



## Unitil/FG&E Files for 9.5% Gas Rate Decrease

December 20, 2001

**Hampton, NH** – December 20, 2001: Unitil Corporation (AMEX: UTL) ([www.unitil.com](http://www.unitil.com)) announced its wholly owned subsidiary, Fitchburg Gas and Electric Light Company (Unitil/FG&E), filed today for a decrease in its gas rates with the Massachusetts Department of Telecommunications and Energy (MDTE). If approved by the MDTE, the proposed rates will go into effect January 1, 2002.

"The continued decrease in energy prices is a bright light in today's economy," Said Unitil CEO Bob Schoenberger. "The price of natural gas has continued to drop faster than expected, providing us the opportunity to decrease gas rates again this winter."

The proposed rate decrease ranges from 8.5-11.3% based on rate class. A typical residential heating customer using 150 therms of gas per month will see a winter bill of \$129.27. This is a decrease of \$13.50 or 9.5% compared to rates currently in effect.

Cost of Gas Adjustment rates are normally adjusted every six months in November and May. However, adjustments may occur more frequently, as in this case, if the Company determines that its cost of gas varies by more than 5% from that originally projected. These adjustments reflect changes in wholesale supply costs incurred by the local distribution company (such as Unitil/FG&E) to provide gas to its customers. Gas supply costs are billed to customers without any profit or mark up from the local distribution company. CGA rates are initially set based on estimates, and then reconciled to actual costs at the end of the period, with interest on over- or under-collections. The Company's goal is to provide the lowest overall costs at stable prices and to minimize over- or under-collections in any given period.

Unitil is a public utility holding company with subsidiaries providing electric service in New Hampshire and electric and gas service in Massachusetts and energy services throughout the Northeast. Its 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 unit Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc. The Usource product line is available at [www.usourceonline.com](http://www.usourceonline.com)

For more information, visit Unitil at [www.unitil.com](http://www.unitil.com) or call Stephanye Schuyler at 603-773-6465.

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