower average customer numbers.

Solar Revenue

Solar revenue for the three month period ended September 30, 2015 was $1.0 million, representing fees earned in connection with the marketing of solar systems with total generation capacity of 1.8 MW. This represents a decrease of 49.0% from revenues of $2.0 million and 3.6 MW in the three month period ended September 30, 2014. Solar 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 net revenues recognized in the quarter were adversely impacted by higher actual and expected future cancellations which we anticipate will temporarily result from the transition to our new solar reseller partnership with Sungevity.

Solar revenue for the nine month period ended September 30, 2015 was $5.1 million, representing fees earned in connection with the marketing of solar systems with total generation capacity of 14.6 MW. This represents an increase of 9.1% from revenues of $4.7 million and 8.4 MW in the nine month period ended September 30, 2014. The growth in revenues represents the growth of our solar business over the period, which has benefited from 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 and various fees received from customers, for the three month period ended September 30, 2015 was $1.9 million, representing an increase of 99.8% from $1.0 million for the three month period ended September 30, 2014, which was primarily attributable to customer fee revenues in the Texas electricity market as a result of the TriEagle Energy acquisition, which closed on April 1, 2015.

Fee revenue, consisting of sign-up fees and other monthly fees received from independent contractors in the network marketing channel and various fees received from customers, for the nine month period ended September 30, 2015 was $4.6 million, representing an increase of 69.0% from $2.7 million for the nine month period ended September 30, 2014, which was primarily attributable to customer fee revenues in the Texas electricity market as a result of the TriEagle Energy acquisition.

Gross Margin

For the three month period ended September 30, 2015, gross margin was $48.0 million, representing an increase of 26.7% from $37.9 million for the three month period ended September 30, 2014. Gross margin for the three month period ended September 30, 2015 was 23.5% of total revenue, representing a slight decrease from 24.5% of total revenue for the three month period ended September 30, 2014. For the nine months ended September 30, 2015, gross margin was $128.2 million, representing an increase of 41.4% from $90.7 million for the nine months ended September 30, 2014. Gross margin for the nine months ended September 30, 2015 was 23.8% of total revenue, representing an increase from 19.5% for the nine months ended September 30, 2014. Gross margin benefited from increased average customer numbers due to the TriEagle Energy acquisition, with the slight reduction in gross margin as a percentage of revenue in the current quarter primarily a result of the increased proportion of lower margin commercial customers as a result of the TriEagle Energy acquisition as well as the period-over-period reduction in solar revenues.

Electricity

Electricity gross margin for the three month period ended September 30, 2015 was $44.8 million, representing an increase of 32.8% from $33.7 million for the three month period ended September 30, 2014. For the three month period ended September 30, 2015, electricity gross margin was 22.5% of electricity revenues, and electricity gross margin per unit was $21.87/MWh, representing decreases from 22.9% and $26.73/MWh, respectively, for the three month period ended September 30, 2014. Electricity gross margin per unit in the quarter reflect normalized variable rate customer pricing as compared to the third quarter of 2014, when the Company was passing through to customers the high wholesale energy costs incurred as a result of the severe weather conditions experienced in the first quarter of 2014.

Electricity gross margin for the nine month period ended September 30, 2015 was $106.2 million, representing an increase of 42.0% from $74.8 million for the nine month period ended September 30, 2014. For the nine month period ended September 30, 2015, electricity gross margin was 21.4% of electricity revenues, and electricity gross margin per unit was $21.69/MWh, representing increases from 17.8% and $20.28/MWh, respectively, for the nine month period ended September 30, 2014. Higher gross margins per unit were primarily attributable to a lower energy price and volatility environment as compared to the prior comparable period in 2014 which included the "polar vortex" weather event.

Natural Gas

Natural gas gross margin for the three month period ended September 30, 2015 was $0.3 million, representing a 75.7% decrease from $1.2 million for the three month period ended September 30, 2014. For the three month period ended September 30, 2015, natural gas gross margin was 11.1% of natural gas revenues, and natural gas gross margin per unit was $0.82/MMBtu, representing a decrease from 29.7% and $1.89/MMBtu, respectively, for the three month period ended September 30, 2014, with the unit margins in the current quarter being adversely impacted by certain Local Distribution Company ("**LDC**") cost of sales true-ups the impact of which was exaggerated due to the reduced volumes, with the third quarter representing the lowest usage summer period for natural gas.

Natural gas gross margin for the nine month period ended September 30, 2015 was $12.3 million, representing a 44.9% increase from $8.5 million for the nine month period ended September 30, 2014. For the nine month period ended September 30, 2015, natural gas gross margin was 37.5% of natural gas revenues, and natural gas gross margin per unit was $2.75/MMBtu, representing increases from 22.4% and $1.81/MMBtu, respectively, for the nine month period ended September 30, 2014, with the gross margins benefitting from a lower energy price and volatility environment combined with higher target margins.

Other

Gross margin for the three and nine month periods ended September 30, 2015 also included solar revenues of $1.0 million and $5.1 million, and revenues from independent contractors in the network marketing channel and various fees received from customers of $1.9 million and $4.6 million, respectively. For the three and nine month periods ended September 30, 2014, solar revenues were $2.0 million and $4.7 million, and revenues from independent contractors in the network marketing channel and various fees received from customers were $1.0 million and $2.7 million, respectively. 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) vendors used in the Company's direct mail and other direct marketing 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 direct marketing channel 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 and other direct marketing campaigns.

- Commissions due to brokers in our commercial broker channel are primarily residual commissions, which are based on energy usage over a customer's term of enrolment.

- 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 September 30, 2015, selling expenses were $11.5 million, representing an increase of 43.1% from $8.1 million for the three month period ended September 30, 2014. Selling expenses for the three month period ended September 30, 2015 amounted to 5.7% of revenue compared to 5.2% of revenue for the three month period ended September 30, 2014. Selling costs in the current periods were impacted by approximately $3.2 million of non-recurring additional commissions incentives offered in the Viridian sales channel during the transition to a revamped compensation plan structure that was launched at the national convention, PowerUP! 2015, in September 2015. These expenses consist of:

(a) Upfront electricity and natural gas customer acquisition commissions for the three month period ended September 30, 2015 of $2.8 million (amounting to $32 per customer acquired), representing an increase from $1.6 million for the three month period ended September 30, 2014 (amounting to $38 per customer acquired), with the costs being impacted by the upfront component of the above-mentioned transitional commissions incentives offered in the Viridian channel of approximately $0.9 million. In addition, costs were impacted by higher organic customer enrolments compared to the prior comparable period in 2014, offset by lower upfront costs per customer, primarily associated with increased commercial customer enrolments as a result of the TriEagle Energy acquisition.

(b) Residual-based electricity and natural gas commissions for the three month period ended September 30, 2015 of $7.2 million (amounting to 3.5% of revenues), representing an increase from $5.8 million for the three month period ended September 30, 2014 (amounting to 3.7% of revenues), with the increase primarily resulting from the residual based component of the above-mentioned transitional commissions incentives offered in the Viridian channel of approximately $2.3 million. In addition, this impact was partially offset by two factors associated with the acquisition of TriEagle Energy on April 1, 2015. Firstly, residual-based commissions owed to brokers based on customer usage are treated under acquisition accounting as an assumed liability and are included in the preliminary purchase price allocation for the acquisition, based on estimated customer usage and contracted commission rates. Thus, ongoing payment of residual-based commissions associated with the customers acquired from TriEagle Energy will relieve the liability on the consolidated statement of financial position rather than be expensed as a selling cost. Secondly, the Texas electricity market structure is a 'marketer consolidated billing' model, in contrast to the 'utility consolidated billing' and 'dual billing' models in other Crius Energy electricity and natural gas markets. Under the Texas model, the marketer, Crius Energy, is responsible for the billing and collection of transmission and distribution charges of the local utility as well as its own energy charges, and as such residual-based commissions are lower as a percentage of revenue as they are based only on the energy charges and usage.

(c) Solar commissions for the three month period ended September 30, 2015 of $1.5 million (amounting to 149.0% of solar revenues), representing an increase from $0.7 million for the three month period ended September 30, 2014 (amounting to 32.4% of solar revenues). Solar commissions as a percentage of revenue were higher than typical and were adversely impacted by higher actual and expected future cancellations prior to installation of solar systems. 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 impact of these cancelations on net revenues recognized in the quarter was not offset by a proportional reduction of solar commissions, which do not reflect a full claw-back of commissions on the cancelled contracts.

For the nine month period ended September 30, 2015, selling expenses were $29.1 million, representing an increase of 13.9% from $25.5 million for the nine month period ended September 30, 2014. Selling expenses for the nine month period ended September 30, 2015 amounted to 5.4% of revenue compared to 5.5% of revenue for the nine month period ended September 30, 2014. These expenses consist of:

(a) Upfront electricity and natural gas customer acquisition commissions for the nine month period ended September 30, 2015 of $9.2 million (amounting to $33 per customer acquired), representing an increase from $7.7 million for the nine month period ended September 30, 2014 (amounting to $40 per customer acquired), with the costs impacted by an increase in organic customer enrolments as compared to the prior comparable period in 2014, partially offset by lower upfront costs per customer, primarily associated with increased commercial customer enrolments as a result of the TriEagle Energy acquisition.

(b) Residual-based electricity and natural gas commissions for the nine month period ended September 30, 2015 of $16.0 million (amounting to 3.0% of revenues), representing an increase from $15.8 million for the nine month period ended September 30, 2014 (amounting to 3.4% of revenues) with the increase being due to higher revenues as well as the impacts noted above for the three month period ended September 30, 2015.

(c) Solar commissions for the nine month period ended September 30, 2015 of $3.9 million (amounting to 76.4% of solar revenues), representing an increase from $2.0 million for the nine month period ended September 30, 2014 (amounting to 43.6% of solar revenues), primarily representing the growth in solar revenues over the prior comparable period in 2014, with solar commissions as a percentage of revenue being impacted by the increased actual and expected future cancelations noted above.

General and Administrative Expenses

General and administrative expenses for the three month and nine month periods ended September 30, 2015 were $20.4 million and $54.9 million, respectively. This represented an increase from $14.6 million and $41.1 million for the three and nine month periods ended September 30, 2014, respectively, as set out in the tables below. The increased level of general and administrative expenses period over period was impacted by the acquisition of TriEagle Energy on April 1, 2015.

General and Administrative Expenses
(in $ millions and % of revenue)

	Three months ended September 30, 2015		Three months ended September 30, 2014		Nine months ended September 30, 2015		Nine months ended September 30, 2014	
	$	%	$	%	$	%	$	%
POR fees / bad debt	$1.3	0.6%	$2.1	1.4%	$5.4	1.0%	$6.4	1.4%
Processing costs	2.2	1.1%	2.1	1.4%	5.7	1.1%	4.9	1.0%
Human resources	8.1	4.0%	5.2	3.4%	22.1	4.1%	15.3	3.3%
Gross receipts taxes and other taxes	2.2	1.1%	0.7	0.5%	5.2	1.0%	3.0	0.7%
Professional and consultant fees	1.1	0.5%	0.6	0.4%	2.9	0.5%	2.2	0.5%
Legal and regulatory	0.8	0.4%	0.4	0.2%	2.2	0.4%	1.1	0.2%
Other	4.7	2.3%	3.5	2.2%	11.4	2.1%	8.2	1.7%
Total	**$20.4**	**10.0%**	**$14.6**	**9.5%**	**$54.9**	**10.2%**	**$41.1**	**8.8%**

General and administrative expenses incurred during the three and nine months ended September 30, 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 September 30, 2015 was $1.3 million, representing 0.6% of revenue, compared to $2.1 million for the three month period ended September 30, 2014, representing 1.4% of revenue for that period. The decreases were impacted by a reduction in bad debt expense in the markets in which the Company is exposed to credit risk.

The POR fees / bad debt costs for the nine month period ended September 30, 2015 was $5.4 million, representing 1.0% of revenue, compared to $6.4 million for the nine month period ended September 30, 2014, representing 1.4% of revenue for that period, with the reduction attributable to the reduction in bad debt expense in the markets in which the Company is exposed to credit risk.

(b) Processing costs for the three month period ended September 30, 2015 of $2.2 million include various data processing and information technology costs incurred to service our customers and salesforce. This figure compares to $2.1 million for the three month period ended September 30, 2014. Processing costs were higher due to the increased costs of servicing the TriEagle Energy customer base and the Texas market. In addition, the costs were impacted by information technology costs related to integration of the TriEagle Energy customer and salesforce data processing systems as well as costs relating to the new Comcast and Sungevity strategic partnership rollouts.

Processing costs for the nine month period ended September 30, 2015 were $5.7 million, representing an increase over the $4.9 million in costs incurred for the prior comparable period in 2014, for similar reasons as noted above for the three month period ended September 30, 2015.

(c) Human resource costs for the three month period ended September 30, 2015 of $8.1 million, consist of costs incurred in relation to the Company's employee base, temporary staff and independent contractors compared to costs in the prior comparable period in 2014 of $5.2 million. The increase 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 as a result of the TriEagle Energy acquisition as well as to support our growth initiatives and improve our operational and risk management capabilities.

Human resource costs for the nine month period ended September 30, 2015 of $22.1 million were higher than the prior comparable period in 2014 of $15.3 million, for similar reasons as noted above.

(d) Gross receipts taxes and other taxes for the three month period ended September 30, 2015 of $2.2 million represent operational taxes in various states and jurisdictions and are primarily driven by revenue. This compares to the $0.7 million incurred in the prior comparable period in 2014, with the increase primarily attributable to higher revenues in certain markets such as New York and Pennsylvania, in which such taxes are applicable, which was also impacted by the acquisition of TriEagle Energy, which had a concentration of customers in these markets.

Gross receipts taxes and other taxes for the nine month period ended September 30, 2015 amounted to $5.2 million. This represented an increase over $3.0 million incurred in the prior comparable period in 2014, for similar reasons as noted above.

(e) Professional and consultant fees for the three month period ended September 30, 2015 of $1.1 million represent audit, tax, investor relations, share registry, valuation, due diligence, internal controls consulting and other fees and compares to $0.6 million in prior comparable period in 2014.

Professional and consultant fees for the nine month period ended September 30, 2015 amounted to $2.9 million, which compares to $2.2 million incurred in the prior comparable period in 2014.

(f) Legal and regulatory costs for the three month period ended September 30, 2015 of $0.8 million represent external legal fees incurred in the United States and Canada and compares to $0.4 million in the prior comparable period in 2014, with the increase primarily attributable to costs associated with industry-wide increased activity by state regulatory agencies.

Legal and regulatory costs for the nine months ended September 30, 2015 amounted to $2.2 million compared with $1.1 million in costs incurred in the prior comparable period in 2014, with the increase being primarily attributable to $0.3 million TriEagle Energy acquisition related legal fees as well as costs associated with industry-wide increased activity by state regulatory agencies.

(g) Other costs for the three month period ended September 30, 2015 of $4.7 million represent the balance of corporate, operational and marketing related expenses incurred to operate our business. These costs compare to $3.5 million in the prior comparable period in 2014.

Other costs for the nine month period ended September 30, 2015 amounted to $11.4 million compared with $8.2 million in the prior comparable period in 2014.

The increases in both the three and nine month periods ended September 30, 2015 were impacted by, among other things, increased costs associated with the Viridian national convention, PowerUP! 2015, held in September 2015, which had record attendance of almost 2,000 attendees, as well as the program improvements that were launched at the convention including new technology, product enhancements and other programmatic improvements. In addition, costs were impacted in the current periods by the regulatory environment in certain markets leading to increased compliance and fulfillment costs including those related to additional customer notices.

Goodwill Impairment

The Trust recorded no goodwill impairment for the three and nine month periods ended September 30, 2015. The Trust recorded goodwill impairment charges for the three and nine month periods ended September 30, 2014 of $ — million and $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.

Unit-Based Compensation

The unit-based compensation charge relates to the cumulative net issuance of Phantom Unit Rights ("**PURs**") and Restricted Trust Units ("**RTUs**") to Management, the directors of the Administrator and other parties. For the three and nine month periods ended September 30, 2015, unit-based compensation expense amounted to $1.7 million and $3.9 million, representing increases from $0.3 million and $1.0 million for the three month and nine month periods ended September 30, 2014, respectively. 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 periods was impacted by an increased Unit price, as well as increased unit-based issuances to both Management and the sellers of TriEagle Energy as part of the acquisition that closed on April 1, 2015.

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 and nine month periods ended September 30, 2015 was $17.6 million and $41.7 million, representing increases from $10.2 million and $29.3 million for the three and nine month periods ended September 30, 2014, respectively. The increases are primarily attributable to incremental amortization associated with intangible asset additions made by the Company during the second quarter of 2014, and the TriEagle Energy acquisition completed in the second quarter of 2015 as well as the impact of changes in estimates of the useful lives of intangible assets.

Finance Costs

Finance costs for the three and nine month periods ended September 30, 2015 were $2.5 million and $7.3 million, representing increases from $1.6 million and $5.3 million for the three and nine month periods ended September 30, 2014. Finance costs are primarily incurred pursuant to the Company's credit facility with Macquarie Energy. Refer to the discussion in the section entitled *"Liquidity and Capital Resources"* in this MD&A, for a detailed description of this facility. The higher finance fees for the three and nine months ended September 30, 2015 as compared to the prior comparable periods in 2014 were attributable to increased volumetric energy fees primarily as a result of increased volumes from the TriEagle Energy acquisition that closed on April 1, 2015 as well as increased usage on the working capital facility including cash advances and transitional letters of credit issued in conjunction with the closing of the TriEagle Energy acquisition.

Distributions to Non-Controlling Interest

Distributions to non-controlling interest for the three and nine month periods ended September 30, 2015 were $3.2 million and $11.1 million, compared to $4.9 million and $16.8 million for the three and nine month periods ended September 30, 2014, respectively. These decreases were primarily due to the reduction in the non-controlling interest ownership of the Company's units as a result of the acquisition of an additional 16.3% indirect ownership interest by the Trust on July 2, 2015. In addition, distributions to non-controlling interest were lower than the prior comparable periods due to the effects of a stronger USD/CAD exchange rate, which results in lower U.S. denominated distributions to the non-controlling interest, as well as the 30.0% reduction in the Trust's monthly distribution to unitholders from C$0.0833 to C$0.0583, starting in February 2014.

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 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 section entitled *"Financial Instruments and Risk Management"* in this MD&A).

For the three and nine month periods ended September 30, 2015, the changes in unrealized gains or losses associated with derivative contracts were net gains of $11.0 million and $16.5 million (three and nine month ended September 30, 2014 — $4.9 million gain and $19.5 million loss).

Change in Fair Value of Derivative Instruments
(in millions)

	Three months ended September 30, 2015	**Three months ended September 30, 2014**	**Nine months ended September 30, 2015**	**Nine months ended September 30, 2014**
Forward electricity positions	$11.9	$5.0	$13.6	$(17.6)
Forward natural gas positions	(0.4)	(0.1)	3.9	(1.6)
Weather derivative positions	–	–	(0.3)	–
Forward currency positions	(0.5)	–	(0.7)	(0.3)
Change in fair value of derivative instruments	**$11.0**	**$4.9**	**$16.5**	**$(19.5)**

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 gains and losses.

Change in Fair Value of Warrant Liability

The change in fair value of warrant liability for the three and nine month periods ended September 30, 2015 were losses of $0.6 million and $1.3 million, respectively (three and nine month ended September 30, 2014 — $— million and $— million). This loss represents the mark-to-market valuation of the 750,000 Unit purchase warrants ("**Warrants**") issued to Macquarie Energy as consideration for the expansion of the Supplier Agreement (as defined in the section entitled *"Liquidity and Capital Resources"* 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 Trust Unit price, volatility and yield, 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 and nine month periods ended September 30, 2015 was a loss of $17.1 million and $72.2 million (three and nine month ended September 30, 2014 — $10.2 million gain and $25.8 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 losses in the three and nine months ended September 30, 2015 were primarily the result of increases in the trading price of Units, during the respective reporting periods.

Due to certain provisions in the Trust's governance documents that provide the non-controlling interest with a redemption right in the event of a "change of control" of the Trust, 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 trading price of Units on the TSX, with an adjustment for certain profit interest units of the Company that is calculated using an option pricing model.

Provision for (benefit from) Income Taxes

For the three and nine month periods ended September 30, 2015, the Trust recorded a provision for income taxes of $2.6 million and $3.9 million, respectively and for the three and nine month periods ended September 30, 2014, the Trust recorded a benefit from income taxes of $0.5 million and $14.1 million, respectively. The provision for (benefit from) income taxes is based on Management's estimate of the average annual effective income tax rate expected for the full financial year. The provision for (benefit from) income taxes 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 (loss) income flows through to its partners who are then taxed on their allocable share of the partnership (loss) income.

Net (Loss) Income and Comprehensive (Loss) Income

For the three and nine month periods ended September 30, 2015, net (loss) income and comprehensive (loss) income was $(18.2) million and $(80.7) million, compared to net income (loss) and comprehensive income (loss) of $13.8 million and $(85.0) million for the three and nine month periods ended September 30, 2014, respectively, 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 Company's customers as well as 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 $250.0 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. 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, 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 section entitled *"Principal Agreement with Macquarie Energy"* in the Annual Information Form of the Trust for the year ended December 31, 2014, as well as our interim consolidated financial statements as at and for the period ended June 30, 2015, both of which are available on SEDAR under the Trust's issuer profile at www.sedar.com and on the Trust's website at www.criusenergytrust.ca.

As at September 30, 2015 and December 31, 2014, the Trust has no long-term debt and no amounts outstanding under its credit facility, respectively. At September 30, 2015, the Company was in compliance with all covenants under the Supplier Agreement.

Cash and Availability

As of September 30, 2015, the Trust had total cash and availability of $47.5 million consisting of cash and cash equivalents of $13.5 million and $34.0 million of availability under the credit facility. This compares to the total cash and availability as at the end of the prior quarter of $20.6 million, which was impacted by the $19.3 million acquisition of TriEagle Energy in April 2015, which was primarily funded by cash. Strong operating cash flows in the current quarter helped to restore the Company's liquidity position to pre-TriEagle Energy acquisition levels. As at December 31, 2014 the Trust had total cash and availability 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 September 30, 2015 amounted to $26.7 million and included net inflows of $13.8 million for changes in operating assets and liabilities, which compared to cash flow from operations for the three month period ended September 30, 2014 of $19.9 million and included net inflows of $4.9 million for changes in operating assets and liabilities. Excluding these changes in operating assets and liabilities, cash flow from operations was $12.9 million for the three month period ended September 30, 2015, compared to $15.0 million for the three month period ended September 30, 2014.

Cash flow from operations for the nine month period ended September 30, 2015 amounted to $33.4 million and included net outflows of $5.8 million for changes in operating assets and liabilities, which compared to cash flow from operations for the nine month period ended September 30, 2014 of $35.3 million and included net inflows of $9.5 million for changes in operating assets and liabilities. Excluding these changes in operating assets and liabilities, cash flow from operations was $39.2 million for the nine month period ended September 30, 2015, compared to $25.8 million for the nine month period ended September 30, 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 September 30, 2015, the Trust had an adjusted working capital balance, defined as current assets less current liabilities, excluding unrealized gains and losses on derivatives, of $(10.7) million (December 31, 2014 — $7.9 million). The decrease of $18.6 million was primarily attributable the impacts of the TriEagle Energy acquisition on April 1, 2015. The Company settled the $19.3 million acquisition purchase price with $15.9 million in cash as well as the issuance of $3.4 million of PURs in the Company which are to be settled in cash based on the future trading price of the Units on the TSX on the first and second anniversary of the acquisition date. In addition, the Company assumed negative working capital in the acquisition, including the recognition of an assumed liability for the estimated residual-based broker commissions owed for customers acquired as part of the acquisition. The current portion of these assumed liabilities contributed to the negative adjusted working capital as at September 30, 2015. 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 September 30, 2015	**As at December 31, 2014**
Current assets	$113.5	$104.6
Current liabilities	164.7	132.6
Working capital	**$(51.2)**	**$(28.0)**
Adjusted for the impact of:		
Other current financial assets	(0.8)	(2.1)
Other current financial liabilities	41.3	38.0
Adjusted working capital	**$(10.7)**	**$7.9**

Distributable Cash and Distributions

Distributable Cash for the three month period ended September 30, 2015 was $6.9 million and total distributions paid for the quarter were $5.1 million, which represented a payout ratio of 74.0% of Distributable Cash. This compares to Distributable Cash of $11.9 million, total distributions of $6.5 million and a payout ratio of 54.1% for the quarter ending September 30, 2014. Distributable Cash in the current period was impacted by higher income taxes as well as elevated levels of Maintenance Capital Expenditures of $2.9 million, primarily related to short-term projects related to the integration of TriEagle Energy customer and salesforce data processing systems as well as Sungevity and Comcast related information technology systems.

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)

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Cash flows from operating activities	$26.7	$19.9	$33.4	$35.3
Changes in operating assets and liabilities.........	(13.8)	(4.9)	5.8	(9.5)
Cash flows from operating activities excluding changes in operating assets and liabilities...	**12.9**	**15.0**	**39.2**	**25.8**
Finance costs - included in financing activities .	(3.1)	(1.8)	(7.0)	(5.3)
Maintenance Capital Expenditures[(1)]	(2.9)	(1.3)	(6.7)	(2.8)
Distributable Cash...	**$6.9**	**$11.9**	**$25.5**	**$17.7**
Distributions to non-controlling interest...........	3.2	4.9	9.7	16.9
Distributions to Unitholders	1.9	1.6	4.7	5.3
Total distributions...	**$5.1**	**$6.5**	**$14.4**	**$22.2**
Payout Ratio	**74.0%**	**54.1%**	**56.3%**	**125.4%**

(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.

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 September 30, 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..............	$118.1	$160.6	$130.9	$29.7	$-
Operating leases	-	1.5	1.0	0.5	-
Financing leases	0.7	0.7	0.3	0.4	-
Distribution payable	0.8	0.8	0.8	-	-
Other non-current liabilities...........	5.5	5.5	-	5.5	-
	$125.1	**$169.1**	**$133.0**	**$36.1**	**$-**

Outstanding Unit Data

At the date of this MD&A, the Trust had (i) 16,745,151 Units outstanding (including 6,785,000 Units issued on July 2, 2015 pursuant to the Offering) and (ii) 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 over 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 nine months ending September 30, 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 SEDAR under the issuer profile of the Trust at www.sedar.com 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 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 100.0% 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) income. 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) income.

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 September 30, 2015, the Company had electricity and natural gas derivative instruments outstanding with the following terms:

	Notional Volume	Total Remaining Volume	Maturity Date (months)	Fixed Price ($)	Fair Value ($)	Notional Value ($)
Fixed-for-floating electricity swaps	(15) – 40 MW	2,285,827 MWh	1 – 30	$26.40 to $79.50	$(19.6)	$121.6
Fixed-for-floating natural gas swaps	(2,000) – 10,000 MMBtu	5,227,875 MMBtu	1 – 33	$2.59 to $4.44	$(6.4)	$21.1
Physical electric forward contracts	(35) – 30 MW	2,886,952 MWh	1 – 55	$23.35 to $77.80	$(14.5)	$111.8
Physical natural gas forward contracts	(88) – 2,780 MMBtu	297,672 MMBtu	1	$1.10 to $3.17	$0.1	$0.5
Physical electric basis forward contracts	(20) – 20 MW	- MWh	1 – 5	$27.40 to $28.55	$-	$-
Fixed-for-floating electricity basis swaps.	(25) – 25 MW	- MWh	1 – 8	$34.25 to $52.85	$(0.3)	$0.3
Fixed-for-floating natural gas basis swaps	250 – 600 MMBtu	26,350 MMBtu	1	$(1.34) to $(1.18)	$-	$-
Heat rate forward contracts	1 – 20 MW	207,910 MWh	1 – 15	$7.50 to $18.95	$(0.5)	$6.2
Congestion revenue rights	0.6 – 57 MW	281,718 MWh	1 - 9	$0.02 to $12.00	$-	$0.1
Financial transmission rights	0.1 – 10 MW	870,895 MWh	1 – 32	$(5.26) to $7.62	$0.4	$0.2
Transmission congestion contracts	1 – 8 MW	23,064 MWh	1	$0.37 to $1.69	$-	$-

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 total comprehensive loss of $22.1 million in the consolidated statements of comprehensive (loss) income, 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 September 30, 2015, the Trust has cash advances and letters of credit outstanding of $- and $10.2 million respectively, 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 September 30, 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) income.

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 for a 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. As at September 30, 2015, the Trust was hedged for this currency exposure with a floor exchange rate of C$1.27 per US$1.00, based on its current distribution rate of C$0.70 per Unit to December 31, 2017.

As at September 30, 2015, the Company had foreign currency derivatives outstanding with the following terms:

	Notional Value	Total Remaining Volume	Maturity Date	Fixed Price	Fair Value
Foreign currency options	US$20.8 C$26.4	US$20.8 C$26.4	1–27 months	C$1.27 per US$1	US$0.3

Realized settlements under derivative instruments are included in the relevant section of the interim condensed consolidated statement of comprehensive (loss) income 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) income.

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.

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 total comprehensive loss of $(0.3) million and $1.1 million, respectively, in the interim condensed consolidated statements of comprehensive (loss) income, 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 September 30, 2015, the customer credit risk exposure was in the amount of $9.1 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	$9.1	$7.7	$0.5	$0.9

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 $0.8 million as at September 30, 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 section entitled *"Contractual Obligations"* of this MD&A outlines the contractual maturities of the Trust's financial liabilities as at September 30, 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 as at September 30, 2015 totalling $10.2 million (December 31, 2014 – $7.6 million) to various counterparties, principally LDCs.

Pursuant to separate arrangements with various insurance companies, 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 September 30, 2015 totalled $20.2 million (December 31, 2014 – $8.6 million).

We do not reasonably expect any presently known trend or uncertainty to affect our ability to continue using these arrangements.

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 of the Company. Both Macquarie entities are part of the same group. As at September 30, 2015, Macquarie Energy had extended trade credit to the Company totalling $42.9 million (December 31, 2014 — $36.0 million) under the Supplier Agreement. As at September 30, 2015, there were letters of credit issued totalling $10.2 million (December 31, 2014 — $7.6 million), and no cash advances drawn under the working capital facility (December 31, 2014 — $—). During the three month period ended September 30, 2015, energy purchases totaled $129.8 million (September 30, 2014 — $108.1 million) and interest expense under the Supplier Agreement totalled $1.9 million (September 30, 2014 — $1.4 million). As at September 30, 2015, the aggregate availability under the credit facility was $34.0 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 September 30, 2015 was $0.4 million (December 31, 2014 — $2.1 million) and is included in Other current assets in the interim condensed consolidated statement 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.

LLC Units Acquisition

Concurrently with the closing of the Offering, Crius Energy Corporation purchased 5,557,542 LLC Units from certain existing holders of LLC Units (the "**LLC Units Acquisition**"). Such acquisitions were completed pursuant to an offer to purchase (the "**Offer**") from Crius Energy Corporation dated June 4, 2015 to each registered holder of LLC Units, other than Crius Energy Corporation, whereby Crius Energy Corporation offered to purchase LLC Units from such registered holders of LLC Units on or prior to July 1, 2015.

The purchase price payable to each seller of LLC Units (an "**LLC Unit Seller**") per LLC Unit was C$6.39 (or $5.18) (the "**Purchase Price**"). Upon the terms and subject to the conditions of the Offer, Crius Energy Corporation accepted LLC Units for purchase pursuant to the Offer and paid the Purchase Price to each LLC Unit Seller.

Michael Fallquist, a director of Crius Energy Administrator Inc., Chief Executive Officer of the Trust, a director of the Company and Chief Executive Officer of the Company, held 1,756,538 LLC Units, representing approximately 5.1% of the outstanding LLC Units prior to the LLC Units Acquisition. Michael Fallquist sold 250,000 LLC Units pursuant to the Offer on the same terms and for the same Purchase Price as the other LLC Unit Sellers.

Robert Gries Jr., a director of the Company, is the Managing Member and a Director of GF Power I, LLC and GF Factoring, LP, which held, in the aggregate, 12,070,453 LLC Units, representing approximately 35.3% of the outstanding LLC Units prior to the LLC Units Acquisition. GF Power I, LLC and GF Factoring, LP sold 1,146,693 and 60,353 LLC Units, respectively, pursuant to the Offer on the same terms and for the same Purchase Price as the other LLC Unit Sellers.

Following the LLC Units Acquisition, Michael Fallquist holds, in the aggregate, 1,506,538 LLC Units, representing approximately 4.4% of the outstanding LLC Units, which represents a 0.7% decrease. Following the LLC Units Acquisition, Robert Gries Jr., as the Managing Member and a Director of GF Power I, LLC and GF Factoring, LP, holds, in the aggregate, 10,863,407 LLC Units, representing approximately 31.8% of the outstanding LLC Units, which represents a 3.5% decrease.

None of the interested parties subscribed for Units under the Offering.

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 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 thereof 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 50.0% 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

The 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 – *Certification of Disclosure in Issuers' Annual Interim Filings* ("**NI 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 is in the process of 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 Chief Executive Officer and Chief Financial Officer 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

NI 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 September 30, 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 section entitled *"Reconciliation of Net (Loss) and Comprehensive (Loss) to EBITDA and Adjusted EBITDA"* in 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 section entitled *"Distributable Cash and Payout Ratio"* in 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 in the section entitled *"Financial Instruments and Risk Management"* in this MD&A and in the sections entitled *"Risk Factors"* and *"Forward-Looking Statements"* in the Annual Information Form of the Trust for the year ended December 31, 2014, which is available on SEDAR under the issuer profile of the Trust on www.sedar.com 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 AND NINE MONTHS ENDED
SEPTEMBER 30, 2015

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015

INDEX TO FINANCIAL STATEMENTS

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2015 AND DECEMBER 31, 2014

(in thousands of U.S. dollars)

	Notes	As at September 30, 2015	As at December 31, 2014
ASSETS		(unaudited)	
Current			
Cash and cash equivalents		$13,524	$14,268
Collateral deposits		1,136	1,008
Accounts receivable		94,199	80,166
Inventory		751	1,141
Income tax receivable		–	2,392
Other current financial assets	7	752	2,067
Other current assets		3,144	3,550
		113,506	**104,592**
Non-current			
Property and equipment		1,848	1,927
Intangible assets	12	60,473	51,069
Deferred tax assets		4,118	1,982
Goodwill	6	117,787	103,745
Other non-current assets		2	7
		$297,734	**$263,322**
LIABILITIES AND UNITHOLDERS' (DEFICIT) EQUITY			
Current			
Trade and other payables		$118,486	$93,667
Income tax payable		1,058	–
Distribution payable	9	751	489
Unit-based compensation	13	3,093	–
Other current financial liabilities	7	41,273	38,049
Other current liabilities		–	390
		164,661	**132,595**
Non-current			
Contingent consideration liability	7,16	108	260
Warrant liability	7	1,784	470
Unit-based compensation	13	5,699	1,510
Non-controlling interest	7	159,002	115,570
Other non-current liabilities		5,949	1,186
		337,203	**251,591**
Unitholders' (deficit) equity			
Trust capital	9	124,523	90,058
Accumulated deficit		(141,555)	(60,840)
Accumulated distributions		(22,437)	(17,487)
Total Unitholders' (deficit) equity		**(39,469)**	**11,731**
		$297,734	**$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) INCOME FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014

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

	Notes	For the three months ended September 30, 2015	For the three months ended September 30, 2014	For the nine months ended September 30, 2015	For the nine months ended September 30, 2014
Revenue		$204,154	$154,567	$538,808	$466,149
Cost of sales		156,119	116,642	410,584	375,454
Gross margin		48,035	37,925	128,224	90,695
Expenses					
Selling expenses		11,578	8,090	29,069	25,519
General and administrative expenses		20,393	14,642	54,881	41,076
Goodwill impairment	6	–	–	–	77,121
Unit-based compensation	13	1,748	282	3,946	965
Depreciation and amortization		17,605	10,229	41,702	29,289
Operating (loss) income		(3,289)	4,682	(1,374)	(83,275)
Other (expenses) income					
Finance costs		(2,536)	(1,621)	(7,285)	(5,289)
Distributions to non-controlling interest		(3,241)	(4,921)	(11,067)	(16,834)
Change in fair value of derivative instruments	7	11,026	4,899	16,509	(19,502)
Change in fair value of warrants		(564)	44	(1,314)	(7)
Change in fair value of non-controlling interest	7	(17,077)	10,230	(72,226)	25,766
(Loss) income before income taxes		(15,681)	13,313	(76,757)	(99,141)
Provision for (benefit from) income taxes	8	2,556	(463)	3,958	(14,066)
Net (loss) income and total comprehensive (loss) income		**$(18,237)**	**$13,776**	**$(80,715)**	**$(85,075)**

See accompanying notes to the interim condensed consolidated financial statements.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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	$90,403	$51,430	$(10,977)	$130,856
Distribution to Unitholders	9	–	–	–	(4,998)	(4,998)
Repurchase of Trust Units	9	(94,193)	(435)	–	–	(435)
Issuance of Trust Units	9	19,290	90	–	–	90
Net loss and total comprehensive loss		–	–	(85,075)	–	(85,075)
Balance at September 30, 2014		**9,940,021**	**$90,058**	**$(33,645)**	**$(15,975)**	**$40,438**

	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	–	–	–	(4,950)	(4,950)
Issuance of Trust Units	9, 13	6,805,130	37,512	–	–	37,512
Trust Units Issuance Cost	9	–	(3,047)	–	–	(3,047)
Net loss and total comprehensive loss		–	–	(80,715)	–	(80,715)
Balance at September 30, 2015		**16,745,151**	**$124,523**	**$(141,555)**	**$(22,437)**	**$(39,469)**

See accompanying notes to the interim condensed consolidated financial statements.

CRIUS ENERGY TRUST

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014

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

	Notes	For the three months ended September 30, 2015	For the three months ended September 30, 2014	For the nine months ended September 30, 2015	For the nine months ended September 30, 2014
Net inflow (outflow) of cash related to the following activities:					
Operating Activities					
Net (loss) income and total comprehensive (loss) income		$(18,237)	$13,776	$(80,715)	$(85,075)
Add net income items related to financing activities:					
Finance costs		2,536	1,621	7,285	5,289
Distributions to non-controlling interest		3,241	4,921	11,067	16,834
Add (deduct) items not affecting cash					
Depreciation of property and equipment		350	252	934	706
Goodwill impairment	6	–	–	–	77,121
Amortization of intangible assets	12	17,255	9,977	40,768	28,583
Change in fair value of contingent consideration liability	7	–	–	(152)	–
Change in fair value of derivative instruments	7	(11,026)	(4,899)	(16,509)	19,502
Change in fair value of non-controlling interest	7	17,077	(10,230)	72,226	(25,766)
Change in fair value of warrant liability	7	564	(44)	1,314	7
Unit-based compensation	13	1,748	282	3,946	965
Bad debt expense	7	85	(137)	1,385	1,968
Non-cash interest		(64)	(78)	(199)	(226)
Provision for income taxes	8	(595)	(463)	(2,137)	(14,066)
		12,934	14,978	39,213	25,842
Net change in operating assets and liabilities	11	13,730	4,915	(5,781)	9,493
		26,664	19,893	33,432	35,335
Investing Activities					
Purchase of intangible assets	12	(896)	(1,131)	(2,496)	(7,741)
Acquisition of a subsidiary, net of cash acquired	4	-	–	(11,145)	–
Development expenditures	12	(2,150)	–	(3,701)	(561)
Purchase of property and equipment		(117)	(146)	(805)	(316)
		(3,163)	(1,277)	(18,147)	(8,618)
Financing Activities					
Credit facility advances	5	–	4,000	38,000	34,572
Credit facility repayments	5	(19,000)	(14,711)	(38,000)	(38,072)
Repayment of finance leases		(109)	(69)	(252)	(203)
Units issued for cash, net	9	34,362	–	34,362	–
Acquisition of non-controlling interest		(28,794)	–	(28,794)	–
Finance costs		(3,133)	(1,768)	(6,971)	(5,282)
Distributions to non-controlling interest		(3,159)	(4,853)	(9,659)	(16,945)
Distributions to Unitholders		(1,941)	(1,601)	(4,715)	(5,255)
Repurchase of Trust units		–	–	–	(435)
		(21,774)	(19,002)	(16,029)	(31,620)
Net cash inflow (outflow)		1,727	(386)	(744)	(4,903)
Cash and cash equivalents, beginning of period		11,797	10,826	14,268	15,343
Cash and cash equivalents, end of period		**$13,524**	**$10,440**	**$13,524**	**$10,440**

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 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 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.

As of September 30, 2015, the following are the subsidiaries that the Trust, through its indirect wholly-owned subsidiary Crius Energy Corporation, holds a 43.1% ownership interest in the Company and its subsidiaries: Cincinnati Bell Energy, LLC; Citra, LLC; Crius Energy Management, LLC; Everyday Energy, LLC; Everyday Energy NJ, 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 NY, Inc.; Regional Energy Holdings, Inc.; TriEagle 1, LLC; TriEagle 2, LLC; TriEagle Energy LP; 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, also 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, Rhode Island and Texas 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 Hampshire, New Jersey, New York, Oregon and Pennsylvania 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 its 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, which 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.

Business combinations

Business combinations are accounted for using the acquisition method. The acquired identifiable tangible and intangible assets and liabilities are measured at their fair values at the date of acquisition. Acquisition costs incurred are expensed under General and administrative expenses.

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 September 30, 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 to 2014 balances to conform to the 2015 presentation. For the three and nine months ended September 30, 2014, changes in inventory in the amount of $(366) and $(464) and repayment of finance leases in the amounts of $(69) and $(203) 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. ACQUISITIONS

On April 1, 2015, the Company obtained control of TriEagle Energy, LP ("**TEE**") by acquiring 100% of TEE's partners' capital. TEE is a competitive retail energy provider of electricity to commercial and residential customers in Texas, Pennsylvania and New Jersey. The Company acquired TEE because it increases both its customer portfolio as well as presence in new and existing markets.

The acquisition was accounted for using the acquisition method of accounting. The interim condensed consolidated financial statements included the results of TEE from the acquisition date. The Company allocated the purchase price of $19,304 to the identifiable assets and liabilities based on their fair values as at the date of acquisition. The purchase price allocation is preliminary, and as a result, may be adjusted during the twelve month period following the acquisition, in accordance with IFRS 3 *Business Combinations*. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the preliminary amounts then the acquisition accounting will be revised.

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

The following table shows the preliminary allocation of fair value:

Fair value of identifiable net assets acquired:	**April 1, 2015 (preliminary)**
Cash and cash equivalents	$4,723
Accounts receivable	18,661
Trade and other payables	(32,471)
Other current financial liabilities	(20,332)
Other net assets	1,018
Customer relationships	40,743
Sales network	852
Broker commission liability	(10,308)
Computer software	1,591
Other intangible assets	785
Goodwill	14,042
Total purchase price	**$19,304**

The purchase price for the acquisition of $19,304 was settled in cash of $15,869 and by issuing 623,217 Phantom Unit Rights ("**PURs**") in the Company which are to be settled in cash based on the future trading prices of units of the Trust ("**Units**") on the Toronto Stock Exchange ("**TSX**") on the first and second anniversary of the acquisition date with an acquisition date fair value of $3,435. Details on the PURs issued are included in Note 13. The fair value of the PURs was based on the closing price of the Trust units as of the acquisition date. The purchase price is subject to a customary post-closing working capital adjustment for the twenty-four months following the acquisition date.

Acquisition-related costs amounting to $322 have been recognized as an expense in the interim condensed consolidated statements of comprehensive (loss) income, as part of general and administrative expenses in the nine months ended September 30, 2015.

At September 30, 2015, the fair values of identifiable intangible assets amounting to $43,971 are provisional pending receipt of their final valuation**.** The preliminary fair value of the trade and other receivables acquired as part of the business combination amounted to $18,661, with a gross contractual amount of $19,299. As of the acquisition date, the Company's best estimate of the contractual cash flow not expected to be collected amounted to $638. Goodwill recognized on the acquisition largely relates to benefits such as the value of the assembled workforce and synergies and economies of scale that are expected from combining the operations of the Company and TEE that do not meet the criteria for recognition as intangible assets under IAS 38 *Intangible Assets*. This goodwill has been allocated to the Company's existing single segment. Goodwill that is deductible for tax purposes is $13,086.

TEE has contributed $108,101 and $(143) to the Company's revenues and net loss and total comprehensive loss, respectively, from the acquisition date to September 30, 2015. Had the acquisition occurred on January 1, 2015, the Company's revenue for the period to September 30, 2015 would have been $583,754 and the Company's net loss and total comprehensive loss for the period would have been $(91,012). These *pro forma* amounts have been determined by applying the Company's accounting policies**.**

In July 2015, the Trust purchased approximately 2,000 retail electric customer accounts from Gulf Oil, LP. This transaction was accounted for as an asset acquisition with the purchase price of $244 allocated to customer relationships. This asset will be 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 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.

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. On April 1, 2015, the Supplier Agreement was amended to include an overall exposure limit increase from $150,000 to $250,000, a reduced fee structure and an increased ability to enter into fixed price commodity products for a term up to 60 months. 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) income.

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 (0.20% and 0.16% at September 30, 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 $42,886 and $36,046 under this Supplier Agreement as at September 30, 2015 and December 31, 2014, respectively. There were letters of credit issued totaling $10,207 and $7,573, and no cash advances drawn under the working capital facility as at September 30, 2015 and December 31, 2014, respectively**.** During the three and nine months ended September 30, 2015, total energy purchases totaled $129,788 and $357,097, respectively, and interest expense under the Supplier Agreement totaled $1,934 and $6,005, respectively, whereas during the three and nine months ended September 30, 2014, total energy purchases totaled $108,067 and $347,669, respectively, and interest expense under the Supplier Agreement totaled $1,424 and $4,570, respectively. The availability under the credit facility was $34,048 and $31,966 as at September 30, 2015 and December 31, 2014, respectively. At September 30, 2015, the Company was in compliance with all covenants.

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

6. GOODWILL

The reconciliation of the carrying amount of goodwill is as follows:

Goodwill	**As at September 30, 2015**	**As at December 31, 2014**
Goodwill at the beginning of the period	$241,381	$241,381
Goodwill recognized	14,042	–
Goodwill at the end of the period	**$255,423**	**$241,381**

Accumulated impairment	**As at September 30, 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	**$117,787**	**$103,745**

Goodwill acquired through business combinations have 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 September 30, 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 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) income for the nine months ended September 30, 2014. The principal sensitivity of the fair value less cost of disposal calculation is the Unit price. Future reductions in the 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, last and recent transactions 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, 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 Unit price. Changes in the Unit price will result in additional gains (losses) in subsequent reporting periods. 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, 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.

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

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.

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

	For the three months ended September 30, 2015	For the three months ended September 30, 2014	For the nine months ended September 30, 2015	For the nine months ended September 30, 2014
Foreign exchange options	$(538)	$(125)	$(735)	$(290)
Fixed-for-floating electricity swaps	11,026	5,161	14,795	(17,588)
Fixed-for-floating natural gas swaps	(513)	(137)	(4,075)	(693)
Physical electric forward contracts	(41)	–	(1,424)	–
Physical natural gas forward contracts	98	22	7,519	327
Physical electric basis forward contracts	32	–	25	–
Fixed-for-floating electricity basis swaps	(72)	(1)	(89)	–
Fixed-for-floating natural gas basis swaps	23	–	439	(1,267)
Heat rate forward contracts	453	–	(573)	–
Congestion revenue rights	(73)	–	(33)	–
Financial transmission rights	603	9	928	9
Weather derivatives	28	(30)	(268)	–
Change in fair value of derivative instruments	**$11,026**	**$4,899**	**$16,509**	**$(19,502)**

(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 in the interim condensed consolidated statements of financial position as at September 30, 2015:

	Other current financial assets	Other current financial liabilities
Foreign exchange options	$348	$-
Fixed-for-floating electricity swaps	-	19,623
Fixed-for-floating natural gas swaps	-	6,419
Physical electric forward contracts	-	14,523
Physical natural gas forward contracts	-	(77)
Physical electric basis forward contracts	-	(25)
Fixed-for-floating electricity basis swaps	-	289
Fixed-for-floating natural gas basis swaps	-	2
Heat rate forward contracts	-	502
Congestion revenue rights	-	17
Financial transmission rights	404	-
	$752	**$41,273**

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**

The following table summarizes the fair value of the financial assets and liabilities classified as held-for-trading and recorded as at September 30, 2015 and December 31, 2014:

	Notional Volume	Total Remaining Volume	Maturity Date (months)	Fixed Price ($)	Fair Value ($)	Notional Value ($)
September 30, 2015						
Fixed-for-floating electricity swaps	(15) – 40 MW	2,285,827 MWh	1 – 30	$26.40 to $79.50	$(19,623)	$121,605
Fixed-for-floating natural gas swaps	(2,000) – 10,000 MMBtu	5,227,875 MMBtu	1 – 33	$2.59 to $4.44	$(6,419)	$21,060
Physical electric forward contracts	(35) – 30 MW	2,886,952 MWh	1 – 55	$23.35 to $77.80	$(14,523)	$111,750
Physical natural gas forward contracts	(88) – 2,780 MMBtu	297,672 MMBtu	1	$1.10 to $3.17	$77	$459
Physical electric basis forward contracts	(20) – 20 MW	– MWh	1 – 5	$27.40 to $28.55	$25	$(39)
Fixed-for-floating electricity basis swaps	(25) – 25 MW	– MWh	1 – 8	$34.25 to $52.85	$(289)	$293

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

	Notional Volume	Total Remaining Volume	Maturity Date (months)	Fixed Price ($)	Fair Value ($)	Notional Value ($)
Fixed-for-floating natural gas basis swaps	250 – 600 MMBtu	26,350 MMBtu	1	$(1.34) to $(1.18)	$(2)	$(32)
Heat rate forward contracts	1 – 20 MW	207,910 MWh	1 – 15	$7.50 to $18.95	$(502)	$6,175
Congestion revenue rights	0.6 – 57 MW	281,718 MWh	1 – 9	$0.02 to $12.00	$(17)	$119
Financial transmission rights	0.1 – 10 MW	870,895 MWh	1 – 32	$(5.26) to $7.62	$404	$199
Transmission congestion contracts	1 – 8 MW	23,064 MWh	1	$0.37 to $1.69	$–	$21
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	$-	$940

The following table summarizes the fair value of the foreign exchange options as at September 30, 2015 and December 31, 2014:

	Notional Value	Total Remaining Volume	Maturity Date (months)	Fixed Price ($)	Fair Value ($)
September 30, 2015					
Foreign exchange options	US$20,822 C$26,358	US$20,822 C$26,358	1 – 27	C$1.2659 per US$1	US$348
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
September 30, 2015				
Commodity contracts offset to assets	$478	$(74)	$(74)	$404
Commodity contracts offset to liabilities	$2,620	$(43,893)	$2,620	$(41,273)
December 31, 2014				
Commodity contracts	$2,925	$(40,974)	$(40,974)	$(38,049)

In August 2015, the Company entered into an agreement (the "**Reseller Agreement**") with Sungevity Inc. ("**Sungevity**") for the exclusive marketing of Sungevity's solar products for a term ending in September 2018. In consideration for entering into the Reseller Agreement, a one-time grant of 120,000,000 warrants to purchase Series C Preferred Shares of Sungevity at a strike price of $0.09 per share was made to the Company. These warrants vest at the latter of the one year anniversary of the Reseller Agreement or once certain performance criteria have been met and are exercisable for a period of five years. The warrants were not recorded in the interim condensed consolidated statements of financial position, as they have zero fair value due to the underlying shares not being quoted in active markets and the terms and conditions of the Reseller Agreement not providing a transaction price. As such, they are not reliably measurable. In subsequent periods, the fair value of the warrants will remain at zero until they can be reliably measured.

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.

(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 September 30, 2015:

Recurring measurements	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Other current financial assets	$–	$286	$466	**$752**
Financial liabilities				
Other current financial liabilities	$–	$(39,861)	$(1,412)	**$(41,273)**
Contingent consideration liability	–	–	(108)	**(108)**
Warrant liability	–	(1,784)	–	**(1,784)**
Non-controlling interest	–	–	(159,002)	**(159,002)**

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)**
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 September 30, 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 September 30, 2015**	**As at December 31, 2014**
Liability at the beginning of period	$115,570	$138,234
Acquisition of non-controlling interest	(28,794)	–
Changes in fair value of non-controlling interest	72,226	(22,664)
Liability at the end of period	**$159,002**	**$115,570**

Commodity contracts	**As at September 30, 2015**	**As at December 31, 2014**
Net balance at the beginning of period	$1,547	$2,700
Total loss	(2,706)	(10,977)
Purchases	710	1,547
Settlements	(371)	8,277
Transfer out of Level 3	(126)	–
Net balance at the end of period	**$(946)**	**$1,547**

During the nine months ended September 30, 2015, transfers out of level 3 were due to an increase in observability of pricing on the underlying derivative instruments, as evidenced by published commodity futures quotes.

Classification of financial assets and liabilities

As at September 30, 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 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 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 $22,093 for the three and nine month periods ended September 30, 2015.

Interest rate risk

The Trust is exposed to interest rate risk on certain advances within the Supplier Agreement with Macquarie Energy. As at September, 2015 and December 31, 2014 respectively, the Trust has aggregate letters of credit outstanding of $10,207 and $7,573 and no cash advances outstanding 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 September 30, 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) income.

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

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) income and total comprehensive (loss) income of $(271) and $1,056, respectively, in the interim condensed consolidated statements of comprehensive (loss) income.

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 California, Delaware, District of Columbia, Illinois, Maine, New Hampshire, New Jersey, Ohio, Rhode Island, Texas and Virginia. 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 September 30, 2015 and December 31, 2014 respectively, the customer credit risk exposure amounted to $9,071 and $3,347 and the accounts receivable aging for these markets are as follows:

Accounts Receivable at	**Total**	**Current**	**30-59 days**	**Over 60 days**
September 30, 2015	$9,071	$7,698	$489	$884
December 31, 2014	$3,347	$2,114	$431	$802

Changes in the allowance for doubtful accounts were as follows:

	As at September 30, 2015	**As at December 31, 2014**
Balance, beginning of year	$1,519	$4,984
Bad debt expense	1,385	1,747
Bad debts written off	(1,092)	(5,212)
Balance, end of period	**$1,812**	**$1,519**

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

The Trust receives revenues from third parties for the marketing of solar products. Management believes that the risk of these parties 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 $752 and $2,067 as at September 30, 2015 and December 31, 2014, respectively, representing the risk relating to its 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 following are the contractual maturities of the Trust's financial liabilities as at September 30, 2015:

	Carrying amount	Contractual cash flow	Less than 1 year	1 to 5 years	More than 5 years
Trade and other payables.........	$118,151	$160,625	$130,937	$29,688	$-
Operating leases	-	1,455	933	522	-
Financing leases	687	741	336	405	-
Distribution payable	751	751	751	-	-
Other non-current liabilities.....	5,544	5,544	-	5,544	-
	$125,133	**$169,116**	**$132,957**	**$36,159**	**$-**

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	$92,234	$91,021	$1,213	$–
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	**$95,070**	**$92,404**	**$2,666**	**$–**

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 for the three and nine months ended September 30, 2015 in the amount of $2,556 and $3,958, respectively, whereas for the three and nine months ended September 30, 2014 it recorded an income tax benefit of ($463) and ($14,066), respectively. The income tax expense recorded is based on management's estimate of the average annual effective 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 (loss) income flows through to its partners who are then taxed on their allocable share of the partnership (loss) income.

9. TRUST CAPITAL

Issuance of Trust Units

On July 2, 2015, the Trust closed a public equity offering of 6,785,000 Units at a price of C$6.80 (or US$5.51) per Unit, which included 885,000 Units issued pursuant to the exercise in full of the over-allotment option by the underwriters, for total gross proceeds of C$46,138 (or US$37,409) (the "**Offering**").

Concurrent with the closing of the Offering, the Trust used the proceeds to primarily make an additional indirect investment in Crius Energy Corporation through a capital contribution to enable Crius Energy Corporation to purchase 5,557,542 membership units ("**LLC Units**") of the Corporation from certain existing holders of LLC Units (the "**LLC Units Acquisition**"), representing an additional 16.3% indirect ownership interest in the Company such that the Trust holds a 43.1% indirect ownership interest in the Company immediately following the transaction. Such LLC Units Acquisition was completed pursuant to an offer to purchase (the "**Offer**") from Crius Energy Corporation dated June 4, 2015 to each registered holder of LLC Units, other than Crius Energy Corporation, whereby Crius Energy Corporation offered to purchase LLC Units from such registered holders of LLC Units. The purchase price payable to each seller of LLC Units (an "**LLC Unit Seller**") per LLC Unit was C$6.39 (or US$5.18) (the "**Purchase Price**"). Upon the terms and subject to the conditions of the Offer, Crius Energy Corporation accepted LLC Units for purchase pursuant to the Offer and paid an aggregate Purchase Price of $28,794 to the LLC Unit Sellers. The remaining net proceeds after $3,047 of transaction costs are available for general corporate purposes.

Repurchase of Trust Units

During the period commencing April 11, 2014 and ending on April 10, 2015, the Trust had approval to make a normal course issuer bid to purchase up to 500,746 Units, representing approximately 5% of the issued and outstanding Units. Purchase of Units may be made through the facilities of the TSX in accordance with its rules or alternative Canadian trading platforms. Daily limits were 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 nine months ended September 30, 2015. In the year ended December 31, 2014, the Trust purchased 94,193 Units for approximately $435.

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

Distributions paid and proposed

For the three and nine months ended September 30, 2015, monthly distributions of C$0.0583 per unit were declared by the Trust for January through September 2015 which together amounted to $2,237 and $4,950, respectively. These distributions were approved throughout the periods by the Board of Directors of the Trust and all amounts were paid by October 15, 2015 to Unitholders of record at the close of business on September 30, 2015. For the three and nine months ended September 30, 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 through September 2014, which together amounted to $1,575 and $4,998, respectively.

Declared dividends subsequent to quarter-end

On October 13, 2015, the Board of Directors of the Trust declared monthly distributions for October through December 2015, in the amount of C$0.0583 per unit per month. The October 2015 distribution will be paid on November 16, 2015, to Unitholders of record at the close of business on October 31, 2015. The November 2015 distribution will be paid on December 15, 2015, to Unitholders of record at the close of business on November 30, 2015. The December 2015 distribution will be paid on January 15, 2016 to Unitholders of record at the close of business on December 31, 2015.

10. (LOSS) INCOME PER UNIT

	For the three months ended September 30, 2015	For the three months ended September 30, 2014	For the nine months ended September 30, 2015	For the nine months ended September 30, 2014
Net (loss) income and total comprehensive (loss) income	$(18,237)	$13,776	$(80,715)	$(85,075)
Weighted average number of Units outstanding	16,671,401	9,940,021	12,210,757	9,979,004
Basic (loss) income per Unit	**$(1.09)**	**$1.39**	**$(6.61)**	**$(8.53)**
Net (loss) income and total comprehensive (loss) income	$(18,237)	$13,776	$(80,715)	$(85,075)
Adjust for change in fair value of Unit-based compensation	–	(62)	–	–
Adjusted net (loss) income and total comprehensive (loss) income	**$(18,237)**	**$13,714**	**$(80,715)**	**$(85,075)**
Weighted average number of Units outstanding	16,671,401	9,940,021	12,210,757	9,979,004
Weighted average number of dilutive Restricted Trust Units outstanding	–	238,869	–	–
Diluted weighted average number of total Units outstanding	16,671,401	10,178,890	12,210,757	9,979,004
Diluted (loss) income per Unit	**$(1.09)**	**$1.35**	**$(6.61)**	**$(8.53)**

Restricted Trust Units are anti-dilutive to (loss) income per Unit and are therefore excluded from the determination of dilutive per Unit amounts for the three and nine months ended September 30, 2015 and the nine months ended September 30, 2014. The 750,000 warrants are anti-dilutive to (loss) income per Unit and are therefore excluded from the determination of dilutive per Unit amounts for the three and nine months ended September 30, 2015 and 2014. Phantom Unit Rights are excluded from the determination of dilutive per Unit amounts as they are settled in cash.

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

11. INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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

	For the three months ended September 30, 2015	**For the three months ended September 30, 2014**	**For the nine months ended September 30, 2015**	**For the nine months ended September 30, 2014**
Collateral deposits	$24	$207	$(128)	$(74)
Accounts receivable	(7,293)	550	3,243	6,066
Inventory	(360)	(366)	390	(464)
Income tax receivable	2,098	(493)	2,392	(882)
Other current financial assets	(37)	1,417	717	(148)
Other current assets	2,335	(171)	(424)	639
Other non-current assets	-	(8)	5	(8)
Trade and other payables	14,769	4,104	(12,766)	5,037
Income tax payable	1,058	–	1,058	–
Distributions payable	296	–	262	–
Other current liabilities	-	–	(5,544)	–
Other non-current liabilities	840	(325)	5,014	(673)
	$13,730	**$4,915**	**$(5,781)**	**$9,493**

12. INTANGIBLE ASSETS

2015	**Computer software**	**Customer relationships**	**Sales network**	**Exclusive marketing relationships**	**Other intangibles**	**Total**
Cost						
Balance as at December 31, 2014	$6,198	$80,535	$19,300	$24,947	$1,523	$132,503
Additions	4,039	40,988	852	–	789	46,668
Internally developed software	3,701	–	–	–	–	3,701
Asset acquisition adjustment	–	(197)	–	–	–	(197)
Balance as at September 30, 2015	**$13,938**	**$121,326**	**$20,152**	**$24,947**	**$2,312**	**$182,675**
Accumulated amortization						
Balance as at December 31, 2014	(1,113)	(55,210)	(5,884)	(17,741)	(1,486)	(81,434)
Amortization	(2,021)	(30,100)	(2,210)	(6,237)	(200)	(40,768)
Balance as at September 30, 2015	**(3,134)**	**(85,310)**	**(8,094)**	**(23,978)**	**(1,686)**	**(122,202)**
Net book value at September 30, 2015	**$10,804**	**$36,016**	**$12,058**	**$969**	**$626**	**$60,473**

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

The Trust reviewed the useful life of its intangible assets, and after considering customer retention and other key factors, it was determined that the useful lives of certain customer relationships decreased from its historical rate of 36 months to a range between 19 to 29 months. As such, the Trust adjusted the amortization periods for these intangibles. The effect of this change on amortization expense is as follows.

	For the three months ended September 30, 2015	For the three months ended December 31, 2015	For the twelve months ended December 31, 2016	For the twelve months ended December 31, 2017
Increase (decrease) in amortization expense...........	$3,482	($2,352)	($544)	($586)

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 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.

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

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 vested into Units	(20,130)
As at September 30, 2015	–

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 Units and distributions payable in respect of these Units, thereby providing additional incentive for continued efforts in promoting the growth and success of the business and in attracting and retaining management personnel in the United States. The PURP mirrors the material terms of the RTUP with the exception that 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.

The PURs will vest between January 2016 and January 2019 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	1,338,001
PURs accrued distributions	112,605
Forfeitures	(51,765)
As at September 30, 2015	2,154,255

In conjunction with the acquisition of TEE, the Company issued PURs of 623,217 and accrued PUR distributions of 27,817, which are included in the table above.

As at September 30, 2015, there were no vested PURs, except for the PURs that were issued in conjunction with the TEE acquisition.

For the three months ended September 30, 2015 and 2014, unit-based compensation was $1,748 and $282, respectively. For the nine months ended September 30, 2015 and 2014, unit-based compensation was $3,946 and $965, respectively. These amounts are included in the interim condensed consolidated statements of comprehensive (loss) income.

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, a Unitholder in the Company. Both Macquarie entities are part of the same group (Note 5).

During the nine months ended September 30, 2015 and 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 September 30, 2015 and December 31, 2014, was approximately $433 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 and nine months ended September 30, 2015 and 2014, the Trust operated in a single operating segment and evaluates the performance of the business as a single segment.

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

Products

The following table summarizes the revenue by product recorded in the interim condensed consolidated statements of comprehensive (loss) income:

	For the three months ended September 30, 2015	For the three months ended September 30, 2014	For the nine months ended September 30, 2015	For the nine months ended September 30, 2014
Electricity	$198,560	$147,553	$496,294	$420,749
Natural gas	2,612	3,997	32,794	37,999
Fee revenue	1,940	971	4,648	2,751
Solar	1,042	2,046	5,072	4,650
Total revenue	**$204,154**	**$154,567**	**$538,808**	**$466,149**

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 and nine months ended September 30, 2015, the Trust operated in five states which comprise 19.1%, 17.6%, 13.5%, 13.1% and 12.3%, and 18.4%, 15.5%, 14.4%, 13.7% and 12.6% of revenue, respectively. For the three and nine months ended September 30, 2014, the Trust operated in three states which comprise 23.8%, 22.0% and 17.1%, and 24.1%, 22.1% and 15.9% of revenue, respectively.

16. COMMITMENTS AND CONTINGENCIES

Surety bonds

As at September 30, 2015 and December 31, 2014, the Trust had surety bonds outstanding of $20,232 and $8,556, respectively, to the various state regulatory commissions and LDCs.

Contingent consideration liability

As at September 30, 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 discounted cash flows generated by use of the technology platform over a four-year period commencing in 2015.

Operating leases

The Trust leases office facilities under non-cancelable operating leases which contain fixed escalation clauses and are 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 and nine months ended September 30, 2015, the Trust incurred rent expense under its operating leases of $259 and $629, respectively. For the three and nine months ended September 30, 2014, rent expense under its operating leases of $124 and $375, respectively, was incurred. These amounts were included in the interim condensed consolidated statements of comprehensive (loss) income. 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 the three and nine months ended September 30, 2015 and 2014, depreciation expense under its financing leases of $74 and $221, respectively, was incurred by the Trust. These amounts were included in the interim condensed consolidated statements of comprehensive (loss) income. 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 November 12, 2015 by the Board of Directors of the Administrator.

18. SUBSEQUENT EVENTS

On October 29, 2015, the Company entered into a loan agreement with Big Sky Gas Holdings, LLC ("**Big Sky Gas**"), whereby the Company has made available a credit facility of $800. Upon closing, the Company issued a 36 month convertible term loan in the amount $500. In addition, Big Sky Gas has the ability to borrow up to $300 during the facility term. The term loan contains provisions for convertibility to an equity and voting interest of up to 51% of Big Sky Gas. Upon conversion, the Company also has an option to purchase the remainder of the outstanding equity in Big Sky Gas.