



Unitil/FG&E Files for Electric Rate Decrease

December 2, 2003

Hampton, NH - December 2, 2003 - Unitil Corporation (AMEX: UTL) (www.unitil.com) announced today that its subsidiary, Fitchburg Gas and Electric Light Company (FG&E), filed for a decrease in its electric rates with the Massachusetts Department of Telecommunications and Energy (MDTE). If approved by the MDTE, the proposed rates will go into effect January 1, 2004. This rate reduction follows a December 1 rate reduction for the company's electric Default Service customers and a November 1 reduction in retail rates for natural gas customers.

This filing, required annually under the Massachusetts Electric Restructuring Act, accomplishes several objectives: reconciles and resets certain rate mechanisms; adjusts the rates for an annual inflation increase; adjusts the Standard Offer Service rate according to the tariff; and adjusts the Standard Offer Service Fuel Adjustment rate for the most recent fuel index price data. The decreases are the result of a lower Standard Offer Service Fuel Adjustment rate.

"We are pleased to be able to pass along lower wholesale supply costs to our customers and we hope that we have entered a period of more stable supply prices," said Unitil CEO Bob Schoenberger. "We continue to work hard to improve the reliability and to control the costs of our energy distribution services, but supply costs are the largest component of a customer's total energy bill and have a significant impact on both household budgets and local businesses."

A typical residential customer on Standard Offer Service using 500 kWh per month will see their bill decrease by \$0.30 to \$68.54 or 0.4%. Other rate classes will see decreases ranging from 0.1% to 1.1%, depending upon rate class and usage.

Default Service customers will also see a bill decrease effective January 1, 2004. A typical residential customer on Default Service using 500 kWh per month will see their bill decrease by \$1.10 to \$66.70, or 1.6%. Other rate classes will see decreases ranging from 0.8% to 2.7%, depending upon rate class and usage.

Unitil 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. Its subsidiaries include, Fitchburg Gas and Electric Light Company, Unitil Energy Systems, Inc., 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 of Internet-based energy brokering and related products and services is available at www.usourceonline.com.

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