

UNITIL CORPORATION

Status Conference Update

June 17th 2020

John Closson

Vice President- People, Shared Services and Organizational Effectiveness
Incident Commander – Pandemic Response

Unitil Service Corp.

AGENDA

1. Unitil Crisis Response
2. Employee Safety and Well-Being
3. Customer Safety and Well-Being
4. COVID-19 Expenses
5. Customer Operations and Communications
6. Customer Assistance and Engagement
7. Impacts to A/R
8. Impacts to Sales
9. Lessons Learned
10. Q & A

Company Crisis Response

December 2019

Unitil Safety and Business Resilience report outbreak of severe public health crisis in Wuhan, China to Safety Leadership

January 2020

Pandemic Task Force is formed to provide situational awareness and coordinate preparedness and response activities

February 2020

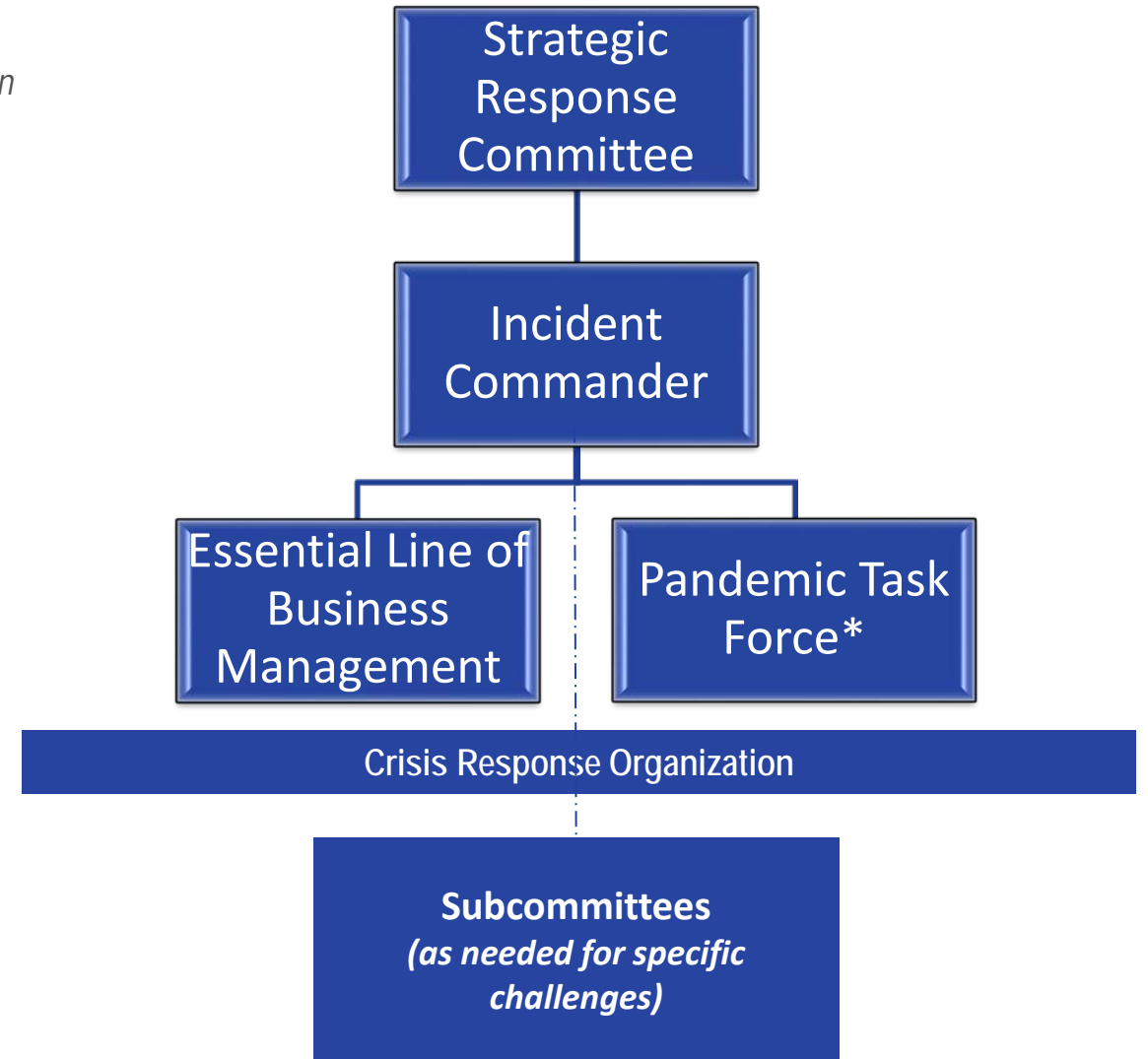
Ongoing external stakeholders communications established with regulators, suppliers and contractors, etc.

March 2020

Unitil Strategic Response Committee activates Incident Command System to formally mobilize organization and implement continuity plans

April 2020 - Today

Continuity plans are implemented as necessary based on the escalating crisis, regulatory and state ordinances, impact to operations and personnel, and suppliers/vendors



UNITIL PHASED APPROACH

Re-entering the Workplace



Employee Health and Well-Being

CURRENT PHASE

PHASE C

RESTRICTED

- Masks required in common areas
- Stay at home order in place
- Remote workforce
- Minimal office staff
- Travel prohibited
- In-person meetings prohibited with exceptions
- Work order restrictions in place
- Visitors prohibited / no catering
- Wipe down work stations at end of day
- Clean common areas / tools used

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RED

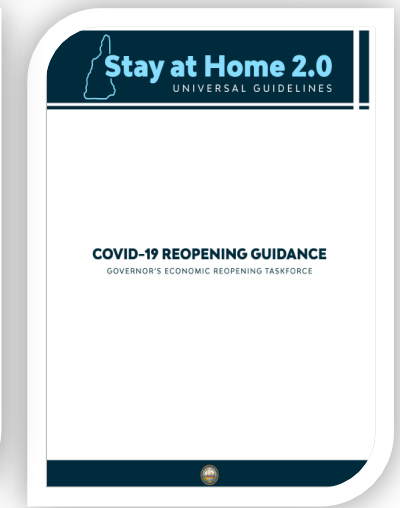
RED

Each of the phases outlines expectations regarding:

- Hygiene Practices
- Sick and Absentee Policy
- Personal Protective Equipment (PPE)
- Social Distancing
- Company Vehicles
- Business Travel
- Personal Travel
- Meetings
- Remote Work
- Vendors and Contractors
- Visitors
- Emergency Operations
- Catering
- Entering Customer Premises

EVALUATION CRITERIA FOR PHASE TRANSITION

- Our decisions to transition between phases is based upon:
 - **Employee Health** – Health status of our employees at each location evaluated
 - **Local COVID Data** - Numbers and trends in new cases, deaths, etc.
 - **State & Federal Guidance/Mandates**
 - **Internal Preparedness** – Facility and Operational planning




Customer Health and Well-Being

Home Entry Protocols: For home entry, Unitil has established protocols and procedures focused on the health and well-being of everyone involved – employees, customers, contractors, municipal partners, etc.


Our health and safety measures include:

- Daily Employee Health Attestations
- Appropriate PPE – Face Coverings/Shields, Suits, Nitrile Gloves, Eye Protection, etc.
- Hygiene protocols for technicians, tools/equipment and workspaces.
- Social Distancing Protocols
- Customer pre-screening to identify locations with positive COVID-19 and/or under quarantine



The graphic features a blue background with a white circle at the top. Below the circle, the text "COVID-19 Safety Protocols" is written in orange. The Unitil logo is positioned below the text.

**COVID-19
Safety Protocols**


ME GAS OPERATIONS

The Company is performing essential work activities to ensure the safety and reliability of the natural gas distribution system. However, maintaining the health and safety of Unitil's technicians, contractors and our customers are of equal priority.

The Company has implemented the following safety measures to protect these groups in response to COVID-19:

- Every Unitil technician and contractor personnel will undergo a health screening at the start of each shift.

Customer Health and Well-Being (continued)

Asymptomatic Testing: In an attempt to identify individuals that may be asymptomatic carriers of COVID-19 we have implemented a testing protocol.

- Employees/Contractors routinely entering Customer premises are tested
- Testing administered every 14 days
- Turn Key testing from ORIG3N with results within 24-36 hours



COVID-19 Expenses

The Company is incurring incremental expenses associated with its response to COVID-19. The expense categories include:

- Facility Cleaning Costs
- Vehicle leasing to support social distancing
- Personal Protective Equipment (PPE)
- Remote Workforce Costs

Beyond these incremental costs the Company is also facing expense for bad-debt and lost fee revenue for late payments.

Both companies, UES and NUI, are facing an increase in delivery- and supply-related cash working capital requirements due to the increased lag in customers paying their bills.

Mark Lambert

Vice President- Customer Operations

Unitil Service Corp.

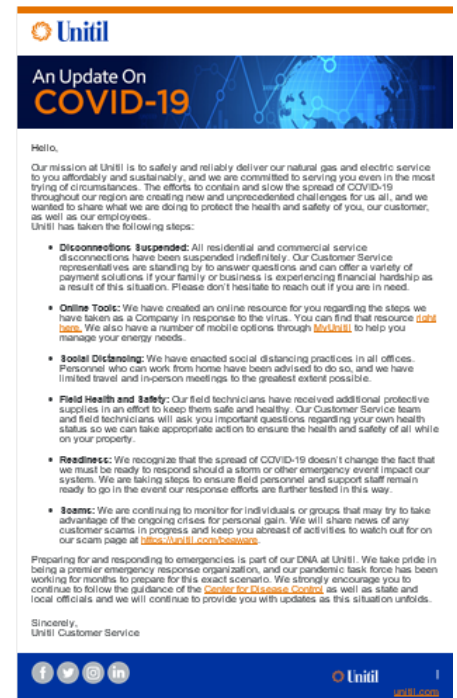
Customer Operations & Communications

Customer Operations:

- Critical Business Activities Uninterrupted through Remote Workforce
 - Customer Service Inquiries
 - Telephone – Exceeding service level indices
 - On-Line/Self Service
 - Quality call monitoring and remote training continues to ensure quality responses.
 - Critical Financial: Bills and Payments processed accurately and timely

Customer Communications:

- Messaging focused on how Until is working with Customers
 - First priority is the health and safety of employees and customers
 - Until will work with customers experiencing financial hardship
 - Online tools and resources are available for customers
 - Until is ready to respond should there be an emergency/storm event
- Communications Channels - Web, Email, Social, Video, Media, Telephone



Customer Assistance

- Suspended normal practices
 - Disconnections and Disconnection Notices
 - Late Fees
 - Returned Check Fees
 - Waived Deposits for customers impacted
 - No collection agency referrals to credit bureaus
- Flexible Arrangements with no required down payment – up to 12 months or longer for ANY customer impacted
- Implementation of UCARE grant for customers who have been financially impacted by COVID19 but do not qualify for LIHEAP

Customer Engagement

TRYING to keep our Customers Engaged

- UES and NU - March through May Comparisons 2019 vs 2020
 - Total Phone Calls – (41%)
 - Collections Related Calls – (42%)
 - Avg. Talk Times increased from 4:14 in 2019 to 5:19 this year.
- # of Payment Arrangements
 - Declined 44% since March 2020
 - 75% less arrangements than 2019
- % of Customers Not Paying
 - UES 5% increase compared to 2019
 - NU 7% increase compared to 2019



A/R Impacts Since March

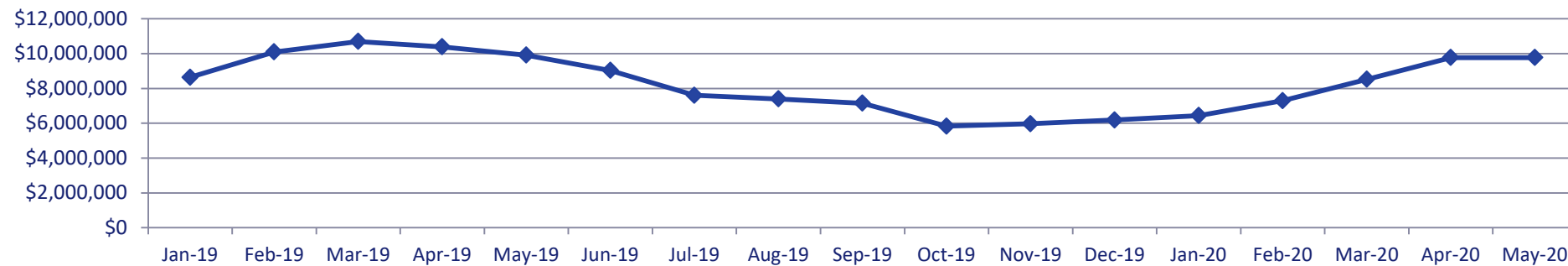
Total arrearages (Over 30 Day +) largest impact to commercial customers:

	Number of Customers	\$ Amounts
Residential	(1%)	10%
Commercial	28%	34%
Overall	2%	15%

Oldest Arrearages (Over 90 day +) largest impact to commercial customers:

	Number of Customers	\$ Amounts
Residential	28%	32%
Commercial	238%	139%
Overall	34%	37%

Accounts Receivable Ageing

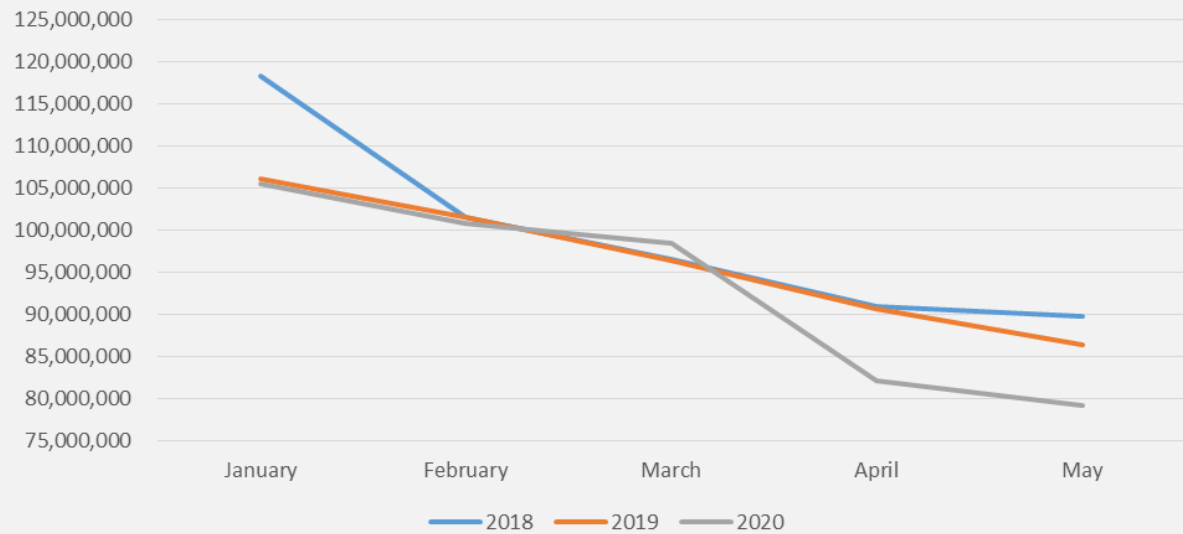


UES Electric Sales Impacts

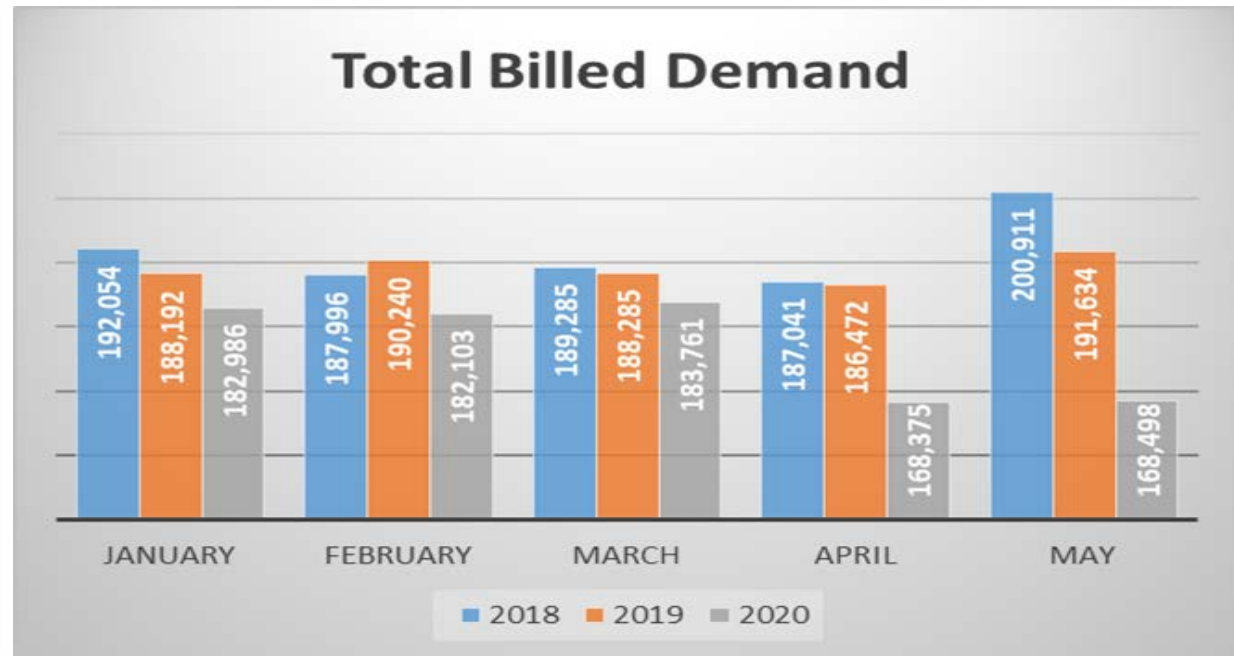
UES Electric Sales Comparisons – March through May 2019 vs 2020:

	UES Sales Units
Residential	3%
Commercial	(10%)
Total	(5%)

Total Billed kWh



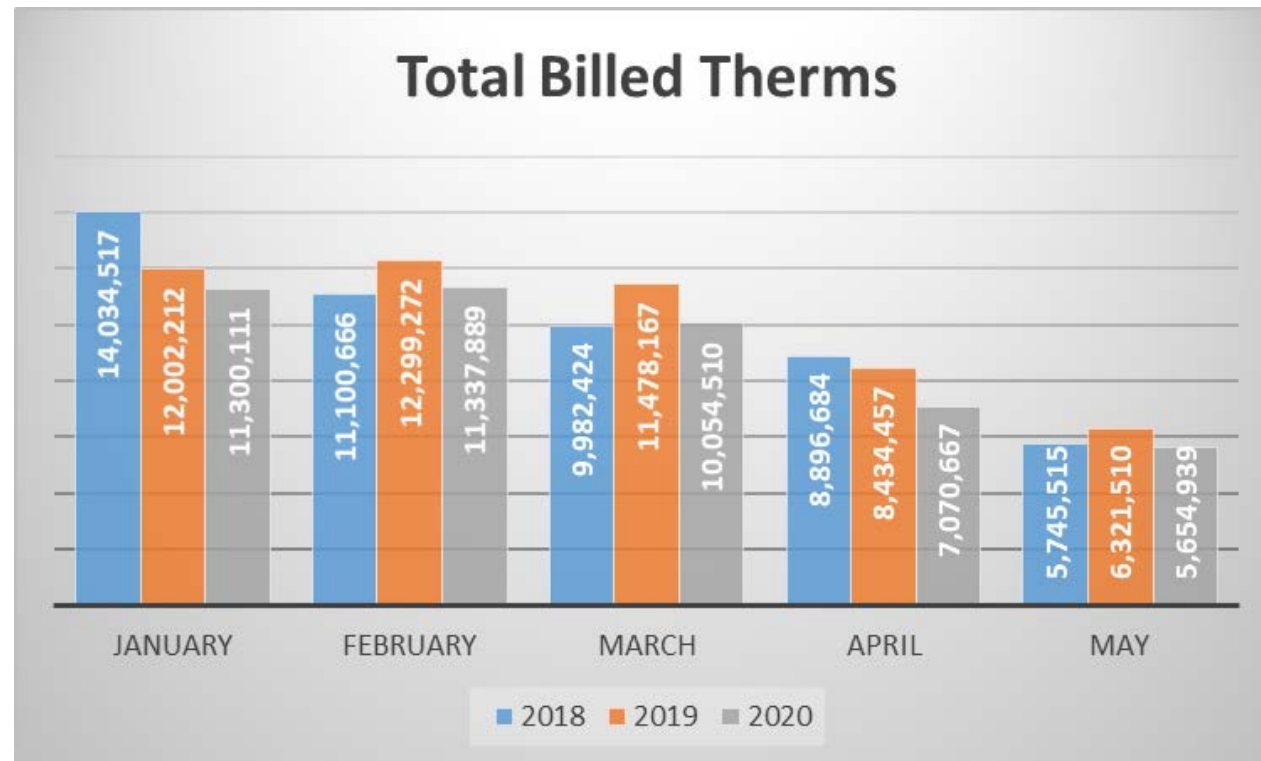
Total Billed Demand



Northern NH Gas Sales Impacts

NU Gas Sales Comparisons – March through May 2019 vs 2020:

	NU Sales Units
Residential	(7%)
Commercial	(15%)
Total	(13%)



Lessons Learned

- Plan for the Marathon not a sprint
 - PPE, Task Force Staffing, Remote Work
- In the early stages move with pace, but not too quick
 - Unsubstantiated and incorrect information abounds
- Develop a communication strategy early and execute it
- Be humble enough to recognize good ideas come from everywhere

QUESTIONS?

