

**TSX: SIF.UN**

- **FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

**Energy Savings announces 20<sup>th</sup> Distribution Rate Increase -  
\$0.03 Increase to \$0.915 per Annum Effective September Distribution**

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TORONTO, ONTARIO - - August 11, 2005 - -

Energy Savings Income Fund announced that its Board of Directors approved, effective the distribution paid September 30, 2005, an increase in the annual distribution rate on the Fund's units to \$0.915 per unit or \$0.07625/unit per month. This is the 20<sup>th</sup> such increase since the Fund's IPO in April 2001.

Executive Chair Rebecca MacDonald stated: "As the holder of a large number of units, I know first hand that distribution increases are a very important measure of our performance. As such, I am delighted to announce our 20<sup>th</sup> increase in distribution rate."

"We like to maintain our payout ratio under 70% of premarketing cash and in Q1, this number was 73%. However, we are confident that the ratio will be less than 70% for the year after building in this increase. As such, we maintain the flexibility to fund our continued growth while providing our investors with tangible evidence of our success in the form of higher distributions."

*The Fund*

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia and Illinois, 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 and Alberta 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 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](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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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