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PRESS RELEASE

**Energy Savings Re-enters the Ontario Small Business
and Residential Electricity Market**

TORONTO, ONTARIO - - March 11, 2005 - -

Energy Savings Income Fund announced it will re-enter the Ontario small business and residential electricity markets once the Ministry of Energy specifies the date upon which new retail contracts will be effective which is expected to be in April 2005. Today's announcement from the Ontario Energy Board (OEB) makes it clear that these consumers will pay a price more reflective of true market rates for their power. While the price will be set by the OEB annually, the true price of power will be paid by all users and any price increases will be made up in future years.

Small consumers have been paying a subsidized capped price since November 2002. As such, Energy Savings could not offer a competitive fixed price alternative. Larger consumers have been subject to market prices and Energy Savings has been actively marketing to these customers, signing approximately 50,000 residential customer equivalents ("RCEs") over the first nine months of Fiscal 2005.

The result of these changes is a market that will be similar to the Ontario gas market during the period up until the establishment of quarterly price adjustments.

The Company expects to have its Ontario agents offering five year fixed price contracts to all commercial customers beginning in April followed by residential customers in the near future. Energy Savings currently has approximately 250 active agents in the province and expects to increase the size of its sales force based on this announcement.

Chair Rebecca MacDonald stated: "We are very pleased to be back with an offering to all Ontario electricity users. Small business and residential customers are our core market. We will offer them the opportunity to budget predictably and protect themselves from volatility in electricity prices. This is a good start toward the Province getting to a competitive and integrated power market. Government needs to ensure that an active wholesale market develops so that consumers continue to have choices in how they purchase their electricity."

President Brennan Mulcahy stated: "Our marketing team is very excited about this opportunity. We had considerable success signing customers prior to the Eves' Government price cap. The one year smoothed price is the same pricing regime under which the deregulated Ontario natural gas market was built. We were very successful marketing gas in that environment. While it is too early to predict the receptivity of customers to our new offer, we expect to be in a position to provide guidance on expected electricity customer additions at our Annual Meeting in June."

The Fund

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia and Illinois, 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 and Alberta 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.

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