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PRESS RELEASE

Energy Savings Reports Fiscal 2005 Results – Record Customer Aggregation Record Sales, Margins, Distributable Cash and Distributions

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TORONTO, ONTARIO - - May 19, 2005 - -

Highlights for the year ended March 31, 2005 included:

- Record gross customer additions through marketing of 290,000 versus a published target of 260,000. Net customer additions through marketing of 174,000 versus published target of 160,000. Including acquisitions, customer base reached 1,235,000, up 24% year over year.
- Entered the Quebec and British Columbia gas markets. Entered Alberta gas and electricity markets through the EPCOR acquisition.
- Sales up 26% reaching $920.9 million.
- Gross margin (seasonally adjusted) of $163.7 million, up 20% year over year.
- Premarketing distributable cash of $124.0 million ($1.17 per unit), up 7% year over year. Pretax distributable cash up 16%.
- Selling expense up 33% resulting in record customer additions. Of $40.0 million in marketing costs, $13.1 million was spent replacing customers lost during the year to attrition and failure to renew.
- Distributions up 17% year over year. Distribution rate rose three times to $0.885 per unit.

Highlights for the three months ended March 31, 2005 included:

- Customer additions through marketing were 65,000, up 59% compared to Q4 of fiscal 2004 (41,000). Sales were $406.9 million, up 30% compared to fiscal 2004.

- Premarketing distributable cash was $28.5 million after a $10.0 million income tax expense compared to $28.9 million in the prior comparable quarter.
- Selling expense was $9.0 million, up 42% over the comparable quarter reflecting higher customer additions.

Energy Savings Fiscal 2005 Results

Energy Savings Income Fund announced its results for the year ended March 31, 2005.

Year ended March 31, ($ millions except per unit amounts)	F2005	Per Unit	F2004	Per Unit
Sales	$920.9		$733.1	
Gross Margin [1]	163.7	$1.54	136.8	$1.30
Distributable Cash[1]				
Premarketing	124.0	$1.17	116.0	$1.10
Post Marketing	84.0	$0.79	85.9	$0.82
Distributions	89.2	$0.84	75.9	$0.72
Long Term Customers	1,235,000		993,000	

Three Months ended March 31, ($ millions except per unit amounts)	F2005	Per Unit	F2004	Per Unit
Sales	$406.9		$312.9	
Gross Margin [1]	45.9	$0.43	35.5	$0.34
Distributable Cash[1]				
Premarketing	28.5	$0.27	28.9	$0.27
Post Marketing	19.5	$0.18	22.5	$0.21
Gross Customer Additions	65,000		41,000	

[1] Seasonally adjusted

Energy Savings is an Income Fund and it reports in the attached Management's Discussion and Analysis a detailed calculation of distributable cash both before and after marketing expenditures used to expand the Fund's customer base.

Fiscal 2005 was an important building year for Energy Savings. The year saw the Fund move from a business with more than 95% of its customers in Ontario to a geographically diverse operation with many current and future growth opportunities. During the year, what started as a fledgling United States expansion into Illinois has turned into a meaningful and growing profit centre. The year saw the start of operations in Quebec and British Columbia with significant marketing success in both provinces. We also laid the groundwork for today's announcement of our entrance into the New York market later this year.

Fiscal 2005 also saw the Fund's entry into Alberta with the signing of billing, collection and supply agreements with EPCOR Utilities Inc. ("EPCOR"). Prior to this arrangement, the Fund had not entered this otherwise attractive market because of the requirement that marketers bill and collect from their customers. As a local utility, EPCOR has a proven expertise in those areas allowing Energy Savings to focus on its specialty, marketing. Energy Savings is currently marketing both gas and electricity in Alberta.

The Fund's marketing activities again showed outstanding results. The Fund exceeded its published aggregation targets for the fourth consecutive year. The 290,000 customers signed exceeded the total added through marketing in any previous year.

Market	*Published Target*	*Actual Additions*	*% of Target*
Ontario Gas	100,000	96,000	96%
Other Provinces Gas	60,000	89,000	148%
United States Gas	50,000	52,000	104%
Electricity	50,000	53,000	106%
Total	260,000	290,000	112%

Net additions were 174,000 versus a target of 160,000. Over and above customers added through marketing were 68,000 Alberta gas and electricity customers acquired from EPCOR.

Operating results reflected this growth. Sales reached the record level of $920.9 million, up 26%. Gross margin was up 20%. Premarketing distributable cash was up 7%. The Fund's distributable cash growth was impacted by two major factors: Systems and other general and administrative costs for new markets must be incurred before marketing can begin. Accordingly, our general and administrative costs were up 47% year over year. The benefits from this spending should be seen in future periods.

The second significant factor was that in fiscal 2005, the Fund incurred a material income tax expense of $10.5 million, up from $0.4 million in fiscal 2004. Income

Trusts are limited in the tax shelter they can create. As they grow, eventually tax must be paid. As the fastest growing Income Fund in Canadian history, Energy Savings has now reached that threshold. Management has proposed to its unitholders an appropriate restructuring for which approval at the Annual Meeting will be sought. This structure, along with a tax ruling by the Canada Revenue Agency, would see the Fund minimize its Canadian income taxes payable for the foreseeable future.

Because of the tax expense, the Fund's payout ratio was 72% of premarketing distributable cash, higher than the target range of 65% to 70%. Before tax, the ratio was 66%. Management expects that business growth and/or the restructuring will keep the payout ratio into the target range in fiscal 2006.

There were three distribution rate increases during the year making 19 in total since the Energy Savings IPO. Current distribution rate is $0.885, up from $0.78 at the end of fiscal 2004.

Chair Rebecca MacDonald stated: "Fiscal 2005 was a very good year. Our record customer growth reflected the number of growth drivers existing within our business. New markets in Canada far outstripped our expectations. We set aggressive targets for Illinois and electricity and met them. We also built a base for future growth. We are a high return on investment business and last year's record investment in new customers and new markets can only bode well for the future."

"We have set very challenging growth targets for next year. This will require record spending on customer aggregation. We have also completed another customer acquisition, this time Ontario electricity customers from EPCOR. This use of cash places us in a position where an increase in distribution rate would not be prudent at this time. But remember, our investments in new customers pay back quickly and our distributable cash will reflect that in the years to come."

CEO Brennan Mulcahy added: "Outlook for fiscal 2006 is positive. Aggregation targets indicate that another record year of customer growth is expected. Margins per customer remain ahead of target and attrition and renewal rates are on target. Our sales force is growing and the acceptance of our product in new markets improves monthly. I want to thank our Energy Savings team for a great year and challenge them to produce even better results in fiscal 2006."

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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