



Unitil/FG&E Distribution Rates Increase

December 3, 2002

Hampton, NH - December 3, 2002 - Unitil Corporation (AMEX:UTL) today announced that its Massachusetts distribution subsidiary Fitchburg Gas and Electric Light Company received gas and electric distribution rate increases of \$3.0 million and \$2.0 million, respectively, under a comprehensive Order issued late yesterday by the Massachusetts Department of Telecommunications and Energy (MDTE).

"The increase in distribution rates granted by the MDTE supports our continued investments in facilities and the operating costs required to meet the needs of our gas and electric customers in North Central Massachusetts," said Unitil CEO Bob Schoenberger. "This is the first increase in distribution rates for electric customers, and only the second increase in distribution rates for gas customers, since the mid-1980's."

The MDTE Order comes at the conclusion of an extensive review of the Company's rate proposals filed in May. The original requests were for increases of \$3.4 million in gas distribution rates and \$3.2 million in electric distribution rates. The Order requires the company to calculate new rates and file compliance tariffs and bill impact analyses prior to billing the new rates. The new rates will apply to consumption as of December 2, 2002.

The impact of these orders on rates for individual customers will vary. For electric customers, the increases in Distribution Charges will be offset by corresponding decreases in the Transition Charge. For gas customers the impact will vary depending on rate class and usage level - the company's original proposal anticipated bill increases ranging from 7% to 22%. The company's gas rates have been among the lowest in Massachusetts.

Unitil is a public utility holding company with subsidiaries providing electric service in New Hampshire, electric and gas service in Massachusetts and energy services throughout the Northeast. Its subsidiaries include, Fitchburg Gas and Electric Light Company, Unitil Energy Systems, Inc., Unitil Power Corp., Unitil Realty Corp., Unitil Service Corp. and its unregulated business unit Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc. The Usource product line of Internet-based energy brokering and related products and services is available at www.usourceonline.com.

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