

**TSX: SIF.UN**

- **FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

**Energy Savings announces 26<sup>th</sup> Distribution Rate Increase**

**\$0.05 Increase to \$1.115 per Annum Effective April Distribution**

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TORONTO, ONTARIO - - April 2, 2007 - -

Energy Savings Income Fund announced that the Fund's Board of Directors approved, effective the distribution paid April 30, 2007, an increase in the annual distribution rate on the Fund's units to \$1.115 per unit or \$0.09292/unit per month. This is the 26th such increase since the Fund's IPO in April 2001.

Ms. Rebecca MacDonald, Executive Chair of Energy Savings, stated: "Our fiscal 2007 operating results remain consistent with our published guidance of 15% to 20% growth in both gross margin and distributable cash. The cold February weather in the East has eliminated the last major uncertainty in our results for the remainder of the year. In addition, our recent announcement that we have entered into a long term power supply arrangement with Bruce Power L.P. has resulted in an increase in our annual Canadian electricity target margin to \$150/RCE from \$110/RCE. Finally, we are in receipt of a Canada Revenue Agency tax ruling which would see our business operations completely converted from a "trust on corporation" structure to a "trust on partnership" structure, thereby minimizing income taxes payable through 2010. All of these factors give us comfort that a distribution increase is appropriate at this time."

Brennan Mulcahy, CEO of Energy Savings added: "We continue to generate solid financial results in the fourth quarter despite customer additions which are expected to be comparable to those of Q3. This distribution increase will result in an 18% year over year increase in our rate of distribution in line with our expected growth in distributable cash of 15% to 20%. Throughout its history, Energy Savings has seen its growth in distributions track its growth in cash flow. With double digit growth expected to continue in coming years, unitholders should expect this trend to continue."

*The Fund*

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, Indiana and New York, 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, Alberta and New York 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](http://www.sedar.com) or through the Fund's website at [www.esif.ca](http://www.esif.ca)

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

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