SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For Quarter Ended September 30, 2002

Commission File Number 1-8858

UNITIL CORPORATION

(Exact name of registrant as specified in its charter)

New Hampshire	**02-0381573**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
6 Liberty Lane West, Hampton, New Hampshire	**03842-1720**
(Address of principal executive office)	*(Zip Code)*

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes_X__ No___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 1, 2002
Common Stock, No par value	4,743,696 Shares

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
FORM 10-Q
For the Three and Nine Months Ended September 30, 2002

Table of Contents

Part I. Financial Information

Part II. Other Information

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF EARNINGS
(000's except common shares and per share data)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	**2002**	2001
Operating Revenues				

Electric	**$ 45,157**	$ 46,870	**$ 123,814**	$ 141,772
Gas	**2,696**	2,492	**13,452**	17,526
Other	**154**	122	**547**	295
Total Operating Revenues	**48,007**	49,484	**137,813**	159,593
Operating Expenses				
Fuel and Purchased Power	**31,760**	33,722	**85,246**	103,460
Gas Purchased for Resale	**1,390**	1,123	**7,412**	10,992
Operation and Maintenance	**6,045**	6,423	**18,161**	19,052
Depreciation and Amortization	**3,954**	3,473	**11,110**	10,042
Provisions for Taxes:				
Local Property and Other	**1,091**	930	**3,476**	3,606
Federal and State Income	**457**	494	**2,251**	2,175
Total Operating Expenses	**44,697**	46,165	**127,656**	149,327
Operating Income	**3,310**	3,319	**10,157**	10,266
(Gain) Loss on Sale of Non-Utility Investments, Net of tax (Note 2)	**---**	---	**(82)**	---
Other Non-Operating Expenses	**44**	54	**135**	142
Income Before Interest Expense and Extraordinary Item	**3,266**	3,265	**10,104**	10,124
Interest Expense, Net	**1,825**	1,847	**5,551**	5,248
Net Income before Extraordinary Item	**1,441**	1,418	**4,553**	4,876
Extraordinary Item (less applicable income taxes of $1,388) (Note 10)	**---**	(3,937)	**---**	(3,937)
Net Income (Loss)	**1,441**	(2,519)	**4,553**	939
Less Dividends on Preferred Stock	**63**	64	**190**	195
Net Income (Loss) Applicable to Common Stock	**$ 1,378**	$ (2,583)	**$ 4,363**	$ 744
Average Common Shares Outstanding	**4,768,825**	4,760,744	**4,767,796**	4,759,556
Earnings (Loss) Per Share:				
Before Extraordinary Item	**$ 0.29**	$ 0.28	**$ 0.92**	$ 0.98
After Extraordinary Item (Note 10)	**$ 0.29**	$ (0.55)	**$ 0.92**	$ 0.15
Dividends Declared Per Share of Common Stock (Note 3)	**$ 0.345**	$ 0.345	**$ 1.38**	$ 1.38

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS *(000's)*

	(UNAUDITED) September 30,		(AUDITED) December 31,
	2002	2001	2001
ASSETS:			
Utility Plant:			
Electric	**$ 191,219**	$ 180,048	$ 183,795
Gas	**42,255**	39,520	41,287
Common	**27,694**	22,237	28,529
Construction Work in Progress	**5,367**	5,926	1,887
Total Utility Plant	**266,535**	247,731	255,498
Less: Accumulated Depreciation	**81,931**	76,377	77,210
Net Utility Plant	**184,604**	171,354	178,288
Other Property and Investments	**354**	9,138	2,286
Current Assets:			
Cash	**4,001**	2,666	6,076
Accounts Receivable - Less Allowance for			

Doubtful Accounts of $536, $595 and $600	**20,583**	22,346	17,133
Materials and Supplies	**2,710**	3,476	2,804
Prepayments	**1,476**	1,727	1,889
Accrued Revenue	**(218)**	(411)	1,330
Total Current Assets	**28,552**	29,804	29,232
Noncurrent Assets:			
Regulatory Assets	**143,656**	150,219	149,672
Prepaid Pension Costs	**10,861**	10,509	10,712
Debt Issuance Costs	**1,775**	1,836	1,826
Other Noncurrent Assets	**5,488**	2,591	2,314
Total Noncurrent Assets	**161,780**	165,155	164,524
TOTAL	**$ 375,290**	$ 375,451	$ 374,330

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS (Cont.) *(000's)*

	(UNAUDITED) September 30,		(AUDITED) December 31,
	2002	2001	2001
CAPITALIZATION AND LIABILITIES:			
Capitalization:			
Common Stock Equity	**$ 72,781**	$ 74,599	$ 74,746
Preferred Stock, Non-Redeemable, Non-Cumulative	**225**	225	225
Preferred Stock, Redeemable, Cumulative	**3,349**	3,465	3,384
Long-Term Debt, Less Current Portion	**104,289**	107,528	107,470
Total Capitalization	**180,644**	185,817	185,825
Current Liabilities:			
Long-Term Debt, Current Portion	**3,238**	3,220	3,224
Capitalized Leases, Current Portion	**843**	920	988
Accounts Payable	**14,234**	19,386	20,084
Short-Term Debt	**25,745**	5,000	13,800
Dividends Declared and Payable	**1,761**	1,784	109
Refundable Customer Deposits	**1,342**	1,338	1,393
Taxes Payable / (Refundable)	**21**	(146)	(2,432)
Interest Payable	**1,880**	1,869	1,375
Other Current Liabilities	**7,081**	7,998	6,328
Total Current Liabilities	**56,145**	41,369	44,869
Deferred Income Taxes	**46,552**	48,187	47,113
Noncurrent Liabilities:			
Power Supply Contract Obligations	**83,339**	90,920	88,779
Capitalized Leases, Less Current Portion	**2,513**	2,571	2,945
Other Noncurrent Liabilities	**6,097**	6,587	4,799
Total Noncurrent Liabilities	**91,949**	100,078	96,523
TOTAL	**$ 375,290**	$ 375,451	$ 374,330

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS *(000's)*
(UNAUDITED)

	Nine Months Ended September 30,	
	2002	2001
Net Cash Flows from Operating Activities:		
Net Income	**$ 4,553**	$ 939
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Depreciation and Amortization	**11,110**	10,042
Deferred Taxes Provision	**(27)**	1,076
Amortization of Investment Tax Credit	**(38)**	(115)
Gain on Sale of Investment, net	**(82)**	---
Changes in Current Assets and Liabilities:		
Accounts Receivable	**(3,450)**	(2,289)
Prepayments and other Current Assets	**2,811**	289
Accrued Revenue	**1,548**	9,073
Accounts Payable	**(5,850)**	847
Interest Payable and Other Current Liabilities	**1,207**	2,426
Other, net	**(4,048)**	(1,533)
Net Cash Provided by Operating Activities	**7,734**	20,755
Net Cash Flows from Investing Activities:		
Acquisition of Property, Plant and Equip.	**(14,388)**	(13,670)
Proceeds from Sale of Electric Generation Assets	**---**	342
Proceeds from Sale of Investment, net	**1,535**	---
Acquisition of Other Property and Investments	**---**	(535)
Net Cash Used in Investing Activities	**(12,853)**	(13,863)
Cash Flows from Financing Activities:		
Net Increase (Decrease) in Short-Term Debt	**11,945**	(27,500)
Proceeds from Issuance of Long-Term Debt	**---**	29,000
Repayment of Long-Term Debt	**(3,167)**	(3,154)
Dividends Paid	**(5,122)**	(5,163)
Issuance of Common Stock	**---**	234
Retirement of Preferred Stock	**(35)**	---
Repayment of Capital Lease Obligations	**(577)**	(703)
Net Cash Provided by (Used in) Financing Activities	**3,044**	(7,286)
Net Decrease in Cash	**(2,075)**	(394)
Cash at Beginning of Period	**6,076**	3,060
Cash at End of Period	**$ 4,001**	$ 2,666
Supplemental Cash Flow Information:		
Interest Paid	**$ 6,462**	$ 6,270
Income Taxes Paid (Received)	**$ (46)**	$ 89
Noncash Financing Activities:		
Capital Leases Incurred	**$ 198**	$ - ---

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 - Summary of Significant Accounting Policies

Nature of Operations - Unitil Corporation (Unitil or the Company) is registered with the Securities and Exchange Commission (SEC) as a public utility holding company under the Public Utility Holding Company Act of 1935. The following companies are wholly-owned subsidiaries of Unitil: Concord Electric Company (CECo), Exeter & Hampton Electric Company (E&H), Fitchburg Gas and Electric Light Company (FG&E), Unitil Power Corp. (UPC), Unitil Realty Corp. (URC), Unitil Service Corp. (USC), and its non-regulated business unit Unitil Resources, Inc. (URI). Usource, Inc. and Usource L.L.C. (collectively, Usource) are wholly-owned subsidiaries of Unitil Resources, Inc.

Unitil's principal business is the retail sale and distribution of electricity in New Hampshire and the retail sale and distribution of electricity and gas in Massachusetts through its retail distribution subsidiaries, CECo, E&H, and FG&E. The Company's wholesale electric power subsidiary, UPC, principally provides all the electric power supply requirements to CECo and E&H for resale at retail. URI conducts an energy brokering business, as well as related energy consulting and marketing activities through its subsidiary, Usource. Finally, URC and USC provide centralized facilities and operations and management services to support the Unitil system of companies.

With respect to rates and other business and financial matters, CECo and E&H are subject to regulation by the New Hampshire Public Utilities Commission (NHPUC), FG&E is regulated by the Massachusetts Department of Telecommunications & Energy (MDTE), and UPC, CECo, E&H, and FG&E are regulated by the Federal Energy Regulatory Commission (FERC).

The results of operations for the three and nine months ended September 30, 2002 and 2001 are not necessarily indicative of the results to be expected for the full year. In the opinion of the Company, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the consolidated financial position as of September 30, 2002 and 2001 and December 31, 2001; and results of operations for the three and nine months ended September 30, 2002 and 2001; and consolidated statements of cash flows for the nine months ended September 30, 2002 and 2001.

Reclassifications - Certain amounts previously reported have been reclassified to conform to current period presentation.

Newly Issued Pronouncements - In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." SFAS No. 144 retains the requirements of SFAS No. 121 whereby an impairment loss should be recognized if the carrying value of the asset is not recoverable from its undiscounted cash flows and develops one accounting model for long-lived assets that are to be disposed of by sales. The Statement became effective for the Company on January 1, 2002. The Company reviews its assets each quarter to determine if an impairment loss exists. At September 30, 2002, the Company has determined that there is no impairment loss applicable to any of its assets; therefore, the adoption of this Statement did not have any impact on the Company's financial position or results of operations.

Note 2 - Sale of Equity Stake in Enermetrix

On April 11, 2002, Unitil Corporation sold its equity ownership in Enermetrix.com Inc. for cash and improved commercial terms for use of the Enermetrix Software Network. As a result of the sale, the Company will realize approximately $1.4 million in current tax benefits from capital loss carrybacks.

Note 3 - Dividends Declared Per Share

Declaration Date	Date Paid (Payable)	Shareholder of Record Date	Dividend Amount
09/27/02	11/15/02	11/01/02	$ 0.345
06/20/02	08/15/02	08/01/02	$ 0.345
03/21/02	05/15/02	05/01/02	$ 0.345
01/17/02	02/15/02	02/01/02	$ 0.345
09/28/01	11/15/01	11/01/01	$ 0.345
06/28/01	08/15/01	08/01/01	$ 0.345
03/15/01	05/15/01	05/01/01	$ 0.345
01/16/01	02/15/01	02/01/01	$ 0.345

Note 4 - Common Stock

During the third quarters of 2002 and 2001, the Company did not sell any additional shares of Common Stock in connection with its Dividend Reinvestment and Stock Purchase Plan.

At the end of the third quarter of 2001, the Company instituted an interim Common Stock repurchase program during the temporary suspension of certain conditions of Rule 10b-18, as modified by the SEC's emergency order, following the tragic events of September 11, 2001. As a result, the Company repurchased 2,500 shares of its Common Stock at market price during this temporary interim period.

Note 5 - Preferred Stock

Details on preferred stock at September 30, 2002, September 30, 2001 and December 31, 2001 are shown below:

(Amounts in Thousands)

	September 30,		December 31,
	2002	2001	2001
Preferred Stock:			
Non-Redeemable, Non-Cumulative,			
6%, $100 Par Value	**$ 225**	$ 225	$ 225

Redeemable, Cumulative,			
$100 Par Value:			
8.70% Series	**215**	215	215
5% Dividend Series	**84**	91	91
6% Dividend Series	**168**	168	168
8.75% Dividend Series	**333**	333	333
8.25% Dividend Series	**385**	385	385
5.125% Dividend Series	**946**	973	960
8% Dividend Series	**1,218**	1,300	1,232
Total Redeemable Preferred Stock	**3,349**	3,465	3,384
Total Preferred Stock	**$ 3,574**	$ 3,690	$ 3,609

Note 6 - Long-term Debt

Details on long-term debt at September 30, 2002, September 30, 2001 and December 31, 2001 are shown below:

(Amounts in Thousands)

	September 30,		December 31,
	2002	2001	2001
Concord Electric Company:			
First Mortgage Bonds:			
Series I, 8.49%, due October 14, 2024	**$ 6,000**	$ 6,000	$ 6,000
Series J, 6.96%, due September 1, 2028	**10,000**	10,000	10,000
Series K, 8.00%, due May 1, 2031	**7,500**	7,500	7,500
Exeter & Hampton Electric Company:			
First Mortgage Bonds:			
Series K, 8.49%, due October 14, 2024	**9,000**	9,000	9,000
Series L, 6.96%, due September 1, 2028	**10,000**	10,000	10,000
Series M, 8.00%, due May 1, 2031	**7,500**	7,500	7,500
Fitchburg Gas and Electric Light Company:			
Promissory Notes:			
8.55% Notes due March 31, 2004	**6,000**	9,000	9,000
6.75% Notes due November 30, 2023	**19,000**	19,000	19,000
7.37% Notes due January 15, 2029	**12,000**	12,000	12,000
7.98% Notes due June 1, 2031	**14,000**	14,000	14,000
Unitil Realty Corp.			
Senior Secured Notes:			
8.00% Notes due August 1, 2017	**6,527**	6,748	6,694
Total	**107,527**	110,748	110,694
Less: Installments due within one year	**3,238**	3,220	3,224
Total Long-term Debt	**$ 104,289**	$ 107,528	$ 107,470

Note 7 - Segment Information

The following table provides significant segment financial data for the three and nine months ended September 30, 2002 and 2001:

(Amounts in Thousands)

Three Months Ended September 30, 2002	**Electric**	**Gas**	**Other**	**Usource**	**Eliminations**	**Total**
Revenues	**$ 45,157**	**$ 2,696**	**$ 7**	**$ 147**		**$ 48,007**
Depreciation and Amortization	**2,974**	**443**	**497**	**40**		**3,954**
Interest, net	**1,224**	**437**	**155**	**9**		**1,825**
Income Taxes	**1,050**	**(432)**	**(34)**	**(127)**		**457**
Segment Profit (Loss)	**2,220**	**(635)**	**(13)**	**(194)**		**1,378**
Identifiable Segment Assets	**283,950**	**86,173**	**22,191**	**1,172**	**(18,196)**	**375,290**
Capital Expenditures	**4,512**	**917**	**203**	**---**		**5,632**
Three Months Ended September 30, 2001						
Revenues	$ 46,870	$ 2,492	$ 66	$ 56		$ 49,484
Depreciation and Amortization	2,583	407	433	50		3,473
Interest, net	1,222	425	214	(14)		1,847
Income Taxes	981	(330)	(57)	(100)		494
Segment Profit (Loss) after Extraordinary Item	(1,820)	(629)	1	(135)		(2,583)
Identifiable Segment Assets	291,463	86,932	25,949	1,464	(30,357)	375,451
Capital Expenditures	3,683	977	----	----		4,660
Nine Months Ended September 30, 2002						
Revenues	**$ 123,814**	**$ 13,452**	**$ 22**	**$ 525**		**$137,813**
Depreciation and Amortization	**8,142**	**1,368**	**1,460**	**140**		**11,110**
Interest, net	**3,714**	**1,325**	**499**	**13**		**5,551**
Income Taxes	**2,940**	**(461)**	**44**	**(272)**		**2,251**
Segment Profit (Loss)	**5,212**	**(585)**	**150**	**(414)**		**4,363**
Identifiable Segment Assets	**283,950**	**86,173**	**22,191**	**1,172**	**(18,196)**	**375,290**
Capital Expenditures	**11,725**	**2,460**	**203**	**---**		**14,388**
Nine Months Ended September 30, 2001						
Revenues	$ 141,772	$ 17,526	$ 80	$ 215		$159,593
Depreciation and Amortization	7,386	1,209	1,272	175		10,042
Interest, net	3,402	1,200	663	(17)		5,248
Income Taxes	2,477	125	38	(465)		2,175
Segment Profit (Loss) after Extraordinary Item	1,608	(172)	142	(834)		744
Identifiable Segment Assets	291,463	86,932	25,949	1,464	(30,357)	375,451
Capital Expenditures	10,695	2,638	337	535		14,205

Note 8 - Regulatory Matters

The Unitil Companies are regulated by various federal and state agencies, including the Securities and Exchange Commission (SEC), the Federal Energy Regulatory Commission (FERC), and state regulatory authorities with jurisdiction over the utility industry, including the New Hampshire Public Utilities Commission (NHPUC) and the Massachusetts Department of Telecommunications and Energy (MDTE). In recent years, there has been significant legislative and regulatory activity to restructure the utility industry in order to introduce greater competition in the supply and sale of electricity and gas, while continuing to regulate the distribution operations of Unitil's utility operating subsidiaries.

New Hampshire Restructuring - On January 25, 2002 the Company's New Hampshire electric utility subsidiaries, CECo, E&H, and UPC filed a comprehensive restructuring proposal with the NHPUC. This proposal included the introduction of customer choice consistent with the New Hampshire restructuring law, the divestiture of UPC's power supply portfolio, the recovery of stranded costs, the combination of CECo and E&H into a planned successor, Unitil Energy System's, Inc. (UES), and new distribution rates for UES. On October 25, 2002, the NHPUC approved a multiparty settlement on all major issues in the proceeding. Under Unitil's approved restructuring plan, Unitil will divest of its existing power supply portfolio and conduct a solicitation for new power supplies from which to meet its ongoing transition and default service energy obligations. In early 2003, Unitil will file for final NHPUC approval of the executed agreements resulting from these divestiture and solicitation proce sses, including final tariffs for stranded cost recovery and transition and default services. The implementation of customer choice is targeted for May 1, 2003.

Rate Proceedings - Prior to 2002, the last formal regulatory filings initiated by the Company to increase base rates for Unitil's retail electric operating subsidiaries occurred in 1985 for CECo, 1984 for FG&E, and 1981 for E&H. The last distribution base rate increase request for Unitil's retail gas operations occurred in 1998. A majority of the Company's electric and gas operating revenues are collected under various periodic rate adjustment mechanisms including fuel, purchased power, energy efficiency, and restructuring-related cost recovery mechanisms. Industry restructuring will continue to change the methods of how certain costs are recovered through the Company's regulated rates and tariffs.

On October 25, 2002, as part of the electric restructuring settlement for Unitil's New Hampshire utility operations described above, the Company received approval from the NHPUC for an increase of approximately $2.0 million in annual distribution revenues effective December 1, 2002.

On May 17, 2002, the Company's Massachusetts combination electric and gas distribution utility, FG&E, filed revised rates and charges designed to increase annual base distribution revenues by approximately $3.2 million for the Electric Division and $3.4 million for the Gas Division. FG&E also proposed Performance Based Regulation (PBR) Plans with the Massachusetts Department of Telecommunications and Energy (MDTE) in conjunction with this rate filing, consistent with MDTE policy to implement PBR in the context of base rate cases. The MDTE completed hearings on the rate filings in September, and a final order is due on or before December 3, 2002. The PBR portion of the filing is pending review by the MDTE.

On October 15, 2002, the MDTE issued an order approving a settlement agreement filed jointly by FG&E and the Massachusetts Attorney General (AG) regarding the Company's transition charge reconciliation mechanism, which provides for the rate recovery of FG&E's restructuring-related stranded costs. The settlement resolves issues raised by the AG concerning FG&E's compliance with the Massachusetts Electric Restructuring Act and related MDTE orders. Under the approved settlement agreement FG&E has agreed to reduce the carrying charge on deferred transition costs, which will be recovered from customers in future years. This change does not effect current electric rates, but will reduce the total amount of transition costs, including carrying costs, in future years.

NOTE 9 - ENVIRONMENTAL MATTERS

The Company's past and present operations include activities which are subject to extensive federal and state environmental regulations.

Former Electric Generating Station -By letter dated May 1, 2002 the Environmental Protection Agency (EPA) notified the Company's Massachusetts utility, FG&E, that it was a Potentially Responsible Party (a "PRP") for remedial activities related to the former electric station site. The letter also notified the Company of planned remedial activities at the site and invited FG&E to perform or finance such activities. FG&E and the EPA have recently entered into an Agreement on Consent, whereby FG&E, without an admission of liability, will conduct environmental remedial action at its former electric generation station located at Sawyer-Passway, to abate and remove asbestos-containing materials. The Company believes it has sufficient insurance coverage to complete this remediation and that resolution of this matter will not have a material impact on the Company's financial position.

Note 10 - Extraordinary Item

In November 1997, the Massachusetts Legislature enacted landmark electric industry restructuring legislation (the Act). The Act required all electric utilities to file a restructuring plan with the Massachusetts Department of Telecommunications and Energy (MDTE) by December 31, 1997. The filing of its Restructuring Plan (the Plan) by Unitil's Massachusetts operating subsidiary, Fitchburg Gas and Electric Light Company (FG&E) marked an unprecedented turning point in FG&E's 150 year history. Among other things, the Act required all Massachusetts electric utilities to sell all of their electric generation assets and to restructure their utility operations to provide direct retail access to their customers by all generation suppliers.

The MDTE conditionally approved FG&E's Plan in February 1998, and started an investigation and evidentiary hearings into FG&E's proposed recovery of regulatory assets related to stranded generation asset costs and expenses related to the formulation and implementation of its Plan. In January 1999, the MDTE approved FG&E's Plan, which included provisions for the recovery of stranded costs through a Transition Charge in the Company's electric rates. In September 1999, FG&E filed its first annual reconciliation of stranded generation asset costs and expenses and associated Transition Charge revenues and the MDTE initiated a lengthy investigation and hearing process in docket DTE 99-110.

During October 2001, the MDTE issued a series of regulatory orders in several long-pending cases involving FG&E. These orders complete the review and disposition of issues related to the Company's recovery of transition costs due to the restructuring of the electric industry in Massachusetts, which was mandated by the state legislature in November 1997. The orders determined the final treatment of regulatory assets that FG&E has sought to recover, in its original Restructuring Plan, from its Massachusetts electric customers over the multi-year transition period that began in 1998. FG&E has now been authorized to recover approximately $150 million of regulatory assets attributable to stranded generation assets, purchased power costs, and related expenses.

As a result of the industry restructuring-related Orders, FG&E recorded a non-cash adjustment to regulatory assets of $5.3 million, which resulted in the recognition of an extraordinary charge of $3.9 million after taxes. The Company recognized the extraordinary charge of $0.82 per share as of September 2001 as a subsequent event.

As a result of all of these orders, the Company has been granted recovery of substantially all of its stranded costs, less the amount noted above.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

SAFE HARBOR CAUTIONARY STATEMENT

This report contains forward-looking statements, which are subject to the inherent uncertainties in predicting future results and conditions. Certain factors that could cause the actual results to differ materially from those projected in these forward-looking statements include, but are not limited to; variations in weather, changes in the regulatory environment, customers' preferences on energy sources, general economic conditions, increased competition and other uncertainties, all of which are difficult to predict, and many of which are beyond the control of the Company.

RESULTS OF OPERATIONS

Unitil's earnings were $0.29 per share for the third quarter of 2002, an improvement of $0.01 compared to the third quarter of 2001, before the Extraordinary Item. Higher electric sales primarily due to a series of heat waves this summer, and lower operating expenses, led to this earnings improvement.

Sales (000's)

	Three Months Ended			Nine Months Ended		
kWh Sales	**09/30/02**	09/30/01	Change	**09/30/02**	09/30/01	Change
Residential	**170,504**	156,015	9.3%	**467,541**	457,903	2.1%
Commercial/Industrial	**291,798**	266,285	9.6%	**785,646**	761,322	3.2%
Total kWh Sales	**462,302**	422,300	9.5%	**1,253,187**	1,219,225	2.8%
Firm Therm Sales						
Residential	**818**	795	2.9%	**8,037**	8,975	-10.5%
Commercial/Industrial	**1,068**	1,065	0.3%	**7,976**	9,311	-14.3%
Total Firms Therm Sales	**1,886**	1,860	1.4%	**16,013**	18,286	-12.4%

Segment Information
($000's except per share data)

	Three Months Ended - **9/30/02**			Nine Months Ended - **9/30/02**		
	Utility Operations	Usource	Total	Utility Operations	Usource	Total
Revenues	**$ 47,860**	**$ 147**	**$ 48,007**	**$ 137,288**	**$ 525**	**$ 137,813**
Segment Profit (Loss)	**1,572**	**(194)**	**1,378**	**4,777**	**(414)**	**4,363**
Earnings per Share	**0.33**	**(0.04)**	**0.29**	**1.01**	**(0.09)**	**0.92**

	Three Months Ended - 9/30/01			Nine Months Ended - 9/30/01		
	Utility Operations	Usource	Total	Utility Operations	Usource	Total
Revenues	$ 49,428	$ 56	$ 49,484	$ 159,378	$ 215	$ 159,593
Segment Profit (Loss) before Extraordinary Item	1,489	(135)	1,354	5,515	(834)	4,681
Extraordinary Item	(3,937)	---	(3,937)	(3,937)	---	(3,937)
Segment Profit (Loss) after Extraordinary Item	(2,448)	(135)	(2,583)	1,578	(834)	744
Diluted Earnings per Share:						
Before Extraordinary Item	0.31	(0.03)	0.28	1.16	(0.18)	0.98
After Extraordinary Item	(0.52)	(0.03)	(0.55)	0.33	(0.18)	0.15

Electric kilowatt-hour (kWh) Sales were 9.5% higher in the third quarter of 2002 versus prior year, due in part to higher-than-usual temperatures. Our service territories experienced 23 days of over-90-degree temperatures this quarter. As a result, electric sales to residential customers were 9.3% higher than last year, and sales to commercial and industrial customers were up almost 10% over prior year.

Third quarter gas Firm Therm Sales were up 1.4% compared to the prior year. Year to date, gas Firm Therm Sales were 12.4% lower than last year, due to extremely mild winter weather in the first quarter of 2002.

Electric revenues were lower by 3.7% and 12.7% for the three and nine months ended September 30, 2002, compared to the same periods of 2001. These decreases were due to a reduction in wholesale commodity fuel prices and lower distribution rates in our Massachusetts service territory.

Gas revenues increased in the third quarter by 8.2% over prior year. Year-to-date, gas revenues are lower than prior year by 23.2%, reflecting lower sales volume and decreased wholesale gas commodity prices.

Combined Fuel and Purchased Power and Gas Purchased for Resale expenses decreased 4.9% and 19.0% for the three- and nine-month periods, due to lower wholesale commodity prices. Both electric and gas supply costs are collected from customers through periodic cost recovery mechanisms, and therefore, changes in these costs do not affect the Company's net income.

Operation and Maintenance (O&M) expenses were 5.9% and 4.7% lower in the three- and nine-month periods, due to lower distribution utility O&M expenses, which were partially offset by higher expenditures for electric industry restructuring in New Hampshire. Depreciation and Amortization expense was higher than last year for the three- and nine-month periods, due to an increased level of utility plant additions placed in service.

In the nine months ended September 30, 2002, Local Property and Other taxes decreased 3.6%, primarily due to cessation of the NH Franchise Tax. On a year-to-date basis, Income Tax expense was flat, reflecting lower pre-tax income in 2002, offset by increases in state income taxes. Interest expense, net, was 5.8% higher for the nine-month period, compared to the same period last year, primarily due to higher borrowings to support capital expenditure programs and reduced interest income on Regulatory Asset balances.

In the third quarter of 2002, Usource revenues were $147k, compared to $56k in the third quarter of 2001. Revenues for the nine-month period improved to $525k in 2002 from $215k in 2001. Losses for the third quarter from our Usource segment were higher by $0.01 per share compared to the same period in 2001, due to higher operating expenses.

For the 12 months ended September 30, 2002, earnings from operations were $0.95 per share versus $1.42 for the 12 months trailing September 30, 2001. The most recent 12-month period reflects the impact of a $0.50 per share write-down in the market value of non-utility investments taken by the Company in the fourth quarter of 2001.

As a result of declining interest rates and the recent sharp declines in equity markets, the Company - in accordance with requirements of SFAS #87 "Employers' Accounting for Pensions" - may be required to record a significant reduction to equity as a component of comprehensive income at the end of the fourth quarter. This non-cash, non-income-related adjustment could occur if the fair market value of pension assets is less than the accumulated pension benefit obligations at the annual measurement date of December 31, 2002. This accounting requirement would have no effect on income.

REGULATORY MATTERS

Regulatory Matters are fully discussed in Note 8 to Consolidated Financial Statements

CAPITAL REQUIREMENTS

Capital expenditures for the nine months ended September 30, 2002 were approximately $14.4 million. This compares to $14.2 million during the same period last year. Annual capital expenditures for the year 2002 are estimated to be approximately $20.6 million as compared to $19.9 million for 2001. This projection reflects normal capital expenditures for utility system expansions, replacements and other improvements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Although Unitil's utility operating companies are subject to commodity price risk as part of their traditional operations, the current regulatory framework within which these companies operate allows for full collection of fuel and gas costs in rates. Consequently, there is limited commodity price risk after consideration of the related rate-making. As the utility industry deregulates, the Company will be divesting its commodity-related energy businesses and therefore will be further reducing its exposure to commodity-related risk. There were no material changes to the Company's exposure to interest rate risk from December 31, 2001.

Item 4. Controls and Procedures

Within the 90 days prior to the date of this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer, Chief Financial Officer and Controller, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-14 under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, the Chief Executive Officer, Chief Financial Officer and Controller concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company required to be included in the Company's periodic SEC filings.

There have been no significant changes in the Company's internal controls or in other factors, which could significantly affect internal controls subsequent to the date the Company carried out its evaluation.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in legal and administrative proceedings and claims of various types, which arise in the ordinary course of business. In the opinion of the Company's management, based upon information furnished by counsel and others, the ultimate resolution of these claims will not have a material impact on the Company's financial position. (Note 9)

Item 5. Other Information

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Unitil Corporation (the "Company") on Form 10-Q for the period ending September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned Robert G. Schoenberger, Chief Executive Officer, Anthony J. Baratta, Jr., Chief Financial Officer and Laurence M. Brock, Controller of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Signature	Capacity	Date
/s/ Robert G. Schoenberger Robert G. Schoenberger	Chief Executive Officer	November 14, 2002
/s/ Anthony J. Baratta, Jr. Anthony J. Baratta, Jr.	Chief Financial Officer	November 14, 2002
/s/ Mark H. Collin Mark H. Collin	Treasurer	November 14, 2002
/s/ Laurence M. Brock Laurence M. Brock	Controller Unitil Service Corp	November 14, 2002

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	Description of Exhibit	Reference
11	Computation in Support of Earnings Per Average Common Share	Filed herewith

(b) Reports on Form 8-K

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 thereunto duly authorized.

UNITIL CORPORATION
(Registrant)

Date: November 14, 2002

/s/ Anthony J. Baratta, Jr.
Anthony J. Baratta, Jr.
Chief Financial Officer

Date: November 14, 2002

/s/ Mark H. Collin
Mark H. Collin
Treasurer

CERTIFICATIONS

I, Robert G. Schoenberger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Unitil Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Robert G. Schoenberger
Robert G. Schoenberger
Chief Executive Officer

I, Anthony J. Baratta, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Unitil Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Anthony J. Baratta, Jr.
Anthony J. Baratta, Jr.
Chief Financial Officer

I, Mark H. Collin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Unitil Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Mark H. Collin
Mark H. Collin
Treasurer

I, Laurence M. Brock, certify that:

7. I have reviewed this quarterly report on Form 10-Q of Unitil Corporation;
8. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
9. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
10. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

11. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

12. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Laurence M. Brock

Laurence M. Brock

Controller, Unitil Service Corp.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

COMPUTATION OF EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING
(000's except for per share data)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
EARNINGS PER SHARE	**2002**	2001	**2002**	2001
Net Income before Extraordinary Item	**$1,441**	$1,418	**$4,553**	$4,876
Extraordinary Item	**---**	(3,937)	**---**	(3,937)
Net Income	**$1,441**	($2,519)	**$4,553**	$939
Less: Dividend Requirement on Preferred Stock	**63**	64	**190**	195
Net Income Applicable to Common Stock	**$1,378**	($2,583)	**$4,363**	$744
Average Number of Common Shares Outstanding	**4,743,696**	4,746,196	**4,743,696**	4,742,441
Dilutive Effect of Stock Options	**25,129**	14,548	**24,100**	17,115
Average Number of Dilutive Common Shares Outstanding	**4,768,825**	4,760,744	**4,767,796**	4,759,556
Earnings Per Common Share:				
Before Extraordinary Item	**$0.29**	$0.28	**$0.92**	$0.98
After Extraordinary Item	**$0.29**	($0.55)	**$0.92**	$0.15