



Unitil Files Changes to Natural Gas Rates

September 19, 2005

Hampton, NH (September 19, 2005): Unitil Corporation (AMEX:UTL) announced that its Massachusetts utility subsidiary filed Cost of Gas Adjustment (CGA) rate changes with the Massachusetts Department of Telecommunications and Energy (MDTE). The proposal includes an interim increase to take effect October 1, 2005, followed by a second increase effective November 1, 2005, for the winter period.

The interim October rate increase is driven by the impact of Hurricane Katrina on natural gas production in the Gulf Coast. On October 1, the increase for one month for a typical residential heating customer at summer usage of 50 therms per month will be \$16.08 for the month, or 22%, versus rates currently in effect.

The winter period CGA increase is a result of increases in the costs of purchased gas. A typical residential heating customer using 150 therms per month will see a total cumulative increase of \$51.78 per month, or 24%, compared to rates in effect last winter. Bill impacts will vary depending upon rate class and usage. The Northeast Gas Association estimates that bill increases for Massachusetts customers this winter will range from 20-30%.

Unitil procures natural gas from a variety of sources including the Gulf Coast, and supplements those supplies to meet higher consumption requirements in the winter with purchases of Liquefied Natural Gas and Propane. Although Unitil contracted 65% of this supply during the summer, and was able to lock in prices for a significant portion before Hurricane Katrina, market prices throughout the year have been markedly higher than they were during the same period a year ago.

Unitil encourages customers concerned about winter energy bills to contact Unitil at 1-888-301-7700 for information about programs that can help moderate winter energy costs, such as low-income discounts, energy efficiency programs and information, and budget billing programs.

The CGA in the Commonwealth of Massachusetts is normally set every six months to reflect changes in wholesale gas supply costs incurred by the local distribution company to provide gas service to its customers. The CGA is initially based on estimates and then reconciled to actual costs at the end of the period with interest on over or under-collections. Gas supply costs are recovered through the CGA without profit or mark up by the local distribution company.

Unitil Corporation (AMEX:UTL) (www.unitil.com) is a public utility holding company with subsidiaries providing electric service in New Hampshire, electric and gas service in Massachusetts and energy services throughout the Northeast.

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