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## PRESS RELEASE

### Energy Savings Acquires CEG Customers from SemCanada
### Pays $1.8 million for B.C. Natural Gas Customers

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TORONTO, ONTARIO - - August 12, 2008 - -

Energy Savings Income Fund, the Toronto-based retailer of fixed price natural gas and electricity contracts, announced the acquisition of substantially all of the commercial and residential customer contracts of CEG Energy Options Inc. ("CEG") in British Columbia. CEG is a Western Canadian marketer of natural gas wholly owned by SemCanada Energy Company ("SemCanada"), both of which filed for creditor protection under the CCAA on July 30, 2008. The acquisition is expected to close on August 14, 2008 and remains subject to court approval under the CCAA proceedings.

Current annual gas volumes from the customers are 4.8 million GJs annually (16.9 million GJs total over the remaining term of the contracts). The average remaining life of the contracts is approximately 36 months. As the supply previously associated with the customers was jeopardized upon the CCAA filings, many of these customers would have lost favorable contracts had Energy Savings not agreed to this purchase. Upon completion of their existing term, Energy Savings will seek to renew these customers on standard Energy Savings contracts.

As regards the purchase, CEO Ken Hartwick noted: "In both our Annual Report and our recent first quarter results, we mentioned that there would be the opportunity for accretive acquisitions during the coming year. The recent difficulties experienced by SemCanada and CEG have provided us with one of these opportunities."

"This purchase fits with our strategy in two ways. First, in addition to residential customers, the CEG customers fit the profile of the stable but targeted larger commercial customers we have accumulated across all of our other markets. Second, we immediately enhance our strategic position in the B.C. commercial and residential markets where we are already currently active. This transaction, while not large, is immediately accretive to our unitholders."

Chair Rebecca MacDonald added: "I am pleased that we are able to offer continuity of fixed price supply to these customers. The CCAA filings by SEMCanada and CEG left many of them in a position where advantageously priced contracts would have been cancelled unless taken up by another supplier. We have agreed to honor the obligation to supply these contracts and we hope that this will aid us in renewing these customers at the end of their term. This transaction underscores the importance of committing to long term supply with proven, creditworthy suppliers like Energy Savings."

*The Fund*

Energy Savings' natural gas business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, Indiana and New York, involves the sale of gas to residential, commercial and small industrial customers under long term, irrevocable fixed price contracts. Energy Savings also supplies electricity to Ontario, Alberta, New York and Texas 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 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 and B.C.). 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 attrition, 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, rates of customer attrition, 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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