

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 28, 2021**

**UNITIL CORPORATION**  
(Exact name of registrant as specified in its charter)

**New Hampshire**  
(State or other jurisdiction  
of incorporation)

**1-8858**  
(Commission  
File Number)

**02-0381573**  
(IRS Employer  
Identification No.)

**6 Liberty Lane West, Hampton, New Hampshire**  
(Address of principal executive offices)

**03842-1720**  
(Zip Code)

**Registrant's telephone number, including area code: (603) 772-0775**

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class        | Trading<br>Symbol | Name of each exchange<br>on which registered |
|----------------------------|-------------------|--|
| Common Stock, no par value | UTL               | New York Stock Exchange                      |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure**

At 11:30 a.m. on April 28, 2021, Unitil Corporation (the "Company") will hold its Annual Meeting of Shareholders at its offices in Hampton, New Hampshire, and online via live webcast. Following the formal business of the meeting, the Company's Chairman and Chief Executive Officer, Thomas P. Meissner, Jr., plans to make a presentation to the Company's shareholders. That presentation is attached as Exhibit 99.1 and will be available in the investor relations section of the Company's website ([www.unitil.com](http://www.unitil.com)) subsequent to the meeting.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

| <u>Number</u> | <u>Exhibit</u>   |
|---------------|--|
| 99.1          | <a href="#">Unitil Corporation's presentation to shareholders at its Annual Meeting of Shareholders on April 28, 2021.</a> |
| 104           | Cover Page Interactive Data File (embedded within the Inline XBRL document)  |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITIL CORPORATION

By:

/s/ Robert B. Hevert  
Robert B. Hevert  
Senior Vice President, Chief Financial Officer and Treasurer

Date: April 28, 2021

# Achieving Our Energy Vision

Annual Meeting of Shareholders

April 28, 2021



# Safe Harbor Provision

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This presentation contains "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding Unital Corporation's ("Unital") financial condition, results of operations, capital expenditures, business strategy, regulatory strategy, market opportunities, and other plans and objectives. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue", the negative of such terms, or other comparable terminology.

These forward-looking statements are neither promises nor guarantees, but involve risks and uncertainties that could cause the actual results to differ materially from those set forth in the forward-looking statements. Those risks and uncertainties include: Unital's regulatory environment (including regulations relating to climate change, greenhouse gas emissions and other environmental matters); fluctuations in the supply of, demand for, and the prices of energy commodities and transmission capacity and Unital's ability to recover energy commodity costs in its rates; customers' preferred energy sources; severe storms and Unital's ability to recover storm costs in its rates; general economic conditions; changes in taxation; variations in weather; long-term global climate change; catastrophic events; numerous hazards and operating risks relating to Unital's electric and natural gas distribution activities; Unital's ability to retain its existing customers and attract new customers; Unital's energy brokering customers' performance and energy used under multi-year energy brokering contracts; increased competition; integrity and security of operational and information systems; publicity and reputational risks; and other risks detailed in Unital's filings with the Securities and Exchange Commission, including those appearing under the caption "Risk Factors" in Unital's Annual Report on Form 10-K for the year ended December 31, 2018.

Readers should not place undue reliance on any forward looking statements, which speak only as of the date they are made. Except as may be required by law, Unital undertakes no obligation to update any forward-looking statements to reflect any change in Unital's expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

# About Until

Pure-play New England utility creating long-term sustainable value

**We provide energy for life, safely and reliably delivering electricity and natural gas in New England**

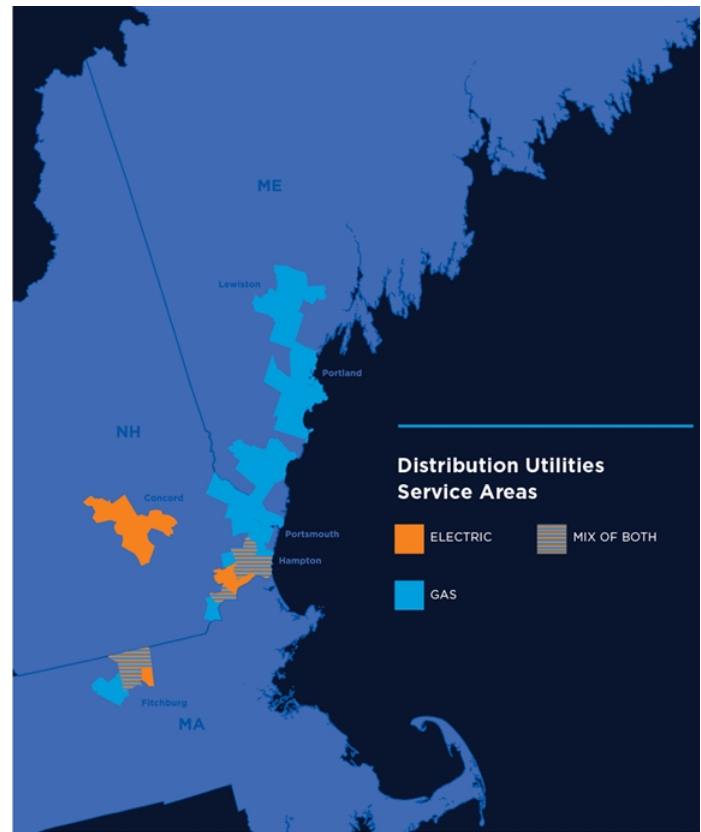
- Attractive Service Territory with Growing Customer Base
  - New customer additions in electric and natural gas operations
  - Ongoing conversions from competing fuels
- Robust Investment Opportunities in Electric and Natural Gas Distribution Assets
  - Electric grid and gas system modernization
  - System expansions
  - Investments in system resiliency
- Constructive Regulatory Frameworks and Relationships
- Recognized for Operational Excellence in Electric and Natural Gas Operations
- Advancing our ESG Profile

**107,100**

Electric Customers

**85,600**

Natural Gas Customers



# 2020 Highlights

Unil continued to deliver strong results despite a challenging year

## Financial Results

- 2020 Earnings Per Share of \$2.15 despite significant headwinds of historically unfavorable weather and the COVID-19 Pandemic
- Provided shareholders with an uninterrupted annualized common dividend of \$1.50 per share; increased to \$1.52 for 2021

## Operational Successes

- Achieved best customer satisfaction ratings ever (#1 in New England)
- Restored electric service quickly and efficiently after numerous storm events; recipient of EEI Emergency Response Award (3<sup>rd</sup> time in four years)
- Achieved best gas emergency response ever; selected as a Leading Practice Company in the area of emergency response and preparedness by the American Gas Association

## Strategic Priorities

- Maintained long-term investment plan
- Executed regulatory strategy; several successful rate case awards in 2020
- Advanced ESG priorities



(1) Excluding Usource divestiture one-time gain of \$0.66 per share

# 2020 Financial Results

## Net Income and Earnings Per Share Negatively Affected by Historically Warm Weather and COVID-19

- Excluding the 2019 Usource divestiture, Fiscal Year 2020 net income fell \$2.2 million, or \$0.16 per share, relative to 2019<sup>(1)</sup>
- Historically warm first quarter (2020) weather reduced net income by an estimated \$3.1 million, or \$0.20 per share relative to normal
- Estimated COVID-19 Pandemic impact was (\$1.4) million, or (\$0.09) per share
  - Lower margins offset by lower O&M, tax expenses
  - Margins affected by lower C&I usage, somewhat offset by increased residential usage, higher rates, and customer growth
  - Lower expenses related to reduced travel and healthcare costs, CARES Act tax benefit
- Weather and COVID-19 pandemic impacts are seen as one-time events that will not have a material impact on long-term outlook
  - See diminishing pandemic impact in 2021

| Fiscal Year Ended December 31 | 2020   | 2019 (Excluding Usource Sale) | Variance |
|-------------------------------|--------|-------------------------------|----------|
| Net Income (millions)         | \$32.2 | \$34.4                        | (\$2.2)  |
| Earnings Per Share            | \$2.15 | \$2.31                        | (\$0.16) |

| First Quarter Weather           | 2020  | 2019                   | Normal          |
|---------------------------------|-------|------------------------|-----------------|
| Effective Degree Days           | 3,058 | 3,456                  | 3,523           |
| 2020 Variation (EDD)            |       | (11.5%)                | (13.2%)         |
| <b>Estimated Weather Impact</b> |       | <b>(\$3.1) million</b> | <b>(\$0.20)</b> |

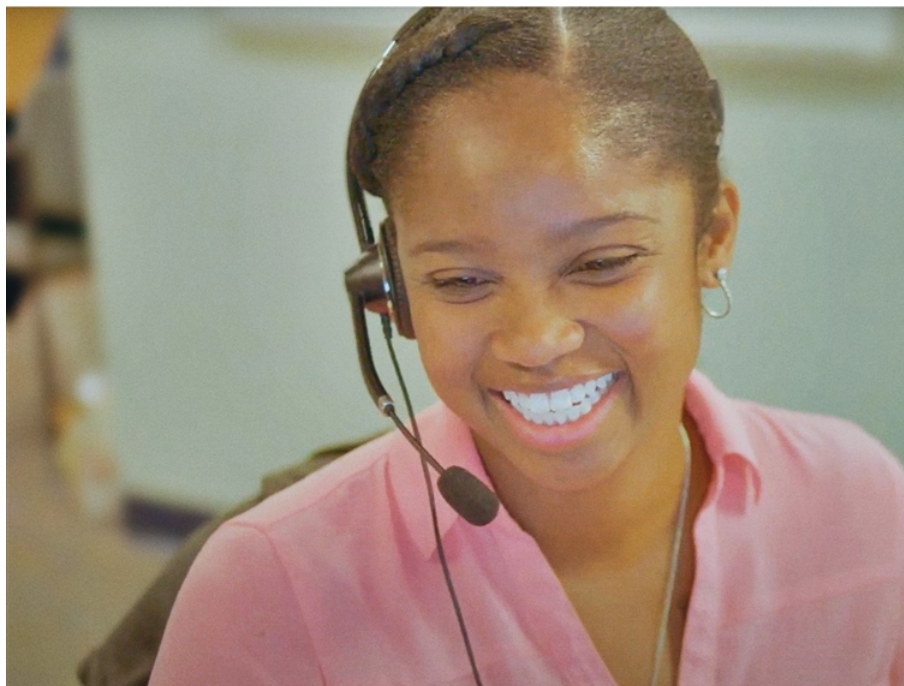
| Fiscal Year 2020 Estimated Pandemic Effects | Net Income             | Earnings Per Share |
|---|------------------------|--------------------|
| Natural Gas Sales Margins                   | (\$1.6) million        | (\$0.11)           |
| Electric Sales Margins                      | (\$0.6) million        | (\$0.04)           |
| Operating and Maintenance Expenses          | \$0.4 million          | \$0.03             |
| Taxes Other Than Income                     | \$0.4 million          | \$0.03             |
| <b>Estimated Pandemic Impact</b>            | <b>(\$1.4) million</b> | <b>(\$0.09)</b>    |

(1) Excluding Usource divestiture one-time gain of \$0.66 per share



# Putting Customers First

Through a difficult year, delivering exceptional customer service remained a top priority



**Customer Satisfaction**  
is at an all-time high

**93%**

**Customer Satisfaction**

Exceeding regional and national benchmarks

**1<sup>st</sup>**

**Top-Ranked in the  
Northeast**

Ranked out of eight utilities

**1<sup>st</sup>  
Quartile**

**National customer  
satisfaction ranking**

Ranked 10<sup>th</sup> out of 114 utilities

# Operational Excellence Amid COVID-19

Continued improvement in safety and reliability, despite the challenges of the pandemic



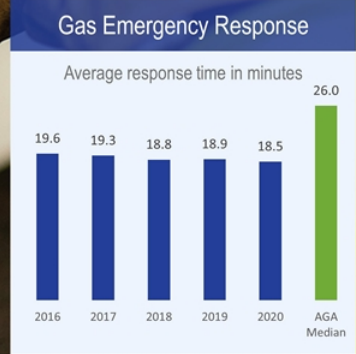
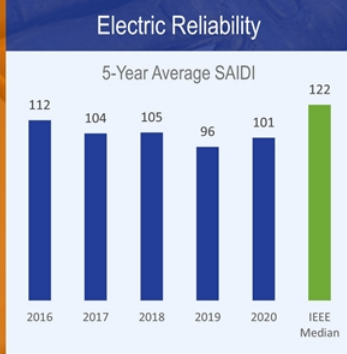
Awarded the Edison Electric Institute's Emergency Response Award for the third time in four years



Selected as a Leading Practice Company by the American Gas Association, recognizing superior emergency response and preparedness



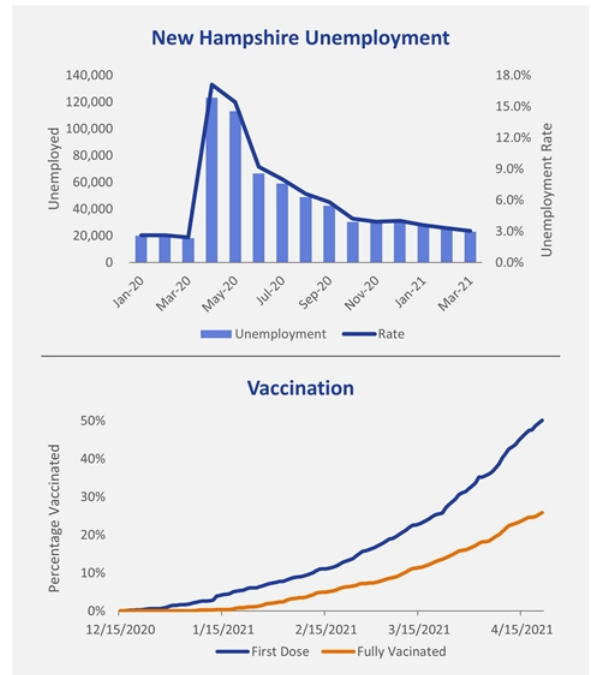
Recognized as a 2020 leader in accident prevention by the American Gas Association



# Outlook for Economic Growth

## The ingredients are in place for a robust economic recovery

- Employment has almost fully recovered to pre-pandemic levels, even as many small businesses (e.g., restaurants) are only now reopening
  - Labor shortages already being reported
- Vaccination is proceeding quickly and is now available to anyone age 16 and over; high rates of adoption
  - Anyone wanting the vaccine is expected to have first dose by May
  - Expect a “return to normal” in the coming weeks
- Schools fully reopening will provide relief to working parents
  - Working parents will be increasingly able to rejoin workforce
  - Enhanced unemployment benefits end September 6
- Business activity accelerating; summer “tsunami” predicted
  - Signs of “pandemic fatigue” and pent up demand are increasingly visible
  - New Hampshire scheduled to lift all business restrictions on May 7
- Gas and electric sales usage are normalizing, customer arrears are declining
  - See diminishing pandemic impact on Unital in 2021



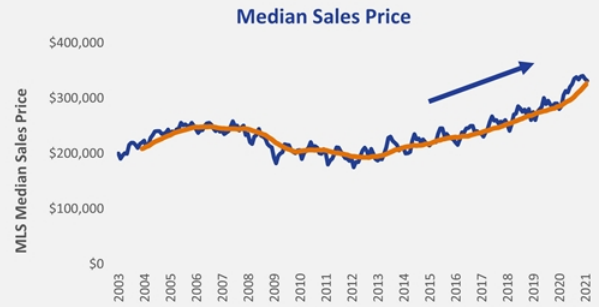
# Historic Housing Market

The COVID-19 pandemic has accelerated demand for increasingly scarce housing

## Best States for Working from Home

New Hampshire was recently ranked #4 on the list of best states for remote work in a study by WalletHub

- Out-of-state buyers have fueled unprecedented demand for real estate in New Hampshire, Maine and elsewhere
- The local housing market reflects record low inventory and record high median sales price
- Demand for housing is driving a wave of new construction including residential and mixed-use development
- New housing units will support further in-migration from out of state, bolstering already strong business conditions
- Lack of affordable housing and workforce shortages are the two biggest headwinds for local economy

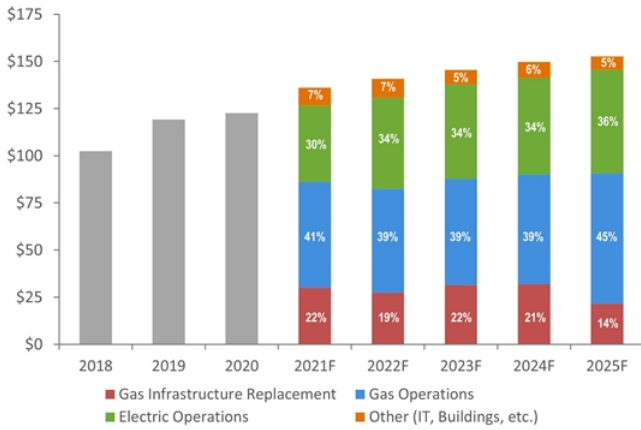


Source: New Hampshire Housing Finance Authority (NHHFA.org), Housing and Demographic Data, MLS Data (<https://www.nhhfa.org/publications-data/housing-and-demographic-data/>)

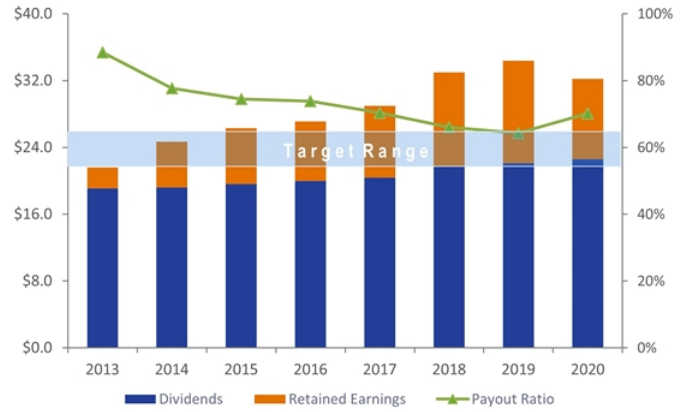
# Significant Investment Opportunities

Increasing capital investment to support, expand, and modernize the utility system

**Diversified Five-Year Capital Investment Plan of Approximately \$725 Million**



**Sustainable Dividend Growth Funding Capital Investment and Lowering Payout**



- Disciplined investment plan supporting continued rate base growth in line with historical growth of 6.5% to 8.5%
- Roughly 30% increase in coming five years planned capital investment over the prior five years
- Diverse investment portfolio including grid modernization, gas infrastructure replacement, and growth-related projects
- Potential upside revisions include electric vehicle and additional grid modernization investments

# Long-Term Sustainable Shareholder Value

Steady and predictable cash flows coupled with robust investment opportunities



Investing in Electric and Natural Gas Distribution



Investing in the Clean Energy Transition



Achieving Stable Margins and Earnings Growth



## Fundamental Principles and Beliefs Underlying our Long-Term Strategy

- Energy markets in New England will transition towards low-carbon sources
- Natural gas will continue to play a vital role in providing clean, secure, low-cost energy
- Advancing the electric grid will provide robust capital investment opportunities
- As an electric and gas distribution company in northern New England, Unital is strongly positioned to contribute to and benefit from evolving climate policies

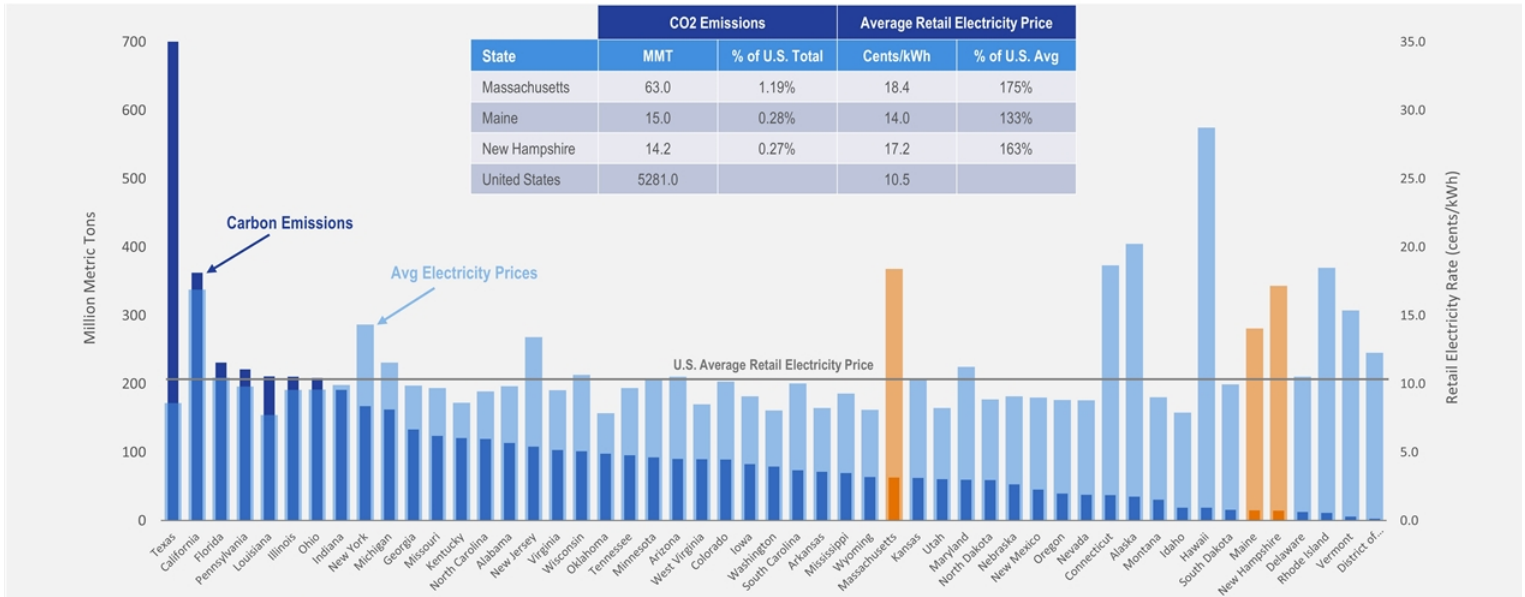


# THE CLEAN ENERGY TRANSITION

New England's transition to a low-carbon future

# National Context – Carbon Intensity vs Affordability

State energy-related carbon dioxide emissions and average electricity costs



Sources:  
 • U.S. Energy Information Administration (EIA), Table 2. State energy-related carbon dioxide emissions by year, adjusted (2018) <https://www.eia.gov/environment/emissions/state/>  
 • EIA State Electricity Profiles (2019) <https://www.eia.gov/electricity/state/>



# Building a Sustainable Future

## State Policies and Climate Goals

American Jobs Plan: \$2.25 trillion infrastructure plan (proposed)

- Proposals include investments in clean energy, electric vehicles, improved resiliency of electric grid

### Massachusetts



#### 2050 Decarbonization Roadmap

- Net-zero greenhouse gas emissions by 2050
  - Emissions limit of 50% for 2030, 75% for 2040
- Large procurements of renewable generation
  - Primarily offshore wind, Canadian hydro
  - Continued solar incentives
- Electrification of transportation and heating sectors
- Storage initiative
- Energy efficiency & demand reduction

### Maine



#### Maine Climate Council

- 80% reduction in greenhouse gas emissions by 2050
  - Reduction of 45% below 1990 levels by 2030; carbon neutral by 2045
- 80% renewable generation by 2030
- Electrification of transportation and heating sectors
  - Accelerate transition to electric vehicles
  - Transition to cleaner heating and cooling systems
- Accelerate energy efficiency in buildings

### New Hampshire

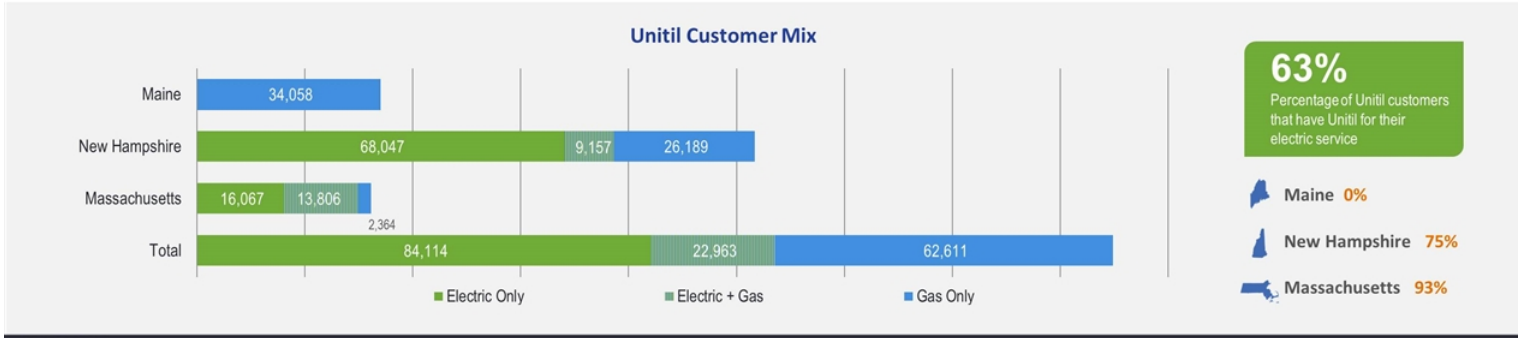
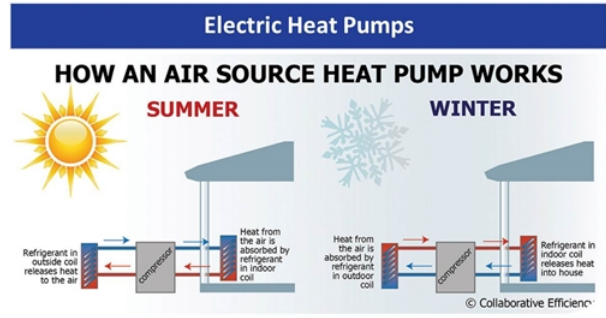


#### State Energy Strategy

- Cost effective energy policies
- Preference for market based solutions
- Fuel mix with natural gas and more renewables (offshore wind)
- Cost effective energy efficiency & Demand reduction
- Safe, reliable, resilient system

# Policy Driven Electrification

Converting vehicles and buildings to electricity is a key policy focus

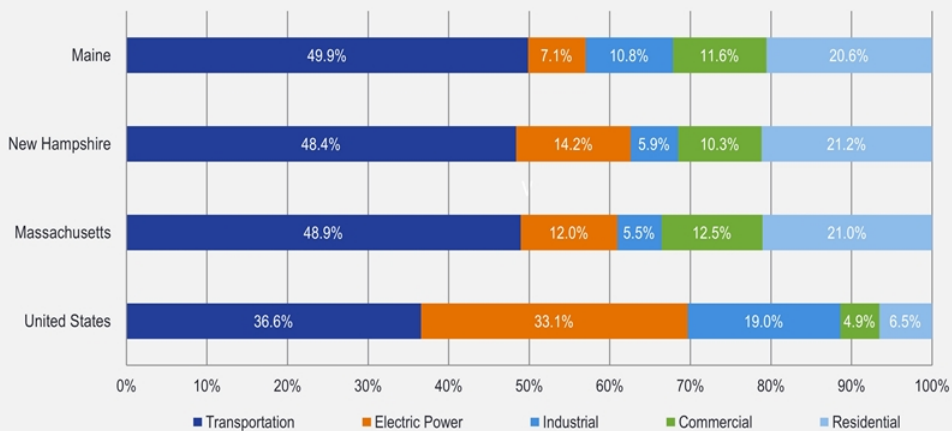


# Transportation is the Biggest Opportunity

As other sectors become "cleaner" a growing proportion of carbon emissions are in transportation

Reducing greenhouse gas emissions from transportation, especially road emissions, represents the greatest opportunity to achieve large reductions in carbon at reasonable cost

### Carbon Emissions by Sector



Source: U.S. Energy Information Administration (EIA), Table 4. 2018 State energy-related carbon dioxide emissions by sector <https://www.eia.gov/environment/emissions/state/>



# Clean Transportation Alternatives

Unitil is focused on vehicle conversions from petroleum to electricity and natural gas



## Electric Vehicles (EVs)

As New England continues to make progress on its emission reduction goals, the transportation sector offers the greatest potential opportunity to make significant gains in the years ahead. Customer interest in electric vehicles (EVs) has never been higher. Unitil continues to support the addition of vehicle charging stations on its system, including Tesla's site with eight Superchargers in Seabrook, New Hampshire. Unitil also continues to work with the New Hampshire Department of Transportation in support of the state's goal of bringing additional charging stations online along the busy I-93 corridor.



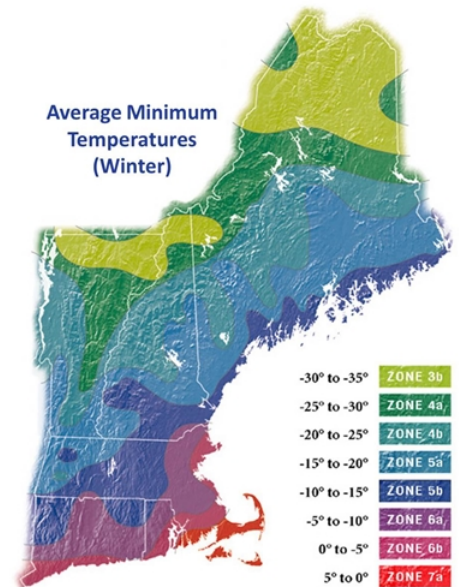
## Compressed Natural Gas (CNG)

Compressed Natural Gas (CNG) vehicles are also gaining traction in the region. Waste Management, a national waste collection and environmental solutions provider, went live with its own natural gas fueling station in Rochester, New Hampshire in 2020, with plans to convert its 60-truck fleet from diesel to CNG. Waste Management's project, combined with overall growth in the Rochester area, is a primary reason Unitil launched a multi-year project to upgrade the high-pressure feed into the city.

# Electricity for Home Heating

## Heat pump performance is improving, but supplemental heat still required in most homes

- Cold Climate Heat Pumps (air source) operate efficiently and deliver reliable heat most days of the year
  - Performance declines with ambient temperature
  - Supplemental heat required during extreme cold when heating capacity may be insufficient
  - Most attractive in new construction with tighter building envelopes, better insulation and flexibility in heating system design
- Retrofitting existing homes can be difficult and costly
  - Legacy housing stock not sufficiently insulated to rely solely on heat pump during winter cold snaps
  - In retrofits, the existing furnace or boiler will likely serve as the auxiliary system
- Advanced heating and air conditioning systems fueled by both electricity and natural gas promise similar benefits with no sacrifice of comfort or cost
- Adoption of heat pumps will expand electric load beyond just heating requirements by offering cooling in summer, increasing energy needs



Unitil delivers four times more energy to customers through natural gas pipelines than electric lines. This increases to more than 10X on cold winter days due to the heating requirements of homes and buildings.

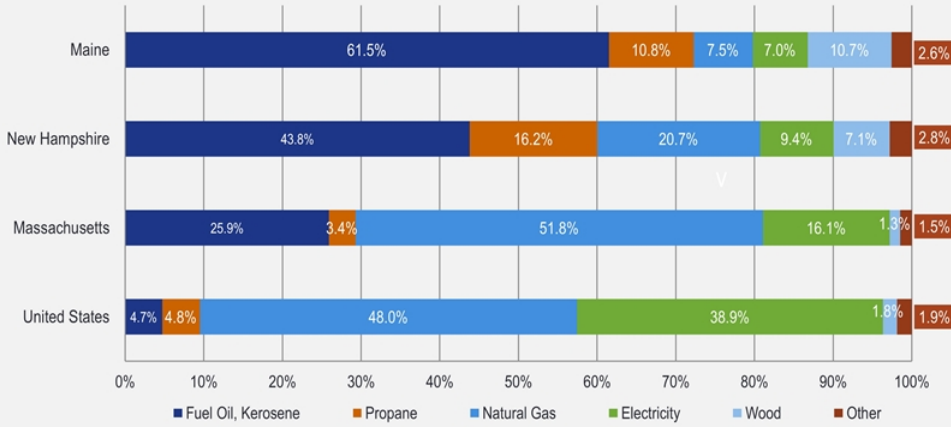
# Opportunities for Fuel Switching

High penetration of fuel oil and propane presents opportunities to switch to a fuel that is both cleaner and more affordable



Every 100 homes converted from oil to natural gas is equivalent to removing 55 cars from the road, permanently

Fuels Used for Home Heating



Source: U.S. Census Bureau, American Community Survey, Selected Housing Characteristics, 2019: ACS 5-Year Estimates Data Profiles  
<https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/>

Average Annual Heating Cost

Annual Cost w/ Oil **\$2,300**  
 Annual Cost w/ Gas **\$1,500**

**35%** Average residential customer savings

**28%** CO2 Reduction

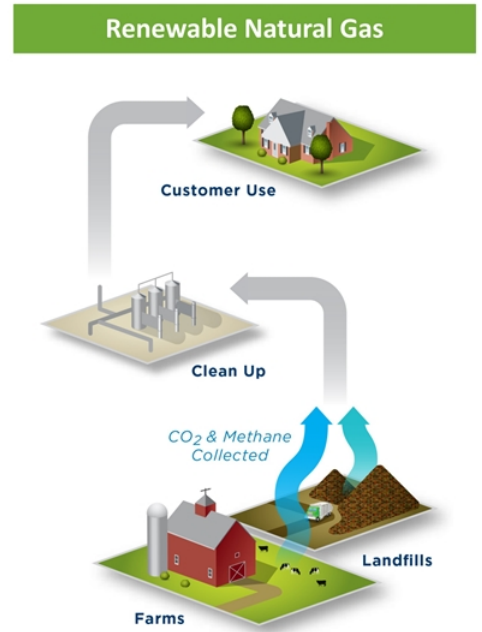
**100%** SOx Reduction

**79%** NOx Reduction

# Decarbonizing the Gas Supply

## Renewable Natural Gas (RNG) and hydrogen offer opportunities to deliver carbon-neutral gas

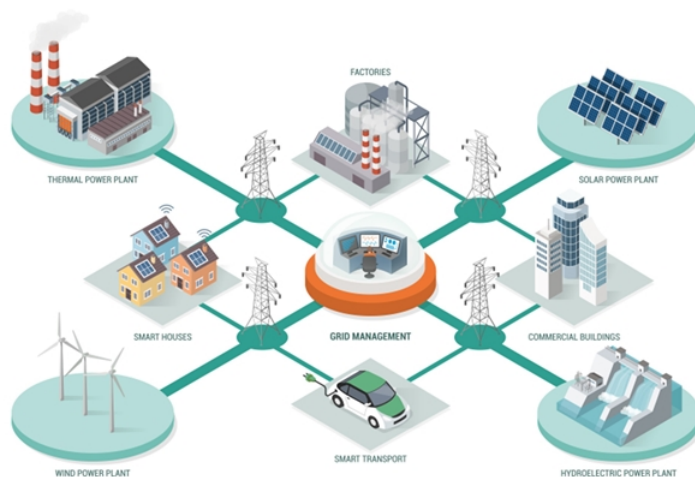
- Renewable Natural Gas (RNG), also known as biomethane or biogas, is a pipeline-quality gas made from organic waste (the gaseous product of the decomposition of organic matter)
- Hydrogen produced from renewable electricity used to split water into hydrogen and oxygen, also known as “power-to-gas” and “green hydrogen”, can be blended with natural gas or methanized to create synthetic natural gas
  - Can expand the development of solar and wind power by providing a way to store or use excess renewable energy when it is not needed
- As customer volumes decrease due to electrification, efficiency measures and policy action, RNG and hydrogen will become more significant contributors to supply
  - Can be used to displace fossil fuel use in hard-to-abate sectors
- Until expects revenues to become increasingly independent of sales volumes through revenue decoupling ratemaking
  - Freedom to offer customers clean, affordable and reliable energy options tailored to their needs, whether electric or gas



# Advancing the Grid

A smart, reliable, affordable and flexible electric grid is foundational to a clean energy future

- Foundational Objectives
  - Deliver safe and reliable service meeting the expectations of today's customers, and the needs of a 21st Century economy
  - Engage customers and encourage their active participation in energy markets by enabling the easy adoption of new technologies and services so they can better manage their energy needs
  - Reduce the environmental impact of electricity generation by seamlessly integrating all types of generation and storage options, and by improving efficiency and optimizing demand
  - Support the interconnection and business models of third parties and encourage innovation
- Ongoing Projects and Initiatives
  - Advanced distribution management system
  - Advanced field communications to support grid intelligence
  - Advanced metering and data management systems
  - Supervisory control and data acquisition and Volt-Var optimization
  - Electric vehicle make-ready programs

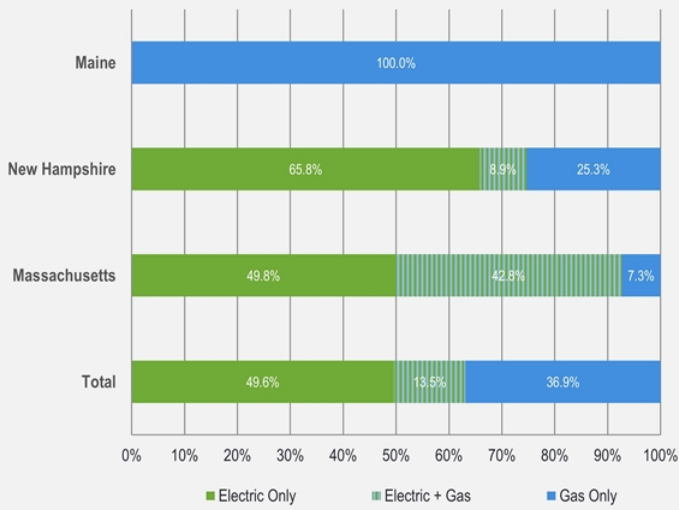




# Opportunities – Both Gas and Electric

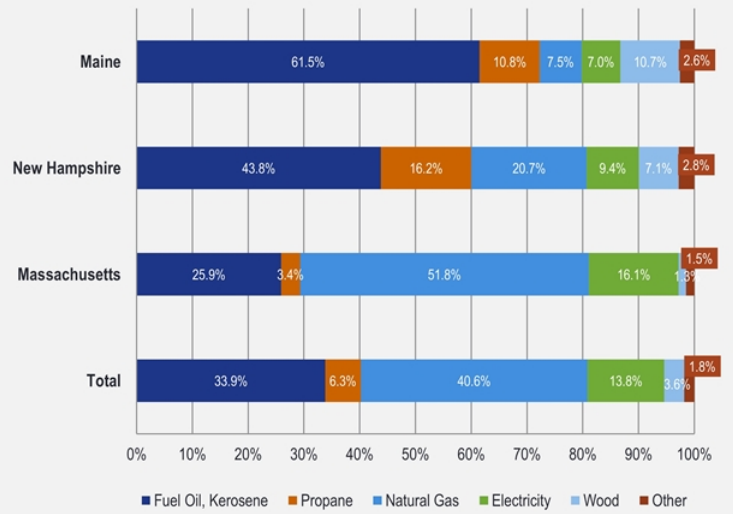
Unitil is well positioned to benefit from climate policies on both sides of our business

Unitil Customer Mix



Source: Unitil customer data as of 12/31/2020

Fuels Used for Home Heating



Source: U.S. Census Bureau, American Community Survey, Selected Housing Characteristics, 2019: ACS 5-Year Estimates Data Profiles (<https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles>)

Questions?

