TSE: SIF.UN

FOR IMMEDIATE RELEASE

PRESS RELEASE

ENERGY SAVINGS APPOINTS NEW CFO - ENTERS QUEBEC NATURAL GAS MARKET - UPDATE OF ILLINOIS MARKETING

TORONTO, ONTARIO – March 8, 2004. Rebecca MacDonald, Chair and CEO of Energy Savings Income Fund ("Energy Savings" or the "Fund") announced today that the Fund has appointed Kenneth M. Hartwick, C.A. as Chief Financial Officer. Mr. Hartwick has most recently been Chief Financial Officer and a member of the Executive Committee of Hydro One Inc., following on 15 years experience in financial management, consulting and accounting. Hydro One Inc. is the largest electricity delivery company in Ontario and one of the largest in North America with 3,900 employees and $4 billion in revenues.

Effective April 5, 2004, Mr. Hartwick will replace the Fund's retiring Chief Financial Officer James McKelvie, who has been the Energy Savings' CFO since its inception. Mr. McKelvie will remain with the business until July to provide an orderly and smooth transition. Rebecca MacDonald stated, "We are very fortunate to bring onboard someone of Ken Hartwick's skill and experience. He will be a key player on our team as we continue to expand, both in Ontario and in new jurisdictions."

The Fund also announced that it has taken steps to enter the Quebec natural gas market and expects to sign its first Quebec customer in April of this year. Under recent changes to the regulatory environment in Quebec, small business and other commercial customers in a large portion of the Province will be allowed to enter into long term, fixed price gas contracts. Energy Savings estimates that a total of 400,000 residential customer equivalents will be available for marketing. Brennan Mulcahy, Energy Savings' President said, "We now believe that Quebec has created an environment where business customers can benefit from the stability and predictability that a fixed price gas contract offers. Our marketing will be a natural extension for our Ontario team and we are optimistic that our efforts in our third Canadian Province will be as successful as those in Ontario and Manitoba."

With respect to the Illinois natural gas market (the Fund's first outside Canada), Ms. MacDonald stated, "At the time of our press conference following the third quarter, I promised an update on Illinois marketing to the end of February. This was to be followed by the establishment of published customer aggregation targets at the end of March. We have been marketing during the month using a small group of agents selling exclusively to commercial customers. Once we establish that our product is accepted by this target market, our intention is to add agents and pursue both residential and commercial customers. Our plan is to steadily penetrate the base of more than 3.1 million Illinois customers over the coming years, similar to our growth model in Ontario."

“To date, the response of the Illinois customers has been very favourable toward our long term, fixed price product. Our agents believe that the residential market will be equally receptive. To that end, we are entering into a lease for a second Chicago-area marketing office which should open in mid-April. Overall, all aspects of our Illinois expansion are proceeding at or ahead of plan.”

Energy Savings’ business, which is currently conducted in Ontario, Manitoba and the State of 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 customers under contracts secured prior to the November 11, 2002 price freeze and to certain large volume users who do not fall under the Governments price freeze. By fixing the price of natural gas or electricity under its fixed price contracts for a period of three to five years, Energy Savings’ customers eliminate 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.

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

FOR FURTHER INFORMATION PLEASE CONTACT:

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

or

Mr. James McKelvie C.A.
Chief Financial Officer
Phone: (905) 795-4202