

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PETITION FOR AUTHORITY TO ISSUE SECURITIES**

Exhibit 1

UTILITY NAME: Liberty Utilities (EnergyNorth Natural Gas) Corp.

ESTIMATED COST OF FINANCING

Proposed Debt/Security Issue

<u>Estimated Cost of Financing</u>	Amount
Debt issuance fee for refinancing maturing promissory note	\$ 90,909.09
Debt issuance fee for replacement of short-term debt	\$ 348,000.00
Total Estimated Costs	\$ 438,909.09

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
 PETITION FOR AUTHORITY TO ISSUE SECURITIES**

Exhibit 2

**UTILITY NAME: Liberty Utilities (EnergyNorth Natural Gas) Corp.
 SOURCES AND USES OF FUNDS
 Proposed Debt/Security Issue**

<u>Sources of Funds</u>	Amount
Liberty Utilities Co.	\$ 18,181,818.18
Liberty Utilities Co.	\$ 69,600,000.00

Total Sources of Funds	<u><u>\$ 87,781,818.18</u></u>
-------------------------------	---------------------------------------

<u>Uses of Funds</u>	
Note Replacement	\$ 18,181,818.18
Reduction of Short-Term Debt	69,600,000.00

Total Uses of Funds	<u><u>\$ 87,781,818.18</u></u>
----------------------------	---------------------------------------

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PETITION FOR AUTHORITY TO ISSUE SECURITIES**

Exh bit 3

UTILITY NAME: Liberty Utilities (EnergyNorth Natural Gas) Corp.
BALANCE SHEET AS OF MONTH/DAY/YEAR
Proformed for Proposed Debt/Security Issue

	<u>Bal. as of 30-Jun-17</u>	<u>Adjustments</u>	<u>Pro Forma</u>
ASSETS			
Utility Plant:			
Utility Plant	\$ 507,736,047	\$ -	\$ 507,736,047
Gross Plant	<u>507,736,047</u>	<u>0</u>	<u>507,736,047</u>
Less: Accumulated Depreciation & Amortization	128,525,208		128,525,208
Net Utility Plant	<u>379,210,839</u>	<u>0</u>	<u>379,210,839</u>
Current Assets:			
Cash	(70,097)	(2,214,262)	(2,284,359)
Other Current Assets	21,809,576	0	21,809,576
Unamortized Debt Expense		29,261	29,261
Total Current Assets	<u>21,739,479</u>	<u>(2,185,001)</u>	<u>19,554,478</u>
Deferred Income Taxes			
Noncurrent Assets:			
Goodwill	74,229,457		74,229,457
Unamortized Debt Expense	28,151,896	380,388	28,151,896
Total Noncurrent Assets	<u>102,381,353</u>	<u>380,388</u>	<u>102,761,741</u>
TOTAL ASSETS	<u>\$ 503,331,671</u>	<u>\$ (1,804,614)</u>	<u>\$ 501,527,057</u>
LIABILITIES AND CAPITALIZATION			
Current Liabilities:			
	\$ 10,515,378	\$ -	\$ 10,515,378
Total Current Liabilities	<u>10,515,378</u>	<u>0</u>	<u>10,515,378</u>
Deferred Income Taxes	84,814,763		84,814,763
Noncurrent Liabilities:			
	86,005,688		86,005,688
Total Noncurrent Liabilities	<u>86,005,688</u>	<u>0</u>	<u>86,005,688</u>
Capitalization:			
Stock	121,647,058		121,647,058
Accumulated OCI	(2,908,831)		(2,908,831)
Retained Earnings	40,630,350	(1,804,614)	38,825,736
Short-Term Debt	72,627,265	(69,600,000.00)	3,027,265
Long-Term Debt	90,000,000	69,600,000.00	159,600,000
Total Capitalization	<u>\$ 321,995,842</u>	<u>(1,804,614)</u>	<u>\$ 320,191,228</u>
TOTAL LIABILITIES AND CAPITALIZATION	<u>\$ 503,331,671</u>	<u>\$ (1,804,614)</u>	<u>\$ 501,527,057</u>

017

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PETITION FOR AUTHORITY TO ISSUE SECURITIES**

Exhibit 4

UTILITY NAME: Liberty Utilities (EnergyNorth Natural Gas) Corp.
INCOME STATEMENT FOR 12 MONTHS ENDED 06/30/2017
Proformed for Proposed Debt/Security Issue

	<u>Bal. as of 30-Jun-17</u>	<u>Adjustments</u>	<u>Pro Forma</u>
Operating Revenues	\$ 130,046,623	\$ -	\$ 130,046,623
Operating Expenses:			
Gas Purchased and Production	52,762,730		52,762,730
Operations and Maintenance	26,953,290		26,953,290
Depreciation, Depletion and Amortization	17,483,912		17,483,912
Operating Taxes	10,778,395		10,778,395
Total Operating Expense	<u>107,978,327</u>	<u>0</u>	<u>107,978,327</u>
Operating Income	<u>22,068,296</u>	<u>0</u>	<u>22,068,296</u>
Other Income:			
Other Income/(Deductions) - Net	313,623		313,623
AFUDC - Equity	215,965		215,965
Total Other Income	<u>529,589</u>	<u>0</u>	<u>529,589</u>
Earnings Before Interest and Taxes	<u>22,597,884</u>	<u>0</u>	<u>22,597,884</u>
Interest Charges:			
Interest - Long Term Debt	3,982,818	2,978,429	6,961,247
Other Interest	191,077		191,077
Amortization of Debt Issuance Costs	0	29,261	29,261
AFUDC - Debt	(108,408)		(108,408)
Total Interest Charges	<u>4,065,487</u>	<u>3,007,690</u>	<u>7,073,177</u>
Earnings before Taxes	18,532,397	(3,007,690)	15,524,708
Income Tax:			
Current Income Taxes			
State and Local	275,845	(751,922)	(476,077)
Federal	0	(451,153)	(451,153)
Total Current Income Taxes	<u>275,845</u>	<u>(1,203,076)</u>	<u>(927,231)</u>
Deferred Taxes			
State and Local	610,530		610,530
Federal	3,558,182		3,558,182
Total Deferred Taxes	<u>4,168,711</u>	<u>0</u>	<u>4,168,711</u>
Total Income Tax	4,444,556	(1,203,076)	3,241,480
Net Income After Tax	<u>\$ 14,087,841</u>	<u>\$ (1,804,614)</u>	<u>\$ 12,283,227</u>

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PETITION FOR AUTHORITY TO ISSUE SECURITIES**

Exhibit 5

UTILITY NAME: Liberty Utilities (EnergyNorth Natural Gas) Corp.
STATEMENT OF CAPITALIZATION RATIOS
Proformed for Proposed Debt/Security Issue

	Amount as of 30-Jun-17	% of Total	Adjustments	Pro Forma Amount	% of Total
Total Debt	162,627,265	50.5%	0	162,627,265	50.8%
Total Equity	<u>159,368,577</u>	49.5%	<u>(1,804,614)</u>	<u>157,563,963</u>	49.2%
Total Capitalizaton	<u>321,995,842</u>			<u>320,191,228</u>	

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PETITION FOR AUTHORITY TO ISSUE SECURITIES

Exhibit 6

UTILITY NAME Liberty Utilities (Energy North Natural Gas) Corp., d/b/a Liberty Utilities

Weighted Average Cost of Debt
Current & Pro Forma at June 30, 2017

EXISTING DEBT

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Description of Debt, Interest Rate, Maturity date	Term (Yrs)	Issuance Date	Amount Issued @ Face Value	Amount Outstanding @ Face Value	Total Issuance Expense	Unamortized Issuance Exp.	[(e)-(g)] Net Proceeds Outstanding	Amortization of Issuance Exp.	Annual Interest (1)	Annual Cost	[(k)/(h)] Weighted Average Cost Rate
Short Term Debt											
Intercompany			72,627,265	72,627,265			72,627,265			-	
Total Short Term Debt			72,627,265	72,627,265	0	0	72,627,265	0	0	0	0.00%
Long Term Debt											
18.1M, 3.51%, 12/31/17	5	12/21/2012	18,181,818	18,181,818			18,181,818		638,182	638,182	
41.8M, 4.49%, 12/20/22	10	12/21/2012	41,818,182	41,818,182			41,818,182		1,877,636	1,877,636	
21.8M, 4.89%, 12/20/27	15	12/21/2012	21,818,182	21,818,182			21,818,182		1,066,909	1,066,909	
8.2M, 4.89%, 12/20/27	15	12/21/2012	8,181,818	8,181,818			8,181,818		400,091	400,091	
Total Long Term Debt			90,000,000	90,000,000	0	0	90,000,000	0	3,982,818	3,982,818	4.43%

(1) assumes current Short Term borrowing rate of 2.49% (30-day LIBO plus 125 basis points)

PRO FORMA DEBT

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Description of Debt, Interest Rate, Maturity date	Term (Yrs)	Issuance Date	Amount Issued @ Face Value	Amount Outstanding @ Face Value	Total Issuance Expense	Unamortized Issuance Exp.	[(e)-(g)] Net Proceeds Outstanding	Amortization of Issuance Exp.	Annual Interest (1)	Annual Cost	[(k)/(h)] Weighted Average Cost Rate
Short Term Debt											
Intercompany			3,027,265	3,027,265		0	3,027,265	0	75,379	75,379	
Total Short Term Debt			3,027,265	3,027,265	0	0	3,027,265	0	75,379	75,379	2.49%
Long Term Debt											
41.8M, 4.49%, 12/20/22	5	12/21/2012	41,818,182	41,818,182	0	0	41,818,182	0	1,877,636	1,877,636	
21.8M, 4.89%, 12/20/27	10	12/21/2012	21,818,182	21,818,182	0	0	21,818,182	0	1,066,909	1,066,909	
8.2M, 4.89%, 12/20/27	10	12/21/2012	8,181,818	8,181,818	0	0	8,181,818	0	400,091	400,091	
18.1M, 4.12%, 12/20/32	15	12/20/2017	18,181,818	18,181,818	90,909	90,909	18,090,909	6,061	749,091	755,152	
69.6M, 4.12%, 12/20/32	15	12/20/2017	69,600,000	69,600,000	348,000	348,000	69,252,000	23,200	2,867,520	2,890,720	
Total Long Term Debt			159,600,000	159,600,000	438,909	438,909	159,161,091	29,261	6,961,247	6,990,508	4.39%

(1) assumes current Short Term borrowing rate of 2.49% (30-day LIBO plus 125 basis points)

WEIGHTED AVERAGE COST OF CAPITAL

	Actual				Adjustment Amount	Pro Forma			
	Amount	Percent of Total	Cost Rate	Weighted Cost Rate		Amount	Percent of Total	Cost Rate	Weighted Cost Rate
Short Term Debt	72,627,265	22.56%	0.00%	0.00%	0	3,027,265	0.945%	2.49%	0.02%
Long Term Debt	90,000,000	27.95%	4.43%	1.24%	0	159,600,000	49.845%	4.39%	2.19%
Common Equity	159,368,577	49.49%				157,563,963	49.209%		
Total	321,995,842	100.00%		1.24%	0	320,191,228	100.000%		2.21%

020

**Liberty Utilities Co. Debt Placement
March 2017**

Placement Amount: \$ 750,000,000

Placement Agent Banks:

	Placement Share	Placement Amount	Placement Fee %	Placement Fee
JPMorgan	40.00%	\$ 300,000,000	0.50%	\$ 1,500,000
Wells Fargo	40.00%	\$ 300,000,000	0.50%	1,500,000
CIBC	10.00%	\$ 75,000,000	0.50%	375,000
Scotia Bank *	10.00%	\$ 75,000,000	0.50%	375,000
Total	100.00%	\$ 750,000,000		\$ 3,750,000

** Invoice not yet received*



Algonquin Power & Utilities Corp.
354 Davis Road
Oakville, Ontario, L6J 2X1
Attention: David Bronicheski, Chief Financial Officer

March 24, 2017

Invoice No. DCM1610

As per Engagement Letter dated October 21, 2016

Fees 1,500,000.00USD

Total Invoice 1,500,000.00USD

INSTRUCTIONS FOR REMITTANCE: PLEASE INCLUDE INVOICE NUMBER

By wire remit to: JPMorgan Chase Bank
Fed ABA: 021000021
J.P. Morgan Securities LLC
Account #: 066916402
Account Title: JPMS- DCM
Attn: Arnold Lampa, Associate 212-622-9805

TAXPAYER ID 13-4110995

By mail remit to: JPMorgan Securities
383 Madison Avenue
New York, NY 10179
Attn: Arnold Lampa, Associate

Inquiries - Email: Arnold.lampa@jpmorgan.com
call: Arnold Lampa, 212-622-9805



WELLS FARGO SECURITIES, LLC
550 SOUTH TRYON STREET, 5TH FLOOR
CHARLOTTE, NC 28209

WELLS FARGO SECURITIES, LLC
10 S. WACKER DRIVE, 22ND FLOOR
CHICAGO, IL 60606

March 24, 2017

Algonquin Power & Utilities Corp.
354 Davis Road
Oakville, Ontario L6J 2X1

Attention: David Bronicheski
Chief Financial Officer

Re: Fee associated with the \$750 Million Senior Notes funding March 24, 2017

In conjunction with the settlement of the above referenced transaction, please find below the wiring instructions for the payment of our \$1,500,000.00 placement fee (20 bps of \$750 million) and \$11,682.29 out-of-pocket expenses. The total amounts to **\$1,511,682.29** as detailed below. You may remit the wire according to the wire instructions presented below.

\$1,500,000.00	Placement fee
11,005.03	Roadshow (meetings, meals, hotel)
677.26	Miscellaneous (conference calls, printing, overtime meals, etc.)
\$1,511,682.29	Total

Wells Fargo Securities Wiring Instructions:

Bank of New York
ABA # 021000018
Account Name: Wells Fargo Securities, LLC
Account # GLA 111569 WCF
Attn: Syndicate Operations
Ref: Liberty Utilities Finance GP1

We appreciate your confidence in our capabilities and trusting us with the execution. We look forward to working with you on future issues. If you have any questions please call me at 704-410-4793.

Best Regards,

A handwritten signature in black ink, appearing to read "Joshua B. Levine".

Joshua B. Levine
Managing Director

Debt Private Placements
High Grade Debt Capital Markets



*CIBC World Markets Corp
300 Madison Avenue
5th floor
New York, NY 10017*

March 27, 2017

ATTN: Arthur Kacprzak; Vice President, Treasury & Treasurer; Liberty Algonquin Business Services

In account with **CIBC WORLD MARKETS CORP.**

For Placement Agent Fee and expenses in connection with the US\$100 million 2.78% Senior Unsecured Notes due April 30, 2020, the US\$80 million 3.30% Senior Unsecured Notes due April 30, 2022, the US\$70 million 3.69% Senior Unsecured Notes due April 30, 2024, the US\$250 million 3.94% Senior Unsecured Notes due April 30, 2027, the US\$21 million 4.54% Senior Unsecured Notes due April 30, 2037, and the US\$229 million 4.89% Senior Unsecured Notes due April 30, 2047 issued by Liberty Utilities Finance GP1.

Placement Agent Fee to CIBC World Markets Corp.

10% of total Placement Fee (50 bps) of total issuance amount
(\$750 Million)

US\$375,000

Total

US\$375,000

Deal Expenses:

Amount (US\$)

Total

US\$0

Net Amount Payable

US\$375,000

Please make payment for the above amount payable and submit to:

Remit Check Payment to:
CIBC World Markets Corp.
Attn: Allen Cheverino
425 Lexington Avenue
5th floor
New York, NY 10017

Or Remit Wire Payment to:
Bank of New York
ABA: 021000018
A/C: 854-090-4104
N/O: CIBC World Markets Corp.
FAO: 001-14600-11

PROMISSORY NOTE

Date: December 20, 2017

Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities, a corporation duly organized under the laws of the State of New Hampshire (herein called the "**Company**", which term includes any successor or resulting Person), for value received, hereby promises to pay to Liberty Utilities Co., or registered assigns (the "**Holder**"), the principal sum of \$18,181,818.18 United States Dollars on December 20, 2032, and to pay interest thereon from the date hereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on January 30 and July 30 in each year, commencing July 30, 2018, ("**Interest Payment Date**") at the rate of ____% per annum¹ until the principal hereof is paid or made available for payment; and at the rate of the greater of (i) ____%², plus 2.0% or (ii) 2% over the rate of interest publicly announced by J.P. Morgan Securities LLC from time to time in New York, New York as its "base" or "prime" rate, payable semi-annually as aforesaid (or, at the option of the registered holder hereof, on demand) on any overdue principal and premium and on any installment of interest (to the extent payment of such interest is legally enforceable). Interest on this Note will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Payment of the principal of (and premium, if any) and any such interest on this Note will be made at the office or agency of the Company in the United States of America, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts or subject to any laws or regulations applicable thereto; and *provided, however*, that payment of interest may be made by wire transfer of immediately available funds to an account maintained by the payee at a financial institution in the United States (so long as Company has received proper transfer instructions in writing by the record date prior to the applicable Interest Payment Date).

This Note is a general, unsecured, obligation of the Company.

The Company may prepay the whole or any part of the amount outstanding under this Note; *provided that* any such prepayment shall be at the Prepayment Price equal to 100% of the principal amount so prepaid, and the Make-Whole Amount determined for the Prepayment Date with respect to such principal amount plus accrued and unpaid interest, if any, to the Prepayment Date.

Notice of any prepayment by the Company will be given not less than two (2) days before any Prepayment Date to the Holder.

Unless the Company defaults in payment of the Prepayment Price, on and after any Prepayment Date for this Note, interest will cease to accrue on this Note or portion hereof called for prepayment.

¹ To be calculated by adding a credit spread of one hundred sixty basis points (or 1.60%) to the 15-year U.S. Treasury rate published by Bloomberg on or about December 19, 2017.

² Inserting the same interest rate calculated in Note 1 above.

In the event of prepayment of this Note in part only, a new Note of like tenor for the unpaid portion hereof will be issued in the name of the holder hereof upon the cancellation hereof.

It is expressly provided that, in the event that principal and interest payments are not made to the Holder when due, the Holder shall have the right to demand, and the Company shall have the obligation to immediately pay to the Holder, the unpaid balance of any principal and unpaid accrued interest outstanding under this Note, together with the Make-Whole Amount determined for the date fixed for such demand payments. Instead of demanding payment, the Holder may, in its sole discretion, require that the Company provide collateral in the form of cash, letters of credit, or other collateral which may be acceptable to the Holder in its sole discretion, acting commercially reasonably.

The Holder may also demand that this Note be prepaid by the Company in the event of a change of control, or sale of the substantive assets, of the Company.

Failure of the Holder to exercise a right under this Note does not constitute a waiver of such right under this Note.

The Company hereby waives demand, presentment for payment, notice of nonpayment and protest, and consents that the maturity hereof may be extended without notice and that the Holder hereof shall have the right, without notice, to deal in any way, at any time, with the Company or to grant to the Company any indulgence or forbearance whatsoever without in any way effecting the personal liability of the Company.

Waiver by the Holder of any rights under this Note does not constitute a waiver of any other, or subsequent, rights arising under this Note.

Notwithstanding anything herein to the contrary, no provision of this Note shall require the payment or permit the collection of interest in excess of the maximum rate permitted by applicable law. If any excess of interest in such respect is herein provided for, or shall be adjudicated to be so provided, in this Note or otherwise in connection with this transaction, the provisions of this paragraph shall govern and prevail, and neither the Company nor the sureties, guarantors, successors or assigns of the Company shall be obligated to pay the excess amount of such interest, or any other excess sum paid for the use, forbearance or detention of sums loaned pursuant hereto. If for any reason interest in excess of the maximum rate of interest permitted by applicable law shall be deemed charged, required or permitted or otherwise should arise, any such excess shall be applied as a payment and reduction of the principal indebtedness evidenced by this Note. If the principal amount hereof has been paid in full, any remaining excess shall forthwith be paid to the Company.

No service charge shall be made for any exchange of this Note, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

No recourse under or upon any obligation, covenant or agreement contained in this Note, or for any claim based hereon or otherwise in respect hereof, or because of the creation

of any indebtedness represented hereby, shall be had against any incorporator, shareholder, member, officer, manager or director, as such, past, present or future, of the Company or of any successor thereof, either directly or through the Company or any successor thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment, penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released by the acceptance hereof and as a condition of, and as part of the consideration for, the issuance of this Note.

Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and in the case of any such loss, theft or destruction, upon delivery of an indemnity reasonably satisfactory to the Company or, in case of any such mutilation, upon surrender and cancellation of this Note, the Company will issue a new Note of like tenor in lieu of this Note.

Wherever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

The Company agrees to pay on all costs and expenses, if any, including counsel fees and expenses in connection with the enforcement whether through negotiations, legal proceedings or otherwise) of this Note.

DEFINITIONS:

"Business Day" means with respect to any place of payment or other location each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that place of payment or other location are authorized or obligated by law, executive order or regulation to close.

"Discounted Value" means, with respect to the Prepaid Principal of this Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Prepaid Principal from their respective scheduled due dates to the Prepayment Date with respect to such Prepaid Principal, in accordance with accepted financial practice and at a discount factor (applied on a semi-annual basis) equal to the Reinvestment Yield with respect to such Prepaid Principal.

"Make-Whole Amount" means, with respect to this Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Prepaid Principal of such Note over the amount of such Prepaid Principal, provided that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

"Person" means an individual, corporation, limited liability company, partnership, limited partnership, joint venture, association, trust, other entity, unincorporated organization, or government or any agency or political subdivision thereof.

"Prepayment Date" with respect to the Prepaid Principal of this Note means the date fixed by the Company for prepayment or by the Holder pursuant to a demand for payment.

"Prepayment Price" means the price at which this Note is to be prepaid.

"Prepaid Principal" means, with respect to this Note, the principal of such Note that is to be prepaid, whether voluntarily by the Company or subject to demand by the Holder.

"Reinvestment Yield", with respect to the Prepaid Principal of this Note over the yield to maturity implied by (i) the yields reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on the run U.S. Treasury securities having a maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date, or (ii) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable (including by way of interpolation), the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for U.S. Treasury securities having a constant maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date.

In the case of each determination under clause (i) or clause (ii), as the case may be, of the preceding paragraph, such implied yield will be determined, if necessary, by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between (1) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and greater than such Remaining Average Life and (2) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of this applicable Note.

"Remaining Average Life" means, with respect to any Prepaid Principal, the number of years obtained by dividing (i) such Prepaid Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Prepaid Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months, that will elapse between the Prepayment Date with respect to such Prepaid Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Prepaid Principal of this Note, all payments of such Prepaid Principal and interest thereon that would be due after the Prepayment Date with respect to such Prepaid Principal if no payment of such Prepaid Principal were made prior to its scheduled due date, provided that if such Prepayment Date is not a date on which interest payments are due to be made under the terms of this Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Prepayment Date and required to be paid on such Prepayment Date.

GENERAL PROVISIONS:

This Note may only be changed, waived, modified or otherwise amended by a writing executed by both the Company and Holder.

This Note shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of law except Section 5-1401 of the New York General Obligations Law.

This Note shall be binding upon the Company and its successors, and shall inure to the benefit of Holder and its successors and permitted assigns. The Company may not assign its obligations under this Note without Holder's prior written consent and any attempt shall be null and void.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Liberty Utilities (EnergyNorth Natural Gas)
Corp., d/b/a Liberty Utilities

By: _____

Name: Susan Fleck

Title: President

By: _____

Name: Tisha Sanderson

Title: Secretary

PROMISSORY NOTE

Date: December 20, 2017

Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities, a corporation duly organized under the laws of the State of New Hampshire (herein called the "**Company**", which term includes any successor or resulting Person), for value received, hereby promises to pay to Liberty Utilities Co., or registered assigns (the "**Holder**"), the principal sum of \$69,600,000.00 United States Dollars on December 20, 2032, and to pay interest thereon from the date hereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on January 30 and July 30 in each year, commencing July 30, 2018, ("**Interest Payment Date**") at the rate of ____% per annum¹ until the principal hereof is paid or made available for payment; and at the rate of the greater of (i) ____%², plus 2.0% or (ii) 2% over the rate of interest publicly announced by J.P. Morgan Securities LLC from time to time in New York, New York as its "base" or "prime" rate, payable semi-annually as aforesaid (or, at the option of the registered holder hereof, on demand) on any overdue principal and premium and on any installment of interest (to the extent payment of such interest is legally enforceable). Interest on this Note will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Payment of the principal of (and premium, if any) and any such interest on this Note will be made at the office or agency of the Company in the United States of America, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts or subject to any laws or regulations applicable thereto; and *provided, however*, that payment of interest may be made by wire transfer of immediately available funds to an account maintained by the payee at a financial institution in the United States (so long as Company has received proper transfer instructions in writing by the record date prior to the applicable Interest Payment Date).

This Note is a general, unsecured, obligation of the Company.

The Company may prepay the whole or any part of the amount outstanding under this Note; *provided that* any such prepayment shall be at the Prepayment Price equal to 100% of the principal amount so prepaid, and the Make-Whole Amount determined for the Prepayment Date with respect to such principal amount plus accrued and unpaid interest, if any, to the Prepayment Date.

Notice of any prepayment by the Company will be given not less than two (2) days before any Prepayment Date to the Holder.

Unless the Company defaults in payment of the Prepayment Price, on and after any Prepayment Date for this Note, interest will cease to accrue on this Note or portion hereof called for prepayment.

¹ To be calculated by adding a credit spread of one hundred sixty basis points (or 1.60%) to the 15-year U.S. Treasury rate published by Bloomberg on or about December 19, 2017.

² Inserting the same interest rate calculated in Note 1 above.

In the event of prepayment of this Note in part only, a new Note of like tenor for the unpaid portion hereof will be issued in the name of the holder hereof upon the cancellation hereof.

It is expressly provided that, in the event that principal and interest payments are not made to the Holder when due, the Holder shall have the right to demand, and the Company shall have the obligation to immediately pay to the Holder, the unpaid balance of any principal and unpaid accrued interest outstanding under this Note, together with the Make-Whole Amount determined for the date fixed for such demand payments. Instead of demanding payment, the Holder may, in its sole discretion, require that the Company provide collateral in the form of cash, letters of credit, or other collateral which may be acceptable to the Holder in its sole discretion, acting commercially reasonably.

The Holder may also demand that this Note be prepaid by the Company in the event of a change of control, or sale of the substantive assets, of the Company.

Failure of the Holder to exercise a right under this Note does not constitute a waiver of such right under this Note.

The Company hereby waives demand, presentment for payment, notice of nonpayment and protest, and consents that the maturity hereof may be extended without notice and that the Holder hereof shall have the right, without notice, to deal in any way, at any time, with the Company or to grant to the Company any indulgence or forbearance whatsoever without in any way effecting the personal liability of the Company.

Waiver by the Holder of any rights under this Note does not constitute a waiver of any other, or subsequent, rights arising under this Note.

Notwithstanding anything herein to the contrary, no provision of this Note shall require the payment or permit the collection of interest in excess of the maximum rate permitted by applicable law. If any excess of interest in such respect is herein provided for, or shall be adjudicated to be so provided, in this Note or otherwise in connection with this transaction, the provisions of this paragraph shall govern and prevail, and neither the Company nor the sureties, guarantors, successors or assigns of the Company shall be obligated to pay the excess amount of such interest, or any other excess sum paid for the use, forbearance or detention of sums loaned pursuant hereto. If for any reason interest in excess of the maximum rate of interest permitted by applicable law shall be deemed charged, required or permitted or otherwise should arise, any such excess shall be applied as a payment and reduction of the principal indebtedness evidenced by this Note. If the principal amount hereof has been paid in full, any remaining excess shall forthwith be paid to the Company.

No service charge shall be made for any exchange of this Note, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

No recourse under or upon any obligation, covenant or agreement contained in this Note, or for any claim based hereon or otherwise in respect hereof, or because of the creation

of any indebtedness represented hereby, shall be had against any incorporator, shareholder, member, officer, manager or director, as such, past, present or future, of the Company or of any successor thereof, either directly or through the Company or any successor thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment, penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released by the acceptance hereof and as a condition of, and as part of the consideration for, the issuance of this Note.

Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and in the case of any such loss, theft or destruction, upon delivery of an indemnity reasonably satisfactory to the Company or, in case of any such mutilation, upon surrender and cancellation of this Note, the Company will issue a new Note of like tenor in lieu of this Note.

Wherever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

The Company agrees to pay on all costs and expenses, if any, including counsel fees and expenses in connection with the enforcement whether through negotiations, legal proceedings or otherwise) of this Note.

DEFINITIONS:

"Business Day" means with respect to any place of payment or other location each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that place of payment or other location are authorized or obligated by law, executive order or regulation to close.

"Discounted Value" means, with respect to the Prepaid Principal of this Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Prepaid Principal from their respective scheduled due dates to the Prepayment Date with respect to such Prepaid Principal, in accordance with accepted financial practice and at a discount factor (applied on a semi-annual basis) equal to the Reinvestment Yield with respect to such Prepaid Principal.

"Make-Whole Amount" means, with respect to this Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Prepaid Principal of such Note over the amount of such Prepaid Principal, provided that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

"Person" means an individual, corporation, limited liability company, partnership, limited partnership, joint venture, association, trust, other entity, unincorporated organization, or government or any agency or political subdivision thereof.

"Prepayment Date" with respect to the Prepaid Principal of this Note means the date fixed by the Company for prepayment or by the Holder pursuant to a demand for payment.

"Prepayment Price" means the price at which this Note is to be prepaid.

"Prepaid Principal" means, with respect to this Note, the principal of such Note that is to be prepaid, whether voluntarily by the Company or subject to demand by the Holder.

"Reinvestment Yield", with respect to the Prepaid Principal of this Note over the yield to maturity implied by (i) the yields reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on the run U.S. Treasury securities having a maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date, or (ii) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable (including by way of interpolation), the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for U.S. Treasury securities having a constant maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date.

In the case of each determination under clause (i) or clause (ii), as the case may be, of the preceding paragraph, such implied yield will be determined, if necessary, by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between (1) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and greater than such Remaining Average Life and (2) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of this applicable Note.

"Remaining Average Life" means, with respect to any Prepaid Principal, the number of years obtained by dividing (i) such Prepaid Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Prepaid Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months, that will elapse between the Prepayment Date with respect to such Prepaid Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Prepaid Principal of this Note, all payments of such Prepaid Principal and interest thereon that would be due after the Prepayment Date with respect to such Prepaid Principal if no payment of such Prepaid Principal were made prior to its scheduled due date, provided that if such Prepayment Date is not a date on which interest payments are due to be made under the terms of this Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Prepayment Date and required to be paid on such Prepayment Date.

GENERAL PROVISIONS:

This Note may only be changed, waived, modified or otherwise amended by a writing executed by both the Company and Holder.

This Note shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of law except Section 5-1401 of the New York General Obligations Law.

This Note shall be binding upon the Company and its successors, and shall inure to the benefit of Holder and its successors and permitted assigns. The Company may not assign its obligations under this Note without Holder's prior written consent and any attempt shall be null and void.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Liberty Utilities (EnergyNorth Natural Gas)
Corp., d/b/a Liberty Utilities

By: _____

Name: Susan Fleck

Title: President

By: _____

Name: Tisha Sanderson

Title: Secretary

**RESOLUTION OF THE DIRECTORS
OF
LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
d/b/a LIBERTY UTILITIES**

WHEREAS, Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities (the "Corporation") wishes to borrow \$18,181,818.18 (USD) from Liberty Utilities Co. ("LUCo") for the purpose of replacing a maturing loan of the same amount between LUCo and the Corporation on substantially the terms represented in the attached form: a 15-year promissory note, to be issued on or about December 20, 2017, in the amount of \$18,181,818.18 (USD) with an annual interest rate to be calculated by adding a credit spread of one hundred sixty basis points (or 1.60%) to the 15-year U.S. Treasury rate published by Bloomberg on or about December 19, 2017 (the "LUCo Note");

NOW THEREFORE, BE IT:

RESOLVED, that the Corporation borrow \$18,181,818.18 (USD) from LUCo on the terms contained within the LUCo Note;

BE IT FURTHER RESOLVED, that any officer or director of the Corporation be and is hereby authorized to do all such acts and to execute all such further documents, for and on behalf of and in the name of the Corporation, as such officer or director in his sole and absolute discretion may consider necessary or appropriate in order to effect any of the respective matters and things which hereinbefore in these resolutions have been authorized.

Each of the foregoing resolutions are hereby consented to by the all the Directors of the Corporation, effective as of the _____ day of September, 2017.

Ian E. Robertson

Gregory Sorensen

**RESOLUTION OF THE DIRECTORS
OF
LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
d/b/a LIBERTY UTILITIES**

WHEREAS, Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities (the "Corporation") wishes to borrow \$69,600,000.00 (USD) from Liberty Utilities Co. ("LUCo") to convert existing short term debt that the Corporation owes to LUCo on substantially the terms represented in the attached form: a 15-year promissory note, to be issued on or about December 20, 2017, in the amount of \$69,600,000.00 (USD) with an annual interest rate to be calculated by adding a credit spread of one hundred sixty basis points (or 1.60%) to the 15-year U.S. Treasury rate published by Bloomberg on or about December 19, 2017 (the "LUCo Note");

NOW THEREFORE, BE IT:

RESOLVED, that the Corporation borrow \$69,600,000.00 (USD) from LUCo on the terms contained within the LUCo Note;

BE IT FURTHER RESOLVED, that any officer or director of the Corporation be and is hereby authorized to do all such acts and to execute all such further documents, for and on behalf of and in the name of the Corporation, as such officer or director in his sole and absolute discretion may consider necessary or appropriate in order to effect any of the respective matters and things which hereinbefore in these resolutions have been authorized.

Each of the foregoing resolutions are hereby consented to by the all the Directors of the Corporation, effective as of the _____ day of September, 2017.

Ian E. Robertson

Gregory Sorensen