FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended June 30, 2000

Commission File Number 1-8858

Unitil Corporation
(Exact name of registrant as specified in its charter)

New Hampshire	02-0381573
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6 Liberty Lane West, Hampton, New Hampshire	03842
(Address of principal executive office)	(Zip Code)

(603) 772-0775
(Registrant's telephone number, including area code)

NONE
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 1, 2000
Common Stock, No par value	4,723,136 Shares

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

INDEX

PART 1. FINANCIAL INFORMATION

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF EARNINGS
(000's except common shares and per share data)
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Operating Revenues				
Electric	$38,778	$39,051	$77,736	$75,235
Gas	4,105	3,672	11,425	9,828
Other	25	38	64	45
Total Operating Revenues	42,908	42,761	89,225	85,108
Operating Expenses				
Fuel and Purchased Power	26,785	26,000	52,638	48,906
Gas Purchased for Resale	2,256	2,104	6,308	5,282
Operation and Maintenance	6,023	6,333	12,192	12,270
Depreciation and Amortization	3,021	2,914	6,061	5,849
Provisions for Taxes:				
Local Property and Other	1,245	1,360	2,622	2,825
Federal and State Income	548	648	1,916	2,023
Total Operating Expenses	39,878	39,359	81,737	77,155
Operating Income	3,030	3,402	7,488	7,953
Non-Operating Expenses,Net	84	38	133	50
Income Before Interest Expense	2,946	3,364	7,355	7,903
Interest Expense, Net	1,719	1,766	3,464	3,561
Net Income	1,227	1,598	3,891	4,342
Less Dividends on Preferred Stock	66	67	133	135
Net Income Applicable to Common Stock	$1,161	$1,531	$3,758	$4,207
Average Common Shares Outstanding	4,720,178	4,695,844	4,717,359	4,658,443
Basic Earnings Per Share	$0.25	$0.32	$0.80	$0.90
Diluted Earnings Per Share	$0.24	$0.32	$0.79	$0.90
Dividends Declared Per Share of Common Stock	$0.345	$0.345	$1.035	$1.035

(The accompanying notes are an integral part of these statements.)

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS (000's)

	(UNAUDITED) June 30,		(AUDITED) December 31,
	2000	1999	1999
ASSETS:			

Utility Plant:			
Electric	$166,473	$158,872	$161,767
Gas	35,273	32,647	34,031
Common	21,150	20,994	21,541
Construction Work in Progress	3,207	3,431	2,499
Total Utility Plant	226,103	215,944	219,838
Less: Accumulated Depreciation	68,518	65,956	66,429
Net Utility Plant	157,585	149,988	153,409
Other Property and Investments	6,338	3,891	5,051
Current Assets:			
Cash	3,002	1,313	2,847
Accounts Receivable - Less Allowance for Doubtful Accounts of $589, $496 and $598	17,274	15,380	16,630
Materials and Supplies	2,321	2,205	2,503
Prepayments	1,362	709	713
Accrued Revenue	2,402	(720)	2,262
Total Current Assets	26,361	18,887	24,955
Noncurrent Assets:			
Regulatory Assets	139,799	162,937	143,470
Prepaid Pension Costs	8,789	8,789	9,119
Debt Issuance Costs	1,382	1,382	1,351
Other Noncurrent Assets	25,124	25,788	24,753
Total Noncurrent Assets	175,094	198,896	178,693
TOTAL	$365,378	$371,662	$362,108

(The accompanying notes are an integral part of these statements.)

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS (Cont.) (000's)

	(UNAUDITED) June 30, 2000	(UNAUDITED) June 30, 1999	(AUDITED) December 31, 1999
CAPITALIZATION AND LIABILITIES:			
Capitalization:			
Common Stock Equity	$77,973	$75,977	$78,675
Preferred Stock, Non-Redeemable, Non-Cumulative	225	225	225
Preferred Stock, Redeemable, Cumulative	3,465	3,532	3,532
Long-Term Debt, Less Current Portion	81,864	85,064	84,966
Total Capitalization	163,527	164,798	167,398
Current Liabilities:			
Long-Term Debt, Current Portion	3,199	1,183	1,191
Capitalized Leases, Current Portion	850	866	902
Accounts Payable	13,771	13,742	16,515
Short-Term Debt	16,700	---	10,500
Dividends Declared and Payable	1,841	1,861	220
Refundable Customer Deposits	1,282	1,297	1,302
Taxes Payable (Refundable)	152	(1,455)	(1,419)
Interest Payable	1,150	1,211	1,245
Other Current Liabilities	6,550	3,458	3,042
Total Current Liabilities	45,495	22,163	33,498
Deferred Income Taxes	42,883	43,163	42,634
Noncurrent Liabilities:			
Power Supply Contract			

Obligations	101,763	128,651	106,184
Capitalized Leases, Less Current Portion	3,447	4,013	3,860
Other Noncurrent Liabilities	8,263	8,874	8,534
Total Noncurrent Liabilities	113,473	141,538	118,578
TOTAL	$365,378	$371,662	$362,108

(The accompanying notes are an integral part of these statements.)

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (000'S)
(UNAUDITED)

	Six Months Ended June 30, 2000	1999
Net Cash Flow from Operating Activities:		
Net Income	$3,891	$4,342
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Depreciation and Amortization	6,061	5,849
Deferred Taxes Provision	430	236
Amortization of Investment Tax Credit	(128)	(188)
Amortization of Debt Issuance Costs	30	30
Changes in Working Capital:		
Accounts Receivable	(644)	619
Materials and Supplies	182	757
Prepayments	(1,108)	240
Accrued Revenue	(140)	2,396
Accounts Payable	(2,744)	2,360
Refundable Customer Deposits	(20)	4
Taxes and Interest Payable	1,476	(29)
Other, Net	1,449	(4,122)
Net Cash Provided by Operating Activities	8,735	12,494
Net Cash Flows from Investing Activities:		
Acquisition of Property, Plant and Equip.	(9,843)	(6,009)
Proceeds from Sale of Electric Generation Assets	----	5,288
Acquisition of Other Property and Investments	(238)	(3,271)
Net Cash Used in Investing Activities	(10,081)	(3,992)
Cash Flows from Financing Activities:		
Net Increase (Decrease) in Short-Term Debt	6,200	(20,000)
Proceeds from Issuance of Long-Term Debt	---	12,000
Repayment of Long-Term Debt	(1,094)	(975)
Dividends Paid	(3,394)	(3,324)
Issuance of Common Stock	322	1,621
Retirement of Preferred Stock	(68)	(86)
Repayment of Capital Lease Obligations	(465)	(508)
Net Cash Flows Provided by (Used in) Financing Activities	1,501	(11,272)
Net Increase (Decrease) in Cash	155	(2,770)
Cash at Beginning of Year	2,847	4,083
Cash at June 30,	$3,002	$1,313
Supplemental Cash Flow Information:		
Cash Paid for:		
Interest Paid	$4,103	$3,449
Federal Income Taxes Paid	$350	$1,912

(The accompanying notes are an integral part of these statements.)

UNITIL CORPORATION AND SUBSIDIARY COMPANIES
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

Note 1.

Dividends Declared Per Share:

Three regular quarterly common stock dividends were declared during the six month periods ended June 30, 2000 and 1999.

Common Stock Dividend:

On June 21, 2000, the Company's Board of Directors declared its regular quarterly dividend on the Company's Common Stock of $0.345 per share which was payable on August 15, 2000 to shareholders of record as of August 1, 2000.

On March 16, 2000, the Company's Board of Directors declared its regular quarterly dividend on the Company's Common Stock of $0.345 per share which was payable on May 15, 2000 to shareholders of record as of May 1, 2000.

On January 19, 2000 the Company's Board of Directors declared its regular quarterly dividend on the Company's Common Stock of $0.345 per share which was payable February 15, 2000 to shareholders of record as of February 1, 2000.

Note 2.

Common Stock:

During the second quarter of 2000, the Company sold 6,114 shares of Common Stock, at an average price of $26.49 per share, in connection with its Dividend Reinvestment and Stock Purchase Plan. Net proceeds of $161,962 were used to reduce short-term borrowings.

Note 3.

Preferred Stock:

Details on preferred stock at June 30, 2000, June 30, 1999 and December 31, 1999 are shown below:

(Amounts in Thousands)

	June 30, 2000	June 30, 1999	December 31, 1999
Preferred Stock:			
Non-Redeemable, Non-Cumulative,			
6%, $100 Par Value	$225	$225	$225
Redeemable, Cumulative,			
$100 Par Value:			
8.70% Series	215	215	215
5% Dividend Series	91	91	91
6% Dividend Series	168	168	168
8.75% Dividend Series	333	333	333
8.25% Dividend Series	385	385	385
5.125% Dividend Series	974	987	987
8% Dividend Series	1,299	1,353	1,353
Total Redeemable Preferred Stock	3,465	3,532	3,532
Total Preferred Stock	$3,690	$3,757	$3,757

Note 4.

Long-term Debt:

Details on long-term debt at June 30, 2000, June 30, 1999 and December 31, 1999 are shown below:

(Amounts in Thousands)

	June 30, 2000	June 30, 1999	December 31, 1999
Concord Electric Company:			
First Mortgage Bonds:			
Series I, 8.49%, due October 14, 2024	6,000	6,000	6,000
Series J, 6.96%, due September 1, 2028	10,000	10,000	10,000
Exeter & Hampton Electric Company:			
First Mortgage Bonds:			
Series K, 8.49%, due October 14, 2024	9,000	9,000	9,000
Series L, 6.96%, due September 1, 2028	10,000	10,000	10,000
Fitchburg Gas and Electric Light Company:			
Promissory Notes:			
8.55% Notes due March 31, 2004	12,000	13,000	13,000

6.75% Notes due November 30, 2023	19,000	19,000	19,000
7.37% Notes due January 15, 2029	12,000	12,000	12,000
Unitil Realty Corp.			
Senior Secured Notes:			
8.00% Notes Due August 1, 2017	7,063	7,247	7,157
Total	85,063	86,247	86,157
Less: Installments due within one year	3,199	1,183	1,191
Total Long-term Debt	$81,864	$85,064	$84,966

Note 5.

Contingencies:

The Company is currently undergoing an audit of its 1992 and 1993 Federal income tax returns by the Internal Revenue Service (IRS). Although the IRS has not completed its examination of these returns, it has proposed adjustments relating to the timing of tax deductions taken by Unitil in those years. The Company strongly disagrees with the IRS' position and will vigorously contest it. If the IRS prevails with its position, the Company may be required to pay additional taxes and interest. However, those taxes will be recovered in future years. Although the outcome cannot be predicted with certainty, the Company's management does not expect it to have a material adverse impact on the Company's results of operations.

Note 6.

In the opinion of the Company, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the consolidated financial position as of June 30, 2000 and 1999; and results of operations for the three and six months ended June 30, 2000 and 1999; and consolidated statements of cash flows for the six months ended June 30, 2000 and 1999. Reclassifications of amounts are made periodically to previously issued financial statements to conform with the current year presentation.

The results of operations for the six months ended June 30, 2000 and 1999 are not necessarily indicative of the results to be expected for the full year.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

EARNINGS

Diluted earnings per average common share were $0.24 for the second quarter of 2000, a decrease of $0.08 from the second quarter of 1999. This decrease reflects a $0.02 reduction in earnings from Utility Operations, primarily the result of the loss of revenues from a major customer who curtailed operations, as well as a $0.06 reduction in earnings related to Unitil's planned start-up costs of its e-commerce business, Usource. Also impacting net income was an increase in depreciation and amortization expenses and non-operating expenses offset by a decrease in local property and other taxes and interest expense, net.

On a year-to-date basis, diluted earnings decreased $0.11 to $0.79 per share, compared to $0.90 per share for the first six months of 1999. This reflects a $0.01 increase in earnings from Utility Operations offset by a $0.12 reduction of earnings related to Usource.

Sales (000's)

	Three Months Ended	Six Months Ended

kWh Sales	06/30/00	06/30/99	Change	06/30/00	06/30/99	Change
Residential	129,111	124,464	3.7%	292,947	279,137	4.9%
Commercial/ Industrial	244,132	253,724	-3.8%	499,767	513,257	-2.6%
Total kWh Sales	373,243	378,188	-1.3%	792,714	792,394	0.0%

Firm Therm Sales						
Residential	2,413	2,235	8.0%	7,939	7,629	4.1%
Commercial/ Industrial	2,288	2,074	10.3%	7,499	6,920	8.4%
Total Firms Therm Sales	4,701	4,309	9.1%	15,438	14,549	6.1%

Segment Information ($000's)	Three Months Ended-6/30/00			Six Months Ended-6/30/00		
	Utility Operations	Usource	Total	Utility Operations	Usource	Total
Revenues	42,891	17	42,908	89,176	49	89,225
Segment Profit	1,556	(395)	1,161	4,445	(687)	3,758

	Three Months Ended-6/30/99			Six Months Ended-6/30/99		
	Utility Operations	Usource	Total	Utility Operations	Usource	Total
Revenues	42,755	6	42,761	85,102	6	85,108
Segment Profit	1,633	(102)	1,531	4,324	(117)	4,207

Total electric kWh sales volume decreased 1.3% in the second quarter and was even on a year-to-date basis. Exclusive of the major customer discussed below, kWh sales increased 1.9% and 3.4% for the three- and six-month periods. Increased Residential sales of 3.7% in the second quarter and 4.9% for the six months ended June 30, were a result of strong customer growth and slightly colder weather in the first half of the year 2000. Commercial and Industrial sales decreased 3.8% and 2.6% for the three- and six-month periods. This was the result of a major customer curtailing operations at a paper manufacturing facility during 1999. A new owner has recently purchased this facility, and has announced plans to retool and resume operations during 2001. Exclusive of this major customer, Commercial and Industrial sales increased by 1.0% in the second quarter and 2.5% on a year-to-date basis.

Electric revenues decreased 0.7% in the second quarter and increased 3.3% for the six month period of 2000 as compared to 1999. The change in electric revenues was a result of variances in unit sales, as discussed above, and an increase in fuel prices compared to the prior year.

Total Firm Therm gas sales increased 9.1% and 6.1% in the three- and six-month periods, respectively. This increase reflects continued growth as a result of the strong regional economy in our service territories and a colder winter heating season compared to the prior year. Gas revenues increased over the prior year by 11.8% in the second quarter and 16.2% on a year-to-date basis. The increase in revenues was a result of higher unit sales as well as increased gas supply prices.

During the first six months of 2000, Fuel and Purchased Power and Gas Purchased for Resale increased over the prior year, because of changes in sales volume and higher unit costs. Both electric and gas supply costs are collected from customers through periodic cost recovery mechanisms and therefore, changes in these costs do not affect the Company's net income.

For the first six months ended June 30, 2000, Operation and Maintenance (O&M) expenses decreased slightly, reflecting lower O&M costs for Utility Operations offset by higher O&M costs related to the development of Usource. The 3.6% increase in Depreciation and Amortization expenses during the same period was due to the accelerated write-off of electric generating assets as a result of electric utility industry restructuring in Massachusetts, as well as additional amortization related to

Usource. Local Property and Other taxes decreased 7.2%, related to divestiture of generating assets and the impact of state and local property tax changes in New Hampshire. Interest expense, net, was 2.7% lower in the first six months of 2000, reflecting higher interest income on deferred recovery of costs related to industry restructuring in Massachusetts.

In April 2000, Unitil formed Usource L.L.C. to operate its Internet-based brokering and related energy products and services business. In early June, Usourceonline.com was launched in a test market in Philadelphia. Usource is currently in the process of expanding its market reach to new geographic territories and deploying its website technology to other customers through strategic business alliances. Usource continues to add large industrial customers and major business-to-business buying groups to its portfolio.

Diluted earnings per average common share for the 12 months ended June 30, 2000 and 1999, were $1.63 and $1.79, respectively. This decrease reflects a $0.04 increase in earnings related to Utility Operations offset by a $0.20 reduction in related to Usource.

REGULATORY MATTERS

Electric and gas industry restructuring and the process for separating the "competitive" retail sale of the electric and gas energy from the "regulated" delivery of that energy over a utility's transmission and distribution system has been the predominant focus of the Company's regulatory initiatives and activities in both Massachusetts and New Hampshire.

Since March 1, 1998 all electric consumers in Massachusetts served by investor-owned utilities have had the ability to choose their electric energy supplier. FG&E, the Company's Massachusetts utility operating subsidiary, began implementation of its comprehensive electric restructuring plan that includes the divestiture of its entire regulated power supply business.

In New Hampshire, CECo and E&H, our electric utility operating subsidiaries, and Unitil Power Corp., our wholesale power company, continue to prepare for the transition that will move them into this new market structure pending resolution of key restructuring policies and issues that have slowed the restructuring process in the state.

Massachusetts gas industry restructuring plans continue to be a major focus of our regulatory activities as well. Since 1997, FG&E has worked in collaboration with the other Massachusetts Local Distribution Companies (LDCs) and various other stakeholders to develop and implement the infrastructure to offer gas customers choice of their competitive gas energy supplier and to complete the restructuring of gas service provided by LDCs. FG&E has filed with the Massachusetts Department of Telecommunications and Energy (MDTE) new gas tariffs to implement natural gas unbundling in accordance with Model Terms and Conditions resulting from these collaborative efforts. The MDTE has issued an order suspending implementation of approved tariffs and final regulations until September 1, 2000.

Massachusetts (Electric)- On January 15, 1999, the MDTE approved FG&E's restructuring plan with certain modifications. The Plan provides customers with: a) the ability to choose an energy supplier; b) an option to purchase Standard Offer Service provided by FG&E at regulated rates for up to seven years; and c) a cumulative 15% rate reduction. The Order also approved FG&E's power supply divestiture plan for its interest in three generating units and four long-term power supply contracts. The Company has been afforded full recovery of any transition costs through a non-bypassable retail Transition Charge.

Pursuant to the Plan, on October 30, 1998, FG&E filed a proposed contract with Constellation Power Services Inc. for provision of Standard Offer Service. Service under the FG&E/Constellation contract commenced on March 1, 1999, and is scheduled to continue through February 28, 2005. This contract is the result of the first successful Standard Offer auction conducted in Massachusetts.

A contract for the sale of FG&E's interest in the New Haven

Harbor plant was approved by the MDTE on March 31, 1999 and the sale of the unit closed on April 14, 1999. A contract for the sale of the entire output from FG&E's remaining generating assets and purchased power contracts was approved by the MDTE on December 28, 1999, and went into effect February 1, 2000.

FG&E filed an electric rate decrease effective September 1, 1999, as provided for by the 1997 Massachusetts Electric Restructuring Act (the Act). The Act mandated a 10% rate reduction in March 1998, to be followed by an additional, inflation-adjusted 5% rate reduction by September 1, 1999. The net rate decrease of 1.3% reflects FG&E's divestiture of its generation assets and purchased power portfolio.

On December 22, 1999, FG&E filed with the MDTE new rates for effect January 1, 2000. The revised rates maintain the required inflation-adjusted 15% rate discount. The MDTE approved the rates on January 5, 2000, subject to reconciliation pursuant to an investigation, resulting in an upward inflation adjustment of 2.5% relative to September 1999 rates.

On February 2, 2000 the MDTE initiated a proceeding to examine FG&E's reconciliation filing and the consistency of the proposed charges and adjustments with the methods approved in FG&E's restructuring plan. The MDTE held four days of hearings in May, 2000 and the Company presented testimony in support of its filing. As part of his review of FG&E's filing, the Massachusett's Attorney General also filed testimony challenging FG&E's recovery of certain transition costs and other cost reconciliation calculations in this docket. While FG&E is confident in the reasonableness of its reconciliation filings, it cannot be certain of the MDTE's ultimate determination of transition cost recovery and requested approvals.

As a result of restructuring and divestiture of FG&E's generation and purchased power portfolio, FG&E has accelerated the write-off of its electric generation assets and on FG&E's abandoned investment in Seabrook Station. An MDTE Order established the return to be earned on the unamortized balance of FG&E's generation plant. The new return reduces FG&E's earnings on its generation assets. As this portfolio is amortized over the next 10 years, earnings from this segment of FG&E's utility business will continue to decline and ultimately cease. Currently, Unitil's earnings from this business segment represent approximately 10% of total consolidated earnings.

Massachusetts (Gas)- In mid-1997, the MDTE directed all Massachusetts natural gas LDCs to form a collaborative with other stakeholders to develop common principles and appropriate regulations for the unbundling of gas service, and directed FG&E and four other LDCs to file unbundled gas rates for its review. FG&E's unbundled gas rates were filed with, and approved by, the MDTE and implemented in November 1998.

On February 1, 1999, the MDTE issued an order in which it determined that the LDCs would continue to have an obligation to provide gas supply and delivery services for another five years, with a review after three years. This order also set forth the MDTE's decision regarding release by LDCs of their pipeline capacity contracts to competitive marketers. In March 1999, the LDCs and other stakeholders filed a settlement with the MDTE which set forth rules for implementing an interim firm transportation service through October 31, 2000. The MDTE approved the settlement on April 2, 1999. FG&E has made separate compliance filings that were approved by the MDTE to implement its interim firm gas transportation service for its largest general service customers and to complement this service with a firm gas peaking service. The interim service will ultimately be superseded by the permanent transportation service, which was suspended for implementation until September 1, 2000 pending further MDTE review.

On November 3, 1999 the Massachusetts LDCs filed Model Terms and Conditions for Gas Service, including provisions for capacity assignment, peaking service and default service. In accordance with the MDTE's approval of these Model Terms and Conditions in January 2000, FG&E filed Company-specific tariffs that implement natural gas unbundling. The MDTE has also opened a rulemaking proceeding on proposed regulations that would govern the unbundling of services related to the provision of natural gas. The MDTE has issued an order suspending implementation of approved tariffs and final regulations until September 1, 2000.

New Hampshire - On February 28, 1997, the New Hampshire Public Utilities Commission (NHPUC) issued its Final Plan for New Hampshire electric utilities to transition to a competitive electric market in the state ("Final Plan"). The Final Plan linked the interim recovery of stranded cost by the State's utilities to a comparison of their existing rates with the regional average utility rates. CECo's and E&H's rates are below the regional average; thus, the NHPUC found that CECo and E&H were entitled to full interim stranded cost recovery, as defined by the NHPUC. However, the NHPUC also made certain legal rulings, which could affect CECo's and E&H's long-term ability to recover all of their stranded costs.

Northeast Utilities' affiliate, Public Service Company of New Hampshire, filed suit in U.S. District Court for protection from the Final Plan and related orders and was granted an indefinite stay. In June 1997, Unitil, and other utilities in New Hampshire, intervened as plaintiffs in the federal court proceeding. In June 1998, the federal court clarified that the injunctions issued by the court in 1997 had effectively frozen the NHPUC's efforts to implement restructuring. This amended injunction was challenged by the NHPUC, but affirmed by the First Circuit Court of Appeals in December 1998. Unitil continues to be a plaintiff-intervenor in federal district court and cross motions for summary judgment by all parties are now under review by the court.

Unitil has continued to work actively to explore Settlement opportunities and to seek a fair and reasonable resolution of key restructuring policies and issues in New Hampshire. The Company is also monitoring the regulatory and legislative proceedings dealing with electric restructuring for other utilities in New Hampshire.

Rate Proceedings -The last formal regulatory filings to increase base electric rates for Unitil's three retail operating subsidiaries occurred in 1985 for CECo, 1984 for FG&E, and 1981 for E&H. A majority of the Company's operating revenues are collected under various periodic rate adjustment mechanisms including fuel, purchased power, cost of gas, energy efficiency, and restructuring-related cost recovery mechanisms. Industry restructuring will continue to change the methods of how certain costs are recovered through the Company's regulated rates and tariffs.

On May 15, 1998, FG&E filed a gas base rate case with the MDTE. The last base rate case had been in 1984. After evidentiary hearings, the MDTE issued an Order allowing FG&E to establish new rates, effective November 30, 1998, that would produce an annual increase of approximately $1.0 million in gas revenues. As part of the proceeding, the Massachusetts Attorney General alleged that FG&E had double-collected fuel inventory finance charges, and requested that the MDTE require FG&E to refund approximately $1.6 million in double collections since 1987. The Company believes that the Attorney General's claim is without merit and that a refund was not justified or warranted. The MDTE rejected the Attorney General's request and stated its intent to open a separate proceeding to investigate the Attorney General's claim. On November 1, 1999, the MDTE issued an Order of Notice initiating an investigation of this matter. This proceeding is underway and is expected to be concluded in the fourth quarter of 2000.

On October 29, 1999, the MDTE initiated a proceeding designed to result in the eventual implementation of Performance Based Rate making (PBR) for all electric and gas distribution utilities in Massachusetts. PBR is a method of setting regulated distribution rates that provide incentives for utilities to control costs while maintaining a high level of service quality. Under PBR, a company's earnings are tied to performance targets, and penalties can be imposed for deterioration of service quality. On December 29, 1999, FG&E filed a petition with the MDTE for authority to defer for later recovery costs associated with its preparation of a PBR filing for its gas division and its participation in the MDTE-initiated generic gas and electric PBR proceedings. This petition is pending. The Company is currently evaluating the impact, if any, that PBR would have on the Company's ability to continue applying the standards of Statement of Financial Accounting Standards No.71 "Accounting for the

Effects of Certain Types of Regulation."

On December 31, 1999, the Massachusetts Attorney General initiated a Complaint against FG&E. The Attorney General requested that the MDTE launch an investigation of the distribution rates, rate of return, and depreciation accrual rates for FG&E's electric operations in calendar year 1999. To date, the MDTE has taken no action on the Attorney General's complaint.

Millstone Unit No. 3 - FG&E has a 0.217% nonoperating ownership in the Millstone Unit No. 3 (Millstone 3) nuclear generating unit which supplies it with 2.49 megawatts (MW) of electric capacity. In January 1996, the Nuclear Regulatory Commission (NRC) placed Millstone 3 on its Watch List, which calls for increased NRC inspection attention. In March 1996, as a result of engineering evaluations, Millstone 3 was taken out of service. The NRC authorized the restart of Millstone 3 in June 1998.

During the period that Millstone 3 was out of service, FG&E continued to incur its proportionate share of the unit's ongoing Operations and Maintenance (O&M) costs, and may incur additional O&M costs and capital expenditures to meet NRC requirements. FG&E also incurred costs to replace the power that was expected to be generated by the unit. During the outage, FG&E incurred approximately $1.2 million in replacement power costs, and recovered those costs through its electric fuel charge, which is subject to review and reconciliation by the MDTE. Under existing MDTE precedent, FG&E's replacement power costs of $1.2 million could be subject to disallowance in rates.

In August 1997, FG&E, in concert with other nonoperating joint owners, filed a demand for arbitration in Connecticut and a lawsuit in Massachusetts, in an effort to recover costs associated with the extended unplanned shutdown. Several preliminary rulings have been issued in the arbitration and legal cases, and both cases are continuing. On March 22, 2000, FG&E entered into a settlement agreement with the defendants under which FG&E will dismiss its lawsuit and arbitration claims. The settlement is generally similar to earlier settlements with the defendants and three joint owners that own, in the aggregate, approximately 19 percent of the unit. The settlement provides for FG&E to receive an initial payment of $600,000 and other amounts contingent upon future events and would result in FG&E's entire interest in the unit being included in the auction of the majority interest, and certain of the minority interests, in Millstone 3 which is expected to be completed by 2001. Upon completion of the sale of Millstone 3, FG&E will be relieved of all residual liabilities, including decommissioning liabilities, associated with Millstone 3. FG&E expects to flow the net proceeds of the settlement to its customers.

CAPITAL REQUIREMENTS

Capital expenditures on plant and equipment for the six months ended June 30, 2000 were approximately $9.8 million. This compares to $6.0 million during the same period last year. Capital expenditures for plant and equipment for the year 2000 are estimated to be approximately $19.0 million as compared to $15.4 million for 1999. This projection reflects capital expenditures for utility system expansions, replacements and other improvements.

LEGAL PROCEEDINGS

The Company is involved in legal and administrative proceedings and claims of various types which arise in the ordinary course of business. In the opinion of the Company's management, based upon information furnished by counsel and others, the ultimate resolution of these claims will not have a material impact on the Company's financial position.

FORWARD-LOOKING INFORMATION

This report contains forward-looking statements which are subject to the inherent uncertainties in predicting future results and conditions. Certain factors that could cause the actual results to differ materially from those projected in these forward-looking statements include, but are not limited to; variations in weather, changes in the regulatory environment, customers' preferences on energy sources, general economic conditions, increased competition and other uncertainties, all of which are difficult to predict, and many of which are beyond the control of the Company.

PART I. EXHIBIT 11.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

COMPUTATION OF EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING
(UNAUDITED)

(Amounts in Thousands, except Shares and Per Share Data)

	Three Months Ended June 30,		Six Months Ended June 30,	
BASIC EARNINGS PER SHARE	2000	1999	2000	1999
Net Income	$1,227	$1,598	$3,891	$4,342
Less: Dividend Requirement on Preferred Stock	66	67	133	135
Net Income Applicable to Common Stock	$1,161	$1,531	$3,758	$4,207
Average Number of Common Shares Outstanding	4,720,178	4,695,844	4,717,359	4,658,443
Basic Earnings Per Common Share	$0.25	$0.32	$0.80	$0.90

	Three Months Ended June 30,		Six Months Ended June 30,	
DILUTED EARNINGS PER SHARE	2000	1999	2000	1999
Net Income	$1,227	$1,598	$3,891	$4,342
Less: Dividend Requirement on Preferred Stock	66	67	133	135
Net Income Applicable to Common Stock	$1,161	$1,531	$3,758	$4,207
Average Number of Common Shares Outstanding	4,747,776	4,703,965	4,746,232	4,667,028
Diluted Earnings per Common Share	$0.24	$0.32	$0.79	$0.90

PART I. EXHIBIT 99.

UNITIL CORPORATION AND SUBSIDIARY COMPANIES

SELECTED QUARTERLY FINANCIAL DATA
(000's except for per share data)
(UNAUDITED)

	Three Months Ended September 30,			Three Months Ended December 31,	
	1999	1998		1999	1998
Total Operating Revenues	$42,738	$40,315	Total Operating Revenues	$44,527	$40,828
Operating Income	$3,392	$3,397	Operating Income	$4,063	$4,181
Net Income	$1,709	$1,717	Net Income	$2,387	$2,432

Basic Earnings per Share	$0.35	$0.37	Basic Earnings per Share	$0.49	$0.52
Diluted Earnings per Share	$0.35	$0.36	Diluted Earnings per Share	$0.49	$0.50
Dividends Paid per Common Share	$0.345	0.34	Dividends Paid per Common Share	$0.345	$0.34

	Three Months Ended March 31,			Three Months Ended June 30,	
	2000	1999		2000	1999
Total Operating Revenues	$46,317	$42,347	Total Operating Revenues	$42,908	$42,761
Operating Income	$4,458	$4,551	Operating Income	$3,030	$3,402
Net Income	$2,664	$2,744	Net Income	$1,227	$1,598
Basic Earnings per Share	$0.55	$0.58	Basic Earnings per Share	$0.25	$0.32
Diluted Earnings per Share	$0.55	$0.58	Diluted Earnings per Share	$0.24	$0.32
Dividends Paid per Common Share	$0.345	$0.34	Dividends Paid per Common Share	$0.345	$0.345

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

Exhibit No.	Description of Exhibit	Reference
11	Computation in Support of Earnings Per Average Common Share	Filed herewith
99	Selected Quarterly Financial Data	Filed herewith

(b) Reports on Form 8-K

During the quarter ended June 30, 2000, the Company did not file any reports on Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNITIL CORPORATION

(Registrant)

Date: August 11, 2000

/s/ Anthony J. Baratta, Jr.
Anthony J. Baratta, Jr.
Chief Financial Officer

Date: August 11,2000

/s/ Mark H. Collin
Mark H. Collin
Treasurer