

**TSX: SIF.UN**

- **FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

**ENERGY SAVINGS INCOME FUND  
INCREASES FINAL AMOUNT OF SPECIAL DISTRIBUTION - TO  
\$0.165 PER UNIT VERSUS ESTIMATE OF \$0.10 PER UNIT**

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TORONTO, ONTARIO – January 22, 2009

Energy Savings Income Fund (“the Fund”) announced today based on a final determination of its undistributed income on hand at December 31, 2008, that the amount of the special distribution, estimated in December at \$0.10 will be increased by \$0.065 to \$0.165.

The December \$0.10 estimate and the prior estimate range of \$0.05 to \$0.10 from the Fund’s second quarter release were based on projected new customer additions and attrition as well as normal December weather in our key gas markets. December weather was colder than normal resulting in higher than expected gas consumption which was supplied through market purchases at low prices. New customer additions were higher than projected and attrition was lower than expected. All these factors contributed to the higher than estimated special distribution.

The \$0.165 special distribution will be payable in cash on January 31, 2009 to unitholders of record on December 31, 2008.

By making all of the Fund’s taxable income that has not yet been distributed payable to its unitholders, the special distribution ensures, that as required by The Fund’s Amended and Restated Declaration of Trust, the Fund will not be liable to pay income taxes in respect of its taxation year ending December 31, 2008. This special distribution has been necessitated primarily as a result of the successful performance of the Fund during 2008.

**Income Tax Implications**

The special distribution is intended to ensure that the Fund will not be liable to pay income tax under Part I of the Income Tax Act for 2008. In general, taxable Canadian residents who hold units will be required to include the special distribution in income for their 2008 taxation year.

Non-resident holders of the units will be subject to applicable Canadian withholding tax on the \$0.165 special distribution.

Comments on the tax implications of the special distribution are provided as general information only. They are not intended to be legal or tax advice to any particular unitholder. All

unitholders should consult legal, business and tax advisors about the tax implications of the special distribution.

## **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 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 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](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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