



Unitil/FG&E Electric Restructuring Plan Is Approved

January 26, 1999

January 25, 1999; Hampton, NH - In a decision issued January 15, 1999, the Massachusetts Department of Telecommunications and Energy (MDTE) has given its final approval of the Electric Restructuring Plan originally filed by Unitil/Fitchburg Gas and Electric Light Company (Unitil/FG&E) on December 31, 1997.

Although certain rate components will change as a result of the order, the overall level of customer bills will be unchanged and will continue to reflect the 10% rate decrease implemented on March 1, 1998.

The Company's Transition Costs, estimated at approximately \$140 million, have been approved for rate recovery over a period of years, and will be subject to mitigation through divestiture of the company's power supply portfolio. The Company's plan for divestiture was also approved and is being implemented.

Robert G. Schoenberger, Unitil's Chairman and Chief Executive Officer, said, "We are pleased that the Department has approved our Restructuring Plan. This will enable us to complete the divestiture of our power supply portfolio and deliver the additional 5% rate reduction to our customers that was promised under our Plan."

The 80-page decision concludes that "the Plan substantially complies or is consistent with G.L. c. 164 and is in full compliance with other provisions of the Act. Accordingly, the Department hereby approves the Plan and allows it to be implemented."

The decision contains instructions on various matters with which the Company must comply, and requires a filing by the Company of a Compliance Tariff prior to the implementation of various rate changes resulting from the Order. Unitil/FG&E has requested a technical conference to clarify certain compliance items, and intends to complete its compliance filing on or before February 1, 1999.

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 region. Its subsidiaries are Fitchburg Gas and Electric Light Company, Concord Electric Company, Exeter & Hampton Electric Company, Unitil Power Corp., Unitil Realty Corp., Unitil Resources, Inc. and Unitil

For additional information: [Unitil/FG&E Electric Plan Fact Sheet](#)

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