

STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION

UNITIL ENERGY SYSTEMS, INC.	)	
F-4 PETITION FOR AUTHORITY TO ISSUE SECURITIES	)	DE 24-___

UNITIL ENERGY SYSTEMS, INC. F-4 PETITION FOR AUTHORITY TO ISSUE SECURITIES

Unitil Energy Systems, Inc. (“UES” or “the Company”) respectfully petitions the New Hampshire Public Utilities Commission (“the Commission”) for approval, pursuant to RSA 369:1, 369:2 and 369:4, and Puc Rule 308.12 for UES to issue and sell, at par, by private sale, to institutional investors, first mortgage bonds in an aggregate amount not to exceed Fifty Million (\$50,000,000) Dollars (the “Bonds”). The proceeds of UES' debt financing will be used to repay outstanding short-term indebtedness incurred for additions, extensions and betterments to the Company’s property, plant and equipment; and to defray the costs and expense of the financing or for other lawful general corporate purposes. In support of its petition, UES represents as follows:

1. UES is a public utility organized and existing under the laws of the State of New Hampshire.
2. UES is primarily engaged in the business of distributing electricity in various cities and towns in New Hampshire. UES is a retail distribution utility wholly-owned by Unitil Corporation (“Unitil”), a New Hampshire corporation and public utility holding company.
3. First mortgage bonds evidencing secured long-term debt of up to a maturity of 30 years in an aggregate amount of up to Fifty Million (\$50,000,000) Dollars will be issued by UES, to be sold at par by private placement to institutional investors.
4. The proceeds from the proposed issuance and sale of the bonds will be used to

(1) to repay outstanding short-term indebtedness incurred for additions, extensions and betterments UES's property, plant and equipment; and (2) to defray the costs and expense of the financing or for other lawful general corporate purposes.

5. UES also seeks authorization for the costs associated with the proposed financing, expected to be approximately \$325,000, be incorporated as a portion of the cost of the new financing and amortized over the life of the proposed new issue.

6. The manner of issuance and sale of the Bonds, and the details as to their respective terms, are more fully described in the testimony of Andre J. Francoeur, Financial Planning and Analysis Manager, Unitil Service Corp., and Christopher J. Goulding Vice President of Finance and Regulatory, Unitil Service Corp., attached as Exhibit AFCG-1.

7. UES believes that a private placement issuance process is the most cost effective way to issue the Bonds and that it will result in the most beneficial rate and terms.

8. The capital structure of UES as of December 31, 2024 is as follows:

	<u>Actual</u> <u>12/31/2023</u>	<u>Adjustments</u> <u>12/31/2023</u>	<u>Pro Forma</u> <u>12/31/2023</u>
Short-Term Debt	\$ 24.3	\$ (24.3)	\$ -
First Mortgage Bonds	94.5	50.0	144.5
<b>Total Debt</b>	<b>\$ 118.8</b>	<b>\$ 25.7</b>	<b>\$ 144.5</b>
Common Equity	124.6	-	124.6
<b>Net Capitalization</b>	<b>\$ 243.4</b>	<b>\$ 25.7</b>	<b>\$ 269.1</b>
Net Debt / Net Capitalization	49%		54%

9. Pursuant to the requirements of PUC Rule 308.12, the following exhibits are attached or will be provided:

Exhibit AFCG-1: Direct Testimony and Schedules of Andre J. Francoeur and Christopher J.

Goulding

Exhibit AFCG-2: Sources and uses of funds

Exhibit AFCG-3: Estimated cost of financing

Exhibit AFCG-4: Actual and pro-forma Balance Sheet as of December 31, 2023

Exhibit AFCG-5: Actual and pro-forma Income Statement as of December 31, 2023

Exhibit AFCG-6: Actual and pro-forma Capital Structure as of December 31, 2023

Exhibit AFCG-7: Actual and pro-forma Weighted Average Cost of Debt

Exhibit AFCG-8 Attachment 1: Twelfth Supplemental Indenture of Mortgage and Deed of Trust, which amends and restates the original indenture for the purpose of securing Bonds to be issued subject to the conditions set forth thereof

Exhibit AFCG-8 Attachment 2: Most recent Bond Purchase Agreement dated September 15, 2020

Exhibit AFCG-8 Attachment 3: Sixteenth Supplemental Indenture to the Twelve Supplemental Indenture of Mortgage and Deed of Trust, which is similar to the form under which the proposed bonds are to be issued and sold, except as described in this Petition and the accompanying exhibits

Exhibit AFCG-9: Purchase and sale agreement/letter of commitment (to be provided)

Exhibit AFCG-10: New Common or Preferred Stock (not applicable)

10. UES, the Petitioner utility company, believes and, therefore, alleges that the securities to be issued will be consistent with the public good and that it is entitled to issue said securities under RSA 369 for the purposes set forth in its Petition.

WHEREFORE, UES respectfully requests the Commission:

1. Find that the proposed issuance and sale, at par value, by private sale of first mortgage bonds in an aggregate amount not to exceed Fifty Million (\$50,000,000) Dollars with maturities up to thirty years for the purposes set forth herein, in the manner, and upon the terms set forth herein and explained in UES's supporting testimony, is consistent with the public good;
2. Pursuant to RSA 369:1, 2, and 4, approve and authorize the issuance and sale of the notes in the manner and upon the terms herein set forth and explained in UES's supporting testimony;
3. Authorize UES to do all things, take all steps, and execute and deliver all documents necessary or desirable to implement and carry out the proposed financing; and
4. Grant authorizations sought without hearing, by an order *Nisi* to be effective not later than June 28, 2024; or, in the alternative, set a date for hearing hereon at which UES may present evidence.
5. Take such further steps and make such further findings and orders as the Commission in its judgment considers wise and expedient.

Dated: April 5, 2024

Respectfully submitted,  
Unital Energy Systems, Inc.

By: 

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