



Unitil/FG&E Files for 6.4% Electric Rate Decrease

December 3, 2001

Hampton, NH – December 3, 2001: Unitil Corporation (AMEX: UTL) (www.unitil.com) announced its wholly owned subsidiary, Fitchburg Gas and Electric Light Company (Unitil/FG&E), filed today for a decrease in its electric rates for its Standard Offer customers with the Massachusetts Department of Telecommunications and Energy (MDTE). If approved by the MDTE, the proposed rates will go into effect January 1, 2002.

"The good news on energy prices for our customers is continuing," said Unitil CEO Bob Schoenberger. "In the last two months our electric base rates were reduced and our Default Service rate dropped to the lowest level in Massachusetts – our rates for natural gas service are also 20 to 30 percent lower than last Winter. These cuts are a positive tonic for an economy that needs a real short term boost."

The price for Standard Offer Service to electric customers will be dropping from its current level of \$0.06351 per kWh to \$0.05626 per kWh. The Standard Offer price is based upon a fixed contract price each year, adjusted by an index factor for the market price of generation fuels such as natural gas and oil. This Standard Offer price is expected to remain in place for the first half of 2002. If fuel prices continue to stay low, it could drop further during the last half of the year.

Other rate changes to reflect required annual reconciliations under the Massachusetts Electric Restructuring Act will also take place for all electric customers on January 1. Taken together, these rate changes will result in a 6.4% decrease, or \$4.51 per month, in the total bill for a Standard Offer residential customer using 500 kWh per month, resulting in a total monthly bill of \$65.77. A typical residential customer using Default service will see a decrease of 1.4%, or \$0.89 per month, resulting in a total monthly bill of \$62.62.

Standard Offer Service is available from FG&E under a standard tariff for any customer of record at March 1, 1998, who has not received energy supply from a competitive supplier. Roughly 70% of Unitil/FG&E's electric customers are on Standard Offer Service.

Unitil is a public utility holding company with subsidiaries providing electric service in New Hampshire and electric and gas service in Massachusetts and energy services throughout the Northeast. Its subsidiaries include Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, 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 is available at www.usourceonline.com

For more information, visit Unitil at www.unitil.com or call Stephanye Schuyler at 603-773-6465.

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