

TSX: SIF.UN

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PRESS RELEASE

Energy Savings announces 29th Distribution Rate Increase

\$0.03 Increase to \$1.24 per Annum Effective July Distribution

TORONTO, ONTARIO - - June 25, 2008 –

Energy Savings Income Fund announced that the Fund's Board of Directors approved, effective the distribution paid July 31, 2008, an increase in the annual distribution rate on the Funds units to \$1.24 per unit or \$0.1033/unit per month. This is the 29th such increase since the Fund's IPO in April 2001.

Ms. Rebecca MacDonald, Executive Chair of Energy Savings, noted: "We have completed another strong year at Energy Savings. Our published guidance calls for 15% growth in customer electricity consumption and a 5% growth in natural gas consumption in fiscal 2009. Combined with our strong performance in fiscal 2008, we are comfortable that this increase is prudent in light of our tough standards and our planning for the imposition of a trust tax in 2011."

"Energy Savings remains a unique growth trust. Distributions have increased as our business has grown. Our 29th distribution increase is evidence that our fundamentals remain intact."

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 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

Ken Hartwick C.A.
President and Chief Executive Officer
Phone: (905) 795-3557

or

Mr. Peter Bloch, C.A.
Chief Financial Officer
Phone: (905) 795-4206