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PRESS RELEASE

Energy Savings announces its F2005 Illinois Customer Aggregation Targets

TORONTO, ONTARIO – March 31, 2004 - Energy Savings Income Fund (“Energy Savings” or the “Fund”) announced its customer aggregation targets for the Illinois natural gas market, the Fund’s first entry into the United States. Energy Savings began test marketing in January of this year, initially selling with a small number of agents exclusively to commercial customers. This marketing showed a widespread acceptance of five year, fixed price contracts as announced by the Fund on March 8th. The Fund has opened a second Chicago area marketing office as part of a staged ramp-up of the number of active agents.

In planning its build-up of the Illinois market, Fund management estimates that total customer aggregation will be approximately 50,000 for the year ended March 31, 2005. The Fund will update this estimate with its quarterly statements. There are a total of approximately 3.1 million residential customer equivalents in the Illinois market, similar in size to the Ontario natural gas market.

Based on current selling price and underlying commodity cost, margins in Illinois are expected to be approximately C\$120 per customer. Aggregation costs are estimated at C\$90 per customer, resulting in a 9 month payback within the five year contract similar to Energy Savings’ other markets.

Rebecca MacDonald, Chief Executive Officer of Energy Savings, stated that: “We expect a long, steady growth of our business in the United States. A disciplined entry into Illinois has been the first step. Adding 50,000 profitable customers in our first year of operations would be a major success. Our plans call for continued growth in Illinois and other markets for many years to come.”

The Fund

Energy Savings’ business, which is conducted in Ontario and Manitoba, 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 Government’s price cap. 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.

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. Specifically, this release contains forward-looking estimates of customer aggregation and customer margins for the Illinois natural gas market. Forward-looking 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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