



Unitil/FG&E to Decrease Electric Default Service Rates

October 23, 2003

Hampton, NH. (October 23, 2003): Unitil Corporation (AMEX:UTL) (www.unitil.com) reported that its Massachusetts subsidiary Fitchburg Gas and Electric Light Company (FG&E) filed with the Department of Telecommunications and Energy (MDTE) to decrease its electric Default Service rate for the period beginning December 1, 2003.

A typical residential customer on Default Service using 500 kWh per month will see their bill decrease by \$4.75 to \$67.80, or 6.5%. Commercial and Industrial Default Service customers will see bill decreases of 3.4%-6.4%, depending on usage and rate class. Residential and small business customer Default Service rates will be effective through the six month period ending May 31, 2004. All other business customer class Default Service rates will be effective through the three month period ending February 29, 2004.

The proposed Default Service rate is lower than FG&E's Standard Offer Service rate. Therefore, low income customers, currently receiving Standard Offer Service, will be moved to Default Service on December 1, 2003, ensuring they receive the lower of the two rates. A 500 kWh low income customer bill will decrease \$1.04 to \$52.72 or 1.9%.

Customers who have their own energy supplier or who take electric Standard Offer Service from FG&E are not affected by this rate change.

The availability of electric Default Service ensures 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 retail rates reflect current market prices for electricity without any profit or mark up from the local distribution company. Approximately 41% of FG&E's electric customers will be on Default Service on December 1, 2003.

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.

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

Contact
Stephanye Schuyler
schuyler@unitil.com

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