



Press Release

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Berkshire Gas Secures Lower Cost Gas Supplies

Customers to Benefit from Second Winter Season Rate Reduction

Pittsfield, MA – February 6, 2009, The cost of natural gas in the United States continues to decline. As such, Berkshire Gas has been able to secure lower cost natural gas supplies and has received approval from the Massachusetts Department of Public Utilities (DPU) to lower the cost of gas charge on customer's bills, effective February 1, 2009. With this reduction, the average residential heating customer's monthly bill will decrease by approximately \$19.44, or 9.5%, through the end of the heating season on May 1, 2009.

This marks the second reduction in the cost of gas factor on customer bills during the current winter season. The Company reduced the cost of gas factor on December 1, 2008, by an average of 24%, making the rates charged by Berkshire Gas for natural gas service the lowest in the Commonwealth of Massachusetts.

All tolled, since the beginning of the winter heating season on November 1, 2008, Berkshire Gas has reduced the cost of gas charge by 35.5%. On a dollars and cents basis, the average residential heating customer's monthly bill has gone down by \$58.05 since the onset of the heating season. **With this reduction, Berkshire Gas natural gas rates continue to be the lowest in all of Massachusetts.**

The Cost of Gas charge on customer bills represents the actual cost of natural gas supplies in the competitive market. Gas supply costs are a function of supply and demand in the marketplace largely driven by weather related heating demand.

The monthly bill reduction refers to the combined cost of gas charge and delivery charge on customer bills. The cost of gas is a direct pass through to customers, without any markup by or profit to the Company. The delivery charge is a regulated rate, approved by the Massachusetts Department of Public Utilities. The Company's current delivery charge is governed by a rate filing approved by the Massachusetts Department of Public Utilities in 2002.

“At a time when winter heating demand would normally tend to increase the commodity cost of natural gas, economic conditions have had a favorable impact on natural gas prices and we have been quick to leverage those savings for our customers”, commented Berkshire Gas President and COO, Karen Zink.

With this reduction, the Company will also be reevaluating its customer's budget plans and make any necessary adjustments.