

FORM U-9C-3

QUARTERLY REPORT PURSUANT TO RULE 58

UNITIL CORPORATION  
 (Name of Registered Holding Company)

6 Liberty Lane West, Hampton, New Hampshire 03842-1720  
 (Address of principal executive offices)

ITEM 1 - ORGANIZATION CHART

Name of reporting company	Energy or gas-related company	Date of organization	State of organization	Percentage of voting securities held	Nature of business
Unitil Corporation					
Unitil Resources, Inc.	Energy	5/26/93	NH	100%	Energy Marketing and Consulting

Description of Various Consulting, Energy Marketing, Energy Management and Other Activities Undertaken by Unitil Resources Inc.:

Staff providing services under the activities listed below (unless otherwise indicated) are located at Unitil Service Corp. (Unitil Service), 6 Liberty Lane West, Hampton, NH 03842-1720, where most client work is performed. From time to time staff visit other locations, predominately in New England, representing client interests.

Consulting Services

Sale of Survey Information. During the first quarter of 1997, Unitil Resources, in partnership with The Delahaye Group (a New Hampshire-based market research firm), began to market and sell a report analyzing the New Hampshire Pilot Program, and which provided the results of a survey completed in late 1996 of Pilot Program participants. The two entities are equally dividing the revenues from the sale of these reports, which are priced at \$5,000. Unitil did not receive any revenue from this service in the second quarter of 1998.

Energy Marketing Activities

New Hampshire Pilot Program. As of July 1, 1996, Unitil Resources became eligible to begin marketing electricity at retail to statewide participants in the New Hampshire Pilot Program. This program, which originally was scheduled to last 24 months, allows 3% of all electric customers in the State of New Hampshire to purchase electricity from the supplier of their choice. The State of New Hampshire recently extended this program beyond the original 24 month period. Revenues generated from this activity during the second quarter of 1998 were \$144,867.

ITEM 2 - ISSUANCES AND RENEWALS OF SECURITIES AND CAPITAL CONTRIBUTIONS

Associate company advancing funds	Reporting company receiving funds	Type of transaction	Net Change in contributions

Unitil Corporation	Unitil Resources Inc.	Capital contribution	400,000
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ITEM 3 - ASSOCIATE TRANSACTIONS

Part I - Transactions Performed by Reporting Companies on Behalf of Associate Companies

None.

Part II - Transactions Performed by Associate Companies on Behalf of Reporting Companies

Associate company rendering services	Reporting company receiving services	Types of services rendered	Direct costs charged	Indirect costs charged	Cost of capital	Total amount billed
Unitil Service Corp.	Unitil Resources Inc.	Energy Marketing and Consulting	\$17,712	\$38,460	\$0	\$56,172

Staff involved in providing service to Unitil Resources, Inc. (Unitil Resources) are located at Unitil Service Corp. (Unitil Service). Service is provided to Unitil Resources pursuant to a service agreement between Unitil Service and Unitil Resources dated July 1, 1993. Consulting services provided by Unitil Service during the second quarter of 1998 included regulatory, finance, accounting, marketing, energy management and administrative services.

ITEM 4 - SUMMARY OF AGGREGATE INVESTMENT  
(Dollars in Thousands)

Investments in Energy-related Companies:

Total consolidated capitalization as of June 30, 1998	\$136,453	
Total capitalization multiplied by 15%		20,468
Greater of \$50 million or line 2		\$50,000
Total current aggregate investment:		
Energy-related business:		
Unitil Resources, Inc.		590
Total current aggregate investment		590
Difference between the greater of \$50 million or 15% of capitalization and the total aggregate investment of the registered holding company system (line 3 less line 4)		\$49,410

Investments in Gas-related Companies

None.

ITEM 5 - OTHER INVESTMENTS

Major line of energy-related business	Other investment in last U-9C-3 report	Other investment in this U-9C-3 report	Reason for difference in other investment
Energy Marketing and Consulting	\$10,000 *	\$0	n/a

\* The initial investment by Unitil Corporation in Unitil Resources, Inc. was \$10,000.

ITEM 6 - FINANCIAL STATEMENTS AND EXHIBITS

A. Financial Statements - Page 1 of 2

Unitil Resources, Inc.  
 (A Wholly-owned Subsidiary of Unitil Corporation)

BALANCE SHEET  
 (UNAUDITED)

ASSETS: June 30  
1998

Current Assets:

Cash	\$296,389
Accounts Receivable	95,361
Prepayments	2,082
Unbilled and Accrued Revenue	99,019
Total Current Assets	492,851

Deferred Debits 1,835

Total Assets \$494,686

LIABILITIES AND  
 STOCKHOLDERS EQUITY:

Current Liabilities:

Accounts Payable	\$72,858
Taxes Accrued & Other	34,070
Total Current Liabilities	106,928

Stockholder's Equity:

Common Stock, \$1.00 par value	
Authorized - 10,000 shares	
Outstanding - 10,000 shares	100
Premium on Common Stock	9,900
Miscellaneous Paid in Capital	590,000
Retained Earnings	(212,242)
Total Stockholder's Equity	387,758

Total Liabilities and Equity \$494,686

ITEM 6 - FINANCIAL STATEMENTS AND EXHIBITS

A. Financial Statements - Page 2 of 2

Unitil Resources, Inc.  
 (A Wholly-owned Subsidiary of Unitil Corporation)

STATEMENT OF EARNINGS  
 (UNAUDITED)

	Three Months Ended June 30, 1998	Six Months Ended June 30, 1998
Revenues:		
Electric Revenues	\$144,867	\$303,955
Operating Expenses:		
Purchased Power	188,202	365,987
Administrative and General	82,205	126,363

Total Operating Expenses	270,407	492,350
Operating (Loss) Income	(125,540)	(188,395)
Nonoperating (Expense) Income	(1,162)	(3,833)
Income (Loss) Before Income Taxes	(126,702)	(192,228)
Income Taxes:		
Current Federal	(43,079)	(65,358)
Current State	--	--
Total Income Taxes	(43,079)	(65,358)
Net (Loss) Income	\$(83,623)	\$(126,870)

B. Exhibits

None.

SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this Certificate to be signed on its behalf by the undersigned thereunto duly authorized.

Unitil Corporation

Dated: August 28, 1998

By: /s/ Mark H. Collin  
Treasurer

SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this Certificate to be signed on its behalf by the undersigned thereunto duly authorized.

Unitil Corporation

Dated: August 28, 1998

By: Mark H. Collin  
Treasurer