



BofA Securities 2021 Gas Utility Conference

Unitil Corporation

December 7, 2021

Forward-Looking Statements and Use of Non-GAAP Measures

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this presentation are forward-looking statements. These forward-looking statements include statements regarding Unitol Corporation’s (“Unitol”) 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 words 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: the coronavirus (COVID-19) pandemic, which could adversely impact Unitol’s business, financial conditions, results of operations and cash flows, including by disrupting Unitol’s employees’ and contractors’ ability to provide ongoing services to Unitol, by reducing customer demand for electricity or natural gas, or by reducing the supply of electricity or natural gas; Unitol’s regulatory and legislative environment (including laws and 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 Unitol’s ability to recover energy commodity costs in its rates; customers’ preferred energy sources; severe storms and Unitol’s ability to recover storm costs in its rates; declines in the valuation of capital markets, which could require Unitol to make substantial cash contributions to cover its pension obligations, and Unitol’s ability to recover pension obligation costs in its rates; general economic conditions, which could adversely affect (i) Unitol’s customers and, consequently, the demand for Unitol’s distribution services, (ii) the availability of credit and liquidity resources and (iii) certain of Unitol’s counterparty’s obligations (including those of its insurers and lenders); Unitol’s ability to obtain debt or equity financing on acceptable terms; increases in interest rates, which could increase Unitol’s interest expense; restrictive covenants contained in the terms of Unitol’s and its subsidiaries’ indebtedness, which restrict certain aspects of Unitol’s business operations; variations in weather, which could cause unanticipated changes in demand for Unitol’s distribution services; long-term global climate change, which could cause unanticipated changes in customer demand or cause extreme weather events that could disrupt Unitol’s electric and natural gas distribution services; cyber-attacks, acts of terrorism, acts of war, severe weather, a solar event, an electromagnetic event, a natural disaster, the age and condition of information technology assets, human error, or other factors could disrupt Unitol’s operations and cause Unitol to incur unanticipated losses and expense; outsourcing of services to third parties, which could expose Unitol to substandard quality of service delivery or substandard deliverables, which may result in missed deadlines or other timeliness issues, non-compliance (including with applicable legal requirements and industry standards) or reputational harm, which could negatively impact our results of operations; catastrophic events; numerous hazards and operating risks relating to Unitol’s electric and natural gas distribution activities; Unitol’s ability to retain its existing customers and attract new customers; increased competition; unforeseen or changing circumstances, which could adversely impact the reduction of company-wide greenhouse gas emissions; other presently known or unforeseen factors; and other risks detailed in Unitol’s filings with the Securities and Exchange Commission, including those appearing under the caption “Risk Factors” in Unitol’s Annual Report on Form 10-K for the year ended December 31, 2020.

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, Unitol undertakes no obligation to update any forward-looking statements to reflect any change in Unitol’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.

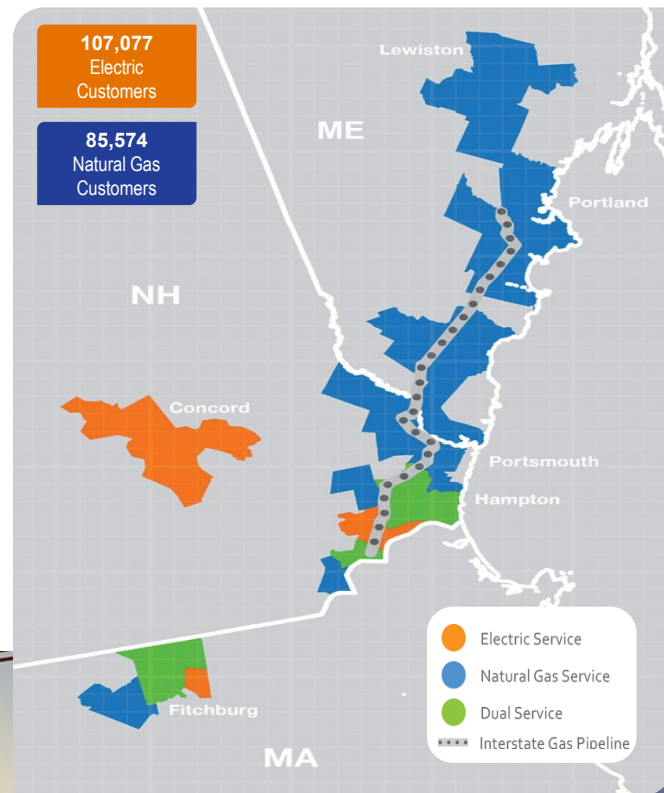
This presentation contains Non-GAAP measures. The Company’s management believes these measures are useful in evaluating its performance. Reconciliations of Non-GAAP financial measures to the most directly comparable GAAP financial measures can be found herein.

About Unitil

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**

- Providing local electric and natural gas in our attractive service areas along New Hampshire and Maine Seacoast
 - Growing customer base supported by ongoing conversions from competing fuels
 - Service areas well positioned for continued economic growth
- Robust investment opportunities in Electric and Natural Gas systems
 - Investments including grid modernization and resiliency are well aligned with our sustainability strategies
 - Investing in enabling technologies to allow for a greener and more efficient energy system
- Industry leading customer service and operational excellence in both electric and natural gas operations



Financials Results and Strategic Update

Strong financial results and continued execution of strategic plan

Expected Long-Term EPS Growth Rate at 5% - 7%

- 2021 EPS expected to remain above higher end of long-term growth range relative to 2020

Regulatory Initiatives

- Ongoing base rate filings for NH Electric and Gas operations progressing well
- Temporary rates awarded and currently in effect
- Multi-year Rate Plans with Revenue Decoupling proposed
- Capital investment recovery mechanisms in all three jurisdictions

Solid Capital Investment Outlook

- Investment Plan remains on track
- Maintain expected long-term Rate Base growth of 6.5% - 8.5%
- Committed to balance sheet strength; issued 920,000 common shares raising approximately \$46.7 million, before issuance costs, in the third quarter 2021

Commitment to Sustainability

- Sustainability is a fundamental element of our Strategic Plan
- Published 2021 Corporate Sustainability and Responsibility Report
- Investigating renewable supply alternatives



Recently Issued Corporate Sustainability & Responsibility Report

Advancing several key strategies ensuring a sustainable and prosperous future

Our Carbon Reduction Commitment

In 2021, we committed to reducing Company-wide greenhouse gas emissions by at least 50% by 2030 from a 2019 baseline, and to achieve net-zero emissions by 2050 – a commitment that aligns with the Paris Climate Agreement

Smart Transportation

Transportation represents the greatest avenue for emissions reduction and a significant growth opportunity for the Company. Utility investment will support fueling infrastructure for millions of electric vehicles and compressed natural gas vehicles. Current regulatory proposals to invest in infrastructure supporting charging stations in NH and MA

Customer Engagement and Transformative Solutions

Transition from traditional customer service offerings to more personalized options is a necessary step to fulfilling evolving customer expectations and advancing the grid

Regional Supply Opportunities

Prioritizing the development of local infrastructure that supports resiliency, affordability, and opportunities to reduce methane emissions by adding local resources, including renewable natural gas (RNG), to our supply portfolio. Continuing to investigate and explore RNG opportunities with prospective producers, industry groups, and various experts

Diversity, Equity, and Inclusion (DEI)

Strengthened commitment to DEI in 2021 with Company-wide education and an ongoing Employee Awareness Campaign; reinforcing our values and enhancing our ability to attract and retain the diverse talent needed for long-term success in the evolving energy landscape



Report available at www.unitil.com

New Hampshire Rate Case Filings

Revenue Decoupling Proposals, Multi-Year Rate Plans, Retain New Customer Revenue

Unitil Energy (NH Electric) rate case filed on April 2nd

- \$12.0 million base rate increase proposal; \$4.5 million temporary rates effective 6/1/2021
- Supplemental testimony provided October 1st requesting recovery of late payments fees waived during the Pandemic
- Multi-year rate plan recovering non-growth investments made in 2021 – 2023
- Proposes EV related investments and time-of-use rate structure

Northern (NH Gas) rate case filed August 2nd

- \$7.8 million base rate increase proposal; \$2.6 million temporary rate effective 10/1/2021
- Filing requests recovery of late payment fees waived during the Pandemic
- Multi-year rate plan recovering non-growth investments made in 2021 – 2023

82%

Expected customers under Decoupled Rate Structures after NH rate filings



24%

Customers currently under Decoupled Rate Structures

Regulatory Timeline



April 2, 2021 UES
Base Rate Case
Filed



August 2, 2021
Northern NH Base Rate
Case Filed



Temporary Rates Effective
UES - \$4.5 million 6/1/2021
Northern - \$2.6 million 10/1/2021

First Half, 2022

UES rate case order
received and new base
rates take effect



Second Half, 2022

Northern rate case order
received and new base
rates take effect



2023 →

Rate plans ongoing and
fully decoupled rates in
effect



Operational Excellence

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

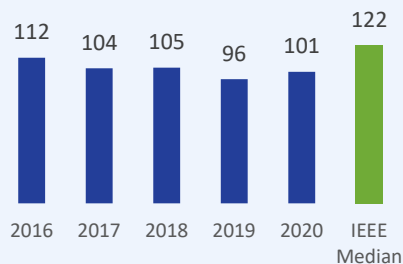


Selected as a Leading Practice Company by the American Gas Association, recognizing superior emergency response and preparedness

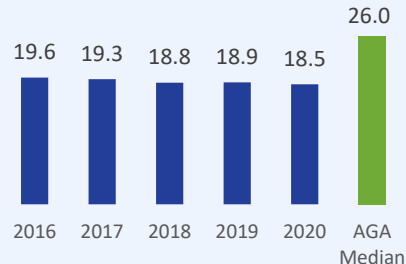


Recognized as a 2020 leader in accident prevention by the American Gas Association

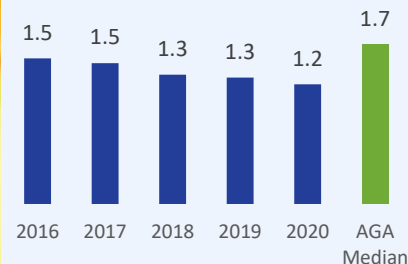
Electric Reliability



Gas Emergency Response

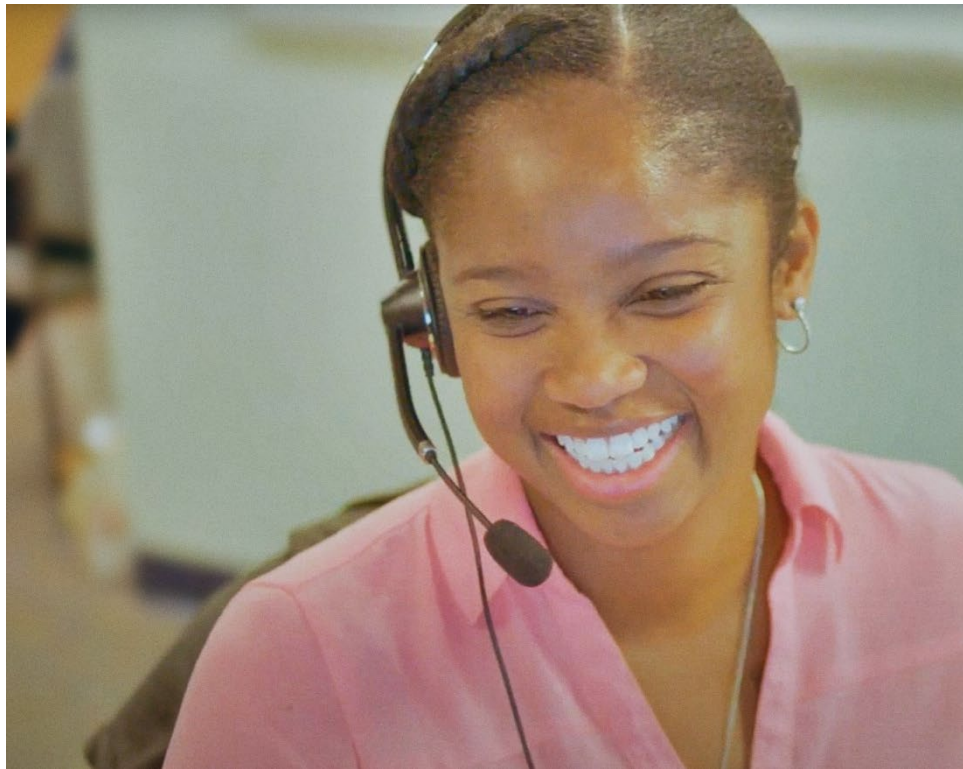


Employee Safety



Customer and Employee Satisfaction Exceeding Expectations

Treating Customers and Employees with respect is a top priority



Customer Satisfaction

Continues to be at an all-time high

93% 2021
92% 2022

Customer Satisfaction

Exceeding regional and national benchmarks

1st

Top-Ranked in the Northeast

Second year in a row

Top 20 of over 110 Companies

National customer satisfaction ranking
Second year in a row

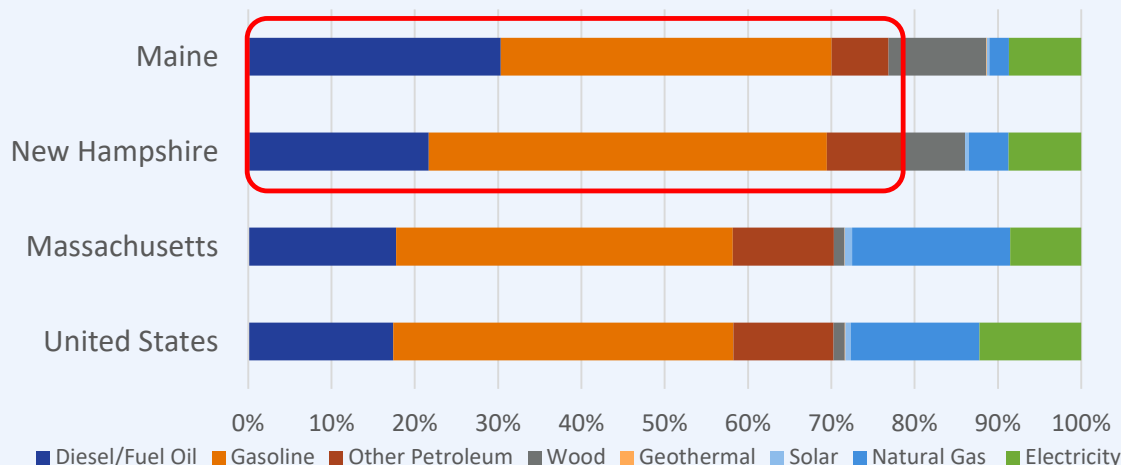
2020 and 2021 Survey Results

Long-Term Growth Supported By Fuel Conversion Opportunities

Unitil's diverse customer base paired with the transition to lower carbon fuels presents long-term growth opportunities

Residential and Transportation Energy Consumption, by Fuel (Trillion Btu)

Converting heating and transportation fuels away from Diesel, Fuel Oil, and Gasoline to lower carbon alternatives with support from electrification and natural gas presents significant opportunities

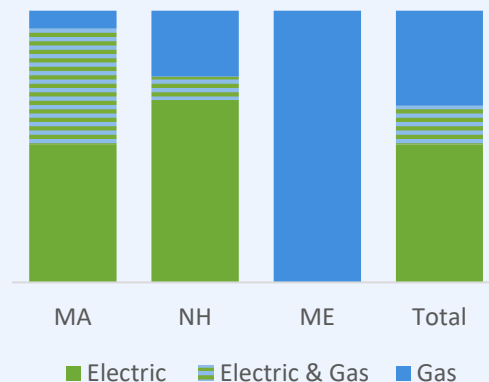


Source: U.S. Energy Information Administration (EIA), Table C5. Residential Sector Energy Consumption Estimates, 2019; and Table C8. Transportation Sector Energy Consumption Estimates, 2019

Unitil Customer Mix

% of customers with Unitil as electric service provider

93% 76% 0% 65%



Well diversified operations in Massachusetts, the Company's most progressive service area, with significant overlap between gas and electric customers

New Hampshire recently passed Senate Bill 86-FN which protects consumer energy choice by prohibiting towns and municipalities from barring or restricting the use of any available utility service or commercially available heating or energy system

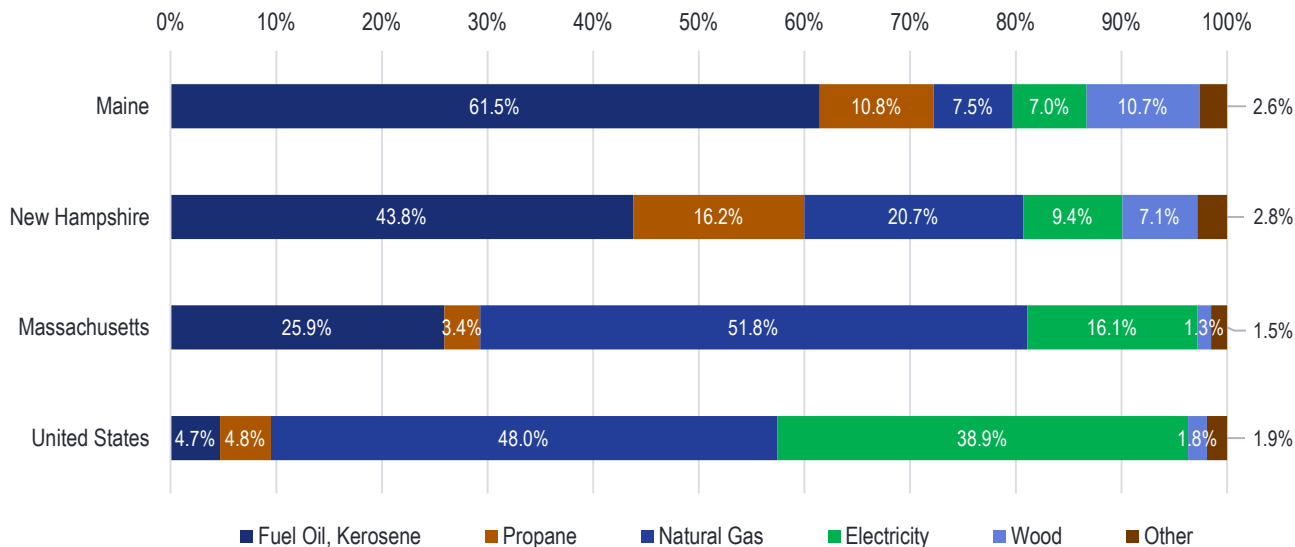
The Natural Gas Advantage

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

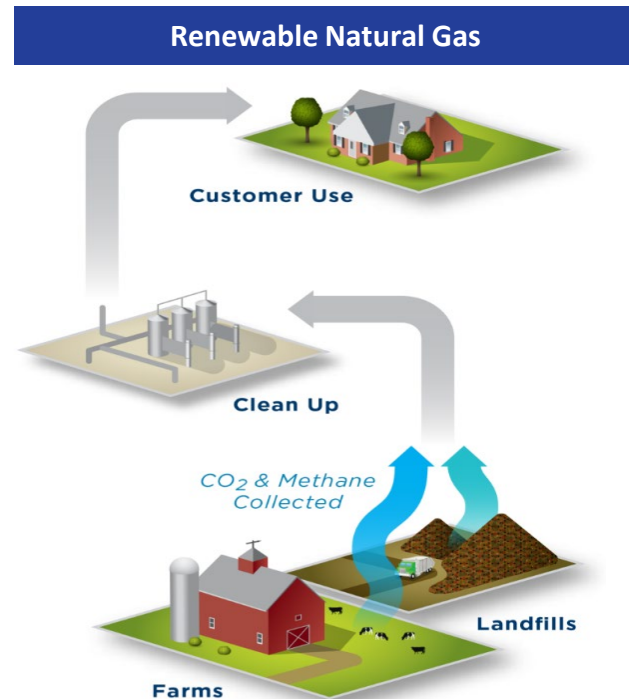
79%

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
- Unitil 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



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.



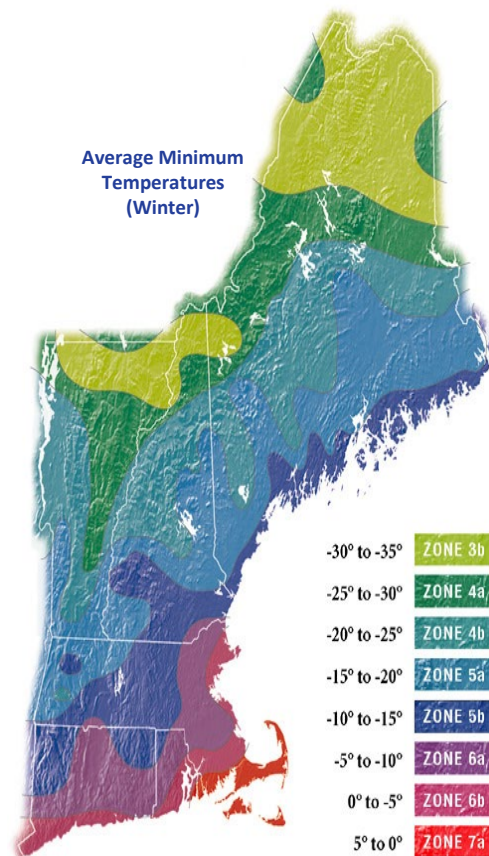
Compressed Natural Gas (CNG)

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 is 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



Five-Year Investing and Financing Plan

Long-term financing plan supports capital investment plan, dividend growth, and credit profile

Increasing Capital Investment

- Roughly 30% increase in coming five years planned capital investment over the prior five years
- Investment portfolio includes grid modernization, gas infrastructure replacement, and growth-related projects
- Upside investment revisions may include additional spending on electric vehicle infrastructure and grid modernization

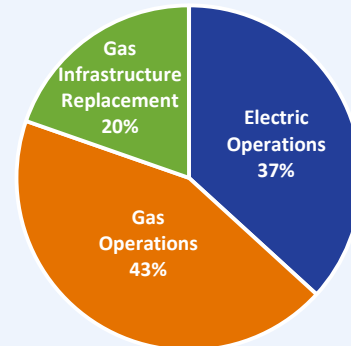
Financing Plan & Dividend Policy

- Capital investments funded principally by Cash Flow From Operations less dividends
- Remaining needs are funded through Long-Term Debt and Common Equity to ensure a properly balanced capital structure
- Equity proceeds include secondary offerings, Dividend Reinvestment, and 401(k) proceeds
- Target dividend Payout Ratio of 55% - 65% balancing dividend sustainability with capital reinvestment

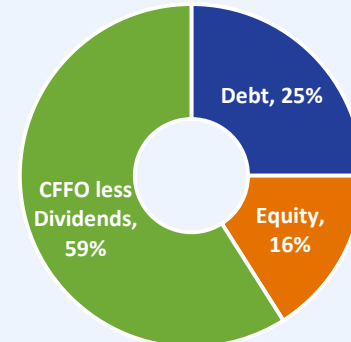
Available Liquidity

- Ample liquidity available on the credit facility to support investments and working capital needs
- Credit Facility limit of \$120 million with option to request \$50 million increase

**Five-Year Investment Plan Totaling
\$725M**

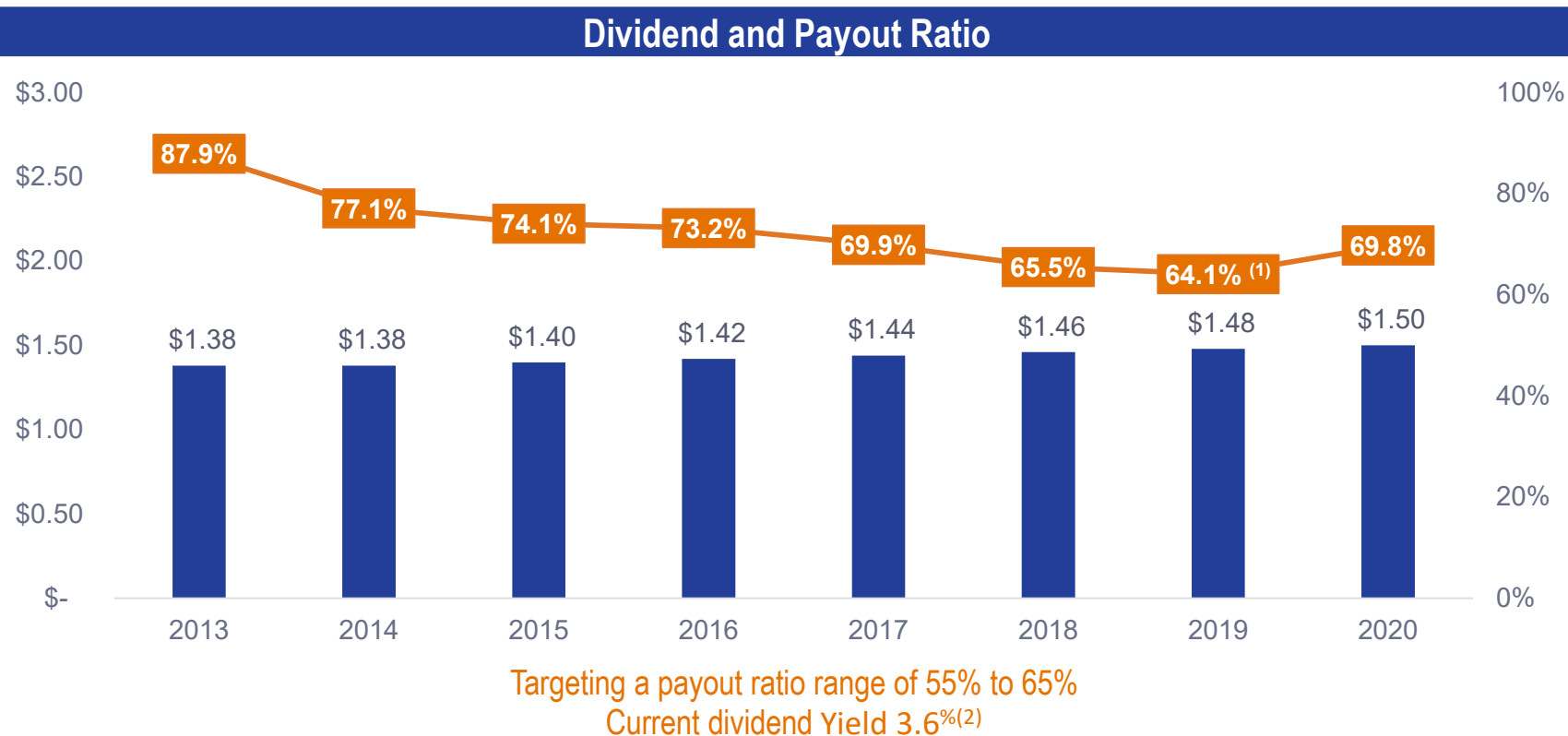


Long-Term Financing Sources



Dividend and Payout History

Strategically lowering payout ratio to reinvest earnings into investment opportunities



(1) 2019 payout ratio excludes the Usource divestiture gain of \$0.66 per share

(2) as of 12/2/2021

Creating Long-Term Sustainable Value

Stable and increasing cash flows coupled with robust investment opportunities



Continued Growth in Electric and Natural Gas Distribution

Vibrant local economies and capital investments supporting continued growth



Investing in the Clean Energy Future

Focus on distribution system modernization and increasing operating efficiencies aligns with our greenhouse gas reduction commitments



Creating More Stable Adjusted Gross Margins and Earnings Growth

Revenue decoupling de-risks sales volumes; multi-year rate structures and capital tracking mechanisms provide timely recovery of capital investments

Sustainable Value Creation

6.5% - 8.5%

Expected Long-Term Rate Base Growth

5% - 7%

Expected Long-Term EPS Growth

55% - 65%

Targeted Long-Term Dividend Payout Ratio

Fundamental Principles and Beliefs Underlying our Long-Term Strategy

- As a combination Electric and Gas distribution company operating in northern New England, Unitil is uniquely positioned to contribute to, and benefit from, evolving climate policies
- Net-Zero emissions commitment by 2050 reflects our goal to become a leader in environmental stewardship
- Advancing the electric grid will provide robust capital investment opportunities
- Natural gas, Renewable Natural Gas, and gas distribution assets will continue to be vital in providing clean, secure, low-cost energy

GAAP Return on Average Common Equity

GAAP Return on Equity over the last twelve months ended September 30, 2021

Company	Average Common Equity	LTM ROACE ⁽¹⁾
Northern Utilities	\$228 Million	7.1%
Unitil Energy Systems	\$107 Million	8.0%
Fitchburg Gas and Electric	\$91 Million	10.4%
Granite State Gas	\$20 Million	10.9%
Unitil Corporation	\$410 Million	8.6%

(1) ROACE calculated by dividing last twelve months GAAP Net Income by Average Common Equity

Rate Relief Summary

Successful regulatory strategy resulting in awards from both capital trackers and rate cases

Company	Activity	Dollars (Millions)	Date Effective
Northern Utilities (New Hampshire)	Base Rate Case Increase	\$7.8 (requested)	Q3 2022 (expected)
	Temporary Rate Case Increase ⁽¹⁾	\$2.6	Q3 2021
Northern Utilities (Maine)	Capital Tracker – 2021	\$1.1	Q2 2021
Unitil Energy Systems	Base Rate Case Increase	\$12.0 (requested)	Q2 2022 (expected)
	Temporary Rate Case Increase ⁽¹⁾	\$4.5	Q2 2021
Fitchburg (Electric)	Electric Capital Tracker	\$1.4	Q1 2021
Fitchburg (Gas)	Base Rate Case Award – 2021 ⁽²⁾	\$0.9	Q1 2021
	Gas Capital Tracker – 2021	\$0.5	Q2 2021
Granite State Gas	Capital Tracker – 2021	\$0.1	Q3 2021

(1) Temporary Rates effective during pendency of Base Rate case; increases are subject to recoupment or refund

(2) Fitchburg Gas Base Rate Case Award reflects the deferred distribution rate increase pursuant to the approved Settlement Agreement in DPU 19-131