



Highlights of Unitil's Self-Assessment Response to the December 2008 Ice Storm

March 25, 2009 (Hampton, NH) – Unitil announced today that it has released its Self-Assessment of the Company's response to the December 2008 Ice Storm. The primary author of the report is Robert Yardley, an independent energy consultant and former Chairman of the Massachusetts Department of Public Utilities. Mr. Yardley was contacted on December 19, 2008, by Unitil CEO Bob Schoenberger, who asked him to lead the company's internal self-assessment of Unitil's performance in restoring power to the customers that lost power as a result of the 2008 Ice Storm. Approximately 69,000, or more than two-thirds, of all Unitil customers lost power as a result of the storm.

The Self-Assessment Report presents a fact-based review of the events surrounding the storm, identifies lessons learned and provides detailed recommendations that will improve Unitil's ability to withstand and respond to a future major storm. The Report includes a review of actions taken leading up to the 2008 Ice Storm, throughout the restoration period, and subsequent to restoration of all storm-related outages in order to provide a context for lessons learned and recommended changes. The Report provides a comprehensive assessment of the company's plans, preparation and execution of its storm response in eight specific areas, and provides a thorough review of the lessons learned in each area. For each of these areas, the Report details a series of recommendations for the company. There are a total of 28 specific recommendations, all of which the company has agreed to undertake.

Among the key recommendations are the following:

Preparations and Crew Mobilization

- Develop a strategy to obtain crews that anticipates a future storm or other outage event of the magnitude of the 2008 Ice Storm and Unitil's specific circumstances. The evaluation to develop such a strategy should consider more formal alliances with contract crew firms that address outage events, evaluate the merits of joining EEI's Restore Power web-based service, identify qualified local tree trimming contractors and other options so as not to rely primarily on mutual aid.

Damage Assessment

- Identify and train additional personnel to perform damage assessment.

Power Restoration

- Review all processes and data reporting requirements and develop an information system plan to automate processes that are subject to system-based efficiency improvements, reducing reliance on paper-based information flows.
- Evaluate options to improve the reliability of field communications in the event of a sustained power outage.

Outage Tracking

- Proceed expeditiously to acquire and integrate an OMS. Designate a staff member to oversee the operation and maintenance of the OMS system.

Logistics Support

- Develop an approach that will enable Unitil to manage the number of crews that were required to respond to the 2008 Ice Storm, including all crew logistics activities.
- Join MEMS (www.mems.org), a service that allows all its utility members to have access to each other's stock lists so that they can buy from each other when materials are needed on short notice.

Public Communications

- Establish a process and policies to ensure that all public communication is based on a common source of reliable information, including accurate data and supplemental briefings from operations personnel. Provide training to personnel who will have frequent contact with the media and public officials.
- Develop an “emergency response” web page that is highlighted on the Unitil website home page with information for customers and other constituencies, including the media. Include a frequently asked questions or “FAQ” section, and provide descriptions of the damage and restoration process.
- Leverage current technology to enhance communications between Unitil and its customers, including the web, videos, podcasts, “twittering”, emails, text messaging and other emerging avenues. Distribute fliers with status reports and estimated restoration time to locations where people gather during an outage, including shelters.

Customer Communications

- Increase training of customer service representatives and train a contingent of corporate staff to answer calls and establish telecommunications links to allow them to receive calls in Hampton.
- Evaluate modifications to the call center facility that would improve the ability of representatives to perform during a major outage.
- Streamline the IVR storm mode selections to shorten the time required for customers to report an outage. Include community-specific information based on the customer address with customer calls routed automatically when they are received.

Storm Readiness

- Designate a senior individual with emergency restoration experience to assume responsibility for emergency planning. Review and modify the ERP each year and following every significant outage:
- Substantially revise its ERP in the following respects:
 - Replace division ERPs with a single electric operations ERP;
 - Clarify roles and responsibilities; incorporate flexibility to accommodate storms of varying impact as well as deviations from the plan to respond to issues as they arise during a storm event;
 - Revise the communications section to incorporate the EIC;
 - Specify storm preparedness activities in greater detail; and significantly expand the logistics section to provide clear direction to non-operations employees that are serving in support roles.
- Revisit trimming cycles to ensure they are in line with industry standards and regulatory directives.

Current Status

Unitil has implemented a number of recommended measures already, most notably in preparing for the ice storm which arrived on January 7, 2009. The Company supplemented its normal company and contractor crew complements in advance of the storm. It initiated daily briefings with local emergency personnel in the potentially affected communities. It also opened and staffed an Emergency Information Center with designated 800 numbers for local officials and the media and with immediate access to personnel in the respective distribution Emergency Operations Centers.

In addition, the company recently expanded the incoming phone lines to its Call Center by 40 percent, with additional lines planned over the summer. The company has also implemented a feature allowing expansion of the call center by adding other Unitil phone extensions.

The company will continue to work toward implementation of all recommendations contained in the Self-Assessment report.