



Press Release

For Release: Immediate

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Berkshire Gas Lowers Cost of Gas Charge

Mass DPU Web site: Berkshire Gas Customers Pay Lowest Cost of Gas in Massachusetts

Pittsfield, MA – December 9, 2008, The Massachusetts Department of Public Utilities has approved a request from Berkshire Gas to reduce the cost of gas on customers' bills by an average of nearly 24%, resulting in a total bill reduction of 16% for heating customers and 8% for non-heating customers, effective December 1. The Company filed its request on November 13.

The cost of gas for Berkshire Gas heating customers will drop from \$1.211 per therm to 92.5 cents per therm. For non-heating customers, the per-therm cost of gas will fall from 99.5 cents per therm to 76 cents per therm.

Over the course of the entire winter heating season, Berkshire Gas now projects that the typical residential heating customer will pay less overall than they did last year for natural gas service, assuming normal weather and stable prices. The company is able to reduce the cost of gas because of its year round aggressive natural gas purchasing practices.

The cost-of-gas charge on customers' bills represents the actual cost of natural gas supplies; Berkshire Gas makes no profit on the cost of gas it charges customers. Gas supply costs are a function of supply and demand in the marketplace largely driven by weather related heating demand. The Company earns its revenues through the Delivery Charge on customer bills.

According to the Massachusetts Department of Public Utilities Web site, Berkshire Gas is providing its customers with the lowest cost of gas of any of the seven natural gas utilities serving Massachusetts.

"I am proud of our ongoing efforts to secure the lowest possible reliable natural gas supplies on behalf of our customers," said Karen Zink, Berkshire Gas's president. "Not only are we the lowest cost provider of home heating service in the market, we are also among the most environmentally friendly and socially responsible. We have proudly served our customers for more than 155 years, and we look forward to continuing to meet the energy needs of our region."

As required by regulation, if market prices continue to decline, Berkshire Gas will again file for a decrease in the cost of gas; should natural gas costs increase, it may be necessary to increase the cost of gas on customers' bills.

Berkshire Gas is providing its customers with the lowest cost form of energy in the area – considerably lower than those offered by its competitors based on both heating oil and propane prices reported by the Massachusetts Department of Energy Resources.