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PRESS RELEASE

Energy Savings announces 28th Distribution Rate Increase

\$0.045 Increase to \$1.21 per Annum Effective September Distribution

TORONTO, ONTARIO - - August 9, 2007 –

Energy Savings Income Fund announced that the Fund's Board of Directors approved, effective the distribution paid September 30, 2007, an increase in the annual distribution rate on the Funds units to \$1.21 per unit or \$0.10083/unit per month. This is the 28th such increase since the Fund's IPO in April 2001.

Brennan Mulcahy, CEO of Energy Savings added: "As was announced in our quarterly results today, Energy Savings again turned out solid operating performance through the end of June. Versus a very strong Q1 of last year, Energy Savings generated double digit growth in sales, margin, distributable cash and distributions. After two consecutive quarters of weak marketing additions, our agents generated 95,000 new customers in line with our target of 415,000 for the year. We are optimistic about our marketing for the remainder of the year, particularly in the United States."

Ms. Rebecca MacDonald, Executive Chair of Energy Savings, stated: "At year end, we increased our guidance for fiscal 2008 to 15% to 20% growth in both gross margin and distributable cash. We remain on track. As in the past, growth in cash flow translates into growth in distributions. Our distribution increase effective September is evidence of this relationship."

The Fund

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, New York, Indiana and Texas, involves the sale of gas and electricity to residential, small to mid-size commercial and small industrial customers under long term fixed price contracts. By fixing the price of natural gas or electricity under its fixed price or price protection program 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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