



Unitil Energy Systems, Inc. Files 1.4% Rate Decrease

March 18, 2004

Hampton, NH. (March 18, 2004): Unitil Energy Systems, Inc. (Unitil) filed two proposed rate changes with the NH Public Utilities Commission (PUC) to take effect May 1, 2004. If approved, the combined impact will be to reduce average rates by 1.4%.

A typical residential customer taking Transition Service using 500 kWh per month will see their bill decrease by \$0.52 to \$56.40 or 0.9%. The regular general service class will see decreases of 1.0% on average. The large general service class will see an average decrease of 2.4%. The outdoor lighting class will see a decrease of 0.5%.

"This rate decrease is a reflection of the continuing implementation of the regulatory restructuring plan we implemented in May of last year," said Robert G. Schoenberger, Chairman and CEO of Unitil. "We are able to pass along these savings to our customers in spite of the continuing volatility of energy markets in general - the cost savings will be welcome news for our customers."

The filings provide for annual reconciliation of Transition Service, Default Service, Stranded Cost and External Delivery Charges. The annual reconciliation and resetting of these various rate components complies with Unitil's approved regulatory restructuring. In addition, Unitil has requested an increase in distribution base rates for the recovery of higher post-retirement benefit costs primarily related to retiree health care.

Unitil Energy Systems, Inc. is a subsidiary of Unitil Corporation (AMEX:UTL) (www.unitil.com), 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.

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

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