

**TSX: SIF.UN**

- **FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

**ENERGY SAVINGS INCOME FUND RECEIVE FAVOURABLE TAX RULING  
AND COMPLETES INTERNAL REORGANIZATION**

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TORONTO, ONTARIO - - May 1, 2007 - - Energy Savings Income Fund (the "Fund") announced today it received a favourable advance income tax ruling dated March 30, 2007 from the Canada Revenue Agency which enabled it to complete on April 30, 2007 an internal corporate reorganization of the Fund and certain of its affiliates (the "Reorganization"). The Reorganization was approved at the Fund's June 29, 2005 Annual and Special Meeting of Unitholders.

The effect of the Reorganization is that post April 30, 2007 the Fund will be organized in Canada as a trust on partnership rather than a trust on corporate structure so as to maximize funds available to grow the Fund's customer base and to maximize distributions to Unitholders. The Reorganization predates and is unaffected by the proposed imposition of a tax on trust distributions announced by the Federal Government on October 31, 2006.

*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 and small commercial 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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