



Unitil-Massachusetts Gas Rates to Increase

December 23, 2004

Hampton, NH (December 22, 2004): Unitil announced that it has filed an interim increase in its Cost of Gas Adjustment (CGA) factor with the Massachusetts Department of Telecommunications and Energy (MDTE) as a result of the high cost of natural gas supply. If approved, the increase would become effective on January 1.

A typical residential heating customer using 150 therms per month in the winter would see an increase of \$11.06 or 5.4% over the current rates.

"Wholesale natural gas prices spiked and have continued to remain high for the winter period," said Karen Asbury, Unitil's Director of Regulatory Services. "High energy costs are affecting all energy consumers and we encourage our customers to use energy efficiently and to take advantage of the programs available to help manage their bills."

Among the programs available to help customers who may have difficulty with their winter bills:

- Federal Fuel Assistance, which provides assistance to income-qualified customers. For example, a family of 4 with an income of \$37,000 or less could qualify for assistance. For more information, contact the New England Farm Workers Council at 978-342-4520
- Good Neighbor Energy fund, administered by the Salvation Army and funded by contributions from utilities and their customers. This fund helps those in financial crisis who do not qualify for Federal Fuel Assistance. For more information, contact the Salvation Army at 978-342-9407
- Unitil's Discount rate, energy efficiency programs and bill payment options, which can help moderate high bills. For more information, contact Unitil's customer service center at 888-301-7700

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) at 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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