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Press Release

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Berkshire Gas Declares Natural Gas Moratorium

----- Constrained Delivery Pipelines Limit Ability to Serve

Pittsfield, MA – March 27, 2015, Over the last two decades increased demand for natural gas, without any new pipeline capacity to deliver additional supplies to the region, has created a difficult situation for the energy industry and energy consumers alike.

Berkshire Gas customers in Franklin and Hampshire Counties of Massachusetts are served by a pipeline that runs from the Tennessee Gas interstate delivery pipeline in Southwick, Massachusetts to Greenfield, where it ends.

Despite having worked proactively over the years independently, and in collaboration with Tennessee Gas, on a series of projects that have been implemented to increase delivery capacity along this line, Berkshire Gas is very close to reaching full capacity on this delivery pipeline.

For this reason, Berkshire Gas has, effective immediately, **invoked a moratorium on any new natural gas service in the Hampshire County communities of Amherst, Hadley, Hatfield and Sunderland.** A similar moratorium was declared in the communities of Deerfield, Greenfield, Montague and Whately in late 2014.

Due to severely constrained deliverability in these areas, Berkshire Gas is unable to commit to delivering any volumes of natural gas beyond those currently used by its existing customers.

While the Company is hopeful that a new pipeline project being proposed by Tennessee Gas can provide the additional pipeline capacity that is needed in the region, until such time as it is permitted and built, the moratorium will remain in place.

If the Tennessee Gas/Kinder Morgan project is built according to their proposed timeline, the moratorium could be lifted as soon as November 1, 2018. Until such time however, it will remain in place. Should the Tennessee project not be built, the moratorium will continue indefinitely.

To be clear, inexpensive natural gas has never been more plentiful in the United States than it is today. It is the limited ability to deliver that natural gas to customers that presents today's challenge.

Current natural gas customers are unaffected by this moratorium. During the moratorium period however, customers cannot add any additional natural gas burning equipment to their current service.

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For example, if a customer currently uses natural gas solely for purposes such as cooking, clothes drying or hot water, they cannot convert their home heating system to natural gas during the moratorium.

Prior to considering a moratorium, Berkshire Gas exhausted every possibility for increasing deliverability to Franklin and Hampshire Counties, most recently working with Tennessee Gas on a \$2.5 million compressor project in Southwick, which increased pressures and deliverability along the line to Greenfield. The Company has also made considerable investments in energy efficiency improvements for many of its commercial and residential customers and will continue to do so.

In commenting on the moratorium announcement, Berkshire Gas President Karen Zink explained, “Our first and foremost responsibilities to our customers are safety and reliability. The only way that we can assure continued safety and reliability, given current circumstances, is to invoke an across the board moratorium. We are in the business of selling and delivering natural gas and as such, be assured that a moratorium is the last option that we would consider. But reasonable system planning and operation requires that we do so at this time to assure continued reliability for our existing customers.”

Additional information about this moratorium can be found on ww.berkshiregas.com on the “Natural Gas Availability” link from the “Usage and Safety” dropdown menu.