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PRESS RELEASE

Energy Savings Reports Fourth Quarter and Fiscal 2008 Results – Distributable Cash up 18%, Earnings per Unit up 63% for the Year Distributable Cash up 2%, Earnings per Unit up 32% for Q4

TORONTO, ONTARIO - - May 15, 2008 - -

Highlights for the year ended March 31, 2008 included:

- Customer base reached 1,687,000 RCEs, up 2% year over year. Gross additions through marketing were 342,000 versus 348,000 in fiscal 2007.
- Sales (seasonally adjusted) up 13% reaching $1.7 billion.
- Gross margin (seasonally adjusted) of $272.2 million, up 18% year over year.
- Distributable cash of $152.8 million ($1.41 per unit), up 18% year over year.
- Net income of $152.8 million including an $11.2 million non-cash tax recovery.
- Earnings per unit of $1.41 versus $0.88 in the prior year, up 63%.
- Ordinary distributions up 19% year over year. Including a $0.41 Special Distribution, distributions were up 60% year over year. Annual distribution rate increased three times to $1.21 per unit from $1.065 per unit.
- Payout ratio on ordinary distributions of 84%, the same as in fiscal 2007.

Highlights for the three months ended March 31, 2008 included:

- Gross customer additions were 54,000, down 13% compared to Q4 of fiscal 2007. Sales were $652.6 million, up 11% compared to fiscal 2007.
- Earnings per unit were $0.87, up from $0.66 in fiscal 2007.
- Distributable cash was $54.0 million, up 2% year over year.
- Payout ratio of 61% versus 54% for the comparable quarter.

Energy Savings Fiscal 2008 Results

Energy Savings Income Fund announced its results for the year ended March 31, 2008.

Year ended March 31, ($ millions except per unit)	F2008	Per Unit	F2007	Per Unit
Sales[1]	$1,730.6		$1,530.1	
Gross Margin[1]	272.2	$2.51	230.4	$2.15
Net Income	152.8[2]	$1.41[2]	93.9	$0.88
Distributable Cash[1]				
After Gross Margin Replacement	170.0	$1.57	152.8	$1.42
After Marketing	152.8	$1.41	130.0	$1.21
Distributions – Ordinary	128.8	$1.19	108.7	$1.01
Distributions – Special	44.7	$0.41		
Long Term Customers	1,687,000		1,659,000	

Three Months ended March 31, ($ millions except per unit)	F2008	Per Unit	F2007	Per Unit
Sales[1]	$515.1		$461.7	
Gross Margin[1]	88.0	$0.80	76.4	$0.71
Net Income	94.0[2]	0.87[2]	70.1	0.66
Distributable Cash[1]				
After Gross Margin Replacement	54.3	$0.50	54.9	$0.51
After Marketing	54.0	$0.49	52.9	$0.49

[1] Seasonally adjusted. Please refer to the MD&A for discussion regarding non-GAAP disclosure.

[2] Includes $11.2 million non-cash, non-operating tax recovery related to the change in fair market value of certain supply positions which are accounted for in Other Comprehensive Income. Excluding this recovery, earnings per unit for the three months and year ended March 31, 2008 would have been reduced by $0.11 and $0.10, respectively. Management does not believe that this tax recovery is reflective of operations during the year.

Energy Savings is an Income Fund and it reports in the attached Management's Discussion and Analysis a detailed calculation of distributable cash after gross margin replacement and after all marketing expenditures to expand the customer base which will increase future gross margin.

The Energy Savings' operating results were strong in fiscal 2008. Both gross margin and distributable cash were up 18% year over year. These results were in line with previously published and reaffirmed guidance of 15% to 20% for the year. In light of the 2% net growth of the Fund's customer base, the results reflected very strong margins per customer, improved control of bad debt expense and carefully managed operating expenses.

Energy Savings' management was able to achieve strong margins at the higher end of our target levels despite, on average, falling commodity prices during the year. Five year prices were held firm, allowing the Fund to lock in the higher margins shown in the table below. Customers who locked in at these prices are now seeing the benefit of our insurance product as commodity prices (in particular natural gas prices) were rising sharply at year end.

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Annual gross margin per customer[1]	*Fiscal* 2008	*Annual target* F2008
Customers added in the year		
Canada – gas	$190	$175
Canada – electricity	$156	$150
United States – gas	$188	$160
United States – electricity	$145	$125
Customers lost in the year[2]		
Canada – gas	$178	
Canada – electricity	$105	
United States – gas	$180	
United States – electricity	$120	

[1] Customer sales price less cost of matched supply and allowance for bad debt and U.S. working capital. Annual amount is based on residential standard annual consumption of 2,815 m^3 (or 106 GJs or 1,000 therms or 1,025 CCFs) of natural gas and 10,000 kWh of electricity.
[2] Gross margin as calculated above for customers in place at March 31, 2007 and includes balancing and low margin acquired customers.

The table highlights how the Fund was able to grow margin and distributable cash despite a relatively flat customer base. By locking in new customers for up to five years at these margins, and replacing customers that have much lower margins, Energy Savings has also contributed to cash flow growth in future years.

Fiscal 2008 saw the Fund's first United States acquisition, the purchase of Just Energy in Texas. This acquisition brought a number of benefits to the Fund. Just Energy brought a fully operational platform to accelerate our entry into the Texas electricity market and a proven experienced executive team which is assisting in the Fund's expansion into other U.S. markets.

The Texas acquisition came with a book of customers on short term contracts which were not included as customer additions. Experience has shown, however, that these customers generate attractive margins and renew at a rate that makes them as valuable as an Energy Savings U.S. customer on a five year contract. In order to meet the needs of our customers, management is reviewing the possibility of offering shorter term contracts in other U.S. markets.

Given the initial success of the Just Energy acquisition, management is actively reviewing other possible purchases in both the United States and Canada. As in past transactions, it is expected that any acquisitions will be accretive to distributable cash.

Energy Savings is also planning to begin the provision of supply to certain larger volume commercial and industrial customers. Approximately one third of current volumes go to commercial customers. Management believes that a number of profitable customers are only available with flexible price/flexible term contracts. Because these are larger customers with low attrition, they can be aggregated at a cost which generates returns on investment which match those of traditional Energy Savings customers.

Energy Savings completed a second challenging year of customer aggregation. Customer additions were 342,000 down 1% from fiscal 2007 where 348,000 customers were added. This was 82% of the target of 415,000 additions. The shortfall was primarily from Canada where the newly opened British Columbia residential gas market was over-marketed due to heavy competition while both Ontario and Alberta suffered from very tight labour markets and accordingly, difficulty in independent sales contractor recruitment. Current economic conditions indicate that the labour markets may be more favourable for recruiting, at least in Ontario, during the next fiscal year.

In the United States, aggregation numbers and associated gross margins were on track with expectations but attrition (particularly in New York) remained higher than target. Energy Savings has taken steps to deal with these issues and management is optimistic that customer growth, on both a gross and net basis, will return to expected levels in fiscal 2009. The Fund expects to enter at least one new state in fiscal 2009.

Energy Savings made significant improvements to its infrastructure in fiscal 2008. The result was a platform that is ready to meet the challenges of continued growth, whether they come through newly aggregated customers or the consolidation of acquired competitors. A new 450 seat call centre was constructed to meet not only customer inquiries but also to better handle the very important taped reaffirmation calls with each new customer.

Unitholders received two forms of distributions in fiscal 2008. The ordinary annual distribution rate rose from $1.065 to $1.21 per unit with three increases in the rate during the year. Ordinary distributions paid were up 19% year over year.

In addition to the ordinary distributions, the Fund paid a special distribution of $0.41 per unit to avoid higher taxation on income that had not yet been distributed. In total, the Fund paid $1.62 per unit, an increase of 60% over what was paid in fiscal 2007.

Late in the year, Energy Savings began the sale of *Green Energy Option* products ("GEO"). The electricity GEO product offers the customer the option of having all or a portion of his or her electricity sourced from renewable green sources such as wind, run of the river hydro or biomass. The gas GEO offers purchased carbon offset credits which will allow the customer to reduce or eliminate the carbon footprint for their home or business. The third and fourth quarters saw significant take up of the GEO product with well over 20,000 customers electing to take all or a portion of their energy from green sources. Management believes that this product will not only add to profits but also increase sales receptivity and improve renewal rates.

Guidance for Fiscal 2009

As Energy Savings moves into more U.S. markets and adds larger commercial customers, it has become clear that differences in customer consumption, attrition and term make the continued use of an Ontario RCE as a measure of expected volumes inappropriate. In particular, equating an RCE in a low attrition market to one in a high attrition market is misleading. Similarly, a one year term customer is not the same as a five year customer. As an RCE is intended to be a volumetric measure, on a go forward basis, the Fund will identify volumes rather than customers with a renewal schedule appended. Management believes that this information will be more useful for analysis.

Management's expectations for fiscal 2009 are as follows:

Electricity volumes are expected to grow by approximately 15% and gas margins by 5%. Based on this growth in volumes, both gross margin and distributable cash after gross margin replacement are expected to grow by approximately 10% organically. The Fund intends to supplement this growth with accretive acquisitions. There are a number of such acquisitions currently under review in the United States and management believes that Canadian opportunities will arise as well.

Co-CEO Ken Hartwick stated: "Fiscal 2008 was a challenging and, in the end, very successful year for Energy Savings. We entered the year with guidance of 15% to 20% growth with commensurate distribution growth as has been seen in the past. We had a challenging year aggregating customers in Canada with the result being a 2% growth in customer base, much lower than we had targeted a year earlier. Due to a very tight market for agent recruitment and heavy competition in the newly opened B.C. residential market, we were unable to meet our customer addition expectations. We are in the process of ensuring that each of our sales offices has the resources and support so that they can return to a level of production that is expected. Our sales organization is exceptionally strong and will continue to be the driving force behind the success of the Company."

"In light of this shortfall, Energy Savings' team focused on developing sources of margin to offset lower additions. Our team was successful in a number of ways. Our supply team worked with Bruce Power and our other electricity suppliers to improve our margin per customer. On the gas side, we took advantage of supply price declines prior to the recent sharp price rise and again locked in margins well above target levels. Our GEO product also saw significant take up and contributed to our margin growth during the year. Our operational team did an excellent job of controlling costs and, in particular, we saw a 36% decline in bad debt expense despite a 39% growth in Illinois, Texas and Alberta where we are exposed to customer credit risk."

"The end result was 18% growth in margin and distributable cash, consistent with the guidance we provided a year ago. Our entire team has worked very hard for these results and Energy Savings has delivered."

Chair and Co-CEO Rebecca MacDonald added: "We have consistently portrayed the Fund as a predictable, reliable source of income and growth. Once again, Energy Savings has provided that stability. Over the past few years, we have seen record warm weather, aggressive competition, unforeseen regulatory setbacks and tough economic conditions. Over that period, we have never missed or cut a distribution and our distributable cash has shown the reliability and growth we promised."

"As a major Unitholder, I understand the importance of providing a growing yield to our holders. In fiscal 2008, we increased our ordinary distributions by 19% tracking the growth of our business. Our payout ratio on ordinary distributions was 84%, the same as fiscal 2007. Over and above this, we paid a $0.41 special distribution which took the increase year over year to 60%. Energy Savings has consistently ensured that Unitholders directly receive the cash generated by the Fund's continued growth."

"As we have in past years, we include within this release our guidance for operating performance in the coming year. We expect volumes delivered to customers to be up approximately 10% organically, year over year. We expect to achieve this growth through a combination of traditional marketing, our Green initiative, selected offering of short term contracts and some new larger volume customers (either marketed or purchased).

Gross margin and distributable cash after gross margin replacement should grow by a similar 10%. Profitability rather than top line growth is what drives our business model. Energy Savings is being operated by a strong team and I thank them for their efforts in fiscal 2008."

The Fund

Energy Savings' business involves the sale of natural gas and electricity to residential, small to mid-size commercial and small industrial customers under long-term, irrevocable fixed price contracts (price protected for electricity). Energy Savings offers natural gas in Manitoba, Quebec, British Columbia, Illinois and Indiana and both gas and electricity in Ontario, Alberta and New York as well as electricity only in Texas. By securing the price for natural gas or electricity under such contracts for a period of up to five years, Energy Savings' customers reduce or eliminate their exposure to changes in the price of these essential commodities.

Non GAAP Measures

Please refer to the Fund's Management Discussion and Analysis for a discussion of the Non-GAAP measures. This information can be can be accessed through the SEDAR website at www.sedar.com or through the Fund's website at www.esif.ca.

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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