



Unitil /Fitchburg Gas and Electric Files Gas Rate Decrease for the Winter Season

September 17, 2001

Hampton, NH – September 17, 2001: Unitil Corporation (AMEX: UTL) (www.unitil.com) announced that its wholly owned subsidiary, Fitchburg Gas and Electric Light Company (FG&E) filed today for a decrease in its Cost of Gas Adjustment rates with the Massachusetts Department of Telecommunications and Energy (MDTE). Pending MDTE approval, the proposed rates would go into effect for the winter period from November 1, 2001 – April 30, 2002.

The proposed rate decrease compared to winter rates in effect last April ranges from 20% to 31% lower based on rate class. A typical residential heating customer using 150 therms of gas per month will see a winter bill of \$142.77. This is a decrease of \$44.16 or 23.6% compared to winter rates in effect last April and a decrease of \$23.15 or 14.0% compared to rates currently in effect for the 2001 summer period. The decrease is primarily due to lower projected gas commodity costs during the upcoming winter period. As of October 31, 2001, Unitil/FG&E expects to have completed recovery of the under-collection of gas costs which occurred last winter during the period of extremely high wholesale gas costs.

Cost of Gas Adjustment rates in the Commonwealth of Massachusetts are normally adjusted every six months to reflect changes in wholesale supply costs incurred by the local distribution company to provide gas to its customers. Gas supply costs are billed to customers without any profit or mark up from the local distribution company. CGA rates are initially set based on estimates, and then reconciled to actual costs at the end of the period, with interest on over- or under-collections. The Company's goal is to provide the lowest overall costs at stable prices and to minimize over- or under-collections in any given period.

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 George Gantz at 603-773-6569.

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