

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended March 31, 1995

Commission File Number 1-8858

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

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

02-0381573
(I.R.S. Employer
Identification No.)

216 Epping Road, Exeter, New Hampshire
(Address of principal executive office)

03833
(Zip Code)

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

NONE
(Former name, former address and former fiscal year, if changed
since last report.)

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 May 8, 1995
Common Stock, No par value	4,284,866 Shares

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

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PART 1. FINANCIAL INFORMATION

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF EARNINGS
(UNAUDITED)

	Three Months Ended March 31,	
	1995	1994
Operating Revenues:		
Electric	\$34,630,716	\$35,422,153
Gas	6,182,175	7,716,382
Other	219,636	113,299
Total Operating Revenues	41,032,527	43,251,834
Operating Expenses:		
Fuel and Purchased Power	21,366,538	22,187,617
Gas Purchased for Resale	3,458,550	4,415,821
Operating and Maintenance Expense	7,217,447	7,227,948
Depreciation	1,570,675	1,546,691
Amort. of Cost of Abandoned Properties	420,719	422,321
Provisions for Taxes:		
Local Property and Other	1,194,442	1,183,594
Federal and State Income	1,463,536	1,688,503
Total Operating Expenses	36,691,907	38,672,495
Operating Income	4,340,620	4,579,339
Non-Operating Income (Expense)	(57,724)	11,783
Gross Income	4,282,896	4,591,122
Interest and Other Expenses:		
Interest on Long-Term Debt	1,333,808	1,172,060
Other Interest Charges	230,221	249,214
Total Income Deductions	1,564,029	1,421,274
Net Income	2,718,867	3,169,848
Less Dividends on Preferred Stock	71,301	74,218
Net Income Applicable to Common Stock	\$2,647,566	\$3,095,630
Average Common Shares Outstanding	4,274,626	4,211,801
Earnings Per Share of Common Stock	\$0.62	\$0.73
Dividends Declared per Share of Common Stock (Note 1)	\$0.66	\$0.62

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31,		December 31,
	1995	1994	1994
ASSETS:			
Utility Plant (at cost):			
Electric	\$143,467,360	\$137,121,546	\$142,311,415
Gas	25,894,103	24,359,258	25,652,522
Common	6,951,814	9,706,501	9,783,183
Construction Work in Progress	1,452,591	1,563,637	1,029,681
Total Utility Plant	177,765,868	172,750,942	178,776,801
Less: Accumulated Depr.	57,509,133	54,845,686	57,203,799
Net Utility Plant	120,256,735	117,905,256	121,573,002
Non-operating Property (at cost)	32,605	120,355	120,355
Miscellaneous (at cost)	9,843	17,478	17,343
Current Assets:			
Cash	6,345,082	2,457,258	3,810,123
Accounts Receivable - less allowance for doubtful			

accounts of \$568,626			
\$618,008 and \$573,849	14,492,916	16,881,818	13,281,686
Materials and Supplies	1,529,955	1,783,658	2,089,979
Prepayments	688,645	751,498	408,701
Accrued Revenue	655,514	1,775,102	2,292,297
Total Current Assets	23,712,112	23,649,334	21,882,786

Deferred Debits:

Unamortized Debt Expense (amortized) over term of securities)	926,128	704,671	955,931
Unamortized Cost of Aband. Property	28,352,120	29,956,157	28,772,838
Prepaid Pension Costs	5,971,880	5,180,911	5,801,714
Other	25,511,424	25,603,608	25,397,492
Total Deferred Debits	60,761,552	61,445,347	60,927,975

TOTAL ASSETS \$204,772,847 \$203,137,770 \$204,521,461

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31,		December 31,
	1995	1994	1994
CAPITALIZATION AND LIABILITIES:			
Capitalization:			
Common Stock Equity (Notes 1 and 2):			
Common Stock, No Par			
Value, 8,000,000 Shares			
Authorized, 4,283,482, 4,219,326 and 4,267,837			
Shares Outstanding	\$32,011,689	\$30,903,148	\$31,751,984
Paid in Capital - Stock	1,157,807	999,889	1,062,198
Options			
Retained Earnings	27,092,529	25,162,903	27,183,016
Total Common Equity	60,262,025	57,065,940	59,997,198
Preferred Stock:			
Non-Redeemable, Non-Cumulative,	225,000	225,000	225,000
Redeemable, Cumulative,	3,809,600	3,972,700	3,868,600
Total Preferred Stock (Note 3)	4,034,600	4,197,700	4,093,600
Long-Term Debt (Note 4)	63,466,000	55,567,750	65,288,231
Total Capitalization	127,762,625	116,831,390	129,379,029
Capital Lease Obligations	3,381,675	3,633,901	3,377,389
Current Liabilities:			
Long-Term Debt Due Within One Year	144,000	1,771,331	292,090
Notes Payable	0	7,000,000	0
Accounts Payable	11,398,398	12,778,639	12,491,041
Dividends Declared	1,525,877	1,444,786	152,210
Customer Deposits	2,917,450	1,744,204	2,482,779
Taxes Accrued	1,193,442	1,828,359	(345,243)
Interest Accrued	1,428,365	1,039,847	1,376,477
Capitalized Lease Obligations	525,989	404,937	460,152
Other	2,201,055	1,728,049	2,546,878
Total Current Liabilities	21,334,576	29,740,152	19,456,384
Deferred Credits:			
Unamortized Investment Tax Credit	1,955,581	2,164,178	2,006,168
Other	9,258,089	9,598,340	9,212,872
Total Deferred Credits	11,213,670	11,762,518	11,219,040
Deferred Income Taxes	41,080,301	41,169,809	41,089,619

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

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	March 31,	
	1995	1994
Net Cash Flow from Operating Activities:		
Net Income	\$2,718,867	\$3,169,848
Adjustments to Reconcile Net Income to Net Cash provided by Operating Activities:		
Depreciation and Amortization	1,991,394	1,969,012
Deferred Taxes	48,205	(50,496)
Amortization of Investment Tax Credit	(50,587)	(52,667)
Provision for Doubtful Accounts	185,217	188,468
Amortization of Debt Expense	29,802	16,149
Change in Assets and Liabilities (Increase) Decrease in:		
Accounts Receivable	(1,396,447)	(3,352,415)
Materials and Supplies	560,025	743,806
Prepayments	(279,944)	(262,994)
Prepaid Pension	(170,166)	(163,790)
Accrued Revenue	1,636,783	1,871,387
Increase (Decrease) in:		
Accounts Payable	(1,092,643)	(661,647)
Customers' Deposits and Refunds	434,671	5,750
Taxes Accrued	1,538,685	1,561,178
Interest Accrued	51,888	(120,906)
Other	(233,428)	5,611
Net Cash Provided by Operating Activities	5,972,322	4,866,294
Net Cash Flows from Investing Activities:		
Acquisition of Property, Plant and Equip.	(2,304,238)	(1,406,810)
Proceeds from Taking of Land & Building	2,002,056	0
Net Cash Used in Investing Activities	(302,182)	(1,406,810)
Cash Flows from Financing Activities:		
Net (Decrease) in Short-term Debt	0	(1,400,000)
Net (Decrease) in Long-term Debt	(1,970,322)	(39,013)
Payments of Dividends	(1,435,686)	(1,373,469)
Issuance of Common Stock	259,705	260,140
Retirement of Preferred Stock	(59,000)	0
Net Increase/(Decrease) in Capital Leases	70,122	(155,670)
Net Cash Flows from Financing Activities	(3,135,181)	(2,708,012)
Net Increase in Cash	2,534,959	751,472
Cash at beginning of year	3,810,123	1,705,786
Cash at March 31,	\$6,345,082	\$2,457,258
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for:		
Interest	\$1,482,339	\$1,526,031
Federal Income Taxes	\$0	\$326,000

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

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

Note 1.

Dividends Declared Per Share:

Two regular quarterly common stock dividends were declared during the first quarter of 1995 and 1994.

Common Stock Dividend:

On March 23, 1995, the Company's Board of Directors declared its regular quarterly dividend on the Company's Common Stock of \$0.32 per

share which is payable on May 15, 1995 to shareholders of record as of May 1, 1995.

On January 17, 1995, the Company's Board of Directors approved a 3.2% increase to the dividend rate on its common stock. The new regular dividend rate is \$0.32 per share and was payable February 15, 1995 to shareholders of record as of February 1, 1995.

Note 2.

Common Stock:

During the first quarter of 1995, the Company sold 15,645 shares of Common Stock, at an average price of \$16.625 per share, in connection with its Dividend Reinvestment and Stock Purchase Plan and its 401(k) plans. Net proceeds of \$259,705 were used to reduce short-term borrowings.

Note 3.

Preferred Stock:

Details on preferred stock at March 31, 1995, March 31, 1994 and December 31, 1994 are shown below:

	March 31, 1995	March 31, 1994	December 31, 1994
Preferred Stock:			
Non-Redeemable,			
Non-Cumulative,			
6%, \$100 Par Value	225,000	225,000	225,000
Redeemable, Cumulative,			
\$100 Par Value:			
8.70% Series	215,000	230,000	230,000
5% Dividend Series	98,000	105,000	105,000
6% Dividend Series	168,000	175,000	175,000
8.75% Dividend Series	344,300	344,300	344,300
8.25% Dividend Series	406,000	436,000	436,000
5.125% Dividend Series	1,108,100	1,150,100	1,108,100
8% Dividend Series	1,470,200	1,532,300	1,470,200
Total Redeemable	3,809,600	3,972,700	3,868,600
Preferred Stock			
Total Preferred	4,034,600	4,197,700	4,093,600
Stock			

Note 4.

Long-term Debt:

Details on long-term debt at March 31, 1995, March 31, 1994 and December 31, 1994 are shown below:

	March 31, 1995	March 31, 1994	December 31, 1994
Concord Electric Company:			
First Mortgage Bonds:			
Series C, 6 3/4%, due	1,584,000	1,584,000	1,584,000
January 15, 1998			
Series D, 8.70%, due	---	930,000	---
November 15, 2001			
Series G, 9.85%, due	---	1,500,000	---
October 15, 1997			
Series H, 9.43%, due	6,500,000	6,500,000	6,500,000
September 1, 2003			
Series I, 8.49%, due	6,000,000	---	6,000,000
October 14, 2024			
Exeter & Hampton Electric			
Company:			
First Mortgage Bonds:			
Series D, 4 3/4%, due June	---	547,500	---
1, 1994			
Series E, 6 3/4%, due	511,000	518,000	518,000
January 15, 1998			
Series F, 8.70%, due	---	1,235,000	---
November 15, 2001			
Series G, 8 7/8%, due April	---	940,000	---
1, 2004			
Series H, 8.50%, due	1,015,000	1,120,000	1,015,000
December 15, 2002			
Series I, 9.85%, due	---	1,400,000	---

October 15, 1997			
Series J, 9.43%, due September 1, 2003	5,000,000	5,000,000	5,000,000
Series K, 8.49%, due October 14, 2024	9,000,000	---	9,000,000

Fitchburg Gas and Electric
Light Company:

Promissory Notes:			
8.55% Notes due March 31, 2004	15,000,000	15,000,000	15,000,000
6.75% Notes due November 30, 2023	19,000,000	19,000,000	19,000,000

Realty Corp.:

Promissory Note:			
10.59% Note due October 25, 1998	---	2,064,581	1,963,321
Total	63,610,000	57,339,081	65,580,321
Less: Installments due within one year	2,083,712	1,771,331	292,090
Total Long-term Debt	61,526,288	55,567,750	65,288,231

Note 5.

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 March 31, 1995 and 1994; and results of operations for the three months ended March 31, 1995 and 1994; and consolidated statements of cash flows for the three months ended March 31, 1995 and 1994.

The results of operations for the three months ended March 31, 1995 and 1994 are not necessarily indicative of the results to be expected for the full year.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

EARNINGS

Earnings per average common share outstanding were \$0.62 for the three-months ended March 31, 1995, as compared to \$0.73 per average common share outstanding for the three-months ended March 31, 1994. This decrease of \$0.11 per share was primarily due to lower electric and gas base revenues and higher interest-related costs. A reduction in the System's operating costs and growing energy consulting revenue contributed positively to the first quarter earnings performance and partially offset this decrease.

Over two-thirds of the decrease in earnings during the first quarter of 1995 was attributable to lower electric and gas base revenues in an extremely mild heating season. The weather in this quarter, as measured by heating degree days, was 16% warmer than the same period in 1994. As a result, gas firm therm sales, which are impacted most by the weather, decreased 14.8% in the first quarter of 1995 to 9,719,744 therms from 11,408,888 therms in the first quarter of 1994.

Electric KWH sales to residential and commercial customers were also adversely impacted by the mild weather in the first quarter of 1995. Sales to the residential sector declined by approximately 7.0% in the first quarter of 1995, to 142,642,426 KWH from 153,348,444 KWH in the year earlier period. Electric sales to commercial customers declined a more modest 2.4% in the first quarter of 1995, to 87,042,181 KWH from 89,175,920 in the first quarter of 1994. Offsetting a portion of these decreases were increases in industrial KWH and KW sales. Not as sensitive to the weather, these sales increased more than 4.2% and 4.5%, respectively, as the System's operating companies experienced relatively strong growth in this sector. Electric KWH sales to industrial customers increased to 105,424,064 KWH in the first quarter of 1995 from 100,714,830 KWH in the first quarter of 1994.

The UNITIL System's operating costs decreased over 5.6% in the first quarter of 1995, partially offsetting the impact of mild weather on overall energy sales. The cost reduction was primarily derived from lower gas maintenance costs and a reduction in the cost of benefits and insurance. In addition, UNITIL Resources, the Company's non-utility subsidiary, continued to provide new sources of earnings, as energy consulting revenues increased in the first quarter of 1995, as compared to the prior year period.

Interest-related expenses increased approximately 13.8% in the first quarter of 1995, primarily reflecting the conversion of short-term debt into long-term, completed in late 1994 by the Company's two New Hampshire retail distribution subsidiaries.

CAPITAL REQUIREMENTS

Capital expenditures for the three months ended March 31, 1995 were approximately \$2,300,000. This compares to \$1,500,000 during the same period last year. Capital expenditures for the year 1995 are estimated to be approximately \$15,400,000 as compared to \$9,800,000 for 1994. The projected increase of \$5,600,000 primarily reflects additional capital expenditures of approximately \$3,200,000 for the commencement of construction of a new corporate headquarters, as well as an increase of approximately \$2,400,000 for planned utility system expansions, replacements and other improvements.

EMINENT DOMAIN PROCEDURE

In late 1993, UNITIL Realty, the Company's wholly-owned real estate subsidiary, first received written notice that the State of New Hampshire intended to acquire the Company's corporate headquarters and related land (the "Property") by purchase or condemnation in connection with the State of New Hampshire's Route 101 highway expansion project. On February 2, 1995, UNITIL Realty received a formal Notice of Offer from the State for the purchase of the Property for \$2,000,000. The Company did not accept the State's offer based on the results of an independent appraisal conducted for the Company which valued the property significantly in excess of the State's offer.

As prescribed by statute, the State initiated an eminent domain procedure by filing a declaration of taking with the New Hampshire Board of Tax and Land Appeals (the Board) on February 13, 1995, and depositing with the Board the offer price of \$2,000,000. UNITIL Realty withdrew these funds from the Board during the first quarter of 1995, without prejudice as to the Appeal process, and on March 17, 1995 the funds were used towards the payment in full of all principal and interest due on the note secured by the mortgage on the Property. The financial results for the first quarter of 1995 reflect fully the impact of the taking of the building and the repayment of the outstanding loan on the Property.

PART I. EXHIBIT 11.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

COMPUTATION OF EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING (UNAUDITED)

PRIMARY	Three Months Ended	
	1995	1994
Net Income	\$2,718,867	\$3,169,848
Less: Dividend Requirement on Preferred Stock	71,301	74,218
Net Income Applicable to Common Stock	2,647,566	3,095,630
Average Number of Common Shares Outstanding	4,274,626	4,211,801
Earnings Per Common Share	\$0.62	\$0.73

FULLY-DILUTED	Three Months Ended	
	1995	March 31, 1994
Net Income	\$2,718,867	\$3,169,848
Less: Dividend Requirement on Preferred Stock	71,301	74,218
Net Income Applicable to Common Stock	2,647,566	3,095,630
Average Number of Common Shares Outstanding	4,343,520	4,283,014
Earnings Per Common Share	\$0.61	\$0.72

PART II. OTHER INFORMATION

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

During the quarter ended March 31, 1995, the Company did not file any 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: May 12, 1995

_/s/ Gail A. Siart
Gail A. Siart, Treasurer

(Gail A. Siart is the Principal Financial Officer and has been duly authorized to sign on behalf of the registrant.)

	DEC-31-1995	
	JAN-01-1995	
	MAR-31-1995	
	3-MOS	
	PER-BOOK	
120,256,735		
42,448		
23,712,112		
60,761,552		
	0	
	204,772,847	
1,157,807		
	27,092,529	
60,262,025		
	32,011,689	
	3,809,600	
	225,000	
	63,466,000	
	0	
	0	
	0	
144,000		
	0	
3,381,675		
	525,989	
72,958,558		
204,772,847		
	41,032,527	
	1,463,536	
35,228,371		
36,691,907		
	4,340,620	
	(57,724)	
4,282,896		
	1,564,029	
	2,718,867	
	71,301	
2,647,566		
	1,366,195	
1,333,808		
	5,972,322	
		.62
		.61