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Costs of Operations

(in thousands)	For the three months ended March 31,	
	2014	2015
Cost of operations	\$ 441	\$ 358
Cost of operations—affiliate	725	964
Total cost of operations	\$ 1,166	\$ 1,322

Costs of operations totaled \$1.3 million and \$1.2 million for the three months ended March, 2015 and 2014, respectively, an increase of \$0.1 million. Cost of operations-affiliate increased \$0.2 million during the three months ended March 31, 2015 compared to 2014. The increase is primarily due to additional operations and maintenance expenses related to the solar energy systems that were in operation in the first quarter 2015 and not in the first quarter 2014.

General and administrative expense

General and administrative expense totaled \$4.5 million and \$0.6 million for the three months ended March 31, 2015 and 2014, respectively, an increase of \$3.9 million. General and administrative—affiliate expense was \$3.0 million and \$3.9 million for the three months ended March 31, 2015 and 2014, respectively, a decrease of \$0.9 million.

Depreciation and accretion

Depreciation and accretion expense increased from \$1.7 million for the three months ended March 31, 2014 to \$2.7 million in the three months ended March 31, 2015, primarily due to depreciation related to the Boshof solar energy system plant that was operational in the first quarter for 2015 and not in the first quarter of 2014.

Interest expense

Interest expense was \$16.8 million and \$3.9 million for the three months ended March 31, 2015 and 2014, respectively, an increase of \$12.9 million. The increase was primarily due to an increase in term debt as solar energy systems were constructed.

Other income, net

Other income, net totaled \$0.4 million in the three months ended March 31, 2015, primarily due to gains on foreign currency exchange and interest income earned from restricted cash accounts. Other income, net totaled \$1.6 million in the three months ended March 31, 2014, primarily due to gains on foreign currency exchange.

Income tax expense

Income tax expense was \$1.1 million for the three months ended March 31, 2015 compared to an income tax expense of \$0.4 million for the three months ended March 31, 2014 primarily due to an increase in revenue not offset by tax benefit carryforwards.