



Unitil/FG&E Gas Supply Costs to Rise 4.1% This Winter

September 17, 2002

Fitchburg, MA (September 17, 2002) - Unitil Corporation (AMEX: UTL) announced today that its subsidiary Fitchburg Gas and Electric Light (FG&E) filed a request to increase its Cost of Gas Adjustment rates with the Massachusetts Department of Telecommunications and Energy (MDTE). Pending MDTE approval, the proposed rates would go into effect November 1, 2002.

A typical residential heating customer using 150 therms per month in the winter would see a bill of \$139.30. This is an increase of \$5.54 or 4.1% over last winter's rates and a \$28.64 or 25.9% increase over the current summer rates. Summer rates are normally lower than winter rates. Similar impacts would be seen for high winter-use customers, while low winter-use customers would see smaller increases. The increase is primarily due to increases in commodity costs of purchased gas.

Cost of Gas Adjustment rates in the Commonwealth of Massachusetts are normally adjusted every six months to reflect changes in wholesale supply costs incurred by the local distribution company to provide gas to its customers. Gas supply costs are billed to customers without any profit to or mark up from the local distribution company. CGA rates are initially based on estimates, and then reconciled to actual costs at the end of the period, with interest on over- or under-collections. The Company's goal is to provide the lowest overall costs at stable prices and to minimize over- or under-collections in any given period.

Unitil 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. Additional information is available at www.unitil.com. Unitil's subsidiaries include Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Service Corp. and its unregulated business segment Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc. The Usource product line is available at www.usourceonline.com.

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