



Unitil's New Hampshire Restructuring Approved

September 19, 2002

Hampton, NH (September 19, 2002) -Unitil Corporation (AMEX:UTL) www.unitil.com today announced that the New Hampshire Public Utilities Commission late yesterday afternoon, in oral deliberations, approved the merger of its New Hampshire utility operations, the full recovery of its stranded power supply costs, a \$2Million annual increase in distribution base rates and the implementation of consolidated Tariffs and rate schedules effective December 1, 2002. Customer Choice is scheduled to begin May 1, 2003. The Commission action came in response to the comprehensive Settlement Agreement filed by the company and other parties on September 3, 2002.

"The Commission's approval of the Settlement Agreement only four days after the close of hearings is a testament to the extraordinary effort and commitment of all the parties in the case and a positive reflection on Unitil's unique status of having the lowest electric rates in New Hampshire," said Robert G. Schoenberger, Unitil's Chief Executive Officer. "After restructuring Unitil will continue to focus on providing reliable and low cost distribution services to all its customers, while also offering transition and default electricity supply service on reasonable terms."

The Commission's oral deliberations of September 18, 2002, which included comments of the Chairman and a unanimous vote of the three Commissioners, referenced several specific positive findings, including the finding that "the merger should lead to a simpler, more efficient and effective corporate structure resulting in improved New Hampshire utility operations, regulatory oversight and financial reporting."

The Commission also approved the parties' recommendation to reclassify certain facilities from transmission to distribution in accordance with guidelines established by the Federal Energy Regulatory Commission. The Commission voted unanimously to approve the Settlement Agreement, and noted that a written order will be issued in the near future.

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. Additional information is available at www.unitil.com. Unitil's subsidiaries include Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Service Corp. and its unregulated business segment Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc. The Usource product line is available at www.usourceonline.com.

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