



NHPUC Approves Unitil Post-Transition Power Supply Settlement

September 12, 2005

Hampton, NH (September 12, 2005): Unitil Corporation (AMEX:UTL) announced that its New Hampshire utility subsidiary has received approval from the New Hampshire Public Utilities Commission (NHPUC) for a settlement agreement on its plan for procurement of post-Transition power supplies. The settlement agreement, between Unitil, the Office of Consumer Advocate and the staff of the NHPUC, specifies how Unitil will procure and price Electric Default Service for its customers as of May 1, 2006.

"We are taking a key step in the transition towards competitive electricity markets in the state of New Hampshire by establishing a framework that encourages competition while protecting the interests of our customers," said Unitil CEO Robert G. Schoenberger. "We believe that competitive markets can work for our customers' benefit. We will procure energy from the wholesale market at the lowest available price, but also help those customers who do have competitive energy supply options to find the best price and terms."

Under the terms of the settlement, Electric Default Service for residential and small to medium business customers will be procured competitively from the wholesale market as a portfolio of contracts with staggered terms in order to reduce price volatility to these customers. This provision is necessary because competitive retail supply options are not presently available for these customers and are expected to take time to develop. Changes in Default Service contracts and the resulting blended retail prices will take place every six months, in May and November.

Electric Default Service for large business customers will be procured competitively from the wholesale market quarterly with retail prices changing in May, August, November and February. Customers will be offered variable monthly pricing. These customers have access to competitive retail supply options.

Electric Default Service is provided to all customers who have not selected a competitive electric supplier and is available to customers if their competitive supply option is terminated. Regardless of the source of the electricity supply, Unitil will continue to provide electric delivery services to all of its customers.

Unitil Corporation (AMEX:UTL) at www.unitil.com 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.

Contact

Stephanye Schuyler
schuyler@unitil.com

Corporate Office
Liberty Lane West
Hampton, NH 03842-1720
800/999-6501