



## Unitil/FG&E Files for 4.4% Electric Rate Decrease

December 23, 2002

Hampton, NH - December 23, 2002 - Unitil Corporation (AMEX: UTL) ([www.unitil.com](http://www.unitil.com)) announced today that its wholly owned subsidiary, Fitchburg Gas and Electric Light Company (FG&E), filed for a decrease in its electric rates for its Standard Offer customers with the Massachusetts Department of Telecommunications and Energy (MDTE). If approved by the MDTE, the proposed rates will go into effect January 1, 2003. This proposed rate reduction will more than offset the increase in electric rates previously announced for December 2, 2002.

"We are pleased to be able to implement a reduction in the rates for Standard Offer service at this time, only one month after the reduction in electric Default Service rates and the increase in other rate components," said Unitil CEO Bob Schoenberger. "I am hopeful that the cost environment for electric energy supply has moved into a more stable period - this should allow for the orderly development of competitive supply options for our customers while also serving as a positive stimulus to economic development."

The price for Standard Offer Service to electric customers will be dropping from its current level of \$0.05626 per kWh to \$ 0.05360 per kWh. The Standard Offer price is based upon a fixed contract price each year, adjusted by an index factor for the market price of generation fuels such as natural gas and oil. Other rate changes to reflect required annual reconciliations under the Massachusetts Electric Restructuring Act will also take place for all electric customers on January 1.

Taken together, these rate changes will result in a 4.4% decrease, or \$2.96 per month, in the total bill for a Standard Offer residential customer using 500 kWh per month, resulting in a total monthly bill of \$65.02. Standard Offer Service is available from FG&E under a standard tariff for any customer of record at March 1, 1998, who has not received energy supply from a competitive supplier. Roughly two thirds of Unitil/FG&E's electric customers are on Standard Offer Service.

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](http://www.usourceonline.com).

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