



Unitil/FG&E Files Electric Rate Increase

January 8, 2000

Hampton, NH; January 7, 2000 – Unitil/Fitchburg Gas and Electric Light Company (FG&E), a wholly owned subsidiary of Unitil Corporation (AMEX:UTL) has received approval from the Massachusetts Department of Telecommunications and Energy (MDTE) for an electric rate increase of 2.53% from September 1999 rates. The new rates are effective January 1, 2000.

The average increase to a residential electric customer using 500 kilowatt-hours (kWh) will be approximately \$1.27 per month. The increase is a result of inflation adjustments, provided for by the 1997 Massachusetts Electric Restructuring Act. The increase will be seen primarily in the Standard Offer energy charge, which will increase from its current 3.5 cents per kWh to 3.8 cents per kWh for all customers. Increases in the Standard Offer charge over time are intended to stimulate the development of a competitive retail electricity market.

Electric rates for all customers in Massachusetts were lower in October, November and December 1999, due to a one-time reimbursement of electric fuel costs. For FG&E customers, this reimbursement reduced the September 1999 rates by an average of 8.5%. FG&E completed this reimbursement with the December bills, so January bills will also be higher due to the elimination of this credit.

Unitil is a public utility holding company with a combination electric and gas utility distribution operation in north central Massachusetts and electric utility distribution operations in several cities and towns in the seacoast and capital city areas of New Hampshire. Unitil is also engaged in energy planning, procurement, marketing and consulting activities through both its utility and non-utility subsidiaries. Its subsidiaries are Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Resources, Inc., and Unitil Service Corp.

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