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PRESS RELEASE

Energy Savings announces 25th Distribution Rate Increase

\$0.03 Increase to \$1.065 per Annum Effective March Distribution

TORONTO, ONTARIO - - February 8, 2007 - -

Energy Savings Income Fund announced that the Fund's Board of Directors approved, effective the distribution paid March 31, 2007, an increase in the annual distribution rate on the Fund's units to \$1.065 per unit or \$0.08875/unit per month. This is the 25th such increase since the Fund's IPO in April 2001.

Ms. Rebecca MacDonald, Executive Chair of Energy Savings, stated: "Our fiscal 2007 operating results have, to date, been consistent with our published guidance of 15% to 20% growth in both gross margin and distributable cash. Given the predictability of our business, this justifies a distribution increase and our Board has approved a further \$0.03 per year beginning with the March distribution. This is the fourth such increase during fiscal 2007."

Brennan Mulcahy, CEO of Energy Savings added: "Energy Savings generates both predictable reliable cash flow and substantial growth. Our fundamentals remain solid despite the challenges we have faced during this quarter. We have analyzed the locked in margins on our customers for the fourth quarter and beyond. These circumstances meet our standard for a \$0.03 increase in distributions."

The Fund

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, Indiana and New York, involves the sale of natural gas to residential, small to mid-size commercial and small industrial customers under long term, irrevocable fixed price contracts. Energy Savings also supplies electricity to Ontario, Alberta and New York customers. By fixing the price of natural gas or electricity under its fixed price contracts for a period of up to five years, Energy Savings' customers offset their exposure to changes in the price of these essential commodities. Energy Savings, which commenced business in July of 1997, derives its margin or gross profit from the difference

between the fixed price at which it is able to sell the commodities to its customers and the fixed price at which it purchases the matching volumes from its suppliers.

Forward-Looking Statements

The Fund's press releases may contain forward-looking statements including statements pertaining to customer revenues and margins, customer additions and renewals, customer consumption levels, distributable cash and treatment under governmental regulatory regimes. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, levels of customer natural gas and electricity consumption, rates of customer additions and renewals, fluctuations in natural gas and electricity prices, changes in regulatory regimes and decisions by regulatory authorities, competition and dependence on certain suppliers. Additional information on these and other factors that could affect the Fund's operations, financial results or distribution levels are included in the Fund's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com or through the Fund's website at www.esif.ca.

The Toronto Stock Exchange has neither approved nor disapproved of the contents of this release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ms. Rebecca MacDonald
Executive Chair
Phone: (416) 367-2872

Mr. Brennan Mulcahy
Chief Executive Officer
Phone (905) 795-4200

or

Ms. Mary Meffe C.A.
Chief Financial Officer
Phone: (905) 795-4206