



Electric Default Rates to Decrease for Medium/Large Businesses

July 22, 2004

Hampton, NH. (July 22, 2004): Unitil today filed electric Default Service rates with the Massachusetts Department of Telecommunications and Energy (MDTE), for medium to large business customers, for the three month period beginning September 1, 2004.

The proposed rates represent a decrease ranging from 4.5%-6.6%, based on usage and rate class. The rate change is driven by a decline in the cost of energy supply. Residential and Small Business customers will not be affected as Default Service for these customers is procured every six months - their rates will change as of December 1, 2004.

Electric Default service is designed to ensure that no one will ever be without a supplier of electricity. Electric Default Service is procured pursuant to state regulation in a highly competitive power supply solicitation process every six months for residential and small business customers, and every three months for medium and large business customers. The resulting rates reflect current market prices for electricity without any profit or markup to Unitil. Approximately 45% of Unitil's electric customers are on Default Service.

Customers who have their own energy supplier or who take Standard Offer Service are not affected by changes in electric Default Service rates.

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.

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