Unitil

September 7, 2018

BY OVERNIGHT MAIL AND EMAIL

Debra A. Howland, Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

RE: **Docket No. DE 18-109: UES Petition for Authority to Issue Securities**
Pricing Memorandum

Dear Director Howland:

In connection with the above-referenced docket, enclosed is the Private Pricing
Memo to Investors.

Please contact me directly if you have any questions or concerns regarding this
matter.

Sincerely,

Attorney for Unitil Energy Systems, Inc.

Enclosure
cc: Service List by Email

Gary Epler
Chief Regulatory Counsel
epler@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6440 F 603.773.6640 www.unitil.com

Unitil
energy for life

Unitil Energy Systems, Inc.
$30,000,000 First Mortgage Bonds Due 2048
Private Placement Pricing Memo to Investors

The following table provides the terms for the offering:

	30-Year Bullet
Pricing Date	August 30, 2018
Closing & Funding Date	November 30, 2018
Interest Payment Dates	Nov 30 and May 30
Expected Final Maturity	November 30, 2048
Tranche Amount	$30,000,000
Benchmark Treasury	3.000% 08/15/2048
Benchmark Treasury Rate	3.01%
Spread	117 bps
Price	Par
Coupon (Semi-Annual)	4.18%
Call - Optional Prepayment	MW @ UST+50 bps

The table below highlights the allocations for each investor (*$ in millions*):

Investor	30-Year Bullet Nov 30, 2048
Mutual of Omaha	$15
OneAmerica	$10
CUNA	$5
TOTALS	**$30**

Transaction Details

Investors' Counsel
Chapman and Cutler LLP
James Nelson
(312) 845-3498
jnelson@chapman.com

Documentation: As provided in the draft Bond Purchase Agreement and 15th Supplemental Indenture dated August 21, 2018.

Investor Due Diligence Meeting: TBD. Additional details to follow.

Scheduled Funding Dates: November 30th, 2018

TD

The Bloomberg PX1 benchmark screen for pricing is below.

```
GRAB

United States          · BGM ·      1) Actions   ·    3) Settings   ·  Fixed Income Trading
10:02
  4 Actives          5 Bills          6 Notes          7 TIPS          8 Strips
Bills                                     Bonds
31) 09/27/18      1.920 / 1.915    1.944   -0.010  49) 3     248         99-26  / 27      3.008  + 08+
32) 11/29/18      2.080 / 2.075    2.115   -0.003  50) 3⅛   548        102-10+/ 11+     3.004  + 08+
33) 02/28/19      2.215 / 2.210    2.266   -0.005  51) 3     848         99-26+/ 27+     3.007  + 08+
34) 08/15/19      2.380 / 2.375    2.450   -0.007  TIPS
Notes                                              52) 0⅝   423      99-11¾ / 99-13     0.756  + 02+
35) 2½   620      99-22¾ / 23⅛    2.655   + 00¾   53) 0¾   728      99-29¼ / 99-30¾    0.754  + 03+
36) 2⅝   720      99-29¾ / 30⅛    2.656   + 00¾   54) 1     248     102-31+ / 103-02    0.882  + 06
37) 2⅝  820  2YR  99-29+ / 29¾    2.661   + 00⅞   Curve Trades
38) 2⅝   621      99-24  / 24+    2.712   + 01¾   55) 2yr vs 5yr           9.473 / -10.045    -0.978
39) 2⅝   721      99-23¼ / 23¾    2.718   + 01¾   56) 2yr vs 10yr         20.045 / -20.630    -0.604
40) 2¾  821  3YR 100-02¼ / 02+    2.722   + 01¾   57) 5yr vs 10yr         10.404 / -10.754    +0.375
41) 2⅝   623      99-11¾ / 12     2.764   + 03¼   Other Markets
42) 2¾   723      99-29+ / 30     2.763   + 03¼   58) US Long(CBT)    09:51 d    144-28      +0-09
43) 2¾  823  5YR  99-30¼ / 30+    2.760   + 03¼   59) 10yr Fut (CBT)  09:52 d    120-07      +0-04
44) 2⅞   725     100-10  / 10+    2.822   + 04+   60) 5Yr Fut(CBT)    09:51 d    113-15+     +0-02¼
45) 2¾  825  7YR  99-16+ / 17     2.824   + 04    61) Dow Jones Ind   10:02      26067.199   -57.371
46) 2¾   228      98-31+ / 00     2.871   + 04+   62) S&P 500 Ind     09:47 d    2910.350    -3.690
47) 2⅞   528     100-00  / 00+    2.873   + 05    63) NYM WTI Crd     09:52 d    69.670      +0.160
48) 2⅞  828 10YR 100-02  / 02+    2.866   + 05    64) Gold            10:02      1197.495    -9.155

     Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
         Japan 81 3 3201 8900     Singapore 65 6212 1000     U.S. 1 212 318 2000     Copyright 2018 Bloomberg Finance L.P.
                                                         SN 219977 H336-2128-2 30-Aug-18 10:02:06 EDT  GMT-4:00
```

TD

We appreciate your participation in this transaction. Please forward any further inquiries to:

TD

Michael La Fleur
Director
(212) 827-7366
michael.lafleur@tdsecurities.com

James Curley
Analyst
(212) 827-2842
james.curley@tdsecurities.com

Luke Weller
Analyst
(212) 827-2818
luke.weller@tdsecurities.com