TSX: SIF.UN

- **FOR IMMEDIATE RELEASE**

PRESS RELEASE

Energy Savings Enters the Texas Electricity Market through Acquisition of Billing, Supply and Marketing Platform of Just Energy

---

TORONTO, ONTARIO - - May 17, 2007 - -

Energy Savings Group announces the signing of a definitive agreement for the purchase of the partnership units of Just Energy Texas LP ("Just Energy"), a Texas marketer of deregulated electricity. Houston-based Just Energy was founded in 2002 and has established a full featured, utility-compliant integrated billing platform, as well as a supply procurement and marketing platform. The Just Energy management team and employees will join Energy Savings leading the pursuit of continued growth in Texas as well as further expansion elsewhere in the United States.

The transaction calls for the payment of US$34 million at closing (US$16 million in cash and the issuance of US$18 million in Energy Savings Income Fund units). These units will, based on certain obligations, vest over a three year period.

Just Energy currently serves residential, small and medium sized commercial customers that represent approximately 130,000 RCEs. These contracts will become part of Energy Savings' long term customer base as they are converted to Energy Savings contracts by our soon-to-be established team of marketing agents.

CEO Brennan Mulcahy noted: "The Texas market is composed of more than 20 million residential and small commercial customer equivalents. Despite a very active deregulated market, a low number of these customers are on long term fixed price contracts. We view this as the top new market opportunity available in North America."

"We have delayed entry into Texas pending the establishment of a billing and collection relationship with a proven partner. The purchase of Just Energy gives us both a billing and collection engine as well as adding proven Texas operators to the Energy Savings management team."

Scott Gahn, CEO of Just Energy, stated: “We at Just Energy are very pleased to join the Energy Savings Group. When we were approached, we saw a substantial partner to aid in our continued growth. It was clear from the outset that the Energy Savings team shared our entrepreneurial spirit and had the drive for market leadership that we were looking for. We believe the combined team has the capability of building the same leading market share in Texas that Energy Savings owns in its other jurisdictions.

Chair Rebecca MacDonald added: “Energy Savings has an acquisition policy that requires purchases to be accretive to Unitholders. This acquisition meets this criterion in two ways. First, the cashflow from the conversion of Just Energy customers to long term contracts should justify the purchase price. Second, we save on future capital expenditures by gaining an immediate entry into a lucrative market without the need to spend to develop our own IT systems and billing platform.”

The Fund

Energy Savings’ business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia, Illinois, Indiana 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.

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). In Canada (excluding Alberta), 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 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

Ms Mary Meffe, C.A.
Chief Financial Officer
Phone: (905) 795-4206