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PRESS RELEASE

Energy Savings announces 27th Distribution Rate Increase

\$0.05 Increase to \$1.165 per Annum Effective July Distribution

TORONTO, ONTARIO - - June 28, 2007 - -

At its Annual Meeting of Unitholders, Energy Savings Income Fund announced that the Fund's Board of Directors approved an increase in the annual distribution rate on the Fund's units to \$1.165 per unit or \$0.097/unit per month. The increase will be effective the distribution payable on July 31, 2007 to Unitholders of record at the close of business on July 15, 2007. This is the 27th such increase since the Fund's IPO in April 2001.

Ms. Rebecca MacDonald, Executive Chair of Energy Savings, stated: "As noted in our Annual Report, we have increased our guidance for fiscal 2008 to a range of 15% to 20% growth for both gross margin and distributable cash. While it is very early in the fiscal year, our results to date are consistent with that target. As has been the case since the inception of the Fund, growth in cash flow translates into growth in distributions. Our 27th increase in the annual distribution rate is a further example of this."

Brennan Mulcahy, CEO of Energy Savings added: "Our operating results and customer aggregation remain strong. The \$0.05 annual increase in our distribution rate is consistent with our goal of growing distributions as our cash flow grows. Management believes that this level of distribution is sustainable over the long term regardless of the potential passage of a tax on income trust distributions."

The Fund

Energy Savings' natural gas business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, Indiana and New York, involves the sale of 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, New York and Texas 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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