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PRESS RELEASE

**Energy Savings announces 21st Distribution Rate Increase -
\$0.03 Increase to \$0.945 per Annum Effective March Distribution**

TORONTO, ONTARIO - - February 8, 2006 - -

Energy Savings Income Fund announced that its Board of Directors approved, effective the distribution to be paid March 31, 2006 (to Unitholders of record March 15, 2006), an increase in the annual distribution rate on the Fund's units to \$0.945 per unit or \$0.07875/unit per month. This is the 21st such increase since the Fund's IPO in April 2001.

Executive Chair Rebecca MacDonald stated: "Since our last increase in distribution rate, our customer additions have been very strong. This has resulted in record sales, gross margin and distributable cash in our third quarter. Building on the continued positive market conditions in Ontario electricity and our US. markets, our Board of Directors agreed to increase our distribution rate to \$0.945 effective the March payment."

CEO Brennan Mulcahy added: "In setting our distribution rate, management always attempts to maintain sufficient financial flexibility to fund our continued growth. Despite our higher than projected customer additions year to date, we are comfortable that this level of distributions strikes the proper balance between rewarding our Unitholders for our success and building a strong base for continued growth for years to come."

The Fund

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ms. Rebecca MacDonald
Executive Chair
Phone: (416) 367-2872

Mr. Brennan Mulcahy
Chief Executive Officer
Phone (905) 795-4200
or

Mr. Ken Hartwick, C.A.
Chief Financial Officer
Phone: (905) 795-3557