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PRESS RELEASE

Energy Savings Reports First Quarter Results –

Sales up 7%, Margin up 8%, Distributable Cash after all Marketing Expenses up 13% and Net Income up 32%

TORONTO, ONTARIO - - August 7, 2008 - -

Highlights for the quarter ended June 30, 2008 included:

- Sales (seasonally adjusted) up 7% reaching $401.8 million year over year.
- Gross margin (seasonally adjusted) of $59.7 million up 8%.
- Total delivered electricity customer volumes increased 9% year over year; gas customer volumes decreased by 3% year over year.
- Distributable cash after gross margin replacement of $31.0 million ($0.28 per unit) up 1%.
- Distributable cash of $30.3 million after all marketing expenses up 13%.
- Net income of $34.2 million, up 32% from $25.9 million year over year.
- Distributions up 11% year over year reaching $1.21 per unit with a subsequent increase to $1.24 per unit effective the July distribution.

Energy Savings Q1 2009 Results

Energy Savings Income Fund announced its results for the quarter ended June 30, 2008.

Three Months ended June 30, ($ millions except per unit and unit volume amounts)	F2009	Per Unit	F2008	Per Unit
Sales [1]	$401.8	$3.65	$374.3	$3.48
Gross Margin [1]	59.7	$0.54	55.3	$0.51
Distributable Cash[1]				
- After Margin Replacement	31.0	$0.28	30.8	$0.29
- After all Marketing Expense	30.3	$0.27	26.7	$0.25
Net Income	34.2	$0.31	25.9	$0.24
Distributions	33.7	$0.31	30.5	$0.28
Gas volumes (GJ)	19,846,975		20,377,466	
Electricity volumes (MWh)	1,912,869		1,761,735	

[1] Seasonally adjusted

Energy Savings is an Income Fund and it reports in the attached Management's Discussion and Analysis a detailed calculation of distributable cash both before and after marketing expenditures to expand the gross margin from the Fund's customer base.

Seasonally adjusted sales and margin increased by 7% and 8%, respectively. Sales benefited from high natural gas prices and strong electricity volume growth. Margin growth was impacted by an approximate $5 million loss on largely load-following Texas customers due to weather driven electricity price spikes in May and June. A portion of this loss will be recoverable in the balance of the year. These customers were purchased from Just Energy Texas LP and have an average remaining life of less than one year. Losses were seen across the Texas industry with the largest supplier of load-following electricity, Reliant Energy, recently reporting that its second quarter retailing results were reduced by $150 million due to the same factors.

Load-following electricity is a higher risk product to supply and has not been and is not an ongoing product for Energy Savings. Going forward, these customers will be renewed to a load balanced product where the customer bears the risk of price spikes on consumption above purchased fixed-price supply.

Sales and gross margin also benefited from the stability within the independent sales organization that has been achieved over the past two months. This has resulted in improved retention of the best independent sales contractors.

Overall profitability remained solid as distributable cash grew by 13% through efforts over the past year to increase margin per customer. Solid progress on our Green Energy Option product aided our margin growth. Our net income was $34.2 million ($0.31 per unit) up 32% from $25.9 million ($0.24 per unit) last year.

Distributions were $33.7 million, up 11% year over year. The Fund announced its 29th distribution rate increase to $1.24 effective the distribution paid July 31, 2008.

Market	*Q1 F2009*	*Q1 F2008*	*% Increase (Decrease)*
Canada – Gas	16,898,440	18,242,195	(7)%
United States – Gas	2,948,535	2,135,271	38%
Total Gas	19,846,975	20,377,466	(3)%
Canada – Electricity	1,483,863	1,660,014	(11)%
United States – Electricity	429,006	101,721	322%
Total Electricity	1,912,869	1,761,735	9%

Marketing results were lower than anticipated for the first two months of the quarter. Canadian natural gas volume additions failed to offset attrition and contract expirations while U.S. gas volume growth was hampered by adverse press coverage surrounding legal actions in both Illinois and New York. The result was 3% decline in gas volumes year over year.

Volume growth was stronger in electricity where solid U.S. results lead to a 9% year over year increase. Higher than expected renewals of short-term Texas customers resulted a 322% increase in U.S. volumes from a year ago.

A number of steps were taken during the quarter to significantly strengthen the sales organization to aid in meeting targets for growth in our consumer, commercial and small industrial segments. These steps resulted in higher run rates in June and this has continued subsequent to quarter end. This improved marketing success allows Energy Savings to move forward, expanding into new regions. System testing has recently been completed and Energy Savings is now expanding into two new utility territories in New York. The investment to enter these areas was made during the first quarter. In the near future, marketing will expand into the next new state.

As regards the first quarter, CEO Ken Hartwick noted: “The first quarter showed the inherent stability of our business model. We had a loss on acquired customers in Texas and lower customer additions than we would have liked. Despite this, distributable cash was up 13% year over year with net income up 32% and distributions up 11%. This is consistent with the double digit growth our unitholders have seen in the past.”

“It is important to note that the number of Texas load-following customers will be much lower in coming quarters and volume additions have been stronger both in June and to date in the second quarter. Improvement in these areas should let the true potential of Energy Savings show in future quarters. Our industry is entering a consolidation phase. Energy Savings will be active in reviewing and potentially acquiring smaller competitors. These acquisitions will be accretive to distributable cash and will maintain our position as a market leader in the sale of deregulated gas and electricity across North America."

Chair Rebecca MacDonald added: "As a unitholder, I know that these investment markets can be trying. Higher profits and solid operating performance have had little positive effect on unit values on the TSX. Even higher distributions are met with skepticism. All I can promise is that your management team will work very hard to maintain and improve operations. We are in a growth industry and while we are not immune to general economic woes, we can continue to grow and to do so profitably. In the meantime, we will pay a regular monthly distribution as clear evidence of the solid base we have built. Long term, the continued building on our strengths will draw the attention of the market. Energy Savings has been and remains a true success story."

"I am pleased to announce the appointment of two new members of our Board of Directors - Ken Hartwick, our CEO, and Ron Joyce. Ken joined Energy Savings four and a half years ago coming from Hydro One where he was CFO. He has been our CFO, President and now CEO and has guided a substantial improvement in our back office efficiency. Ron is well known across North America for his work, building the very successful Tim Hortons business and is one of our largest Unitholders. Energy Savings will benefit from his knowledge and experience as we plan similar growth in coming years."

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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