



**Bank of America - Power, Utilities  
and Clean Energy Conference**

**March 4, 2024**

# Forward-Looking Statements and Use of Non-GAAP Measures

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This presentation contains “forward-looking statements” including 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 and its subsidiaries’ 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. In this presentation, “Unitol,” the “Company”, “we”, “us”, “our” and similar terms refer to Unitol Corporation and its subsidiaries, unless the context requires otherwise.

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: 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; employee workforce factors, including the ability to attract and retain key personnel; other presently known or unforeseen factors; and other risks detailed in Unitol Corporation’s filings with the Securities and Exchange Commission, including those appearing under the caption “Risk Factors” in Unitol Corporation’s most recently filed Annual Report on Form 10-K.

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

## Local distributor of electricity and natural gas in attractive service areas along the New Hampshire and Maine Seacoast

- Fully regulated electric and gas operations
- Growing customer base supported by strong regional economic growth
- Continuing price advantage over competing fuels

## Compelling investor value proposition

- Low-risk expected earnings and dividend growth
- Sustainable long-term growth opportunities
- Proven track record of financial, operating, and strategic performance

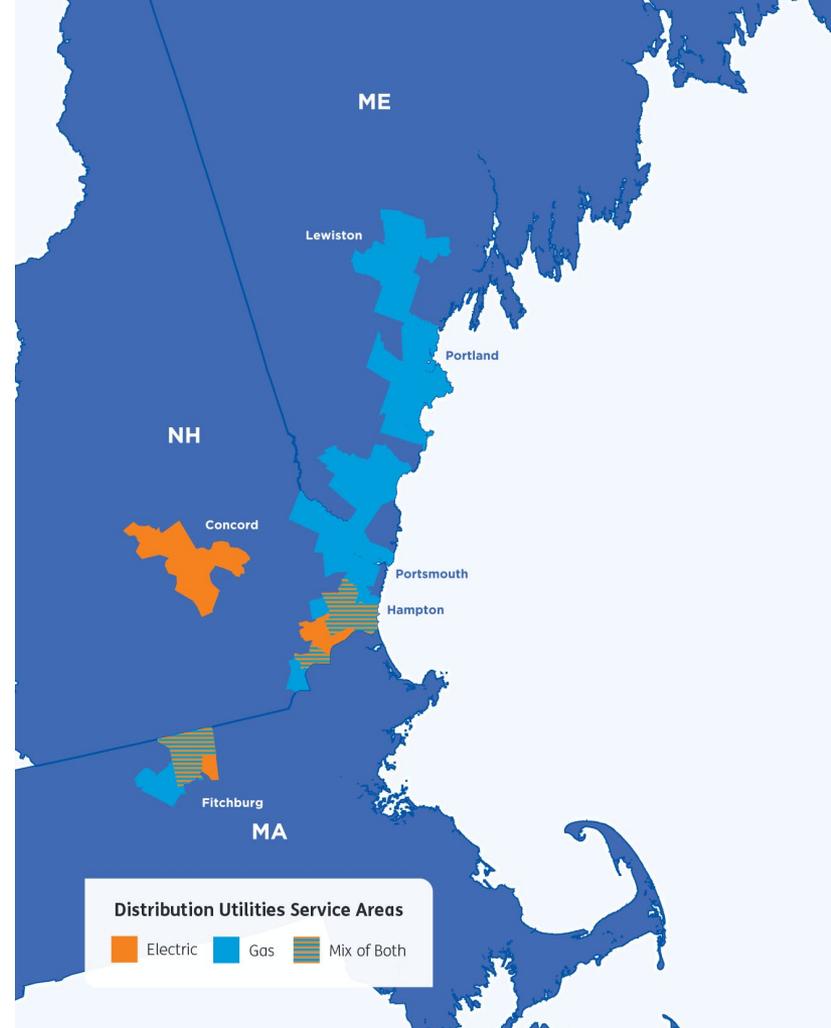
## Robust investment opportunities in electric and gas infrastructure

- Grid modernization, resiliency, and renewable resource investments are well-aligned with climate policies
- Timely recovery of capital investments

## Stable long-term expected earnings growth

- Strong regulatory and legislative support
- Distribution revenues largely decoupled from sales volumes
- Earnings unaffected by commodity cost fluctuations

## Operational and customer service excellence



# Financial Results and Strategic Update

## Strong financial results and continued strategic execution

### Achieving Strong Financial Results

- 2023 Net Income of \$45.2 million or \$2.82 per share
- \$0.23 per share increase compared to 2022 supported by regulatory initiatives and customer growth
- 8.9% year-over-year EPS growth
- GAAP ROE of 9.5%

### Delivering on Long-term Goals

- Reaffirming long-term EPS growth rate of 5% - 7%
- Payout ratio firmly within target range of 55% - 65%

### Executing Corporate Strategy and Operational Excellence

- Strong regulatory outcomes across jurisdictions
- Best-in-class operational performance and top-tier customer service
- #2 in Business NH Magazine's 2023 'Best Companies to Work For'

### Solid Capital Investment Outlook

- Long-term investment requirements in system modernization and expansion
- Expected long-term rate base growth of 6.5% - 8.5%



# Fitchburg Rate Case Overview (Electric and Gas)

FG&E rate cases progressing on schedule

Rate Case Filing Details <sup>(1)</sup>	
Docket Number	23-80 (electric) and 23-81 (gas)
Test Year	2022 Test Year
Requested Common Equity Ratio	52.26% (Current Authorized: 52.50%)
Requested Rate of Return	Electric – 10.5%, Gas – 10.75%
Requested Electric Revenue Increase	\$6.7 million
Requested Gas Revenue Increase	\$11.3 million
Requested Rate Base	Electric \$90.6 million, Gas \$121.5 Million

(1) Rate case details reflect most recent filing on 02/01/2024, which may differ slightly from initial filing

Projected Rate Case Schedule	2023		2024	
	Q3	Q4	Q1	Q3
Rate Cases Filed	✓ 8/17			
Public Hearings		✓ 11/9, 29		
Intervenor Testimony		✓ 12/8		
Rebuttal Testimony			✓ 1/23	
Evidentiary Hearings			☐ 2/1 – 3/1	
Rates Effective				☐ 7/1

## Key Elements

- Five-year Performance Based Ratemaking plans with annual inflation-based adjustments to revenue
  - K-Bar mechanism taking place of CCA to recover base electric capital investments
  - GSEP (gas), Grid Modernization (electric) capital recovery mechanisms remain in place
- Roll-in of capital tracker revenues offsets revenue deficiency requests
  - Electric tracker transfer of \$2.7 million
  - Gas tracker transfer of \$4.2 million
- Maintains revenue decoupling

## Supports multiple stakeholder interests



# Massachusetts Electric Sector Modernization Plan (ESMP)

Plan to help the Commonwealth realize its Greenhouse Gas Emission limits consistent with the Clean Energy Climate Plan

## ESMP Summary

- Comprehensive distribution and technology investment plan to:
  - Improve reliability and resiliency
  - Increase timely adoption of renewable energy resources
  - Promote energy storage and electrification technologies
  - Prepare for future climate-driven impacts on the electric system
  - Accommodate increased electrification from transportation, building and other potential demands
  - Minimize or mitigate the impact to ratepayers while helping the Commonwealth realize its greenhouse gas emission limits
- Includes capital investment totaling \$43 million through 2028
- Timely recovery through proposed capital tracker mechanism
- Strategies and frameworks to ensure community engagement and transparency
- Filed January 29, 2024

## Currently Approved Programs

- Grid Modernization - \$24.1 million authorized investment from 2022 - 2025
- EV Make Ready - \$1.0 million authorized 2023 - 2027



Plan supports  
Commonwealth's  
goal of achieving  
economy-wide net  
zero greenhouse  
gas emissions by  
2050

# Kingston Solar Project Progressing

New Hampshire Public Utilities Commission determines project to be in public interest

## NH Statute RSA 374-G

- Enables utility ownership of DER, limited to 6% of utility's total distribution peak load (approximately 18MW for Unitil)
- Individual generation projects limited to 5MW

## Summary of Proposal made to NHPUC

- Public interest determination granted by NHPUC allows 5 MW solar facility to begin construction
  - Capital cost estimates of approximately \$14 million
  - 96 acres in Kingston, NH with close proximity to substation
- Project is expected to reduce customer's energy bills, reduce emissions, and stimulate economic growth in the area

## Progress Update

- All necessary permits have been received
- Site work began in February



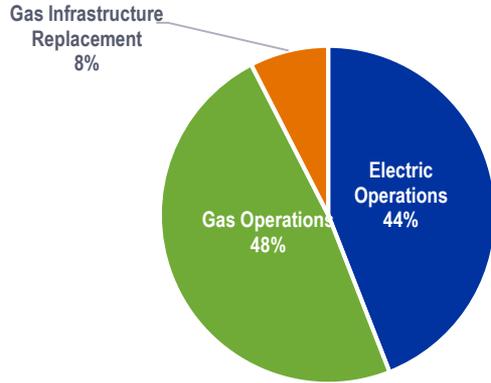
## Timeline

Initial Filing ✓ October 31, 2022	Intervenor Testimony ✓ March 9, 2023	Joint Letter of Support ✓ March 23, 2023	NHPUC Hearing ✓ April 11, 2023	Order Received ✓ May 1, 2023	Site Work Began ✓ Q1 2024	Expected In Service 1H 2025	Seek Recovery in Rate Case Shortly After Completion
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# Significant Investment Opportunities

Anticipate long-term rate base growth of 6.5% to 8.5%

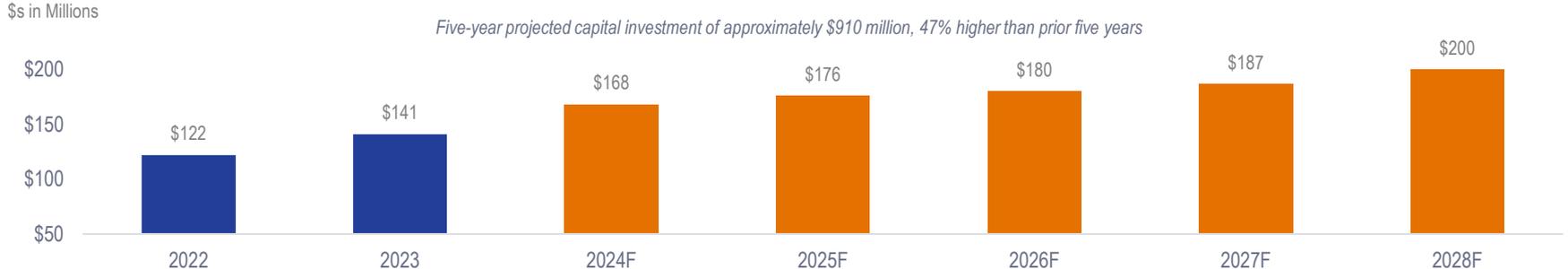
## Capital Investment Breakout<sup>(1)</sup>



## Consolidated Rate Base Over Time (as of December 31)



## Actual and Forecast Capital Investment<sup>(1)</sup>



# Service Areas Contribute to Growth Opportunities

## Desirable service areas provide unique advantages

### New Hampshire has robust and developing economy

- Frequently cited as one of the best states to live in; low crime rate and excellent economic conditions
- Low unemployment at 2.5% (Bureau of Labor Statistics)

### On-the-main penetration of approximately 60%

- Allows for continued low-cost customer conversions and reduced emissions

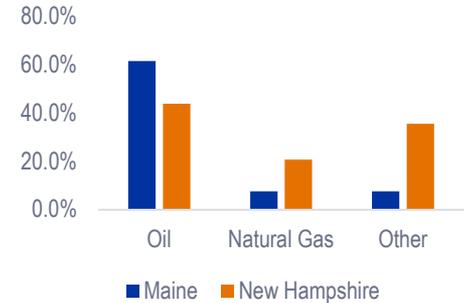
### Cold winter weather in our service areas requires heat sources that maintain effectiveness

- Stand-alone electric heat pumps are not sufficient during New England's coldest winter days

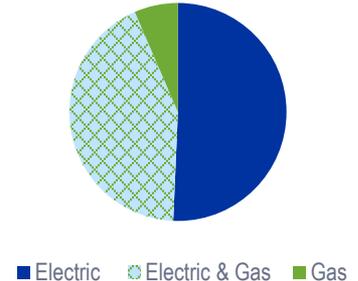
### Favorable regulatory developments in high growth jurisdictions

- NH Energy Choice legislation
- NH passed law that allows up to 5% of gas supply to be sourced with RNG and permits recovery of associated investment

Maine and New Hampshire have the first and second highest percentage of homes heated with fuel oil in the nation

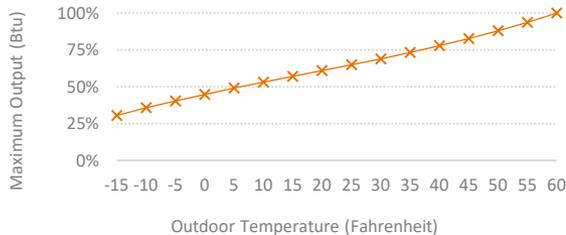


Well diversified operations in Massachusetts, the Company's most progressive service area, with significant overlap between gas and electric customers



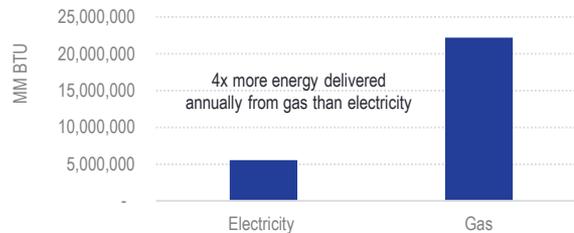
### Heat Pump Output

Heat pumps become ineffective during New England winters where the temperature frequently falls below 10°F. Pairing heat pumps with natural gas is the cleanest and most affordable option.



### Unitil Delivered Energy

Gas infrastructure delivers significant energy while maintaining affordability; delivers ~7x more energy compared to electric system during winter months despite having fewer customers.



# Balance Sheet Strength and Capitalization

## Maintaining investment grade credit ratings

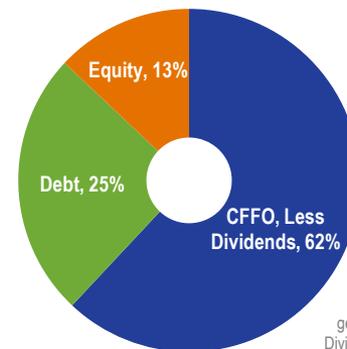
### Responsible Financing Plan

- Maintaining a strong balance remains a top objective
- Capital investments funded principally by Cash Flow From Operations less dividends
- Limited refinancing risk and no variable rate long-term debt

### Investment Grade Rating

- S&P issuer rating of BBB+
- Moody's issuer rating of Baa1 for distribution subsidiaries
  - Baa2 for Granite State Gas and Unitil Corporation

### Long-Term Financing Sources



Equity includes internally generated funds such as the Dividend Reinvestment Program

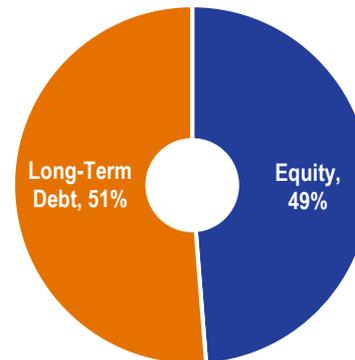
### Comparatively Lower Risk than Peers

	Unitil	Peer Average	Forward Looking Expectation
FFO / Debt <sup>(1)</sup>	19.1%	15.9%	Mid – High Teens
Debt / EBITDA <sup>(1)</sup>	4.3x	5.3x	<5.0x
Equity Ratio <sup>(2)</sup>	~49%	~45%	45% - 50%

(1) Most recent data per S&P Ratings 360; includes S&P rating adjustments.

(2) Unitil data as of 12/31/2023; peer data most recent available per S&P Capital IQ.

### Balanced Capital Structure (as of December 31, 2023)



# Dividend Increase and Expected Payout

Consecutive years of accelerated dividend rate increases

## Historical Dividend and Payout Ratio



- Balancing dividend sustainability with capital investment opportunities
- Expected dividend payout ratio to remain in target range of 55% to 65%
- Expected long-term dividend growth approximates long-term earnings growth
- Dividend increase of 5% in 2024<sup>(1)</sup>

Annualized Dividend \$1.70 Per Share <sup>(1)</sup>

Steady, Predictable Shareholder Return

2023 Payout Ratio 57%<sup>(2)</sup>

Dividend Sustainability and Capital Investment

Payout Ratio Target 55% - 65%

Long-Term Outlook

(1) Quarterly dividends are subject to approval by Unital's Board of Directors  
(2) Reflects 2023 annualized dividend of \$1.62 divided by 2023 EPS of \$2.82

# Continued Operating Excellence

Industry leading reliability, response time, and customer satisfaction



## Top-Tier Electric Service Reliability

- 12% lower service interruption time over the last 5 years compared to the prior five years

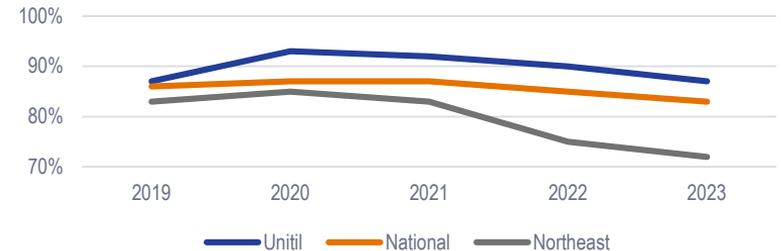
## Continued Excellence in Gas Response Time

- Responded to 91.2% emergency calls in 30 minutes or less
- Significantly better than AGA median of 73.1%

## Ranked 1<sup>st</sup> in the Northeast in Overall Customer Satisfaction at 87%

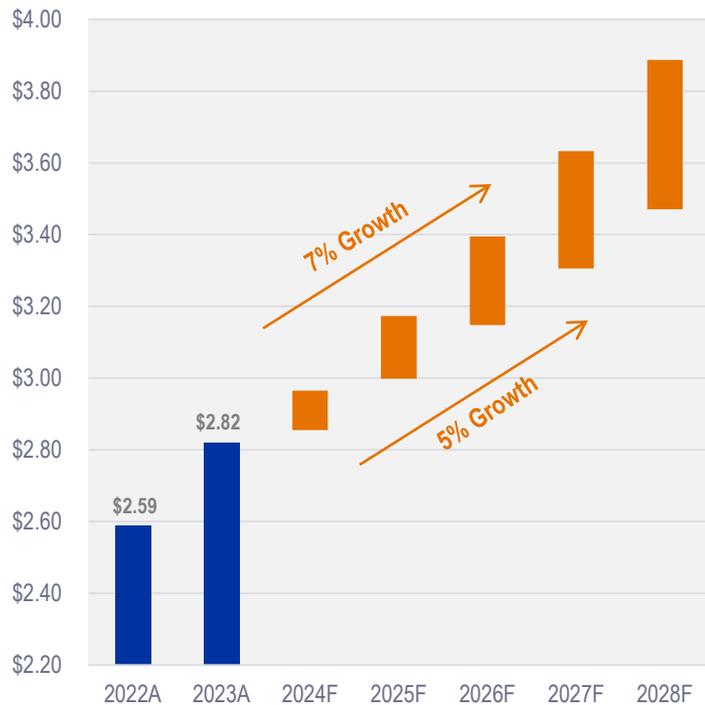
- Third highest customer satisfaction of 23 Eastern utilities

### Customer Satisfaction Consistently Exceeds Peers <sup>(1)</sup>



# Maintaining Long-Term Earnings Growth

Long-term growth expectation remaining in the range of 5% to 7%<sup>(1)</sup>



## 2024 Expectations

- 2024 earnings expected to be within long-term growth range
- Decoupled margin provides stability and visibility – over 80% of customers under decoupled rates
- Anticipate O&M growth in 2024 at or below inflation
- Mitigated interest rate risk – no significant maturities or variable rate long-term debt

## Approximate Quarterly EPS Distribution <sup>(1)</sup>



(1) Earnings distribution based on 2024 expectations

# Recapping Financial Performance Over the Past Decade

Historical earnings growth at mid-point of long-term guidance

## Performance Over Last 10 Years



7.7% Net Income  
Annual Growth

**2.1x Net Income**  
Compared to 2013



6.0% Earnings Per Share  
Annual Growth

**1.8x EPS**  
Compared to 2013



8.1% Rate Base  
Annual Growth

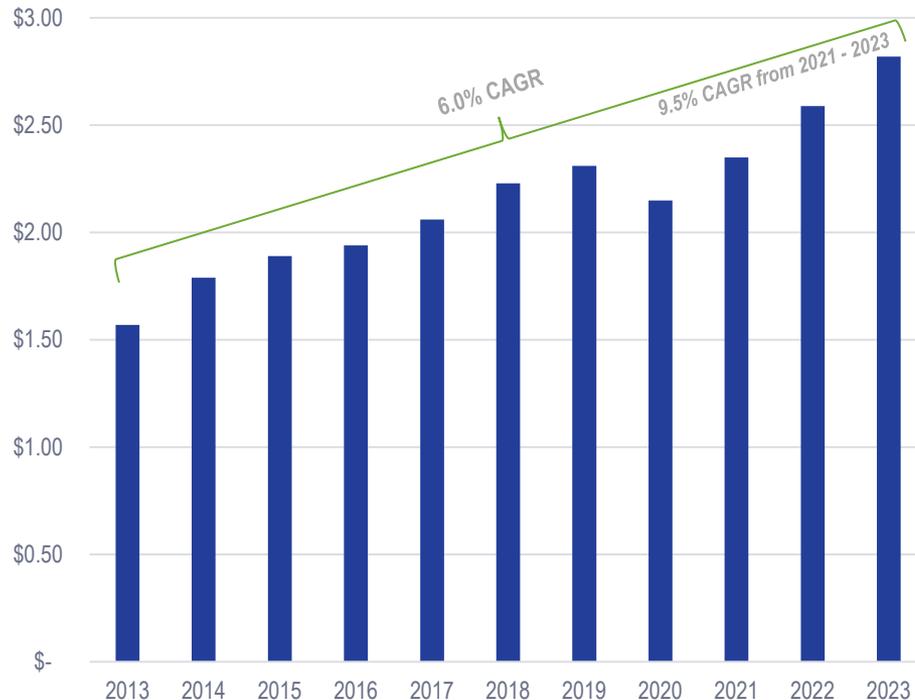
**2.2x Rate Base**  
Compared to 2013



Payout Ratio decreased  
by approximately 30  
percentage points

**57% Payout Ratio**  
Compared to 88% in 2013

## Historical Earnings per Share <sup>(1)</sup>



# Continued Execution on Stated Objectives

Delivering value through consistent execution

Objective	Result	
Grow Earnings Per Share between 5% - 7%	9.5% annual EPS growth since 2021	✓
Grow Rate Base between 6.5% - 8.5%	7.3% annual Rate Base growth over the last 5 years	✓
Decrease payout ratio to support investment plan	57% Dividend Payout Ratio in 2023; within 55% - 65% target range	✓
Protect the Balance Sheet	Maintaining Investment Grade Credit Ratings, Stable Outlook	✓
Consistent Cost Management	2023 O&M increase lower than inflation	✓
Regulatory Agenda Execution	Settled last 6 rate cases; 80% of customers decoupled	✓
Maintain Best-in-Class Customer Service	#1 in Customer Satisfaction in Northeast for 4th Straight Year	✓

# Key Elements of Unutil's Value Proposition

Delivering consistent results through a reliable, regulated strategy

## 8.5%-10.5% Expected Annual Total Shareholder Return<sup>(1)</sup>

**5%-7%**

Expected Annual  
EPS Growth

**6.5%-8.5%**

Expected Annual Utility  
Rate Base Growth

**\$910 million**

Planned Electric and Gas  
System Investments over  
the next 5 years

**55%-65%**

Targeted Annual  
Dividend Payout  
Ratio

**15%-19%**

Long-term FFO/  
Debt Target

**Cost  
Control**

Anticipate O&M  
growth less than or  
equal to inflation

**Net Zero  
by 2050**

With 2030 goal of 50%  
reduction in GHG  
emissions

**Key  
Considerations**

**Strong financial  
position**

**100% regulated  
operations**

**Constructive  
regulatory  
jurisdictions**

**Operational  
excellence**

# Appendix

Slide

19

GAAP ROE

20

Rate Relief Summary

21

Key Regulatory Recovery Mechanisms

22

Dividend History



# GAAP Return on Average Common Equity

GAAP Return on Equity over the last twelve months

Company	Average Common Equity	LTM ROACE <sup>(1)</sup>
Northern Utilities	\$254	8.4%
Unitil Energy Systems	\$123	9.6%
Fitchburg Gas and Electric	\$124	9.9%
Granite State Gas	\$21	7.2%
<b>Unitil Corporation</b>	<b>\$478</b>	<b>9.5%</b>

\$s in Millions

# Rate Relief Summary

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

Company	Activity	Millions	Date Effective
Northern Utilities (Maine)	Capital Tracker	\$2.1	Q2 2023
	Base Rate Case Increase	\$7.6	Q4 2023
Unitil Energy Systems	Capital Tracker	\$1.2	Q2 2023
Fitchburg (Electric)	Exogenous Cost Recovery	\$0.7	Q1 2023
	Grid Modernization	\$1.0	Q2 2023
	Capital Tracker	\$0.4	Q1 2024
	Base Rate Case Increase	\$6.8 (requested)	Q3 2024
Fitchburg (Gas)	Exogenous Cost Recovery	\$0.7	Q1 2023
	Capital Tracker	\$1.2	Q2 2023
	Base Rate Case Increase	\$10.9 (requested)	Q3 2024
Granite State Gas	Capital Tracker	\$1.0	Q3 2023

# Key Regulatory Recovery Mechanisms

## Timely Rate Recovery

	Unitil Energy	Fitchburg - Electric	Fitchburg - Gas	Northern - ME	Northern - NH
Revenue Decoupling	✓	✓	✓		✓
Power/Gas Supply	✓	✓	✓	✓	✓
Supply Related Bad Debt	✓	✓	✓	✓	✓
Energy Efficiency	✓	✓	✓		✓
Transmission	✓	✓			
Net Metering Credits	✓	✓			
Specific Capital Investment <sup>(1)</sup>	✓	✓	✓	✓	✓
Solar Incentives		✓			
Long-Term Renewable Contracts		✓			
Environmental Remediation			✓	✓	✓
Vegetation Management	✓				
Storm Recovery	✓	✓			
Pension / PBOP		✓	✓		
Exogenous Costs		✓	✓		✓
Local Property Taxes	✓				✓

# Consistent Dividend Payment Since Incorporation

Steadily increasing dividend per share since 2015

