

File No. 70-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

APPLICATION-DECLARATION
ON FORM U-1
UNDER THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

UNITIL CORPORATION
FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
Unitil Energy Systems, Inc.
UNITIL POWER CORP.
UNITIL REALTY CORP.
UNITIL RESOURCES INC.
UNITIL SERVICE CORP.
6 Liberty Lane West
Hampton, New Hampshire 03842-1720

(Name of companies filing this statement and
address of principal executive offices)

UNITIL CORPORATION
6 Liberty Lane West
Hampton, New Hampshire 03842-1720

(Name of top registered holding company parent)

Mark H. Collin
Senior Vice President, Chief Financial Officer & Treasurer
UNITIL CORPORATION
6 Liberty Lane West
Hampton, New Hampshire 03842-1720

(Name and address of agent for service)

The Commission is requested to mail copies of
all orders, notices and communications to:

Sheri E. Bloomberg, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
125 West 55th Street
New York, New York 10019

ITEM 1. DESCRIPTION OF PROPOSED TRANSACTIONS

Unitil Corporation, a New Hampshire corporation ("Unitil") and a registered holding company under the Public Utility Holding Company Act of 1935, as amended (the "Act"), and its wholly owned subsidiary companies, Fitchburg Gas and Electric Light Company ("Fitchburg"), Unitil Energy Systems, Inc. ("Unitil Energy"), Unitil Power Corp. ("Unitil Power"), Unitil Realty Corp. ("Unitil Realty"), Unitil Resources, Inc. ("Unitil Resources") and Unitil Service Corp. ("Unitil Service" and, together with Fitchburg, Unitil Energy, Unitil Power, Unitil Realty and Unitil Resources, the "Subsidiaries" or "Money Pool Participants"),¹ hereby submit this application-declaration on Form U-1 (the "Application-Declaration") with the Securities and Exchange Commission (the "Commission") for the authorization and approval under Sections 6(b), 7, 9(a), 10 and 12(b) of the Act and the Rules 43, 45 and 52 thereunder with respect to the following transactions:

(a) short-term borrowing by Unitil through June 30, 2006 on a revolving basis under current and proposed unsecured facilities from certain banks up to an aggregate amount of \$55 million for a period of time through June 30, 2006 to be used in connection with (i) loans or advances to Subsidiaries through the Pooling Agreement (as defined below), (ii) payment of indebtedness, (iii) short-term cash needs which may arise due to payment timing differences, and (iv) other general purposes;

(b) short-term borrowings by Fitchburg² through June 30, 2006 pursuant to formal or informal credit lines up to \$35 million; and

(c) in connection with the continued use of the system money pool ("Money Pool") by Unitil and the Money Pool Participants,³ pursuant to the Cash Pooling and Loan Agreement (the "Pooling Agreement") among Unitil and the Money Pool Participants dated as of February 1, 1985, as amended (attached hereto as Exhibit B-1), for the other Applicants to make loans to Fitchburg in an amount not to exceed \$35 million through June 30, 2006.

By order dated June 9, 2000, the Applicants are currently authorized to make unsecured short-term borrowings in the amount of \$45 million for Unitil and \$30 million for Fitchburg and

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1 For purposes of this Application-Declaration, Unitil and the Subsidiaries are collectively referred to as the "Applicants."

2 Unitil Energy has obtained authorization for its short-term borrowings from the New Hampshire Public Utilities Commission. Moreover, any such short-term borrowings will be used solely for the purpose of financing its business at interest rates and with maturity dates that would parallel such lender's effective short-term cost of capital on any given date. Accordingly, such short-term borrowings by Unitil Energy are exempt from the prior approval requirements of Sections 6 and 9 of the Act under Rule 52(a) and (d).

3 Unitil Power, Unitil Realty, Unitil Resources and Unitil Services are non-utility Subsidiaries of Unitil whose short-term borrowings will be used solely for the purpose of financing their respective businesses at interest rates and with maturity dates that would parallel such lender's effective short-term cost of capital on any given date. Accordingly, such transactions are exempt from the prior approval requirements of Section 6 of the Act under Rule 52(b).

to operate under the Money Pool, as more fully described in the joint application-declaration on Form U-1, as amended, in File No. 70-09633, and the Commission's order with respect thereto (HCAR No. 35-27182). In accordance with the Commission's order of December 2, 2002 (HCAR No. 35-27609), Unitil's two New Hampshire utilities, Concord Electric Company and Exeter & Hampton Electric Company, merged to form Unitil Energy. Unitil Energy is a participant in the Money Pool. Pursuant to Rule 52 under the Act, the continued operation of the Money Pool does not require further Commission approval. In accordance with Section 6(b) of the Act, none of the transactions contemplated herein will be part of a public offering. The Applicants will continue to file reports on short-term borrowings and Money Pool transactions on a quarterly basis within 30 days after the end of each calendar quarter, which shall contain, for each company, (i) the maximum principal amount of short-term borrowings outstanding, (ii) the average interest rate for the Money Pool borrowings for the period and (iii) the maximum amount outstanding during the period for each source of outside borrowings.

The Applicants are requesting an increase in the amount of short-term debt authorization with respect to Unitil and Fitchburg in order to better ensure that the system is able to meet its working capital and capital expenditure in increasingly volatile markets, particularly with respect to the utilities' gas and electric supply. In the winter of 2001 and again in the winter of 2003, natural gas and oil commodity prices have both reached new highs and have been extremely volatile. This combination of quick swings to high prices increases the need for the Applicants to have rapid access to working capital. Other factors that are expected to increase the Company's working capital requirements in 2003 include increased power supply restructuring related cost recovery deferrals and higher power supply related collateral and assurance requirements. In addition, Unitil has a utility system construction program in place that is expected to result in capital expenditures of over \$21 million in 2003. This construction spending principally relates to required system improvements and customer growth projects that Unitil believes will benefit both its customers as a result of improved service and shareholders as a result of growth in its core operations.

The proposed transactions may be subject to Rules 53 and 54 under the Act. Neither Unitil nor any Subsidiary thereof presently has, or as a consequence of the proposed transactions will have, an interest in any exempt wholesale generator ("EWG") or foreign utility company ("FUCO"), as those terms are defined in Sections 32 and 33 of the Act, respectively. None of the proceeds from the proposed transactions will be used to acquire any securities of, or any interest in, an EWG or FUCO. Moreover, neither Unitil nor any of the Subsidiaries is, or as a consequence of the proposed transactions will become, a party to, and such entities do not and will not have any rights under, a service, sales or construction contract with any affiliated EWGs or FUCOs except in accordance with the rules and regulations promulgated by the Commission with respect thereto. Consequently, all applicable requirements of Rule 53(a)-(c) under the Act are satisfied as required by Rule 54 under the Act.

A. Bank Borrowing by Unitil

In this Application-Declaration, Unitil seeks to extend the authorization through June 30, 2006 for its short-term bank borrowing arrangements and increase its short-term borrowing limit to \$55 million, as described herein.

As of March 2003 Unitil had three unsecured lines of credit: a \$21 million unsecured line of credit from Fleet National Bank (attached hereto as Exhibit B-2), an \$11 unsecured line of credit from Sovereign Bank (attached hereto as Exhibit B-3), and a \$13 million unsecured line of credit from Citizens Bank (attached hereto as Exhibit B-4).

(i) Fleet National Bank

The \$21 million unsecured line of credit is available to Unitil through June 30, 2004. The interest rate for borrowing under the facility shall be either (a) the rate of interest announced publicly by Fleet National Bank as its Base Rate or (b) the Money Market Rate, as elected by Unitil. In addition to this line of credit, Fleet National Bank has approved an informal money market lending arrangement for minimum amounts of \$500,000, at fixed rates out to ninety days, that is available to Unitil through June 30, 2004. The unsecured line of credit and the informal money market lending arrangement are each available to Unitil subject to the bank's continued satisfaction with the financial condition of Unitil and the Subsidiaries and to no substantive changes in monetary or governmental regulations.

(ii) Sovereign Bank

The \$11 million unsecured line of credit is available to Unitil through June 30, 2004. The interest rate for borrowing under the facility is equal to either (a) the rate of interest announced by Sovereign Bank as its Prime Rate or (b) a fixed rate based on an index plus a margin to be determined by Sovereign Bank, as elected by Unitil. This line is available to Unitil subject to the bank's continued satisfaction with the financial condition of Unitil and the Subsidiaries and to no substantive changes in monetary or governmental regulations.

(iii) Citizens Bank New Hampshire

The \$13 million unsecured line of credit is available to Unitil through August 31, 2003. The interest rate for borrowing under the facility is equal to either (a) the Wall Street Journal Prime rate, or (b) the London Interbank Offered Rate ("LIBOR") as in effect on the date of the loan plus a margin to be determined by Citizens Bank, as elected by Unitil. This line is available to Unitil subject to the bank's continued satisfaction with the financial condition of Unitil and the Subsidiaries and to no substantive changes in monetary or governmental regulations.

The term "Base Rate," as used in the above discussion of Unitil's short-term borrowing facilities, is synonymous with the prime rate, which is the interest rate per annum from time to time announced and made effective by a bank as the Base Rate, or as the case may be, the Base, reference or other similar rate then designated by it for general commercial lending reference purposes, it being understood that such rate is a reference rate, not necessarily the lowest, established from time to time which serves as the basis upon which effective rates of interest are calculated for loan making reference thereto.

The term "Money Market Rate," as used in the above discussion of Unitil's short-term borrowing facilities, is the overnight or term money market facilities interest rate per annum which is communicated to Unitil by a bank.

Money Market Rates are offered by certain banks at a given point in time and will vary depending on a number of factors including: the availability of bank funds, the bank's internal cost of funding, the creditworthiness of the borrower, the term of the loan, the size of the loan and the degree of competition among banks in a market. The Money Market Rate offered by a bank is normally a lower rate with more favorable terms and conditions than its Base Rate. Under its short-term bank borrowing facilities, Unitil borrows at Money Market Rates when such rates are available and more favorable than Base Rates. Any borrowings at Money Market Rates, under current facilities proposed below, do not and will not exceed the Base Rate for unsecured loans by the same bank.

Unitil proposes to issue short-term notes pursuant to both formal and informal lines of credit with lending institutions. Unitil's current borrowing agreements, described above and attached as Exhibits B-2, B-3 and B-4 are typical of the forms of short-term notes proposed to be used by Unitil. Short-term unsecured promissory notes will be issued by Unitil to a particular lending institution prior to the first borrowing under that promissory note. Borrowings will be evidenced on a "grid" schedule, in the form attached to each promissory note and will be recorded the day that the request for borrowing is made. The bank holding the respective promissory notes will maintain the record of borrowings and repayments without the necessity of issuing additional notes. Unitil anticipates that the promissory notes used may vary from the forms described above to reflect customary terms or particular lending practices and policies of different lending institutions, but otherwise will be substantially similar.

Unitil's present and proposed short-term borrowing arrangements provide, and will provide, for borrowings at any of the rates described above and may be subject to prepayment at the borrower's option, as the case may be. The borrowing rate shall change as the base rate changes. Short-term notes may provide informal borrowings at sub-prime rate or Money Market Rate which may be made available under each credit line arrangement. Money Market Rates are fixed rates. Under Unitil's current short-term borrowing arrangements, Money Market Rate borrowings are not subject to prepayment. Money Market Rate borrowings under the proposed facilities may or may not be subject to prepayment.

Borrowings under the proposed credit agreements will not exceed the shorter of the term of the particular line of credit or nine months. Short-term notes issued on a transactional basis, will be dated as of the date of issue, will have a maximum term of nine months and will bear interest at the Base or Money Market Rate, described above.

Unitil requests authority to secure both formal and informal credit lines with a number of lending institutions. Formal credit lines under the proposed facilities may be subject to compensating balances and/or fee requirements. Compensating balance requirements will not exceed 5% of the committed credit line amount, and fees will not exceed 50 basis points times the total line of credit. Unitil may change its credit line arrangements and obtain additional formal or informal credit lines over time. The continued availability of such credit lines is subject to the continued review of the lending institutions. In the future, the Company may choose to formalize its banking relationship with its banks through a syndicated credit facility. A syndicated credit facility would allow the Company to receive the administrative and economic efficiencies of coordinated banking relationships. The duration of any such facility would not exceed 365 days.

Unitil requests authority to renew and extend current short-term borrowings under the existing and proposed facilities as such borrowings mature and/or secure credit lines with other lending institutions under similar conditions, to refund such short-term borrowings with other, similar short-term borrowings, to repay such short-term borrowings or to increase their amount from time to time up to an aggregate amount of \$55 million. Unitil requests that the authority to undertake new short-term borrowing be granted through June 30, 2006.

Unitil anticipates its working capital requirements to increase in the future, due in part to unstable natural gas and purchase power prices, utility capital construction expenditures, increased power supply restructuring cost recovery deferrals and power supply-related and assurance costs. Unitil expects to use the proceeds derived from short-term bank borrowings authorized by this Commission pursuant to this application/declaration for: (i) loans or advances to Subsidiaries through the Pooling Agreement, (ii) payment of indebtedness, (iii) short-term cash needs which may arise due to payment timing differences, and (iv) other general purposes

B. Short-Term Borrowing by Fitchburg - Pooling Agreement and Other

Fitchburg requests that it be authorized by the Commission to incur short-term borrowings from any source, including the Money Pool, in an aggregate principal amount at any one time outstanding not to exceed \$35 million, and to increase the amount it is authorized to have outstanding at any time under such arrangements to \$35 million, as described herein.

It is anticipated that most short-term borrowings by Fitchburg will be made pursuant to the Pooling Agreement. However, Fitchburg may borrow from parties outside of the Pooling Agreement. Accordingly, Fitchburg seeks Commission authorization for short-term borrowings up to \$35 million through the Pooling Agreement and through direct borrowings from commercial banks.

Fitchburg will use the proceeds from its short-term borrowing primarily to meet working capital requirements and provide interim financing for its utility construction expenditures. In addition to construction and other physical improvements, the funds will be used for permitted debt and preferred stock sinking fund redemptions.

Any short-term borrowing from commercial banks undertaken by Fitchburg will be under terms and conditions substantially similar to the terms and conditions of the current short-term borrowing agreements between Unitil and its commercial banks described above in Section A. Fitchburg proposes to issue short-term notes pursuant to both formal and informal lines of credit with lending institutions. Short-term promissory notes are expected to be issued to a particular lending institution prior to the first borrowing under that promissory note from that lender. Borrowings will be evidenced on a so called "grid" schedule, in the form attached to each promissory note and will be recorded the day that the request for borrowing is made. The bank holding the respective promissory notes will maintain the record of borrowings and repayments without the necessity of issuing additional notes. Fitchburg anticipates that the promissory notes used may vary from the forms described above to reflect customary terms or particular lending practices and policies of different lending institutions, but otherwise will be substantially similar.

Short-term borrowing arrangements will provide for borrowings at the so-called "Base Rate" or "prime rate" and will be subject to prepayment at the borrower's option. In addition, short-term notes may provide informal borrowings at alternate Base Rates, sub-prime rates or Money Market Rates which are to be made available under the line of credit arrangements. Money Market Rates are fixed rate loans and may or may not be subject to prepayment. Any borrowing at Money Market Rates will be at a rate not to exceed the prime rate for unsecured loans by the same bank.

Borrowings under credit agreements with commercial banks will not exceed the shorter of the term of the particular line of credit or nine months. Short-term notes issued on a transactional basis will be dated as of the date of issue, will have a maximum term of nine months and will bear interest at the Base or Money Market Rate described above.

Fitchburg requests authority to secure both formal and informal credit lines with a number of lending institutions. Formal credit lines may be subject to compensating balances and/or fee requirements. Compensating balance requirements will not exceed 5% of the committed credit line amount, and fees will not exceed 50 basis points times the total line of credit. Fitchburg may change its credit line arrangements and obtain additional formal or informal credit lines over time.

Pursuant to the requirements of Rule 24 under the Act, Unitil and its Subsidiaries have filed a quarterly report on short-term borrowings and money pool transactions as required by the Commission's order approving short-term borrowings and the Unitil Money Pool. Pro Forma Balance Sheets and Income Statements for Unitil and Fitchburg giving effect to requested maximum borrowings are attached.

C. Pooling Agreement

All the Applicants currently participate in the Money Pool pursuant to the Pooling Agreement among Unitil and the Money Pool Participants. The Pooling Agreement allows Unitil and the Money Pool Participants to invest their surplus funds and the Money Pool Participants to obtain advances (i.e., borrow funds) from the System's Money Pool.⁴ Unitil Service administers the Money Pool for Unitil and the other Money Pool Participants on an "at cost basis." This arrangement is used to: (i) provide the Money Pool Participants with funds supplied internally by Unitil and the Money Pool Participants (i.e., surplus funds) and from external sources (i.e., bank borrowings), as described below; and (ii) invest surplus funds of Unitil and the Money Pool Participants in various short-term money market instruments. Any issuance of debt securities under the Money Pool shall have a maximum term of nine months.

The Money Pool offers several advantages to Unitil and the Money Pool Participants, including: lower overall short-term borrowing costs; a mechanism for each Money Pool Participant to earn a higher return on interest from surplus funds; and a decreased reliance on external funding sources. Lower borrowing costs are derived from the elimination of the

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⁴ Unitil may incur short-term borrowings up to an aggregate amount of \$55 million outstanding at any time which may be loaned or advanced to the Money Pool Participants through the Pooling Agreement. Fitchburg may borrow up to an aggregate amount of \$35 million outstanding at any time.

additional banking fees that would be required if each Money Pool Participant had to maintain its own lines of credit and borrow on its own, and from reduction in the short-term cost of money when Unitil borrows, in the aggregate, on behalf of the Money Pool Participants, as opposed to each Money Pool Participant borrowing on its own. In addition, the Money Pool provides a mechanism for each Money Pool Participant to earn short-term interest on surplus funds that are loaned to other Money Pool Participants, at a rate normally charged by Unitil's lead bank instead of at the prevailing short-term investment rate. In addition to commercial paper, Unitil may invest surplus funds in various institutional money market funds (as defined by the Investment Company Act of 1940) or comparable interest bearing instruments which seek to obtain a high level of current income while preserving principal and liquidity. Overall, the Money Pool arrangement allows Unitil and the Money Pool Participants to effectively maximize the use of internally generated funds and, thereby, decrease the reliance on external funding sources.

In connection with the continued use of the Money Pool by Unitil and the Money Pool Participants through June 30, 2006, Fitchburg seeks approval to make loans to the other Money Pool Participants and incur borrowings from the other Applicants, and the other Applicants seek approval to make loans to Fitchburg.

ITEM 2. FEES, COMMISSIONS AND EXPENSES

The fees, commissions and expenses of the Applicants expected to be paid or incurred, directly or indirectly, in connection with the transactions described above are estimated as follows:

Legal fees.....	\$6,000
Miscellaneous.....	\$3,000
Total.....	\$9,000

ITEM 3. APPLICABLE STATUTORY PROVISIONS

Sections 6(b), 7, 9(a), 10 and 12(b) of the Act, and Rules 43, 45 and 52 thereunder, are directly applicable to this Application-Declaration.

ITEM 4. REGULATORY APPROVALS

The Money Pool has already been approved by the Massachusetts Department of Telecommunications and Energy with respect to Fitchburg and the New Hampshire Public Utilities Commission with respect to Unitil, Unitil Energy and Unitil Power. No state or federal agency other than the Commission has jurisdiction with respect to any of the proposed transactions other than as described in this item.

ITEM 5. PROCEDURE

It is requested that the Commission issue and publish no later than April 18, 2003 the requisite notice under Rule 23 with respect to this Application-Declaration; such notice specifying a date not later than May 13, 2003 as the date after which an order granting and

permitting this Application-Declaration to become effective may be entered by the Commission and that the Commission enter not later than May 14, 2003, an appropriate order granting and permitting this Application-Declaration to become effective.

No recommended decision by a hearing officer or other responsible officer of the Commission is necessary or required in this matter. The Division of Investment Management of the Commission may assist in the preparation of the Commission's decision in this matter. There should be no thirty-day waiting period between the issuance and effective date of any order issued by the Commission in this matter, and it is respectfully requested that any such order be made effective immediately upon the entry thereof.

ITEM 6. EXHIBITS AND FINANCIAL STATEMENTS

(a) Exhibits

Exhibit No. -----	Description of Exhibit -----
B-1	Cash Pooling and Loan Agreement, as amended (Filed with the Commission as Exhibit A-1 to Form U-1 File No. 70-8623 and incorporated by reference herein).
B-1.1	Amendment No. 4 to Cash Pooling and Loan Agreement.
B-2	Line of Credit and Promissory Note from Fleet National Bank (Amendment filed herewith; initial documents previously filed).
B-3	Line of Credit and Promissory Note from Sovereign Bank (Amendment filed herewith; initial documents previously filed).
B-4	Line of Credit and Promissory Note from Citizens Bank (Amendment filed herewith; initial documents previously filed).
D-1	New Hampshire Public Utilities Commission Order No. 18,416 (Filed with the Commission as Exhibit D-3 to Form U-1 File No. 70-8066 and incorporated by reference herein).
D-2	New Hampshire Public Utilities Commission Order No. 24,072 (Filed with the Commission as Exhibit C-3 to Form U-1 File No. 70-10084 and incorporated by reference herein).
D-3	Massachusetts Department of Public Utilities Commission Order No. MDPU 89-66 (Filed with the Commission as Exhibit D-5 to Form U-1 File No. 70-8066 and incorporated by reference herein).

- F-1 Opinion of Counsel (To be filed by Amendment).
- F-2 "Past Tense" Opinion of Counsel (To be filed by Amendment).
- G-1 Proposed Form of Notice.

(b) Financial Statements

No.	Description of Financial Statement
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FS-1	Unitil Corporation and Subsidiary Companies Consolidated Actual Balance Sheet and Statement of Earnings, December 31, 2002 (Filed with the Commission with Unitil's 10-K for the year ended December 31, 2002 and incorporated by reference herein).
FS-2	Unitil Corporation and Subsidiary Companies Consolidated Pro Forma Balance Sheet and Statement of Earnings, December 31, 2002.
FS-3	Unitil Corporation (Company Only) Actual and Pro Forma Balance Sheet and Statement of Earnings, December 31, 2002.
FS-4	Fitchburg Actual and Pro Forma Balance Sheet and Statement of Earnings, December 31, 2002.

ITEM 7. INFORMATION AS TO ENVIRONMENTAL EFFECTS

None of the matters that are the subject of this Application-Declaration involve a "major federal action" nor do they "significantly affect the quality of the human environment" as those terms are used in Section 102(2)(C) of the National Environmental Policy Act. None of the proposed transactions that are the subject of this Application-Declaration will result in changes in the operation of the Applicants that will have an impact on the environment. The Applicants are not aware of any federal agency which has prepared or is preparing an environmental impact statement with respect to the transactions proposed herein.

SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the Applicants have duly caused this Application-Declaration to be signed on their behalf by the undersigned thereunto duly authorized.

Dated: March 28, 2003

UNITIL CORPORATION

By: /s/ Mark. H. Collin
Name: Mark H. Collin
Title: Senior Vice President, Chief Financial
Officer & Treasurer

FOURTH AMENDMENT TO

CASH POOLING AND LOAN AGREEMENT

This Fourth Amendment to the Cash Pooling and Loan Agreement is dated as of December 2, 2002.

WHEREAS, Unitil Corporation, a New Hampshire corporation ("Unitil"), Concord Electric Company, a New Hampshire Corporation ("Concord"), Exeter & Hampton Electric Company, a New Hampshire corporation ("Exeter"), Fitchburg Gas and Electric Light Company, a Massachusetts corporation ("FGE"), Unitil Power Corp., a New Hampshire corporation ("UPC"), Unitil Realty Corp., a New Hampshire corporation ("URC"), Unitil Resources, Inc., a New Hampshire Corporation ("URI") and Unitil Service Corp., a New Hampshire corporation ("USC"), are parties to a Cash Pooling and Loan Agreement dated as of February 1, 1985, as amended (the "Cash Pooling Agreement"); and

WHEREAS, effective as of December 2, 2002, Exeter merged with and into Concord and, on that same date, Concord succeeded, by operation of law, to all of Exeter's rights and obligations under the Cash Pooling Agreement; and

WHEREAS, effective as of December 2, 2002, Concord changed its name to Unitil Energy Systems, Inc. ("UES");

NOW, THEREFORE in consideration of the foregoing, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged by each party to the others, the parties hereto agree as follows:

1. Each of Unitil, FGE, UPC, URC, URI and USC hereby acknowledges, agrees and consents to the succession of UES to all of Exeter's rights and obligations under the Cash Pooling Agreement, and all parties to the Cash Pooling Agreement further agree that the Cash Pooling Agreement be hereby amended to delete all references therein to Exeter and to change all references therein to Concord to UES.

2. Except as described above, all provisions of the Cash Pooling Agreement shall remain in full force and effect without amendment.

IN WITNESS WHEREOF, the parties have caused this Fourth Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

UNITIL CORPORATION

By: /s/ Michael J. Dalton

Name: Michael J. Dalton

By: /s/ Mark H. Collin

Name: Mark H. Collin, Treasurer

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

By: /s/ Michael J. Dalton

Name: Michael J. Dalton

By: /s/ Mark H. Collin

Name: Mark H. Collin, Treasurer

UNITIL ENERGY SYSTEMS, INC.

By: /s/ Michael J. Dalton

Name: Michael J. Dalton

By: /s/ Mark H. Collin

Name: Mark H. Collin, Treasurer

UNITIL POWER CORP.

By: /s/ David K. Foote

Name: David K. Foote, President

By: /s/ Mark H. Collin

Name: Mark H. Collin, Treasurer

UNITIL REALTY CORP.

By: /s/ Mark H. Collin

Name: Mark H. Collin, Treasurer

By: /s/ Lawrence M. Brock

Name: Lawrence M. Brock, Controller

UNITIL RESOURCES, INC.

By: /s/ Robert G. Schoenberger

Name: Robert G. Schoenberger, President

By: /s/ Mark H. Collin

Name: Mark H. Collin, VP & Treasurer

UNITIL SERVICE CORP.

By: /s/ Mark H. Collin

Name: Mark H. Collin, VP & Treasurer

By: /s/ Lawrence M. Brock

Name: Lawrence M. Brock, Controller

AMENDMENT AGREEMENT

This Amendment Agreement ("Agreement") is entered into as of the 4th day of March, 2003, by and among UNITIL CORPORATION, a New Hampshire corporation with a principal place of business at 6 Liberty Lane West, Hampton, New Hampshire, 03842 (the "Borrower") (the Borrower and all other persons primarily or secondarily liable hereunder or in respect hereto are sometimes referred to herein as the "Obligor") and FLEET NATIONAL BANK, a national bank organized under the laws of the United States with an office at 1155 Elm Street, Manchester, New Hampshire 03101 (the "Bank").

W I T N E S S E T H

WHEREAS, the Bank and the Borrower entered into a certain Letter Agreement dated as of September 13, 2000, as amended, modified and supplemented (the "Letter Agreement"), establishing a line of credit in favor of the Borrower in the original principal amount of up to Sixteen Million Dollars (\$16,000,000) (the "Line") and have executed and/or delivered certain documents and instruments in connection therewith (all of the foregoing, including, without limitation, the Letter Agreement, as the same have been and may hereafter be amended, renewed and/or modified are hereinafter referred to collectively as the "Loan Documents");

WHEREAS, the Borrower and the Bank have agreed to amend the Letter Agreement and Loan Documents to, among other things, (i) conditionally increase the maximum principal amount available under the Line to Twenty One Million Dollars (\$21,000,000); and (ii) amend the Loan Documents in certain other respects.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements therein contained, the receipt and adequacy of which are hereby acknowledged, the parties covenant, stipulate and agree as follows:

1. Representations and Warranties of the Borrower. The Borrower represents and warrants to the Bank as follows:

(a) The representations, warranties and covenants of the Borrower made in the Loan Documents remain true and accurate and are hereby reaffirmed as of the date hereof.

(b) The Borrower has performed, in all material respects, all obligations to be performed by it to date under the Loan Documents and no event of default exists thereunder.

(c) The Borrower is a corporation duly organized, qualified and existing in good standing under the laws of the state of its formation and in all other jurisdictions in which the character of the property owned or the nature of the existing business conducted by the Borrower require its qualification as a foreign corporation.

(d) The execution, delivery and performance of this Agreement and the documents relating hereto (the "Amendment Documents") are within the power of the Borrower and are not in contravention of law, of the Borrower's Articles of Incorporation, Bylaws or the terms of any other documents, agreements or undertaking to which the Borrower is a party or by which the Borrower is bound. No approval of any person, corporation, governmental body or other entity

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not provided herewith is a prerequisite to the execution, delivery and performance by the Borrower of the Amendment Documents or any of the documents submitted to the Bank in connection with the Amendment Documents, or upon execution by the Bank to ensure the validity or enforceability thereof.

(e) When executed on behalf of the Borrower, the Amendment Documents will constitute valid and legally binding obligations of the Borrower, enforceable in accordance with their terms.

2. Amendments to Letter Agreement. The Letter Agreement shall be amended as follows:

(a) The first sentence of the first paragraph on page one of the Letter Agreement is hereby amended by deleting the phrase "Sixteen Million Dollars (\$16,000,000)" and replacing it with "Twenty One Million Dollars (\$21,000,000)".

(b) The second sentence of the first paragraph on page one of the Letter Agreement is hereby amended by deleting the date "June 30, 2001" and replacing it with "June 30, 2004".

(c) The second sentence of the third paragraph on page one of the Letter Agreement is hereby amended by deleting the phrase "of even or near date" and

replacing it with "dated September 18, 2000, as the same may be amended".

(d) The third paragraph on page one of the Letter Agreement is hereby amended by adding the following at the end thereof:

"The Loan Documents together are intended by the parties as the final, complete and exclusive statement of the transactions evidenced by this Agreement and Loan Document. All prior or contemporaneous promises, agreements and understandings, whether oral or written, are deemed to be superceded by the Loan Documents, and no party is relying on any promise, agreement or understanding not set forth in the Loan Documents."

(e) The first sentence of the second full paragraph appearing on page two of the Letter Agreement is hereby amended by inserting the following at the end of said sentence before the period: "or any such individual as such officer shall designate in writing who is authorized to borrow money from the Bank".

(f) The last sentence of the second full paragraph appearing on page two of the Letter Agreement is hereby amended by deleting the phrase "minimum increments" and replacing said phrase with "the minimum amount".

(g) The second sentence of the second full paragraph appearing on page three of the Letter Agreement is hereby amended by deleting the amount "\$16,000,000" and replacing it with "\$21,000,000".

3. Amendment to Line of Credit Promissory Note. The Line of Credit Promissory Note in the original principal amount of Sixteen Million Dollars (\$16,000,000) dated as of

September 18, 2000, as amended, made payable by the Borrower to the Bank (the "Line of Credit Note") is hereby amended as follows:

(a) The amount "\$16,000,000" appearing in the upper left hand corner on page 1 of the Line of Credit Note is deleted and replaced with "\$21,000,000".

(b) The amount "Sixteen Million Dollars (\$16,000,000)" appearing on page 1 in the first paragraph of the Line of Credit Note is hereby deleted and replaced with "Twenty One Million (\$21,000,000)".

(c) The fourth paragraph appearing on page 1 of the Line of Credit Note is hereby amended by deleting the amount "Sixteen Million Dollars (\$16,000,000)" appearing in the first sentence thereof and replacing it with "Twenty One Million Dollars (\$21,000,000)"

(d) All terms and conditions of the Line of Credit Note, except as amended hereby, are hereby ratified and confirmed.

4. 4. Conditions Subsequent. The parties hereto acknowledge and agree that the Bank's agreement to increase the maximum principal amount available under the Line from Sixteen Million Dollars (\$16,000,000) to Twenty One Million Dollars (\$21,000,000) and to extend the Annual Review Date (as defined in the Letter Agreement) to June 30, 2004 is expressly conditioned upon the Bank, the Borrower and the Borrower's other lending institutions (being Sovereign Bank and Citizens Bank New Hampshire) entering into an Intercreditor Agreement acceptable to the Bank in its sole discretion (the "Intercreditor Agreement") within ninety (90) days of the date hereof. If the parties are unable to agree upon and fully execute the Intercreditor Agreement within said ninety (90) day period, the Annual Review Date shall automatically revert back to June 30, 2003, and the Borrower shall make such principal reduction payments on the Line as are necessary to reduce the outstanding principal balance thereof to be no more than \$16,000,000 and then the maximum principal amount available under the Line shall automatically reduce to \$16,000,000.

5. Conditions Precedent. The obligations of the Bank hereunder are subject to the following conditions precedent:

(a) The Borrower shall deliver to the Bank this Agreement and the Amendment Documents.

(b) The Bank shall have received certified copies of instruments evidencing all corporate action taken by the Borrower to authorize this Agreement, the borrowing hereunder, and the execution and delivery of the Amendment Documents and shall have executed and delivered all of those documents and other matters set forth in the Closing Agenda attached hereto as Exhibit A.

(c) The Borrower pay the Bank a fee in the amount of \$500.

6. Loan Documents. The Borrower shall deliver this Agreement and the other Amendment Documents to the Bank and these documents shall be included in the term "the Loan Documents" in the Letter Agreement.

7. Future References. All references to the Loan Documents shall hereinafter refer to such documents as amended.

8. Continuing Effect. The provisions of the Loan Document, as modified herein, shall remain in full force and effect in accordance with their terms and are hereby ratified and confirmed.

9. General.

(a) The Borrower shall execute and deliver such additional documents and do such other acts as the Bank may reasonably require to implement the intent of this Agreement fully.

(b) The Borrower shall pay all costs and expenses, including, but not limited to, attorneys' fees incurred by the Bank in connection with this Agreement. The Bank, at its option, but without any obligation to do so, may advance funds to pay any such costs and expenses that are the obligation of the Borrower and all such funds advanced shall bear interest at the highest rate provided in the Loan Documents.

(c) This Agreement and Amendment Documents may be executed in several counterparts by the Borrower, the Bank and any obligor or guarantor of the Letter Agreement, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement

IN WITNESS WHEREOF, the parties have executed this agreement by their duly authorized parties as of the date set forth above.

/s/ FLEET NATIONAL BANK

By: /s/ Daniel M. Gillespie

Witness Daniel M. Gillespie, Its Duly
Authorized Assistant Vice President

/s/ UNITIL CORPORATION

By: /s/ Michael J. Dalton

Witness Michael J. Dalton, Its Duly
Authorized President

/s/ UNITIL CORPORATION

By: /s/ Mark H. Collin

Witness Mark H. Collin, Its Duly
Authorized Treasurer

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 5th day of March, 2003, by Daniel M. Gillespie, duly authorized Assistant Vice President of FLEET NATIONAL BANK, a national bank organized under the laws of the United States, on behalf of the same.

/s/ Diane A. Brodeur

Justice of the Peace/Notary Public
My Commission Expires: _____
Notary Seal

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

The foregoing instrument was acknowledged before me this 4th day of March, 2003, by Michael J. Dalton, duly authorized President of UNITIL CORPORATION, a New Hampshire corporation, on behalf of the same.

/s/ Sandra L. Whitney

Justice of the Peace/Notary Public
My Commission Expires: _____
Notary Seal

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

The foregoing instrument was acknowledged before me this 4th day of
March, 2003, by Mark H. Collin, duly authorized Treasurer of UNITIL CORPORATION,
a New Hampshire corporation, on behalf of the same.

/s/ Sandra L. Whitney
Justice of the Peace/Notary Public
My Commission Expires:
Notary Seal -----

[LOGO]

SOVEREIGN BANK NEW ENGLAND
A Division of Sovereign Bank

March 12, 2003

Mr. Mark Collin
Chief Financial Officer
Unitil
7 Liberty Lane West
Hampton, New Hampshire 03862

Re: Line of credit increase and renewal

Dear Mark,

This letter is to confirm the approval of a \$2 million increase in the company's Revolving Line of credit to \$11 million. The line will next be due for review on June 30, 2004. You will continue to be billed on a quarterly basis for the unused commitment fee of .25%. In connection with the increase in the line, the annual renewal fee has been increased to \$5500, due July 15, 2003.

I expect to have modification documents completed within the next week, and will contact you to schedule a convenient time to sign the documentation.

Please contact me at 882-3040 or via email at jreams@sovereignbank.com should you have any questions.

Sincerely,

/s/ Janis C. Reams

Janis C. Reams
Vice President

[LOGO]

100 Middle Street
Portland, ME 04101-4100
December 4, 2002

Mr. Mark Collin
Treasurer
UNITIL CORP.
6 Liberty Lane West
Hampton, New Hampshire 03842

Dear Mark:

This letter agreement sets forth the terms under which Citizens Bank of New Hampshire (the "Bank") will make available to UNITIL Corporation (the "Borrower") an unsecured Line of Credit (the "Line") for up to \$13,000,000. This Line will be reviewed again on August 31, 2003 (the "Annual Review Date").

Any loan under the Line will bear interest (computed on a 360 day per year basis) of either:

- (1) Wall Street Journal Prime rate ("WSP") as it may vary; or
- (2) A fixed rate for each loan based on the London Interbank Offered Rate ("LIBOR" for the term of the loan [Not to exceed ninety (90) days] as in effect on the date of the loan plus a margin to be determined by the Bank from time to time. If the LIBOR rate is selected, the rate will be determined by the Bank by 10:00 a.m. on the day of the requested borrowing. Each borrowing under this line by you must specify the amount of the loan requested, the rate requested and the maturity requested.

Each loan must be not less than \$500,000.00. This Line is available subject to the Bank's continued satisfaction with the financial condition of Borrower and its subsidiaries and to no substantive changes in monetary or governmental regulations. Borrower shall deliver to Bank: annual report and 10K report by April 30; and 10Q by ninety (90) days after the close of each calendar quarter.

The Borrower shall maintain and fund an account with the Bank which the Bank may debit for payments due, quarterly fees, and other amounts due. Loan advances will be made upon telephone request by offers designated in writing by Borrower and shall be deposited by Bank into the account.

Loans will be evidenced by a Promissory Note in the form attached hereto. Each loan and the corresponding information [date, amount, maturity date (subject to Bank's right to demand payment at any time) and interest rate] will be recorded on the date of the telephone request. Bank's corresponding advices of credit and debit will be additional evidence of loans in the format described above, and the Borrower agrees that absent manifest error, this record shall be conclusive and binding.

In consideration for the availability of this Line and until expiration or earlier written termination of the Line, Borrower will pay Bank a quarterly fee on or before ten (10) days after the close of each fiscal quarter (with fiscal quarters closing on March 31, June 30, September 30, and December 31, [with a final payment due ten (10) days after expiration or earlier written termination of the Line], equal to the product of .0025 multiplied by the "Daily Average Unused Portion of the Line" during the preceding fiscal quarter. "Daily Average Unused Portion of the Line" is determined by summing the "Unused Portion of the Line" for each day of the relevant fiscal quarter and dividing that sum by the number of days in the relevant fiscal quarter. "Unused Portion of the Line" means \$13,000,000 minus the amount outstanding on the Line as of the Bank's close of business on that day. Interest and fees are calculated on the basis of the actual days elapsed over a 360 day banking year.

Bank may, at any time, demand payment in full of all loans made under the Line and interest and other charges due hereunder.

Borrower acknowledges that bank has disclosed the following finances charges in connection with this loan: quarterly fees as set forth above and interest rate set forth above and in the Note.

If the foregoing satisfactorily sets forth the terms and conditions of this lending arrangement, please indicate your acceptance thereof by executing and returning the attached copy of this letter and the attached Promissory Note.

We are pleased to provide this Line of Credit and look forward to the ongoing development of our relationship.

Sincerely,

CITIZENS BANK OF NEW HAMPSHIRE

By: /s/

Its: Vice President

AGREED AND ACCEPTED:

UNITIL CORPORATION

By: /s/ Mark H. Collin

Mark H. Collin, Treasurer

By: /s/ Anthony Baratta

Anthony Baratta, Chief Financial Officer

UNITIL CORPORATION

CONSOLIDATED BALANCE SHEETS (000's) (A)

ASSETS:	(Audited) December 31, 2002 -----	Adjustments -----	Pro Formed -----
Utility Plant			
Electric	\$193,152		\$193,152
Gas	44,796		44,796
Common	27,573		27,573
Construction Work in Progress	5,658	19,010 (E)	24,668
	-----	-----	-----
Utility Plant	271,179	19,010	290,189
Less: Accumulated Depreciation	82,587		82,587
	-----	-----	-----
Net Utility Plant	188,592	19,010	207,602
	-----	-----	-----
Miscellaneous Property & Investments	651		651
	-----	-----	-----
Current Assets:			
Cash	7,160		7,160
Accounts Receivable	19,513		19,513
Refundable Taxes	4,851	76 (B)	4,927
Materials and Supplies	2,323		2,323
Prepayments	1,735		1,735
Accrued Revenue	4,842		4,842
	-----	-----	-----
Total Current Assets	40,424	76	40,500
Noncurrent Assets:			
Regulatory Assets	244,011		244,011
Debt Issuance Costs, net	1,755		1,755
Other Noncurrent Assets	5,350		5,350
	-----	-----	-----
Total Noncurrent Assets	251,116		251,116
	-----	-----	-----
TOTAL	\$480,783 =====	19,086 =====	\$499,869 =====

(The accompanying Notes are an integral part of these statements.)

CONSOLIDATED BALANCE SHEETS (000's) (A)

CAPITALIZATION AND LIABILITIES:	(Audited) December 31, 2002 -----	Adjustments -----	Pro Formed -----
Capitalization:			
Common Stock Equity	\$74,350	(\$131) (D)	\$74,219
Preferred Stock, Non-Redeemable	225		225
Preferred Stock, Redeemable	3,097		3,097
Long-term Debt, Less Current Portion	104,226		104,226
	-----	-----	-----
Total Capitalization	181,898	(131)	181,767
Current Liabilities:			
Long-term Debt, Current Portion	3,243		3,243
Capitalized Lease, Current Portion	800		800
Accounts Payable	14,221		14,221
Short-Term Debt	35,990	19,010 (F)	55,000
Dividends Declared and Payable	77		77
Refundable Customer Deposits	1,336		1,336
Interest Payable	1,311	207 (C)	1,518
Other Current Liabilities	9,062		9,062
	-----	-----	-----
Total Current Liabilities	66,040	19,217	85,257
Deferred Income Taxes	47,332		47,332
	-----	-----	-----

Noncurrent Liabilities			
Power Supply Contract Obligations	175,657		175,657
Capitalized Leases, Less Current Portion	2,534		2,534
Other Deferred Credits	7,322		7,322
	-----	-----	-----
Total Noncurrent Liabilities	185,513		185,513
	-----	-----	-----
TOTAL	\$480,783	\$19,086	\$499,869
	=====	=====	=====

(The accompanying Notes are an integral part of these statements.)

UNITIL CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS (000's) (A)

	(Audited) Year Ended December 31, 2002 -----	Adjustments -----	Pro Formed -----
Operating Revenues:			
Electric	167,317		167,317
Gas	20,283		20,283
Other	786		786
Total Operating Revenues	188,386		188,386
Operating Expenses:			
Fuel and Purchased Power	114,598		114,598
Gas Purchased for Resale	11,143		11,143
Operating and Maintenance	25,667		25,667
Restructuring Charge	1,598		1,598
Depreciation and Amortization	14,911		14,911
Provisions for Taxes:			
Local Property and Other	4,731		4,731
Federal and State Income	2,490	(76) (B)	2,414
	-----	---	-----
Total Operating Expenses	175,138	(76)	175,062
	-----	---	-----
Operating Income	13,248	76	13,324
Non-Operating Expenses:			
Gain on Non-Utility Investments, net of tax	(82)		(82)
Other Non-Operating Expenses	185		185
	---	---	---
Non-operating Expense	103		103
	---	---	---
Income Before Interest Expense	13,145	76	13,221
Interest Expense, Net	7,057	207 (C)	7,264
	-----	---	-----
Net Income	6,088	(131) (D)	5,957
Less Dividends on Preferred Stock	253		253
	---	---	---
Earnings Applicable to Common Shareholders	\$5,835	(\$131)	\$5,704
	=====	=====	=====

(The accompanying Notes are an integral part of these statements.)

UNITIL CORPORATION
Notes to Pro Forma Consolidated Financial Statements

(A) These statements have been pro formed to reflect an increase in Short-Term Debt to the requested borrowing limit and the corresponding impact on expenses and Earnings.

(B) The reduction in taxes reflect the rise in interest expense which reduced income for tax purposes.

(C) The cost of this increase in Short-Term Debt is reflected in higher

interest costs for the twelve months period.

- (D) Lower Earnings and Common Equity (e.g. Retained Earnings) reflects the impact of higher interest expense.
- (E) Assumes all borrowings are made to fund capital additions to plant.
- (F) Reflects the incremental increase in Short-Term Debt to reach the borrowing limit.

UNITIL CORPORATION (COMPANY ONLY)

BALANCE SHEETS (000's) (A)

ASSETS	December 31, 2002 -----	Adjustments -----	Pro Formed -----
Other Property and Investments			
Investment in Associate Companies	\$87,366 -----	19,010 (E) -----	\$106,376 -----
Current Assets:			
Cash	1,466		1,466
Accounts Receivable	53		53
Due from Affiliates	1,675	207 (B)	1,882
Refundable Taxes	3,500		3,500
Prepayments	6		6
Total Current Assets	6,700 -----	207 -----	6,907 -----
Noncurrent Assets	134 -----		134 -----
TOTAL	\$94,200 =====	\$19,217 =====	\$113,417 =====

(The accompanying Notes are an integral part of these statements.)

UNITIL CORPORATION (COMPANY ONLY)

BALANCE SHEETS (000's) (A)

CAPITALIZATION AND LIABILITIES:	December 31, 2002 -----	Adjustments -----	Pro Formed -----
Capitalization:			
Common Stock Equity	\$58,138 -----		\$58,138 -----
Total Capitalization	58,138		58,138
Current Liabilities:			
Short-Term Debt	35,990	19,010 (D)	55,000
Account Payable	11		11
Dividends Declared and Payable	17		17
Interest Payable	44	207 (B)	251
Total Current Liabilities	36,062 -----	19,217 -----	55,279 -----
TOTAL	\$94,200 =====	19,217 =====	\$113,417 =====

(The accompanying Notes are an integral part of these statements.)

UNITIL CORPORATION (COMPANY ONLY)

STATEMENT OF EARNINGS (000's) (A)

	Year Ended December 31, 2002 -----	Adjustments -----	Pro Formed -----
Operating Expenses:			
Operating Expenses, Other	\$152		\$152
Provisions for Taxes:			
Other Taxes	24		\$24
Federal and State Income	(247)		(247)
Total Operating Expenses	----- (71)	-----	----- (71)
Operating Income	----- 71	-----	----- 71
Non-operating Income	6,692	207 (B)	6,899
Income Before Interest Expense	----- 6,763	----- 207	----- 6,970
Interest Expense, Net	-----	207 (C)	207
Earnings	----- \$6,763 =====	----- ----- =====	----- \$6,763 =====

(The accompanying Notes are an integral part of these statements.)

UNITIL CORPORATION (Company Only)
Notes to Pro Forma Financial Statements

- (A) These statements have been pro formed to reflect an increase in Short- Term Debt to the requested borrowing limit and the corresponding impact on Interest Expenses and Non-operating Income.
- (B) Assumes interest costs will be billable through the Cash Pool to the client companies and will become a receivable.
- (C) The cost of this increase in Short-Debt is reflected in higher interest costs for the twelve months period.
- (D) Reflects the incremental increase in Short-Term Debt to reach the borrowing limit.
- (E) Assumes all borrowed funds are reflected as an temporary investment in affiliates through the operations of the Cash Pool.

EXHIBIT FS-4

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

CONSOLIDATED BALANCE SHEETS (000's) (A)

ASSETS	(Audited) December 31, 2002 -----	Adjustments -----	Pro Formed -----
Utility Plant (at cost):			
Electric	\$68,947		\$68,947
Gas	44,796		44,796
Common	7,258		7,258
Construction Work in Progress	2,631	10,441 (E)	13,072
	-----	-----	-----
Utility Plant	123,632	10,441	134,073
Less: Accumulated Depreciation	32,842		32,842
	-----	-----	-----
Net Utility Plant	90,790	10,441	101,231
	-----	-----	-----
Other Property and Investments	18		18
	-----	-----	-----
Current Assets:			
Cash	971		971
Accounts Receivable	10,023		10,023
Due from Affiliates	1		1
Taxes Refundable	411	43 (B)	454
Materials and Supplies (at average cost)	1,741		1,741
Prepayments	747		747
Accrued Revenue	2,312		2,312
	-----	-----	-----
Total Current Assets	16,206	43	16,249
Noncurrent Assets			
Regulatory Assets	128,084		128,084
Unamortized Debt Expense	656		656
Other	4,036		4,036
	-----	-----	-----
Total Noncurrent Assets	132,776		132,776
	-----	-----	-----
TOTAL	\$239,790 =====	\$10,484 =====	\$250,274 =====

(The accompanying Notes are an integral part of these statements.)

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

CONSOLIDATED BALANCE SHEETS (000's) (A)

CAPITALIZATION AND LIABILITIES	(Audited) December 31, 2002 -----	Adjustments -----	Pro Formed -----
Capitalization:			
Common Stock Equity	35,057	(71)(D)	34,986
Preferred Stock, Redeemable	2,164		2,164
Long-term Debt, Less Current Portion	48,000		48,000
	-----	-----	-----
Total Capitalization	85,221	(71)	85,150
Current Liabilities:			
Long-term Debt, Current Portion	3,000		3,000
Capitalized Lease Obligations	49		49

Short-Term Debt	24,559	10,441 (F)	35,000
Accounts Payable	4,893		4,893
Due to Affiliate	1,146		1,146
Dividends Declared and Payable	1,107		1,107
Refundable Customer Deposits	269		269
Interest Payable	729	114 (C)	843
Other Current Liabilities	4,138		4,138
	-----	-----	-----
Total Current Liabilities	39,890	10,555	50,445
Deferred Income Taxes	27,828		27,828
	-----	-----	-----
Noncurrent Liabilities:			
Power Supply Contract Obligations	81,117		81,117
Capitalized Lease Obligations	1,653		1,653
Other Noncurrent Liabilities	4,081		4,081
	-----	-----	-----
Total Noncurrent Liabilities	86,851		86,851
TOTAL	\$239,790	\$10,484	\$250,274
	=====	=====	=====

(The accompanying Notes are an integral part of these statements.)

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
CONSOLIDATED STATEMENTS OF EARNINGS (000's) (A)

	(Audited) Year Ended December 31, 2002 -----	Adjustments -----	Pro Formed -----
Operating Revenues:			
Electric	\$53,313		\$53,313
Gas	20,284		20,284
	-----		-----
Total Operating Revenues	73,597		73,597
	-----		-----
Operating Expenses:			
Fuel and Purchased Power	32,119		32,119
Gas Purchased for Resale	11,143		11,143
Operating Expenses, Other	11,580		11,580
Maintenance	1,663		1,663
Depreciation and Amortization	8,107		8,107
Provisions for Taxes:			
Federal and State Income	1,444	(43) (B)	1,401
Local Property and Other	1,561		1,561
	-----	-----	-----
Total Operating Expenses	67,617	(43)	67,574
Operating Income	5,980	43	6,023
Non-operating Expense	43		43
	-----	-----	-----
Income Before Interest Expense	5,937	43	5,980
Interest Expense, Net	2,638	114 (C)	2,752
	-----	-----	-----
Net Income	3,299	(\$71) (D)	3,228
Less Dividends on Preferred Stock	146		146
	-----	-----	-----
Earnings Applicable to Common Shareholder	\$3,153	(\$71)	\$3,082
	=====	=====	=====

(The accompanying Notes are an integral part of these statements.)

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
Notes to Pro Forma Financial Statements

- (A) These statements have been pro formed to reflect an increase in Short- Term Debt to the recently authorized borrowing limit and the corresponding impact on expenses and Earnings.
- (B) The reduction in taxes reflect the rise in interest expense which reduced income for tax purposes.
- (C) The cost of this increase in Short-Term Debt is reflected in higher interest costs for the twelve months period.
- (D) Lower Net Income and Common Equity (e. g. Retained Earnings) reflects the impact of higher interest expense.
- (E) Assumes all borrowings are made to fund additions to Utility Plant.
- (F) Reflects the incremental increase in Short-Term debt to reach the borrowing limit.

SECURITIES AND EXCHANGE COMMISSION

(Release No. -)

Filings Under the Public Utility Holding Company Act of 1935, as amended ("Act")

Unitil Corporation et al. (70-)

Unitil Corporation ("Unitil"), 6 Liberty Lane West, Hampton, New Hampshire, 03842-1270, a registered holding company under the Act, and its wholly owned subsidiary companies, Fitchburg Gas and Electric Light Company ("Fitchburg"), Unitil Energy Systems, Inc., Unitil Power Corp., Unitil Realty Corp., Unitil Resources, Inc. and Unitil Service Corp. (the "Subsidiaries" or "Money Pool Participants" and together with Unitil the "Applicants") have filed an application-declaration under Sections 6(b), 7, 9(a), 10 and 12(b) of the Act and Rules 43 and 45 thereunder.

By order dated June 9, 2000 (HCAR No. 27182), Applicants were authorized to make unsecured short-term borrowings and to operate a systems money pool ("Money Pool") through Jun 30, 2003. The Applicants now request authority to make additional short-term borrowings and extend the operation of the Money Pool through June 30, 2006 ("Authorization Period").

Unitil requests authorization for short-term borrowing on a revolving basis under current and proposed unsecured facilities from certain banks up to an aggregate amount of \$55,000,000 for a period of time through June 30, 2006.

In addition, Fitchburg requests authorization for short-term borrowings from any source, including the Money Pool, in an aggregate principal amount at any one time outstanding not to exceed \$35,000,000 for a period of time through June 30, 2006.

Unitil believes that an increase to its borrowing authority is beneficial because it will allow the company to respond to increased working capital requirements as a result of commodity volatility and restructuring charges, as well as necessary facility system improvements and growth.

Unitil's existing and proposed borrowing arrangements will provide for borrowings at (1) "base" or "prime" rates publicly announced by a bank as the rate charged on loans to its most creditworthy business firms; or (2) "money market" rates (market-based rates that are generally lower than base or prime rates, made available by banks on an offering or "when available" basis). In addition, borrowings may be based on the daily federal funds rate. Borrowings under the credit arrangements will mature not more than nine months from the date of issue. In the future, the Company may choose to formalize its banking relationship with its banks through a

syndicated credit facility. The duration of any such facility would not exceed 365 days. Unitil expects to use the proceeds from the requested borrowings for (1) loans or advances to subsidiaries through the money pool; (2) payment of outstanding indebtedness; (3) short-term cash needs that may arise due to payment timing differences; and (4) other general corporate purposes.

Any of the proposed short-term borrowings by Fitchburg from commercial banks will be under terms and conditions substantially similar to those of the borrowing arrangements between Unitil and its commercial bank lenders, described above. Fitchburg will use the proceeds from these borrowings to meet working capital requirements, provide interim financing for construction expenditures, and to meet debt and preferred stock sinking fund requirements.

In connection with the continued use of the Money Pool by the Applicants pursuant to the Cash Pooling and Loan Agreement ("Pooling Agreement") among Unitil and the Money Pool Participants dated as of February 1, 1985, as amended, Fitchburg requests authorization to make loans to the other Money Pool Participants and incur borrowings from Unitil and the other Money Pool Participants, and the Applicants request authorization to make loans to Fitchburg, both through June 30, 2006. Under the Pooling Agreement, Unitil and the Subsidiaries invest their surplus funds, and the Subsidiaries borrow funds, from the money pool. Unitil Service administers the money pool on an "at cost" basis. The purpose of the Money Pool is to provide the Subsidiaries with internal and external funds and to invest surplus funds of Unitil and the Subsidiaries in short-term money market instruments. The Applicants state that the Money Pool provides the Subsidiaries with lower short-term borrowing costs due to elimination of banking fees; a mechanism to earn a higher return on interest from surplus funds that are loaned to other Subsidiaries; and decreased reliance on external funding sources.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.