



Unitil/FG&E Revises Electric Default Service Rates

April 10, 2002

Hampton, NH - April 10, 2002: Unitil Corporation (AMEX: UTL) (www.unitil.com) announced its wholly owned subsidiary, Fitchburg Gas and Electric Light Company (FG&E), filed revised electric Default Service rates yesterday with the Massachusetts Department of Telecommunications and Energy (MDTE). If approved by the MDTE, the proposed rates will go into effect for the period from June 1, 2002 to November 30, 2002. The new rates reflect an increase in the wholesale market cost of electricity, determined through a new market solicitation process conducted to acquire electric Default Service supply for the next six months.

Under the Unitil/FG&E proposal, the Default Service rate for residential customers will increase to 5.341 cents/kWh from the currently effective rate of 4.996 cents/kWh. As a result, a typical residential customer on Default Service using 500 kWh per month will see their monthly bill increase to \$64.34 from the current level of \$62.62, or 2.8%. Commercial and industrial customers currently taking Default Service will see bill increases ranging from 2 to 10%. Even with the proposed increase, Unitil/FG&E's residential Default Service Rates will continue to be the lowest in Massachusetts.

Unitil/FG&E conducted its Default Service solicitation process through the web-based Energy Exchange of Enermetrix, based in Maynard, MA. Unitil/FG&E's energy requirements were posted on the Energy Exchange for review by numerous energy suppliers and marketers. Several multi-national energy suppliers responded with bids.

This proposed Default Service Rate is still below the Standard Offer Service rate, and Unitil/FG&E will continue to offer the Default Service rate to all of its low-income customers, in accordance with MDTE policy. This policy insures that low-income customers always receive the lower of the two rates (Default Service and Standard Offer Service).

Default service is an electric energy supply service provided to customers who opened their account with FG&E after March 1, 1998, or who were served by a competitive supplier and have reverted to FG&E to provide electric supply. The availability of Default Service ensures that no one will ever be without a supplier of electricity. To provide Default Service, FG&E must solicit bids from market suppliers and then enter into a contract to purchase electricity from one or more of these suppliers. The price FG&E pays for Default Service supply reflects current market pricing. Default Service customers have two pricing options, a fixed rate and a monthly variable rate. Roughly 33% of FG&E's electric customers take default 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. 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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