

ANNUALREPORT
 FOR THE PERIOD
 Beginning January 1, 1998 and Ending December 31, 1998
 TO THE
 US SECURITIES AND EXCHANGE COMMISSION
 OF
 UNITIL RESOURCES, INC.

Date of Incorporation May 26,1993

State of Incorporation New Hampshire

Location of Principal Executive Offices of Reporting Company:
 6 Liberty Lane West

Hampton, New Hampshire 03842-1720

Name, Title and address of officer to whom correspondence concerning this report should be addressed:

Laurence M. Brock, Controller

6 Liberty Lane West

Hampton, New Hampshire 03842-1720

Name of Principal Holding Company:

UNITIL Corporation

(1) This report is being filed pursuant to the requirements of H.C.A.R. Number 35-25816, which specifies that UNITIL Resources, Inc. must file an annual report using, where applicable, Form U-13-60 reporting format.

ANNUAL REPORT OF UNITIL RESOURCES, INC. 2
 For the Year Ended December 31, 1998

Description of Schedules and Accounts	Schedule or Account Number	Page Number
COMPARATIVE BALANCE, ;HFFT	Schedule 1	4-5
COMPANY PROPERTY	Schedule 11	6-7
ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF COMPANY PROPERTY	Schedule III	8
INVESTMENTS	Schedule IV	9
ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES	Schedule V	10
FUEL STOCK EXPENSES UNDISTRIBUTED	Schedule VI	11
STORES EXPENSE UNDISTRIBUTED	Schedule VII	12
UNBILLED AND ACCRUED REVENUES	Schedule VIII	13
MISCELLANEOUS DEFERRED DEBITS	Schedule IX	14
RESEARCH, DEVELOPMENT, OR DEMONSTRATION EXPENDITURES	Schedule X	15
PROPR I ETARY CAPITAL	Schedule XI	16
LONG-TERM DEBT	Schedule XII	17
CURRENT AND ACCRUED LIABILITIES	Schedule XIII	18
NOTES TO FINANCIAL STATEMENTS	Schedule XIV	19
COMPARATIVE INCOME STATEMENT	Schedule XV	20
ANALYSIS OF BILLING - ASSOCIATE COMPANIES	Account451	21
ANALYSIS OF BILLING - NONASSOCIATE COMPANIES	Account 451	22
ANALYSIS OF CHARGES FOR SERVICE - ASSOCIATE AND NONASSOCIATE COMPANIES	Schedule XVI	23
SCHEDULE OF EXPENSE BY DEPARTMENT OR FUNCTION	Schedule XVII	24-25
DEPARTMENTAL ANALYSIS OF SALARIES	Account920	26
OUTSIDE SERVICES EMPLOYED	Account 923	27
EMPLOYEE PENSIONS AND BENEFITS	Account 926	28
GENERAL ADVERTISING EXPENSES	Account 930.1	29
MISCELLANEOUS GENERAL EXPENSES	Account 930.2	30
RENTS	Account 931	31
TAXES OTHER THAN INCOME TAXES	Account 408	32
DONATIONS	Account 426.1	33
OTHER DEDUCTIONS	Account 426.5	34
NOTES TO STATEMENT OF INCOME	Schedule XVIII	35
FINANCIAL DATA SCHEDULE	Schedule XIX	36

ANNUAL REPORT OF UNITIL RESOURCES, INC. 3
 For the Year Ended December 31, 1998

Description of Reports or Statements

Number

ORGANIZATION CHART 37

METHODS OF ALLOCATION 38

ANNUAL STATEMENT OF COMPENSATION FOR USE
OF CAPITAL BILLED 39ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998 4

SCHEDULE I - COMPARATIVE BALANCE SHEET

Give balance sheet of the Company as of December 31 of the current and
prior year.

ACCOUNT	ASSETS AND OTHER DEBITS	AS OF DECEMBER 31	
		CURRENT	PRIOR
	COMPANY PROPERTY		
101	Company property (Schedule 11)	0	0
107	Construction work in progress (Schedule 11)	0	0
	Total Property	0	0
108	Less accumulated provision for depreciation and amortization of company property (Schedule 111)	0	0
	Net Company Property	0	0
	INVESTMENTS		
123	Investments in associate companies (Schedule IV)	0	0
124	Other investments (Schedule IV)	0	0
	Total investments	0	0
	CURRENT AND ACCRUED ASSETS		
131	Cash	133,976	51,232
134	Special deposits	0	0
135	Working funds	0	0
136	Temporary cash investments (Schedule IV)	0	0
141	Notes receivable	0	0
143	Accounts receivable	138,238	86,650
144	Accumulated provision for uncollectable accounts	(2,447)	(2,465)
146	Accounts receivable from associate companies (Schedule V)	0	254
152	Fuel stock expense undistributed (Schedule VI)	0	0
154	Materials and supplies	0	0
163	Stores expense undistributed (Schedule VII)	0	0
165	Prepayments	31,368	104
173	Unbilled and Accrued Revenues (Schedule VIII)	125,585	85,537
	Total Current and Accrued Assets	426,720	221,312
	DEFERRED DEBITS		
181	Unamortized debt expense	0	0
184	Clearing accounts	0	0
186	Miscellaneous deferred debits (Schedule IX)	3,724	0
188	Research, development, or demonstration expenditures (Schedule X)	0	0
190	Accumulated deferred income tax	0	0
	Total Deferred Debits	3,724	0
	TOTAL ASSETS AND OTHER DEBITS	430,444	221,312

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998 5

SCHEDULE I - COMPARATIVE BALANCE SHEET

ACCOUNT	LIABILITIES AND PROPRIETARY CAPITAL	AS OF DECEMBER 31	
		CURRENT	PRIOR
	PROPRIETARY CAPITAL		
201	Common stock issued (Schedule XI)	100	100

207	Premium on common stock (Schedule XI)	9,900	9,900
211	Miscellaneous Paid in Capital	590,000	100,000
215	Appropriated retained earnings (Schedule XI)	0	0
216	Unappropriated retained earnings (Schedule XI)	(217,601)	(85,371)
	Total Proprietary Capital	382,399	24,629
	LONG-TERM DEBT		
223	Advances from associate companies (Schedule XII)	0	0
224	Other long-term debt (Schedule XII)	0	0
225	Unamortized premium on long-term debt	0	0
226	Unamortized discount on long-term debt-debit	0	0
	Total Long-Term Debt	0	0
227	Obligations under capital leases - non-current	0	0
	CURRENT AND ACCRUED LIABILITIES		
231	Notes payable	0	150,810
232	Accounts payable	16,446	3,202
233	Notes payable to associate companies (Schedule XIII)	0	0
234	Accounts payable to associate companies (Schedule XIII)	38,386	110,945
236	Taxes accrued	(5,938)	(67,597)
237	Interest accrued	0	0
238	Dividends declared	0	0
241	Tax collections payable	0	0
242	Miscellaneous current and accrued liabilities (Schedule XIII)	100	279
243	Obligations under capital leases - current	0	0
	Total Current and Accrued Liabilities	48,994	197,639
	DEFERRED CREDITS		
253	Other deferred credits	0	0
255	Accumulated deferred investment tax credits	0	0
	Total Deferred Credits	0	0
282	ACCUMULATED DEFERRED INCOME TAXES	(949)	(956)
	TOTAL LIABILITIES AND PROPRIETARY CAPITAL	430,444	221,312

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

6

SCHEDULE 11 - COMPANY PROPERTY

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS	RETIREMENTS OR SALES	OTHER CHANGES 1/	BALANCE AT CLOSE OF YEAR
COMPANY PROPEBIY Account	None				
301 ORGANIZATION					
303 MISCELLANEOUS INTANGIBLE PLANT					
304 LAND AND LAND RIGHTS					
305 STRUCTURES AND IMPROVEMENTS					
306 LEASEHOLD IMPROVEMENTS					
307 EQUIPMENT 2/					
308 OFFICE FURNITURE AND EQUIPMENT					
309 AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT					
310 AIRCRAFT AND AIRPORT EQUIPMENT					
311 OTHERCOMPANY					

PROPERTY 3/

SUB-TOTAL	0	0	0	0	0
107 CONSTRUCTION WORK IN PROGRESS					
TOTAL	0	0	0	0	0

1/ PROVIDE AN EXPLANATION OF THOSE CHANGES CONSIDERED MATERIAL:

ANNUAL REPORT OF UNITIL RESOURCES, INC. 7
For the Year Ended December 31, 1998

SCHEDULE 11 - CONTINUED

21 SUBACCOUNTS ARE REQUIRED FOR EACH CLASS OF EQUIPMENT OWNED. THE COMPANY SHALL PROVIDE A LISTING BY SUBACCOUNT OF EQUIPMENT ADDITIONS DURING THE YEAR AND THE BALANCE AT THE CLOSE OF THE YEAR:

SUBACCOUNT DESCRIPTION	ADDITIONS	BALANCE AT CLOSE OF YEAR
------------------------	-----------	--------------------------------

NONE

TOTAL 0 0

3/ DESCRIBE OTHER COMPANY PROPERTY:
NONE

4/ DESCRIBE CONSTRUCTION WORK IN PROGRESS:
NONE

ANNUAL REPORT OF UNITIL RESOURCES, INC. 8
For the Year Ended December 31, 1998

SCHEDULE III

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF COMPANY PROPERTY

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS CHARGED TO ACCOUNT 403	RETIREMENTS	OTHER CHANGES ADD(DEDUCT)1/	BALANCE CLOSE OF YEAR
Account	NONE				
301 ORGANIZATION					
303 MISCELLANEOUS INTANGIBLE PLANT					
304 LAND AND LAND RIGHTS					
035 STRUCTURES AND IMPROVEMENTS					
306 LEASEHOLD IMPROVEMENTS					
307 EQUIPMENT 2/					
308 OFFICE FURNITURE AND EQUIPMENT					
309 AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT					

310 AIRCRAFT AND
AIRPORT EQUIPMENT

311 OTHER
COMPANY PROPERTY 3/

TOTAL 0

1/ PROVIDE AN EXPLANATION OF THOSE CHANGES CONSIDERED MATERIAL:

9

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

SCHEDULE IV - INVESTMENTS

INSTRUCTIONS: Complete the following schedule concerning investments.

Under Account 124 "Other Investments" state each investment separately, with description, including, the name of issuing company, number of shares or principal amount

Under Account 136, "Temporary Cash Investments", list each investment separately.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
ACCOUNT 123 - INVESTMENT IN ASSOCIATE COMPANIES	0	0
ACCOUNT 124 - OTHER INVESTMENTS	0	0
ACCOUNT 136 - TEMPORARY CASH INVESTMENTS	0	0
TOTAL	0	0

ANNUAL REPORT OF UNITIL RESOURCES, INC. 10
For the Year Ended December 31, 1998

SCHEDULE V - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES

INSTRUCTIONS: Complete the following schedule listing accounts receivable from each associate company. Where the company has provided accommodation or convenience payments for associate companies, a separate listing of total payments for each company, number of shares or principal amount associate company by subaccount should be provided.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
ACCOUNT 146 - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES	254	0
TOTAL	254	0

ANALYSIS OF CONVENIENCE OR ACCOMMODATION PAYMENTS:
NONE

SCHEDULE VI - FUEL STOCK EXPENSES UNDISTRIBUTED

INSTRUCTIONS: Report the amount of labor and expenses incurred with respect to fuel stock expense during the year and indicate amount attributable to each associate company. Under the section headed "Summary" listed below give an overall report of the fuel functions performed by the company.

DESCRIPTION	LABOR	EXPENSE	TOTAL
ACCOUNT 152 - FUEL STOCK EXPENSE UNDISTRIBUTED	0	0	0
TOTAL SUMMARY:	0	0	0

SCHEDULE VII - STORES EXPENSE UNDISTRIBUTED

INSTRUCTIONS: Report the amount of labor and expenses incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

DESCRIPTION	LABOR	EXPENSE	TOTAL
ACCOUNT 163 - STORES EXPENSE UNDISTRIBUTED	0	0	0
TOTAL	0		

SCHEDULE VIII

UNBILLED AND ACCRUED REVENUE

INSTRUCTIONS: Provide detail of items in this account. Items less than \$10,000 may be grouped, showing the number of items in each group.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
ACCOUNT 173 - ACCRUED AND UNBILLED REVENUE	85,537	125,585
TOTAL	85,537	125,585

SCHEDULE IX - MISCELLANEOUS DEFERRED DEBITS

INSTRUCTIONS: Provide detail of items in this account. Items less than \$10,000 may be grouped by class showing the number of items in each class.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
ACCOUNT 186 - MISCELLANEOUS DEFERRED DEBITS		
Deferred Costs	0	3,724
TOTAL	0	3,724

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998 15

SCHEDULE X
RESEARCH, DEVELOPMENT OR DEMONSTRATION EXPENDITURES
INSTRUCTIONS: Provide a description of each material research, development, or demonstration project which incurred costs by the company during the year.

DESCRIPTION	BALANCE AT CLOSE OF YEAR
ACCOUNT 188 - RESEARCH, DEVELOPMENT OR DEMONSTRATION EXPENDITURES	0
TOTAL	0

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998 16

SCHEDULE XI - PROPRIETARY CAPITAL

ACCOUNT NUMBER	CLASS OF STOCK	NUMBER OF SHARES AUTHORIZED	PAR OR STATED VALUE PER SHARE	OUTSTANDING CLOSE OF PERIOD	
				NO.OF SHARES	TOTAL AMOUNT
201	COMMON STOCK ISSUED	10,000	1.00	100	100
INSTRUCTIONS: Classify amounts in each account with brief explanation, disclosing the general nature of transactions which gave rise to the reported amounts.					
	DESCRIPTION				AMOUNT
	ACCOUNT 207 - PREMIUM ON COMMON STOCK				9,900
	ACCOUNT 211 - MISCELLANEOUS PAID IN CAPITAL				590,000
	ACCOUNT 215 - APPROPRIATED RETAINED EARNINGS				
	TOTAL				599,900

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	NET INCOME OR (LOSS)	DIVIDENDS PAID	BALANCE AT CLOSE OF YEAR
ACCOUNT 216 - UNAPPROPRIATED RETAINED EARNINGS	(85,371)	(132,230)	0	(217,601)

TOTAL (85,371) (132,230) 0 (217,601)

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

17

SCHEDULE XII - LONG-TERM DEBT

INSTRUCTIONS: Advances from associate companies should be reported separately for advances on notes, and advances on open account. Names of associate companies from which advances were received shall be shown under the class and series of obligation column. For Account 224 - Other long-term debt provide the name of creditor company or organization, terms of the obligation, date of maturity, interest rate, and the amount authorized and outstanding.

NAME OF CREDITOR	TERMS OF OBLIG CLASS & SERIES OF OBLIGATION	DATE MATURITY	INT. RATE	AMOUNT AUTHORIZED	BEGINNING OF YEAR	ADD.	DEDUCT.	BALANCE AT CLOSE OF YEAR
------------------	---	---------------	-----------	-------------------	-------------------	------	---------	--------------------------

ACCOUNT 223 - ADVANCES FROM ASSOCIATE COMPANIES:					0	0	0	0
--	--	--	--	--	---	---	---	---

ACCOUNT 224 - OTHER LONG-TERM DEBT:					0	0	0	0
-------------------------------------	--	--	--	--	---	---	---	---

1/ GIVE AN EXPLANATION OF DEDUCTIONS:					0	0	0	0
---------------------------------------	--	--	--	--	---	---	---	---

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

18

SCHEDULE XIII - CURRENT AND ACCRUED LIABILITIES

INSTRUCTIONS: Provide balance of notes and accounts payable to each associate company. Give description and amount of miscellaneous current and accrued liabilities. Items less than \$1 0,000 may be grouped, showing the number of items in each group.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
-------------	------------------------------	--------------------------

ACCOUNT 233 - NOTES PAYABLE TO ASSOCIATE COMPANIES MONEYPOOL	150,810	0
--	---------	---

TOTAL	150,810	0
-------	---------	---

ACCOUNT 234 - ACCOUNTS PAYABLE TO ASSOCIATE COMPANIES

UNITIL Service Corp.	5,319	8,787
UNITIL Power Corp	105,627	29,599

TOTAL	110,946	38,386
ACCOUNT 242 - MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES		

Accrued Expenses	279	100
------------------	-----	-----

TOTAL	279	100
-------	-----	-----

ANNUAL REPORT OF UNITIL RESOURCES, INC. 19
For the Year Ended December 31, 1998

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

INSTRUCTIONS: The space below is provided for important notes regarding the financial statements or any account thereof. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

Selected Notes to the Financial Statements:

UNITIL Resources, Inc. (URI), a wholly-owned subsidiary of UNITIL Corporation, a public utility holding company, provides consulting and other services on energy related matters to non-affiliates. These services include power brokering, financial, accounting, regulatory and related operational services. URI is subject to the jurisdiction of the Securities and Exchange Commission (SEC) under the Public Utility Holding Company Act of 1935. URI prepares its financial statements in conformity with generally accepted accounting principles.

ANNUAL REPORT OF UNITIL RESOURCES, INC. 20
For the Year Ended December 31, 1998

SCHEDULE XV

STATEMENT OF INCOME

ACCOUNT	DESCRIPTION	CURRENT YEAR	PRIOR YEAR
	INCOME		
451	Service revenue	670,668	444,012
451.01	Accrued and unbilled service revenue	40,048	45,914
419	Interest Income	0	0
421	Miscellaneous income or loss	12,406	2,027
	Total Income	723,122	491,953
	EXPENSE		
920	Salaries and wages	0	0
921	Office supplies and expenses	3,476	4,253
922	Administrative expense transferred - credit	0	0
923	Outside services employed	185,570	14,800
924	Property insurance	0	0
925	Injuries and damages	3,461	513
926	Employee pensions and benefits	0	0
928	Regulatory commission expense	0	0
930.1	General advertising expense	20,513	604
930.2	Miscellaneous general expense	1,122	100
931	Rents	0	0
932	Maintenance of structures and equipment	0	0
403	Depreciation and amortization expense	0	0
408	Taxes other than income taxes	0	0
409	Income taxes	(68,100)	(35,668)
410	Provision for deferred income taxes	7	6
411	Provision for deferred income taxes - credit	0	0
411.5	Investment tax credit	0	0
426.1	Donations	0	0
426.5	Other deductions	0	0

427	Interest on long-term debt	0	0
430	Interest on debt to associate companies	0	0
431	Other interest expense	6,288	9,478
555	Purchase Power Expense	703,015	628,356
904	Customer Accounting	0	0
	Total Expense	855,351	622,442
	Net Income or (LOSS)	(132,230)	(130,489)

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

21

ANALYSIS OF BILLING

ASSOCIATE COMPANIES
ACCOUNT 451

NAME OF CONTRACT	DIRECT COSTS CHARGED 451	INDIRECT COSTS CHARGED 451	COMPENSATION FOR USE OF CAPITAL 451	TOTAL AMOUNT BILLED
------------------	--------------------------	----------------------------	-------------------------------------	---------------------

NONE

TOTAL 0 0 0 0

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

22

ANALYSIS OF BILLING
NONASSOCIATE COMPANIES
ACCOUNT 451

NAME OF NONASSOCIATE COMPANY	DIRECT CHARGES	INDIRECT CHARGES	COMPENSATION FOR USE OF CAPITAL	TOTAL CHARGES	EXCESS OR DEFICIENCY	TOTAL AMOUNT BILLED
NH PILOT PROGRAM REVENUES	710,716	0	0	710,716	0	710,716
TOTAL	710,716	0	0	710,716	0	710,716

INSTRUCTION: Provide a brief description of the services rendered to each nonassociate company.

Revenue generated from power sales through the pilot program.

ANNUAL REPORT OF UNITIL RESOURCES, INC.
For the Year Ended December 31, 1998

23

ANNUAL REPORT OF UNITIL RESOURCES, INC.
FORM U-13-60
For the Year Ended December 31, 1998
SCHEDULE XVI
ANALYSIS OF CHARGES FOR SERVICE
ASSOCIATE AND NONASSOCIATE COMPANIES

DESCRIPTION OF ITEMS	ASSOCIATE COMPANY CHARGES		
	DIRECT COST	INDIRECT COST	TOTAL
920 SALARIES AND WAGES	NOT APPLICABLE		0
921 OFFICE SUPPLIES AND EXPENSES			0
922 ADMIN EXPENSE TRANS-CREDIT			0
923 OUTSIDE SERVICES EMPLOYED			0
924 PROPERTY INSURANCE			0
925 INJURIES AND DAMAGES			0
926 EMPLOYEE PENSIONS AND BENEFITS			0
928 REGULATORY COMMISSION EXPENSE			0

930.1	GENERAL ADVERTISING EXPENSE			0
930.2	MISC. GENERAL EXPENSE			0
931	RENTS			0
932	MAINT. OF STRUCT. & EQUIP.			0
403	DEPR. AND AMORT. EXPENSE			0
408	TAXES OTHER THAN INCOME			0
409	INCOME TAXES			0
410	PROV FOR DEF INC TAXES			0
411	PROV FOR DEF INC TAX CREDIT			0
411.5	INVESTMENT TAX CREDIT			0
419	INTEREST INCOME			0
426.1	DONATIONS			0
426.5	OTHER DEDUCTIONS			0
427	INTEREST ON LONG-TERM DEBT			0
431	OTHER INTEREST EXPENSE			0
SUBTOTAL EXPENSES		0	0	0
COMPENSATION FOR USE OF EQUITY CAPITAL				0
430	INTEREST ON DEBT TO ASSOCIATE CO.'S	0	0	0
TOTAL EXPENSES		0	0	0
421	MISCELLANEOUS INCOME	0	0	0
TOTAL COST OF SERVICE		0	0	0

SCHEDULE XVI
ANALYSIS OF CHARGES FOR SERVICE
ASSOCIATE AND NONASSOCIATE COMPANIES

DESCRIPTION OF ITEMS		NONASSOCIATE COMPANY CHARGES		
		DIRECT COST	INDIRECT COST	TOTAL
920	SALARIES AND WAGES			0
921	OFFICE SUPPLES AND EXPENSES			0
922	ADMIN EXPENSE TRANS-CREDIT			0
923	OUTSIDE SERVICES EMPLOYED			0
924	PROPERTY INSURANCE			0
925	INJURIES AND DAMAGES			0
926	EMPLOYEE PENSIONS AND BENEFITS			0
928	REGULATORY COMMISSION EXPENSE			0
930.1	GENERAL ADVERTISING EXPENSE			0
930.2	MISC. GENERAL EXPENSE			0
931	RENTS			0
932	MAINT. OF STRUCT. & EQUIP.			0
403	DEPR. AND AMORT. EXPENSE			0
408	TAXES OTHER THAN INCOME			0
409	INCOME TAXES			0
410	PROV FOR DEF INC TAXES			0
411	PROV FOR DEF INC TAX CREDIT			0
411.5	INVESTMENT TAX CREDIT			0
419	INTEREST INCOME			0
426.1	DONATIONS			0
426.5	OTHER DEDUCTIONS			0
427	INTEREST ON LONG-TERM DEBT			0
431	OTHER INTEREST EXPENSE			0
SUBTOTAL EXPENSES		0	0	0
COMPENSATION FOR USE OF EQUITY CAPITAL				0
430	INTEREST ON DEBT TO ASSOCIATE CO.'S	0	0	0
TOTAL EXPENSES		0	0	0
421	MISCELLANEOUS INCOME	0	0	0
TOTAL COST OF SERVICE		0	0	0

SCHEDULE XVI
ANALYSIS OF CHARGES FOR SERVICE
ASSOCIATE AND NONASSOCIATE COMPANIES

DESCRIPTION OF ITEMS		TOTAL CHARGES FOR SERVICE		
		DIRECT COST	INDIRECT COST	TOTAL
920	SALARIES AND WAGES	0	0	0
921	OFFICE SUPPLES AND EXPENSES	0	0	0
922	ADMIN EXPENSE TRANS-CREDIT	0	0	0
923	OUTSIDE SERVICES EMPLOYED	0	0	0
924	PROPERTY INSURANCE	0	0	0
925	INJURIES AND DAMAGES	0	0	0
926	EMPLOYEE PENSIONS AND BENEFITS	0	0	0
928	REGULATORY COMMISSION EXPENSE	0	0	0
930.1	GENERAL ADVERTISING EXPENSE	0	0	0
930.2	MISC. GENERAL EXPENSE	0	0	0
931	RENTS	0	0	0
932	MAINT. OF STRUCT. & EQUIP.	0	0	0
403	DEPR. AND AMORT. EXPENSE	0	0	0
408	TAXES OTHER THAN INCOME	0	0	0
409	INCOME TAXES	0	0	0
410	PROV FOR DEF INC TAXES	0	0	0
411	PROV FOR DEF INC TAX CREDIT	0	0	0

within one subaccount is less than \$1 00,000, only the aggregate number and amount of all such payments included within the subaccount need be shown. Provide a subtotal for each type of service.

FROM WHOM PURCHASED	ADDRESS	RELATIONSHIP "A"= ASSOCIATE "NA"=NON ASSOCIATE	AMOUNT
Outside Services - Accountun			
UNITIL Service Corp.		A	141,504
Outside Services - Legal			
LeBoeuf, Lamb, Greene & MacRae		NA	21,257
Outside Services - Other			
Various		NA	22,810
TOTAL			185,570
ANNUAL REPORT OF UNITIL RESOURCES, INC. For the Year Ended December 31, 1998			28

EMPLOYEE PENSIONS AND BENEFITS
ACCOUNT 926

INSTRUCTIONS: Provide a listing of each pension plan and benefit program provided by the company. Such listing should be limited to \$25,000.

DESCRIPTION	AMOUNT
None	
TOTAL	
	0
ANNUAL REPORT OF UNITIL RESOURCES, INC. For the Year Ended December 31, 1998	
	29

GENERAL ADVERTISING EXPENSES
ACCOUNT 930.1

INSTRUCTIONS: Provide a listing of the amounts included in Account 930.1 "General Advertising Expenses", classifying the items according to the nature of the advertising and as defined in the account definition. If a particular class includes an amount in excess of \$3,000 applicable to a single payee, show separately the name of the payee and the aggregate amount applicable thereto.

DESCRIPTION	NAME OF PAYEE	AMOUNT
Advertising		
	Sant Bani Press	4,504
	Postmaster	5,478
	Miscellaneous	10,531

TOTAL 20,513

ANNUAL REPORT OF UNITIL RESOURCES, INC. 30
For the Year Ended December 31, 1998

MISCELLANEOUS GENERAL EXPENSES

ACCOUNT 930.2

INSTRUCTIONS: Provide a listing of the amount included in Account 930.02 "Miscellaneous General Expense", classifying such expenses according to their nature. Payments and expenses permitted by Section 321 (b) (2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. 441 (b) (2) shall be separately classified.

DESCRIPTION	AMOUNT
State of New Hampshire	100
Insurance	500
Other	522

TOTAL 1,122

ANNUAL REPORT OF UNITIL RESOURCES, INC. 31
For the Year Ended December 31, 1998

RENTS

ACCOUNT 931

INSTRUCTIONS: Provide a listing of the amount included in Account 931, "Rents" classifying such expenses by major groupings of property, as defined in the account definition of the Uniform System of Accounts.

TYPE OF PROPERTY	AMOUNT
------------------	--------

None

TOTAL 0

ANNUAL REPORT OF UNITIL RESOURCES, INC. 32 For the Year Ended December 31, 1998

TAXES OTHER THAN INCOME TAXES

ACCOUNT 408

INSTRUCTIONS: Provide an analysis of Account 408, "Taxes Other Than Income Taxes". Separate the analysis into two groups: (1) other than U.S. Government and (2) U.S. Government taxes. Specify each of the various kinds of taxes and show the amounts there of. Provide a subtotal for each class of tax.

KIND OF TAX	AMOUNT
-------------	--------

None

TOTAL 0

ANNUAL REPORT OF UNITIL RESOURCES, INC. 33
For the Year Ended December 31, 1998

DONATIONS

ACCOUNT 426.1

INSTRUCTIONS: Provide a listing of the amount included in Account 426.1, "Donations", classifying such expenses by its purpose. The aggregate number and amount of all items of less than \$3,000 may be shown in lieu of details.

NAME OF RECIPIENT	PURPOSE OF DONATION	AMOUNT
-------------------	---------------------	--------

None

TOTAL

ANNUAL REPORT OF UNITIL RESOURCES, INC. For the Year Ended December 31, 1998	34
---	----

OTHER DEDUCTIONS

ACCOUNT 426.5

INSTRUCTIONS: Provide a listing of the amount included in Account 426.5, "Other Deductions", classifying such expenses according to their nature.

DESCRIPTION	NAME OF PAYEE	AMOUNT
-------------	---------------	--------

None

TOTAL 0

ANNUAL REPORT OF UNITIL RESOURCES, INC. For the Year Ended December 31, 1998	35
---	----

SCHEDULE XVIII

NOTES TO STATEMENT OF INCOME

INSTRUCTIONS: The space below is provided for important notes regarding the statement of income or any account thereof. Furnish particulars as to any significant increases in services rendered or expenses incurred during the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

See page 19.

ANNUAL REPORT OF UNITIL RESOURCES, INC. For the Year Ended December 31, 1998	36
---	----

SCHEDULE XIX - FINANCIAL DATA SCHEDULE

ITEM NO.	CAPTION HEADING	AMOUNT
1	Net Service Company Property	0
2	Total Investments	0
3	Total Current and Accrued Assets	430,444
4	Total Deferred Debits	0
5	Balancing Amount for Total Assets and Other Debits	0
6	Total Assets and Other Debits	430,444
7	Total Proprietary Capital	382,399
8	Total Long-Term Debt	0
9	Notes Payable	0
10	Notes Payable to Associate Companies	0
11	Balancing Amount for Total Current and Accrued Liabilities	48,994
12	Total Deferred Credits	0
13	Accumulated Deferred Income Taxes	(949)
14	Total Liabilities and Proprietary Capital	430,444
15	Service Revenue	670,668
16	Accrued and Unbilled Service Revenue	40,048

17	Miscellaneous Income or Loss	12,406
18	Total Income	723,122
19	Salaries and Wages	0
20	Employee Pensions and Benefits	0
21	Balancing Amount for Total Expenses	855,351
22	Total Expenses	855,351
23	Net Income (Loss)	(132,230)
24	Total Expenses (Direct Costs)	N/A
25	Total Expenses (Indirect Costs)	N/A
26	Total Expenses (Total)	855,351
27	Number of Personnel End of Year	0

ANNUAL REPORT OF UNITIL RESOURCES, INC. 37
For the Year Ended December 31, 1998

ORGANIZATION CHART

Organization Chart as of December 31, 1998

President James G. Daly
Vice President & Treasurer Mark H. Collin
Controller Laurence M. Brock
Secretary Sandra L. Whitney

ANNUAL REPORT OF UNITIL RESOURCES, INC. 38
For the Year Ended December 31, 1998

METHODS OF ALLOCATION

SEE UNITIL SERVICE CORP. U-13-60

ANNUAL REPORT OF UNITIL RESOURCES, INC. 39
For the Year Ended December 31, 1998

ANNUAL REPORT OF UNITIL RESOURCES, INC.

ANNUAL STATEMENT OF COMPENSATION FOR USE OF CAPITAL BILLED

Non applicable

ANNUAL REPORT OF UNITIL RESOURCES, INC. 40
For the Year Ended December 31, 1998

SIGNATURE CLAUSE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935 and the rules and regulations of the Securities and Exchange Commission issued thereunder, the undersigned company has duly caused this report to be signed on its behalf by the undersigned officer thereunto duly authorized,

UNITIL Resources, Inc.
(Name of Reporting Company)

By:
(Signature of Signing Officer)

Laurence M. Brock, Controller

(Printed Name and Title of Signing Officer)

Date: