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PRESS RELEASE

Energy Savings Reports Fiscal 2007 Record Financial Results

TORONTO, ONTARIO - - May 17, 2007 - -

Highlights for the year ended March 31, 2007 included:

- Customer base reached 1,659,000, up 10% year over year. Gross additions through marketing were 348,000 versus 424,000 in fiscal 2006.
- Entered the National Fuel Gas territory in New York as well as the Indiana market.
- Sales (seasonally adjusted[1]), up 25% reaching $1.5 billion.
- Gross margin (seasonally adjusted[1]) of $230.4 million, up 22% year over year.
- Distributable cash after gross margin replacement[1] of $152.8 million ($1.42 per unit), up 18% year over year.
- Distributable cash of $130.0 million after all marketing[1], up 28%.
- Payout ratio of 71% after margin replacement and 84% after all marketing down from 74% and 96% in fiscal 2006.
- Net income of $93.9 million, up 82% from $51.6 million in fiscal 2006.
- Distributions up 12% year over year. Distribution rate increased four times to $1.065 per unit at year end with a subsequent increase to $1.115 per unit.

Highlights for the three months ended March 31, 2007 included:

- Gross customer additions were 62,000, down 5% compared to Q3 of fiscal 2007. Sales were $588.4 million, up 23% compared to fiscal 2006.

[1]Non-GAAP measure - see Management's Discussion and Analysis for definition

- Distributable cash after margin replacement was $54.9 million, up 34% year over year. Distributable cash after all marketing was $52.9 million, up 64% year over year.
- Net income was $70.1 million ($0.66 per unit) versus $17.8 million ($0.17 per unit), an increase of 293%.
- Distributions were $28.7 million, up 15% quarter over quarter.

Energy Savings Fiscal 2007 Results

Energy Savings Income Fund announced its results for the year ended March 31, 2007.

Year ended March 31, ($ millions except per unit)	F2007	Per Unit	F2006	Per Unit
Sales[1]	$1,530.1		$1,225.9	
Gross Margin[1]	230.4	$2.15	188.6	$1.76
Net Income	93.9	$0.88	51.6	$0.48
Distributable Cash[1]				
After Gross Margin/Customer Replacement	152.8	$1.42	130.0	$1.22
After Marketing expense	130.0	$1.21	101.2	$0.95
Distributions	108.7	$1.01	96.8	$0.90
Long Term Customers	1,659,000		1,502,000	

Three Months ended March 31, ($ millions except per unit)	F2007	Per Unit	F2006	Per Unit
Sales[1]	$461.7		$363.4	
Gross Margin[1]	76.4	$0.71	54.9	$0.51
Net Income	70.1	$0.66	17.8	$0.17
Distributable Cash[1]				
After Gross Margin/Customer Replacement	54.9	$0.51	41.1	$0.38
After Marketing expense	52.9	$0.49	32.3	$0.30

[1] Seasonally adjusted

Fiscal 2007 was filled with challenges and successes. The year saw the start of operations in New York's National Fuel Gas territory and Indiana. While the growth in the U.S. customer base has been slowed by credit issues in Illinois and heavy customer switching in New York prior to the imposition of a ConEdison contest period, overall profitability in Canada and the United States remained strong. Energy Savings' sales, gross margin and distributable cash reached record highs in fiscal 2007. With this came four more distribution rate increases, continuing the Fund's track record of increasing payout to Unitholders as a new base of profitability is established.

The Fund's marketing activities were, for the first time in the Fund's history, disappointing. The Fund failed to exceed its published aggregation targets for the first time. The 348,000 customers signed resulted in a 10% net increase in our customer base but it was less than the 475,000 customers targeted at the beginning of the year. As discussed in past releases, this shortfall was due to a tight labour market in Canada and the need to rebuild the Fund's New York sales force after the negative impact of customer switching during the first nine months of the year.

Market	*Published Target*	*Actual Additions*	*% of Target*
Canada – Gas	110,000	86,000	78%
Canada – Electricity	175,000	153,000	87%
United States – Gas	100,000	77,000	77%
United States Electricity	90,000	32,000	36%
Total	475,000	348,000	73%

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Operating results were much more positive than aggregation. Sales reached record levels at $1.5 billion up 25% compared to the prior year due to an increased customer base and higher selling prices. Gross margin was up 22% reflecting higher realized margin per customer. Distributable cash after customer margin replacement was up 18%, again due to higher margin per customer offset by higher general and administrative costs for entry into new markets and bad debt costs in Alberta and Illinois. Overall, management was very satisfied with the increased margin level realized from new customers.

Unitholders approved a tax restructuring at the Fund's 2005 Annual Meeting. Following a recent tax ruling by the Canada Revenue Agency, the restructuring has been completed and, as such, the Fund does not expect to pay material Canadian income taxes until the 2011 imposition of the tax on Trust distributions.

As noted in the last quarterly report, the Fund is reviewing possible restructuring options which management believes may generate greater long term value for Unitholders.

There were four distribution rate increases during the year making 25 in total since the Energy Savings IPO. The ending distribution rate was $1.065 up from $0.945 at the end of fiscal 2006. A 26th distribution rate increase to $1.115 has been announced effective the April distribution.

CEO Brennan Mulcahy stated: "A tight labour market and competitive pressures made it very difficult to recruit the new independent sales agents necessary to grow our marketing force. As the numbers of customers we aggregate is a direct function of the number of trained agents we have in the field, it became apparent to management that our customer additions would be less than we targeted. In light of lower than expected additions, Energy Savings remained disciplined in the management of the gross margin targets which resulted in margins substantially higher than target across all markets. Our realized margin per new customer added was up 56% from our targeted levels. These new customers brought our overall gross margin up 22% year over year, higher than our published and reaffirmed public guidance of 15% to 20% for the year. Our distributable cash after gross margin replacement was up 18%, right on target. Our distributable cash after all marketing was up 28%, well ahead of our 15% to 20% guidance. We have now rebuilt our sales force across the markets and are ready for the next phase of our growth."

"Outlook for fiscal 2008 is positive. We have set an aggregation target of 415,000 new customers, up 19% year over year. With our acquisition of Just Energy announced today, we will be operating in the Texas market which will contribute to this growth. Given the benefit of higher margin customers signed in F2007 and higher target margins in F2008, meeting this target should result in gross margin and distributable cash growth of between 15% and 20% for the year. This is higher than our previously published guidance of 10% to 15% growth for fiscal 2008. I want to thank our Energy Savings team for a great year."

Management Guidance for Fiscal 2008

Customer Additions

Market	*Published Target*	*Fiscal 2007*	*Increase*
Canada – Gas	100,000	86,000	16%
Canada – Electricity	115,000	153,000	(25%)
United States – Gas	110,000	77,000	43%
United States Electricity	90,000	32,000	181%
Total	415,000	348,000	19%

Gross Margin and Distributable Cash Year over Year Growth

	Revised F2008 Guidance	Previous F2008 Guidance	Fiscal 2007 Actual
Gross Margin	15% to 20%	10% to 15%	22%
Distributable Cash	15% to 20%	10% to 15%	18%

Chair Rebecca MacDonald added: "Fiscal 2007 was challenging with another record warm winter, senior management changes and a slow start in the US. Despite these challenges, our year over year operating performance has shown the consistent, reliable growth we promised when we went public six years ago. This past year saw slower than expected customer additions. However, despite only a 10% growth in customers (half what we had hoped for) we met or exceeded all our operating targets. At Energy Savings, we deliver on our promises."

"We had four distribution rate increases in the year, and a further increase announced for last month's distribution. This is a total of 26 distribution rate increases in six years. We believe that payment of growing distributions is the ultimate test of an income fund. For six years, Energy Savings has met this test."

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.

Non GAAP Measures

Management believes the best basis for analyzing both the Fund's operating results and the amount available for distribution is to focus on amounts actually received ("seasonally adjusted"). Seasonally adjusted analysis applies solely to the Canadian gas market (excluding Alberta). In Canada (excluding Alberta), Energy Savings receives payment from the LDCs upon delivery of the commodity not when the customer actually consumes the gas. Seasonally adjusted analysis eliminates seasonal commodity consumption variances and recognizes amount available for distribution based on cash received from the LDCs.

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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