

Court File No. CV-21-00658423-00CL

Just Energy Group Inc. et al.

**SEVENTH REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS COURT-APPOINTED MONITOR**

March 22, 2022

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**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.

(each, an “**Applicant**”, and collectively, the “**Applicants**”)

SEVENTH REPORT OF THE MONITOR

INTRODUCTION

1. Pursuant to an Order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 9, 2021 (the “**Filing Date**”), Just Energy Group Inc. (“**Just Energy**”) and certain of its affiliates (collectively, the “**Applicants**”) were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**” and in reference to the proceedings, the “**CCAA Proceedings**”).
2. Pursuant to the Initial Order, among other things, (i) a stay of proceedings (the “**Stay of Proceedings**”) was granted until March 19, 2021 (the “**Stay Period**”); (ii) the

protections of the Initial Order, including the Stay of Proceedings, were extended to certain subsidiaries of Just Energy that are partnerships (collectively with the Applicants, the “**Just Energy Entities**”); (iii) FTI Consulting Canada Inc. was appointed as Monitor of the Just Energy Entities (in such capacity, the “**Monitor**”); and (iv) the Court approved a debtor-in-possession interim financing facility in the maximum principal amount of US\$125 million subject to the terms and conditions set forth in the financing term sheet (the “**DIP Term Sheet**”) between the Just Energy Entities and Alter Domus (US) LLC, as administrative agent for the lenders (the “**DIP Lenders**”) dated March 9, 2021.

3. The Initial Order was amended and restated on March 19, 2021 and most recently on May 26, 2021 (the “**Second A&R Initial Order**”).
4. On March 9, 2021, Just Energy, in its capacity as foreign representative, commenced proceedings under Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Proceedings**”) for each of the Just Energy Entities with the United States Bankruptcy Court for the Southern District of Texas (the “**U.S. Court**”). The U.S. Court entered, among others, the *Order Granting Provisional Relief Pursuant to Section 1519 of the Bankruptcy Code*. On April 2, 2021, the U.S. Court granted the *Order Granting Petition for (I) Recognition as Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief under Chapter 15 of the Bankruptcy Code* (the “**Final Recognition Order**”). The Final Recognition Order, among other things, gave full force and effect to the Initial Order in the United States, as may be further amended by the Court from time to time.
5. On September 15, 2021, the Court granted the Claims Procedure Order (the “**Claims Procedure Order**”) that approved the claims process for the identification, quantification, and resolution of Claims (as defined in the Claims Procedure Order) as against the Just Energy Entities and their respective directors and officers (the “**Claims Procedure**”).
6. On February 9, 2022, the Court denied certain relief, with reasons to follow, requested by Canadian counsel to U.S. counsel to Fira Donin and Inna Golovan in their capacity

as proposed representative plaintiffs in *Donin et al. v. Just Energy Group Inc. et al.* (the “**Donin Action**”) and Trevor Jordet, in his capacity as proposed representative plaintiff in *Jordet v. Just Energy Solutions Inc.* (the “**Jordet Action**” and together with the Donin Action, the “**Donin/Jordet Actions**”). The Court’s reasons for the dismissal are set out in the written reasons dated February 23, 2022 (the “**McEwen Endorsement**”), which is available on the Monitor’s Website (as defined below). Canadian counsel to U.S. counsel for the Donin/Jordet Actions filed a Notice of Motion for Leave to Appeal the McEwen Endorsement on February 24, 2022.

7. On March 3, 2022, the Court granted an Order extending the Stay Period until March 25, 2022 and appointing the Honourable Justice Dennis O’Connor as Claims Officer with respect to claims relating to the Donin/Jordet Actions.
8. All references to monetary amounts in this Seventh Report of the Monitor (the “**Seventh Report**”) are in Canadian dollars unless otherwise noted. Any capitalized terms not defined herein have the meanings given to them in the Second A&R Initial Order.
9. Further information regarding the CCAA Proceedings, including all materials publicly filed in connection with these proceedings, is available on the Monitor’s website at <http://cfcanada.fticonsulting.com/justenergy/> (the “**Monitor’s Website**”).
10. Further information regarding the Chapter 15 Proceedings, including the Final Recognition Order and all other materials publicly filed in connection with the Chapter 15 Proceedings, is available on the website of Omni Agent Solutions as the U.S. noticing agent of the Just Energy Entities at <https://omniagentsolutions.com/justenergy>.

PURPOSE

11. The purpose of this Seventh Report is to provide information to the Court with respect to the following:
 - (a) the Monitor’s activities since the Monitor’s Sixth Report to the Court dated March 2, 2022 (the “**Sixth Report**”);
 - (b) the restructuring activities of the Just Energy Entities since the date of the Sixth Report with respect to the development of a recapitalization plan (the “**Plan**”);

- (c) an update on the Claims Procedure and the resolution of Claims pursuant to the Claims Procedure Order;
- (d) the Just Energy Entities' actual cash receipts and disbursements for the 3-week period ending March 19, 2022, and a comparison to the cash flow forecast attached as Appendix "C" to the Sixth Report, along with an updated cash flow forecast for the period ending April 30, 2022;
- (e) the relief sought by the Applicants in their proposed Order (the "**Proposed Order**") to extend the Stay Period to April 22, 2022; and
- (f) the Monitor's views in respect of the foregoing, as applicable.

TERMS OF REFERENCE AND DISCLAIMER

12. In preparing this Seventh Report, the Monitor has relied upon audited and unaudited financial information of the Just Energy Entities, the Just Energy Entities' books and records, and discussions and correspondence with, among others, management of and advisors to the Just Energy Entities as well as other stakeholders and their advisors (collectively, the "**Information**").
13. Except as otherwise described in this Seventh Report:
 - (a) the Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in this Seventh Report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*.
14. Future-oriented financial information reported in or relied on in preparing this Seventh Report is based on assumptions regarding future events. Actual results will vary from these forecasts, and such variations may be material.

15. The Monitor has prepared this Seventh Report to provide information to the Court in connection with the relief requested by the Applicants. This Seventh Report should not be relied on for any other purpose.

MONITOR'S ACTIVITIES SINCE THE SIXTH REPORT

16. In accordance with its duties as outlined in the Initial Order, the Claims Procedure Order and its prescribed rights and obligations under the CCAA, the activities of the Monitor since the Sixth Report have included the following:
- (a) assisting the Just Energy Entities with communications to employees, creditors, vendors, and other stakeholders;
 - (b) participating in regular discussions with the Just Energy Entities, their respective legal counsel and other advisors regarding, among other things, the CCAA Proceedings, the Just Energy Entities' restructuring initiatives, the Claims Procedure, communications with stakeholders and business operations;
 - (c) in consultation with the Just Energy Entities, administering the Claims Procedure, reviewing and recording filed Claims, and issuing Notices of Revision or Disallowance and amended Negative Notices (as each term is defined in the Claims Procedure Order) and where applicable, notifying creditors of accepted Claims;
 - (d) monitoring the cash receipts and disbursements of the Just Energy Entities;
 - (e) assisting the Just Energy Entities to update and extend their cash flow forecasts;
 - (f) working with and providing input to the Just Energy Entities and other stakeholders to assist with the development of a plan of compromise or arrangement (the "**Plan**");
 - (g) working with the Just Energy Entities, their advisors, and the Monitor's counsel, as applicable, to, among other things:
 - (i) provide stakeholders with financial and other information as appropriate in the circumstances;

- (ii) assist the Just Energy Entities in furthering their analysis and considerations with respect to the Plan, including assisting with the preparation of related cash flow forecasts and presentations; and
- (iii) ensure compliance with the requirements of regulators in applicable jurisdictions;
- (h) attending meetings of the Board of Directors of Just Energy, and various committees thereof;
- (i) responding to many creditor and other stakeholder inquiries regarding the Claims Procedure and the CCAA Proceedings generally;
- (j) facilitating responses by the Just Energy Entities to information requested by counsel to the representative plaintiffs in the Donin/Jordet Actions;
- (k) attending a case conference before the Honourable Justice O'Connor to determine procedural and other matters in connection with the adjudication of the Donin/Jordet Actions;
- (l) posting monthly reports on the value of the Priority Commodity/ISO Obligations to the Monitor's Website in accordance with the terms of the Second A&R Initial Order;
- (m) maintaining the service list for the CCAA Proceedings with the assistance of counsel for the Monitor, a copy of which is posted on the Monitor's Website; and
- (n) preparing this Seventh Report.

UPDATE ON RESTRUCTURING EFFORTS OF THE JUST ENERGY ENTITIES

17. The Just Energy Entities continue to advance the development of the Plan and have consulted and worked extensively with key stakeholders to seek a viable going-concern solution for the business.
18. The Plan is intended to facilitate the Just Entity Entities' emergence from the CCAA Proceedings while preserving the going concern value of the business, maintaining

customer relationships, and preserving employment and critical vendor and regulator relationships – all for the benefit of the Just Energy Entities’ stakeholders.

19. In its Fifth Report to the Court dated February 4, 2022 (the “**Fifth Report**”), the Monitor noted that the Just Energy Entities intended to bring a motion before the Court on March 3, 2022 to seek the authority to file the Plan and request that the Court grant a Meeting Order. As noted in the Sixth Report, despite the best efforts of the Just Energy Entities and key stakeholders, which the Monitor has been closely observing, the Just Energy Entities were not yet in a position to present the Plan to the Court at that date.
20. Since that time, in consultation with the Monitor, discussions and negotiations with the Just Energy Entities’ key stakeholders with respect to the Plan have continued in earnest; however, the Just Energy Entities are not yet in a position to present the Plan to the Court.
21. The Just Energy Entities are at a critical juncture of their Plan negotiations and discussions with key stakeholders and require additional time to finalize and file the Plan. The Just Energy Entities are therefore seeking an additional short extension of the Stay Period and intend to file a Plan during the proposed extension. If, notwithstanding the Just Energy Entities’ best efforts, they are unable to file a motion seeking a Meeting Order prior to April 22, 2022, they intend to seek direction from the Court regarding their ongoing restructuring efforts and the CCAA Proceedings.
22. Should the Stay Period be extended to April 22, 2022, the Monitor will provide an update to the Court regarding the status of the Plan discussions and any progress in the negotiations, on April 7, 2022.

UPDATE ON CLAIMS PROCEDURE

23. Capitalized terms used but not otherwise defined in this section have the meanings attributed to them in the Claims Procedure Order.
24. The Monitor last reported on the Claims Procedure in the Fifth Report. Since the date of the Fifth Report, the Monitor, with assistance of the Claims Agent and the Just Energy

Entities, has taken the following steps with respect to the Claims received by the Monitor:

- (a) reviewed, recorded, and categorized all Claims including any additional Claims which were received after the date of the Fifth Report;
- (b) continued to review and attempt to determine and/or resolve Claims received to date;
- (c) issued several Notices of Revision or Disallowance, as prepared by the Just Energy Entities, in consultation with the Monitor, in respect of disallowed Claims;
- (d) notified creditors of certain Claims accepted by the Just Energy Entities;
- (e) engaged in numerous discussions and correspondence with various creditors who filed duplicative, erroneous, or marker claims to have such Claims withdrawn by the Claimant where appropriate; and
- (f) consulted with certain of the Consultation Parties in respect of certain Claims, as authorized pursuant to paragraph 41 of the Claims Procedure Order.

Overview of Claims

25. A summary of the Claims submitted in the Claims Procedure segregated by priority and category of the Claim is presented in the table below. Amounts presented are inclusive of potential duplicate and/or erroneous Claims and represent the total Claims received by the Just Energy Entities and recorded by the Monitor.

Category	Total Claims		
	Secured	Unsecured	TOTAL
<i>(amounts stated in millions of CAD)</i>			
Funded Debt	\$ 331	\$ 1,168	\$ 1,499
Commodity & Financial	852	119	970
Litigation	-	10,024	10,024
Tax & Unclaimed Property	0	95	95
Trade & Other	26	511	537
D&O	-	1,554	1,554
Total Claims Received	\$ 1,209	\$ 13,471	\$ 14,680

26. Since the date of the Fifth Report, the Monitor has recorded an additional \$19 million in Claims. The following provides an overview of these additionally recorded Claims, all of which were filed as unsecured:
- two Late-Filed Claims (as defined in the Fifth Report) were submitted by government bodies for taxes owing and have been recorded in the Tax & Unclaimed Property category;
 - one Restructuring Claim filed by a former employee of the Just Energy Entities was recorded in the Trade & Other category; and
 - sixty-eight Claims previously recorded as marker claims were amended as part of a Dispute of a Notice of Revision or Disallowance to now assert a dollar value totaling approximately \$19 million. These amended Claims pertain to individuals who have sought to assert tort and/or similar Claims against the Just Energy Entities in relation to the Texas weather event. These Claims were recorded in the Litigation category.

Resolution status of Claims

27. The Just Energy Entities, with assistance from and in consultation with the Monitor, are in the process of reviewing the Negative Notice Claims, Notices of Dispute of Claim, Proofs of Claim, and Disputes of Notices of Revision or Disallowance received in accordance with the Claims Procedure Order and are actively working to investigate, and/or resolve the Claims as applicable. A summary of the current resolution status of the Claims is presented in the table below:

Category	Accepted or Deemed Accepted	Under Review	Dispute Resolution in Process	Sub-total Claims Pool	Duplicative Claims or Claim Value Reductions	Total Claims Pool	Disallowed	Rescinded Negative Notices / Withdrawn	Total Claims
(amounts stated in millions of CAD)	A	B	C	D= A+ B+ C	E	F= D+ E	G	H	= F+ G+ H
Funded Debt	\$ 620	\$ 13	\$ -	\$ 633	\$ -	\$ 633	\$ -	\$ 866	\$ 1,499
Commodity & Financial	484	61	0	545	310	855	-	115	970
Litigation	-	1	4,836	4,836	4,828	9,665	359	0	10,024
Tax & Unclaimed Property	2	73	-	75	20	95	0	-	95
Trade & Other	11	47	3	62	433	495	3	40	537
D&O	-	0	118	118	0	118	1,436	-	1,554
Total Claims Received	\$ 1,117	\$ 196	\$ 4,956	\$ 6,269	\$ 5,591	\$ 11,860	\$ 1,799	\$ 1,021	\$ 14,680

28. The following provides an overview of the current resolution status of the Claims:

- (a) Accepted or Deemed Accepted: “Accepted or Deemed Accepted” Claims total approximately \$1,117 million of which approximately \$304 million are unsecured amounts;
- (b) Under Review: “Under Review” Claims total approximately \$196 million and include Claims where no formal response has yet been issued to the Claimant. Approximately \$135 million of the “Under Review” Claims are unsecured;
- (c) Dispute Resolution in Process: “Dispute Resolution in Process” Claims relate to Claims where the Monitor, in consultation with the Just Energy Entities, has issued a Notice of Revision or Disallowance and in which a Notice of Dispute of Revision or Disallowance was subsequently received from the respective Claimants or where the dispute period has not yet elapsed. These Claims are unsecured and total approximately \$4,956 million;
- (d) Duplicative Claims or Claim Value Reductions: “Duplicative Claims or Claim Value Reductions” include Claims which have yet to be fully resolved and have been either (i) identified as potentially being duplicative of another Claim recorded by the Monitor, and/or (ii) the unresolved Claim amount has been reduced through the resolution process described in the Claims Procedure Order. These Claims total approximately \$5,591 million and are expected to be excluded from the final Claims pool. Approximately \$5,282 million of these Claims are unsecured;
- (e) Disallowed: “Disallowed Claims” total approximately \$1,799 million and relate to resolved Claims where the full Claim or a portion of the Claim has been disallowed by the Just Energy Entities, in consultation with the Monitor, and where the Claimants have not responded with a Dispute of Notice of Revision or Disallowance within the applicable time period; and
- (f) Rescinded Negative Notices / Withdrawn: “Rescinded Negative Notices / Withdrawn Claims” total approximately \$1,021 million and relate to fully resolved Claims which have been withdrawn by the Claimant or where the Just Energy Entities, in consultation with the Monitor, have rescinded a Negative Notice Claim for various reasons (most commonly in connection with the disallowance of a duplicative Claim filed by the Claimant).

29. The Just Energy Entities, in consultation with the Monitor, continue to review and adjudicate the Claims received in accordance with the Claims Procedure Order and intend to provide further updates to this Court as these proceedings progress.

RECEIPTS AND DISBURSEMENTS FOR THE 3-WEEK PERIOD ENDED MARCH 19, 2022

30. The Just Energy Entities' actual net cash flow for the 3-week period from February 27, 2022 to March 19, 2022, was approximately \$92.3 million better than the Cash Flow Forecast appended to the Sixth Report (the "March Cash Flow Forecast") as summarized below:

<i>(CAD\$ in millions)</i>	Forecast	Actuals	Variance
RECEIPTS			
Sales Receipts	\$152.4	\$192.0	\$39.6
Miscellaneous Receipts	-	-	-
<i>Total Receipts</i>	\$152.4	\$192.0	\$39.6
DISBURSEMENTS			
<i>Operating Disbursements</i>			
Energy and Delivery Costs	(\$116.8)	(\$69.1)	\$47.8
Payroll	(6.1)	(5.2)	0.9
Taxes	(6.2)	(6.0)	0.2
Commissions	(5.3)	(4.1)	1.2
Selling and Other Costs	(8.4)	(5.6)	2.8
<i>Total Operating Disbursements</i>	(\$142.8)	(\$90.0)	\$52.8
OPERATING CASH FLOWS	\$9.6	\$102.0	\$92.3
<i>Financing Disbursements</i>			
Credit Facility - Borrowings / (Repayments)	\$ -	\$ -	\$ -
Interest Expense & Fees	(1.6)	(1.1)	0.5
<i>Restructuring Disbursements</i>			
Professional Fees	(2.2)	(3.4)	(1.2)
NET CASH FLOWS	\$5.8	\$97.5	\$91.6
CASH			
Beginning Balance	\$118.7	\$119.6	\$0.9
Net Cash Inflows / (Outflows)	5.8	97.5	91.6
Other (FX)	-	(0.3)	(0.3)
ENDING CASH	\$124.5	\$216.8	\$92.3

31. Explanations for the main variances in actual receipts and disbursements as compared to the March Cash Flow Forecast are as follows:
- (a) The favourable variance of approximately \$39.6 million in Sales Receipts is primarily comprised of the following:
 - (i) A favourable variance of approximately \$18.6 million due to higher than forecast sales receipts due to timing, which offset lower receipts in prior periods, in respect of U.S. residential customers;
 - (ii) A favourable variance of approximately \$14.5 million due to higher than forecast sales receipts due to timing, which offset lower receipts in prior periods, in respect of U.S. commercial customers; and
 - (iii) A favourable variance of approximately \$6.5 million primarily due to higher than forecast sales receipts due to timing, which offset lower receipts in prior periods, in respect of Canadian residential and commercial customer billings;
 - (b) The favourable variance of approximately \$47.8 million in respect of Energy and Delivery Costs is primarily driven by the following:
 - (i) A favourable timing variance of approximately \$26.4 million due to commodity payments being made the week after instead of the last week of the 3-week forecast period;
 - (ii) A permanent unfavourable variance of approximately \$1.8 million due to higher than forecasted transportation and delivery payments due in part to higher energy transmission volumes, temporarily increased transportation and delivery rates, and normal course fluctuations; and
 - (iii) A favourable timing variance of \$23.1 million due to cash collateral not being posted during the 3-week forecast period;
 - (c) The permanent favourable variance of approximately \$1.2 million for Commissions is primarily due to normal course fluctuations related to customer signups and associated commissions;

- (d) The permanent favourable variance of approximately \$2.8 million in respect of Selling and Other Costs is primarily due to lower than forecasted spending rates and to the Just Energy Entities' continued successful negotiation of payment terms and go-forward arrangements with its vendors; and
- (e) The unfavourable variance of \$1.2 million in respect of Professional Fees due to higher than forecast payment of professional fee invoices during the current 3-week forecast period primarily resulting from increased services rendered by professionals with respect to the continued development and negotiation of the Plan.

Reporting Pursuant to the DIP Term Sheet

- 32. The variances shown and described herein compare the March Cash Flow Forecast, as appended to the Sixth Report, with the actual performance of the Just Energy Entities over the 3-week period noted.
- 33. Pursuant to Section 18 of the DIP Term Sheet, the Just Energy Entities are required to deliver a variance report setting out the actual versus projected cash disbursements once every four weeks (the "**DIP Variance Reports**"). The permitted variances to which certain line items of the cash flow forecast are tested are outlined in section 24(30) of Schedule I of the DIP Term Sheet. The Just Energy Entities provided the required variance reports for the four-week period ended February 5, 2022 and March 5, 2022. All variances reported were within the permitted variances.
- 34. Also, in accordance with Section 18 of the DIP Term Sheet, the Just Energy Entities are required to deliver a new 13-week cash flow forecast, which shall replace the immediately preceding cash flow forecast in its entirety upon the DIP Lenders' approval thereof and is used as the basis for the next four-week variance report and permitted variance testing (the "**DIP Cash Flow Forecasts**"). The Just Energy Entities provided the required DIP Cash Flow Forecasts, which were approved by the DIP Lenders, for the 13-week periods beginning February 6, 2022 and March 6, 2022.
- 35. As the DIP Variance Reports utilize updated underlying cash flow forecasts vis-à-vis the March Cash Flow Forecast for the same period, the DIP Variance Reports differed

from the variance analysis above that compares actual results to the March Cash Flow Forecast. For purposes of the Just Energy Entities reporting requirements pursuant to the DIP Term Sheet, the DIP Cash Flow Forecasts as approved by the DIP Lenders will continue to govern.

36. Since the Sixth Report, the Just Energy Entities have complied with their reporting obligations pursuant to the DIP Term Sheet, the Second A&R Initial Order, and other documents including certain support agreements. These reporting obligations during the period included the in-time delivery of the following:
- (a) Delivery of a Priority Supplier Payables Certificate monthly;
 - (b) Delivery of an ERCOT Related Settlements update weekly;
 - (c) Delivery of a Cash Management Charge update monthly;
 - (d) Delivery of a Priority Commodity / ISO Charge update weekly and monthly; and
 - (e) Delivery of a Marked to Market Calculation monthly.

CASH FLOW FORECAST FOR THE 6-WEEK PERIOD ENDING APRIL 30, 2022

37. The Just Energy Entities, with the assistance of the Monitor, have updated and extended their weekly cash flow forecast for the 6-week period ending April 30, 2022 (the “**April Cash Flow Forecast**”), which encompasses the requested extension of the Stay Period to April 22, 2022. The April Cash Flow Forecast is attached hereto as **Appendix “A”**, and is summarized below:

<i>(CAD\$ in millions)</i>	6-Week Period Ending April 30, 2022
Forecast Week	Total
RECEIPTS	
Sales Receipts	\$342.1
Miscellaneous Receipts	-
<i>Total Receipts</i>	\$342.1
DISBURSEMENTS	
<i>Operating Disbursements</i>	
Energy and Delivery Costs	(\$350.0)
Payroll	(16.0)
Taxes	(17.6)
Commissions	(13.5)
Selling and Other Costs	(19.0)
<i>Total Operating Disbursements</i>	(\$416.0)
OPERATING CASH FLOWS	(\$73.9)
<i>Financing Disbursements</i>	
Credit Facility - Borrowings / (Repayments)	\$-
Interest Expense & Fees	(8.3)
<i>Restructuring Disbursements</i>	
Professional Fees	(10.4)
NET CASH FLOWS	(\$92.6)
CASH	
Beginning Balance	\$216.8
Net Cash Inflows / (Outflows)	(92.6)
Other (FX)	-
ENDING CASH	\$124.2

38. The April Cash Flow Forecast indicates that during the 6-week period ending April 30, 2022, the Just Energy Entities will have operating cash outflows of approximately \$73.9 million with total receipts of approximately \$342.1 million and total operating disbursements of approximately \$416.0 million, before interest expense and fees of approximately \$8.3 million and professional fees of approximately \$10.4 million, such that total net cash outflows are forecast to be approximately \$92.6 million.
39. Generally, the underlying assumptions and methodology utilized in the March Cash Flow Forecast have remained the same for this April Cash Flow Forecast; however, the Monitor notes the following:

- (a) The forecast period was extended from the week ending April 2, 2022 to the week ending April 30, 2022;
 - (b) The Just Energy Entities have updated and revised certain underlying data supporting the assumptions that contribute to the cash receipts and disbursements included in the April Cash Flow Forecast, which include:
 - (i) Customer cash receipt collection timing and bad debt estimates have been updated based on recent trends;
 - (ii) Customer cash receipt estimates have also been updated based on actualized revenue billed for recent periods combined with refined estimates for future customer billings;
 - (iii) Certain disbursements not incurred during the prior period have been carried forward as they are expected to be incurred in future weeks;
 - (iv) Vendor credit support and cash collateral requirements have been updated based on business requirements and on-going discussions between the Just Energy Entities and its vendors;
 - (v) The tax disbursements forecast has been updated based on the tax department's latest tax payment schedule and estimates; and
 - (vi) Professional fee estimates have been updated to reflect expected activity during the forecast period.
40. The April Cash Flow Forecast demonstrates that, subject to its underlying hypothetical and probable assumptions, the Just Energy Entities are forecast to have sufficient liquidity to continue funding their operations during the CCAA Proceedings to April 22, 2022.

STAY EXTENSION

41. The Stay Period will expire on March 25, 2022, and the Applicants are seeking an extension to the Stay Period up to and including April 22, 2022.

42. The Monitor supports extending the Stay Period to April 22, 2022 for the following reasons:
- (a) during the proposed extension of the Stay Period, the Just Energy Entities will have an opportunity to finalize the Plan in an effort to achieve a going concern solution in consultation with the Monitor and key stakeholders, including potentially seeking an order from the Court approving a creditors' meeting to vote on same;
 - (b) the Monitor is of the view that the proposed extension to the Stay Period is necessary to provide the Just Energy Entities with the flexibility and time required to develop and commence steps to implement a successful restructuring;
 - (c) as indicated by the April Cash Flow Forecast, the Just Energy Entities are forecast to have sufficient liquidity to continue operating in the ordinary course of business during the requested extension of the Stay Period;
 - (d) no creditor of the Just Energy Entities would be materially prejudiced by the extension of the Stay Period; and
 - (e) in the Monitor's view, the Just Energy Entities have acted in good faith and with due diligence in the CCAA Proceedings since the Filing Date.

APPROVAL OF THE ACTIVITIES OF THE MONITOR

43. The Proposed Order also seeks approval of this Seventh Report and the actions, conduct, and activities of the Monitor since the date of the Sixth Report.
44. As outlined in the Monitor's previous reports to the Court (all of which are available on the Monitor's Website), the Monitor and its counsel have played, and continue to play, a significant role in the CCAA Proceedings. The Monitor respectfully submits that its actions, conduct, and activities in the CCAA Proceedings since the Sixth Report have been carried out in good faith and in accordance with the provisions of the orders issued in these CCAA Proceedings and should therefore be approved.

CONCLUSION

- 45. The Monitor is of the view that the relief requested by the Applicants is necessary, reasonable and justified in the circumstances.

- 46. Accordingly, the Monitor respectfully supports the requested extension of the Stay Period in the Proposed Order and recommends that such Order be granted.

The Monitor respectfully submits to the Court this Seventh Report dated this 22nd day of March, 2022.

FTI Consulting Canada Inc.,
in its capacity as Court-appointed Monitor of
Just Energy Group Inc. *et al*,
and not in its personal or corporate capacity



Per: _____
Paul Bishop, Senior Managing Director

Appendix “A”

CASH FLOW FORECAST FOR THE 6-WEEK PERIOD ENDING APRIL 30, 2022

Weeks Ending (Saturday)		3/26/22 Forecast	4/2/22 Forecast	4/9/22 Forecast	4/16/22 Forecast	4/23/22 Forecast	4/30/22 Forecast	6-Week Total
Forecast Week		Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Total
RECEIPTS								
Sales Receipts	[1]	\$77.6	\$56.8	\$48.8	\$46.7	\$55.0	\$57.3	\$342.1
Miscellaneous Receipts	[2]	-	-	-	-	-	-	-
Total Receipts		\$77.6	\$56.8	\$48.8	\$46.7	\$55.0	\$57.3	\$342.1
DISBURSEMENTS								
<i>Operating Disbursements</i>								
Energy and Delivery Costs	[3]	(\$124.9)	(\$52.8)	(\$8.2)	(\$11.0)	(\$106.4)	(\$46.6)	(\$350.0)
Payroll	[4]	(6.3)	-	(3.7)	-	(3.8)	(2.2)	(16.0)
Taxes	[5]	(6.3)	-	-	(0.0)	(5.7)	(5.6)	(17.6)
Commissions	[6]	(4.3)	(0.9)	(1.5)	(0.9)	(2.6)	(3.4)	(13.5)
Selling and Other Costs	[7]	(1.1)	(4.4)	(2.4)	(5.6)	(3.0)	(2.4)	(19.0)
Total Operating Disbursements		(\$143.0)	(\$58.1)	(\$15.8)	(\$17.5)	(\$121.4)	(\$60.2)	(\$416.0)
OPERATING CASH FLOWS		(\$65.4)	(\$1.3)	\$33.0	\$29.1	(\$66.4)	(\$2.8)	(\$73.9)
<i>Financing Disbursements</i>								
Credit Facility - Borrowings / (Repayments)	[8]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Expense & Fees	[9]	-	(8.3)	-	-	-	-	(8.3)
<i>Restructuring Disbursements</i>								
Professional Fees	[10]	(1.2)	(3.1)	(1.6)	(0.7)	(2.5)	(1.1)	(10.4)
NET CASH FLOWS		(\$66.7)	(\$12.8)	\$31.3	\$28.4	(\$69.0)	(\$3.9)	(\$92.6)
CASH								
Beginning Balance		\$216.8	\$150.1	\$137.3	\$168.7	\$197.1	\$128.1	\$216.8
Net Cash Inflows / (Outflows)		(66.7)	(12.8)	31.3	28.4	(69.0)	(3.9)	(92.6)
Other (FX)		-	-	-	-	-	-	-
ENDING CASH		\$150.1	\$137.3	\$168.7	\$197.1	\$128.1	\$124.2	\$124.2
BORROWING SUMMARY								
DIP Facility Credit Limit		\$158.8	\$158.8	\$158.8	\$158.8	\$158.8	\$158.8	\$158.8
DIP Draws		-	-	-	-	-	-	-
DIP Principal Outstanding		158.8	158.8	158.8	158.8	158.8	158.8	158.8
DIP Availability		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Sales Receipts include collections from the Company's residential and commercial customers for the sale of energy, which primarily consists of electricity and natural gas, inclusive of sales tax. The sales forecast is based on historical sales patterns, seasonality, and management's current expectations.
2. Miscellaneous receipts reflect forecasted tax refunds and other receipts not sent from customers.
3. Energy & Delivery costs reflect the purchase energy from suppliers and the cost of delivery and transmission to the Company's customers.
4. Payroll disbursements reflect the current staffing levels and recent payroll amounts, inclusive of payroll taxes and any payments associated with the Company's bonus programs.
5. Taxes reflect the remittance of sales taxes collected from customers and the Company's corporate income taxes.
6. Commissions include fees paid to customer acquisition contractors and suppliers.
7. Selling and Other Costs include selling, general, and administrative payments.
8. The Credit Facility Borrowings / (Repayments) show borrowings and repayments under the Company's credit facilities.
9. Interest expenses & fees include interest and fees on the Company's credit and LC facilities.
10. Professional Fees include fees for the Company's counsel and investment banker, the Monitor, the Monitor's Counsel, the DIP lenders' professionals, and fees for Lender Support and Certain Commodity Support Agreements.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **JUST ENERGY GROUP INC. et al.** (each, an “**Applicant**”, and collectively, the “**Applicants**”)

Court File No. CV-21-00658423-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

**SEVENTH REPORT OF
FTI CONSULTING CANADA INC., IN ITS
CAPACITY AS COURT-APPOINTED MONITOR**

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