

PENNICHUCK EAST UTILITY, INC.
BALANCE SHEET
ASSETS AND DEFERRED CHARGES
For the Twelve Months Ended December 31, 2023
Revised 6/14/2024 in DR Set 3

2024 PEU Financing Petition
DW 24-064
Schedule GT-1
Page 1 of 2

	Account Number	12/31/2023	Pro Forma Adjustments	Proforma 12/31/23
<u>PLANT ASSETS</u>				
Plant in Service	301 to 348	86,478,367	- (1)	86,478,367
Work in process	105	678,584	-	678,584
Utility Plant		87,156,952	-	87,156,952
Accumulated depreciation	108	20,197,276	34,547 (2)	20,231,823
Net Plant		66,959,676	(34,547)	66,925,129
Net Acquisition Adjustment	114 & 115	4,297,946	-	4,297,946
Total Net Utility Plant		62,661,731	(34,547)	62,627,183
<u>CURRENT ASSETS</u>				
Cash & Special Deposits	131 & 133	2,351,235	(126,695) (3)	2,224,540
Accounts receivable-billed, net	141 & 143	2,096,043	-	2,096,043
Accounts receivable-unbilled, net	173	717,929	-	717,929
Accounts receivable-other	142	-	-	-
Inventory	151	-	-	-
Prepaid expenses	162	8,993	-	8,993
Prepaid property taxes	163 & 236	227,423	-	227,423
Prepaid taxes	162.3	-	-	-
		5,401,623	(126,695)	5,274,928
<u>OTHER ASSETS</u>				
Debt issuance expenses	181	236,775	-	236,775
Acquisition Premium - MARA	186	6,450,376	-	6,450,376
Other & Deferred Charges	182,184,186	1,002,352	-	1,002,352
		7,689,503	-	7,689,503
TOTAL ASSETS		\$ 75,752,857	\$ (161,242)	\$ 75,591,615

Notes:

(1) No adjustment needed to record the assets related to the CoBank Loan, as all of which were used and useful at 12/31/2023, and already included in the PPE amounts.

(2) To record the impact of full year depreciation, offset by the half-year depreciation already included on the Balance Sheet for 12/31/2023.

(3) To record the use of funds to support the related expenses

PENNICHUCK EAST UTILITY, INC.
BALANCE SHEET
EQUITY AND LIABILITIES
For the Twelve Months Ended December 31, 2023
Revised 6/14/2024 in DR Set 3

2024 PEU Financing Petition
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	Account Number	12/31/2023	Pro Forma Adjustments	Proforma 12/31/23
STOCKHOLDERS' EQUITY				
Common stock	201	\$ 100	\$ -	\$ 100
Paid in capital	211	\$ 9,702,710	-	\$ 9,702,710
Comprehensive Income	219	\$ (16,237)	-	\$ (16,237)
Retained earnings	215	\$ (1,286,744)	(161,242)	\$ (1,447,987)
		8,399,829	(161,242)	8,238,586
LONG TERM DEBT				
Bonds, notes and mortgages	221	\$ 25,960,962	1,890,931	27,851,893
Intercompany advances	223	6,689,202	-	6,689,202
Other Long Term Debt	224	\$ 27,061	-	27,061
CURRENT LIABILITIES				
Current portion of Long Term Debt		1,391,628	-	1,391,628
Accounts payable	231	\$ 823,915	-	823,915
Accrued property taxes	236	\$ -	-	-
Accrued interest payable	237	\$ 12,197	-	12,197
Fixed Asset Line of Credit	232	\$ 971,707	(1,890,931)	(919,224)
Other accrued expenses	241	\$ 287,904	-	287,904
Income taxes payable	236	\$ -	-	-
Customer deposits & other	235	\$ 341,169	-	341,169
		3,828,520	(1,890,931)	1,937,589
OTHER LIABILITIES AND DEFERRED CREDITS				
Deferred income taxes	282 & 283	\$ 7,060,611	-	7,060,611
Customer advances	252	\$ -	-	-
CIAC, net	271 & 272	\$ 23,786,673		23,786,673
Other long term liabilities		-	-	-
		30,847,284	-	30,847,284
TOTAL EQUITY AND LIABILITIES		\$ 75,752,857	\$ (161,242)	\$ 75,591,615

Notes:

(1) To record payoff of FALOC and converted to LTD.

CoBank Loan	\$ 1,890,931
FALOC	\$ 1,890,931
	\$ -

(2) To record the impact of interest, depreciation, property taxes and income tax benefit on retained earnings.

PENNICHUCK EAST UTILITY, INC.
OPERATING INCOME STATEMENT
For the Twelve Months Ended December 31, 2023
Revised 6/14/2024 in DR Set 3

2024 PEU Financing Petition
DW 24-064
Schedule GT-2
Page 1 of 2

	Account Number	Twelve Months 12/31/23	Pro Forma Adjustments		Pro Forma 12 Months 12/31/23
Water Sales	460 to 462	\$ 11,015,741	-		\$ 11,015,741
Other Operating Revenue	471	35,030	-		\$ 35,030
Total Revenues		11,050,771	-		11,050,771
Production Expenses	601 to 652	2,819,826	-		2,819,826
Transmission & Distribution Expenses	660 to 678	781,679	-		781,679
Customer Acct & Collection Exp	902 to 904	200,274	-		200,274
Administrative & General Expense	920 to 950	269,103	-		269,103
Inter Div Management Fee	930	2,986,744	-		2,986,744
Total Operating Expense		7,057,625	-		7,057,625
Dep Exp/Acq Adj Expense	403 & 406	1,564,120	34,547 (2)		1,598,668
Amortization Expense:CIAC	405	(530,862)	-		(530,862)
Amortization Expense	407	310,523	-		310,523
Gain on Debt Forgiveness	414	(47,448)	-		(47,448)
Property Taxes	408.1	1,279,124	44,513 (2)		1,323,636
Income Tax	409 to 410	69,406	(59,638) (3)		9,768
Total Operating Deductions		2,644,862	19,422		2,664,285
Net Operating Income		1,348,283	(19,422)		1,328,861
Other Income and Deductions		-	-		-
Interest Expenses		1,226,073	141,820 (1)		1,367,893
Net Income		122,210	(161,242)		(39,032)

Notes:
1 - To record the change in interest expense.
2 - To record the impact of assets on depreciation and property taxes.
3 - To record the tax impact resulting from additional expenses, at the statutory rate of 27.00%.

PENNICHUCK EAST UTILITY, INC.
OPERATING INCOME STATEMENT
For the Twelve Months Ended December 31, 2023
Revised 6/14/2024 in DR Set 3

2024 PEU Financing Petition
DW 24-064
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Supporting Calculations:

Interest Expense:	Amount	Rate	Interest
New CoBank Loan	\$ 1,890,931	7.500%	\$ 141,820
Totals	\$ 1,890,931		\$ 141,820

Depreciation	N/A				
Additions:	Asset Cost				Depreciation
	Asset Totals	Cost of	Total		Rate Amount
	Term Loan	Removal			
	\$ 1,890,931	\$ 189,093	\$ 1,701,838	2.03%	\$ 34,547
Totals	\$ 1,890,931	\$ 189,093	\$ -	\$ 1,701,838	\$ 34,547
Net Additions	\$ 1,890,931	\$ -	\$ 1,701,838		
Pro Forma Depreciation					\$ 34,547
Property Taxes	Combined Local And State Property Tax				
PEU Blended Town Tax Rate	\$ 16.94	(1)			
Other					
State of New Hampshire	\$ 6.60				
Total Tax Rate	\$ 23.54				
Pro Forma Property Taxes	\$ 44,513	1.0%	\$ 445	\$ 44,958	

Notes
(1) This rate is as included in the PEU QCPAC filing under Docket No. DW 24-029, for the CoBank financed and included assets.

Pennichuck East Utility, Inc.
Pro Forma Capital Structure for Ratemaking Purposes
For the Twelve Months Ended December 31, 2023

2024 PEU Financing Petition
DW 24-064
Schedule GT-3
Statement of Capitalization Ratios
PUC 609.03(b)(6) - Form F-4, Exhibit 5
Revised 6/14/2024 in DR Set 3

	Pro Forma 2023	Pro Forma Eliminations		Pro Forma 2023 with Eliminations	Component Ratio
Long-term Debt	27,851,893	1,890,931	(1)	29,742,824	83.79%
Intercompany Debt	\$ 6,689,202	-		6,689,202	18.84%
Common Equity:					
Common Stock	100	(100)		-	
Paid In Capital	9,702,710	(9,702,710)	(2)	-	
Comprehensive Income	(16,237)	529,702	(2)	513,465	
Retained Earnings	(1,447,987)			(1,447,987)	
Total Common Equity	8,238,586			(934,521)	-2.63%
Total Capital	\$ 42,779,681	(7,282,177)		\$ 35,497,505	100.00%

Notes:

- (1) The Long Term Debt consists of FALOC conversion to long-term CoBank note.
(2) Per Order 25,292 in DW 11-026, eliminate the MARA and related equity, and adjust comprehensive income as follows:

Comprehensive Income as of 1/25/12 (529,702)

Pennichuck East Utility, Inc.
Projected Rate Impact on Single Family Residential Home

CoBank Loan Amount - \$	1,890,931	(a)
Loan Percentage -	7.50%	
Loan Term (in years) -	25	
Annual Principal & Interest on Loan -	\$169,637	(b)
Coverage Multiplier, under DW 20-156 -	1.1 x	(c)
Revenue Requirement for P&I: [(b) x (c)] -	\$186,600	(d)
Property tax rate/\$1000 ^{Note 1} - \$	23.54	(e)
Projected Property Taxes: [(a)/1000 x (e)] - \$	44,513	(f)
Projected Revenue Requirement: [(d) + (f)] -	\$231,113	(g)
DW 20-156 Allowed Revenue Requirement - \$	10,130,530	(h)
Calculated QCPAC Surcharge: [(g)/(h)] -	2.28%	(i)
Current Monthly Single Family Residential Bill ^{Note 2} - \$	84.31	(j)
Monthly impact on Single Family Residential Bill of the external Financing: [(i) x (j)] - \$	1.92	per month

Note 1 - combined blended local property taxes (\$17.54/1,000) and State Utility Tax (\$6.60/\$1,000)
Note 2 - From rates approved under DW 20-156, without subsequent QCPAC surcharges

Pennichuck East Utility, Inc.
Statement of Weighted Average Cost of Long-Term Debt
For the Twelve Months Ended December 31, 2023
Revised 6/14/2024 in DR Set 3

2023 PEU Financing Petition
DW 24-064
Schedule GT-4B
PUC 609.03(b)(7) - Form F-4, Exhibit 6

Holder	Term	Maturity	Coupon Rate	Outstanding Balance as of 12/31/23	New Debt Added in 2024	Annual Interest	Annual Amortization Issue Costs	All In Annual Cost	Effective Rate
CoBank \$1.7M Loan (RX0848T4)	20	03/01/30	5.950%	1,785,685	-	106,248	1,276	107,524	6.02%
State of NH SRF (Green Hills)	20	01/01/25	3.728%	20,749	-	774	6,854	7,628	36.76%
State of NH SRF (Pelham Tank)	20	01/01/27	3.488%	111,383	-	3,885	247	4,132	3.71%
State of NH SRF (Maple Hills)	20	06/01/30	2.952%	230,211	-	6,796	483	7,279	3.16%
State of NH SRF (Birch Hill)	20	12/01/31	2.864%	837,191	-	23,977	549	24,526	2.93%
State of NH SRF (Locke Lake - 2007)	20	05/01/30	2.952%	87,451	-	2,582	90	2,671	3.05%
State of NH SRF (Locke Lake - 2011)	20	06/01/33	2.864%	172,266	-	4,934	-	4,934	2.86%
State of NH SRF (Liberty Tree) (9)	20	04/01/35	3.104%	267,044	-	8,289	531	8,820	3.30%
State of NH SRF (Locke Lake - 2012)	20	12/1/2033	2.720%	225,356	-	6,130	1,057	7,187	3.19%
CoBank \$1.7M Loan (RX0848T4)	10	06/20/23	3.620%	-	-	-	816	816	-
CoBank \$925k Loan (RX0848T3)	20	06/20/33	4.250%	537,847	-	22,859	443	23,301	4.33%
SRF Loan - Locke Lake Dam Site Phase 2	20	07/01/35	2.720%	256,042	-	6,964	-	6,964	2.72%
SRF Loan - Locke Lake-Winwood & Monroe-Phase I	20	07/01/36	2.720%	265,655	-	7,226	343	7,569	2.85%
SRF Loan - Locke Lake-Winwood & Monroe-Phase II	20	11/01/36	2.464%	278,678	-	6,867	263	7,129	2.56%
SRF Loan - W&E Main Replacement	20	08/01/36	2.616%	703,245	-	18,397	672	19,069	2.71%
SRF Loan - Hickory & Avery	20	04/01/36	2.616%	284,649	-	7,446	119	7,565	2.66%
SRF Loan - Hardwood Treatment Station	20	07/01/36	2.464%	389,672	-	9,602	349	9,951	2.55%
CoBank 625K Loan	25	03/06/40	4.900%	486,776	-	23,852	1,635	25,487	5.24%
CoBank 1.25M Loan T6(1st tranche)	25	11/01/41	4.200%	1,021,278	-	42,894	489	43,383	4.25%
CoBank 950K Loan T6(2nd tranche)	25	11/01/41	4.830%	788,062	-	38,063	211	38,275	4.86%
SRF Loan - Locke Lake Varney Road	20	11/01/37	1.960%	1,090,613	-	21,376	691	22,067	2.02%
Intercompany 2018 PEU - \$1,701,516	30	05/01/48	3.200%	1,494,865	-	47,836	-	47,836	3.20%
Intercompany 2018 PEU (North Country)- \$1,157,403	30	05/01/48	3.200%	1,016,835	-	32,539	-	32,539	3.20%
SRF Loan 2017 - Brady Ave (Derry)	30	06/01/49	1.960%	506,955	-	9,936	151	10,087	1.99%
SRF Loan 2017 Hillcrest Road (Litchfield)	20	08/01/39	1.960%	197,335	-	3,868	-	3,868	1.96%
Co-Bank	25	05/20/43	5.330%	306,973	-	16,362	402	16,764	5.46%
Merrimack River Crossing SRF	20	09/01/39	1.960%	1,956,660	-	38,351	953	39,303	2.01%
Locke Lake Georgetown Main Replacement	30	10/01/51	2.704%	1,209,348	-	32,701	34	32,735	2.71%
Locke Lake Airstrip Well	30	10/01/51	1.296%	616,013	-	7,984	18	8,001	1.30%
Locke Lake Surface Water Treatment	30	10/01/51	1.296%	2,130,024	-	27,605	61	27,666	1.30%
CoBank 1.153M Loan T9	25	06/01/44	4.380%	1,032,724	-	45,233	652	45,885	4.44%
2020 CoBank 800K Loan	25	11/23/45	3.980%	740,932	-	29,489	509	29,998	4.05%
2021 CoBank 1.13M Loan	25	10/24/46	4.180%	1,077,394	-	45,035	423	45,458	4.22%
2021 CoBank Loan to refill RSF	25	11/24/46	4.250%	2,428,050	-	103,192	541	103,733	4.27%
2022 CoBank T13 Loan	25	10/01/47	7.160%	644,609	-	46,154	250	46,404	7.20%
CoBank T14 Loan	10	06/01/33	6.230%	987,409	-	61,516	100	61,616	6.24%
DWTF - W&E-SALEM INTERCONN	25	12/31/49	1.570%	493,500	-	7,748	-	7,748	1.57%
CoBank T15 Loan	25	09/01/48	7.260%	742,110	-	53,877	-	53,877	7.26%
New CoBank Loan	25	TBD	7.500%	-	1,890,931	141,820	-	141,820	7.50%
TOTAL				27,421,588	1,890,931	1,120,403	21,213	1,141,616	4.16%

Notes:



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Via Email

March 1, 2024

Mr. Steven A. Bolton
Corporation Counsel
City of Nashua
229 Main Street
Nashua, NH 03060

Re: Pennichuck East Utility, Inc. – Request for Approval of Term Loan with CoBank, ACB

Dear Attorney Bolton:

Introduction. As you know, the City of Nashua, New Hampshire (the “City”) is the sole corporate shareholder of Pennichuck Corporation (“Pennichuck”). The City has been the sole shareholder since the acquisition of Pennichuck on January 25, 2012.

The purpose of this letter is to request that the City, acting in its capacity as sole shareholder, approve resolutions authorizing Pennichuck’s regulated public water utility subsidiary, Pennichuck East Utility, Inc. (“PEU”), to enter into a term loan with CoBank, ACB (“CoBank”).

Background. As part of the City’s acquisition of Pennichuck, in accordance with special legislation enacted by the State Legislature, and as unanimously approved by the Mayor and Board of Aldermen on January 11, 2011, the corporate structure of Pennichuck and its utility subsidiaries was retained. This corporate structure was retained for several reasons. First, the Mayor and Board of Aldermen desired to maintain stability and continuity for customers and employees of the Pennichuck utilities and the communities they serve. Second, retaining the corporate structure provided continuity for the existing relationships with regulatory agencies and financial/banking partners. Third, the Mayor and Board of Aldermen unanimously agreed that the corporate structure would encourage business-smart decisions and rely upon well-established governance principles of corporate law, pursuant to Pennichuck’s Articles of Incorporation and its by-laws.

Shareholder Approval of Borrowings Required. Under Article IX of Pennichuck’s Articles of Incorporation, the City, acting in its capacity as Pennichuck’s sole shareholder, must approve:

- “(3) any action to (A) create, incur or assume any indebtedness for borrowed money or guarantee any such indebtedness of any person, (B) issue or sell

any debt securities or warrants or other rights to acquire any debt securities of the [Pennichuck] Corporation or any of its Subsidiaries, or (C) guarantee any debt securities of any person.”

Proposed Term Loan Borrowing from CoBank

PEU is a New Hampshire public utility corporation providing retail water service to approximately 9,038 customers in the New Hampshire towns of Atkinson, Barnstead, Bow, Chester, Conway, Derry, Exeter, Hooksett, Lee, Litchfield, Londonderry, Middleton, Pelham, Plaistow, Raymond, Sandown, Tilton, Weare and Windham. PEU is wholly-owned by Pennichuck which, in turn, is wholly-owned by the City.

PEU has entered into a Master Loan Agreement with CoBank dated as of February 9, 2010 (the “Master Loan Agreement”), which provides the framework for CoBank to make loans to PEU from time to time. A copy of the Master Loan Agreement is attached to this letter as Attachment A.

PEU requests the City’s approval for PEU to enter into a term loan with CoBank in an amount of up to \$2,100,000 with an amortization period of up to 25 years, with an interest rate to be determined based on market conditions (currently estimated at approximately 7.15% per annum). A copy of the CONFIDENTIAL term sheet for the term loan with CoBank is attached to this letter as Attachment B-1.

The proceeds from the CoBank loan will be used to refinance and repay up to approximately \$2,100,000 of Fixed Asset Line of Credit (“FALOC”) borrowings by PEU, under its \$4 million FALOC with CoBank, which was used to fund capital improvements to the PEU water system infrastructure during 2023, which were not funded by State of New Hampshire Drinking Water Revolving Loan Fund (SRF) or NH Drinking Water and Groundwater debt or grants.

The FALOC with CoBank was approved by the Company’s Board of Directors, the NH Public Utilities Commission (“NHPUC”), and the City of Nashua as shareholder, in March of 2018 (in NHPUC Order No. 26,117; Docket PWC 17-157), to provide for capital improvements financing during each calendar year, with subsequent annual refinancing and repayment of amounts borrowed with term loans, consistent with the Company’s allowed rate structure with the NHPUC, under Order No. 26,179 (Docket DW 17-128). This facility was renewed and extended thru June 30, 2023 during 2020, then extended again thru September 30, 2026 in 2023, with all of the required approvals, and as included in NHPUC Docket No. DW 23-049, and Order No. 26,869.

The CoBank loan will be secured by (i) a security interest in PEU’s equity interest in CoBank (consisting of PEU’s \$287,202 earned equity investment in CoBank from patronage dividends received since 2010, and PEU’s right to receive future patronage dividends), and (ii) the unconditional guarantee of PEU’s obligations to CoBank by Pennichuck pursuant to the Guarantee of Payment (Continuing) dated as of February 9, 2010 between Pennichuck and CoBank (the “Guaranty Agreement”), a copy of which is attached to this letter as Attachment C.

The Lender – CoBank, ACB. CoBank is a government sponsored enterprise (“GSE”) owned by its customers, who consist of agricultural cooperatives, rural energy, communications and water companies and other businesses that serve rural America. As a GSE, CoBank issues its debt securities with the implicit full faith and credit of the United States Government and uses these low-cost funds to make loans to companies like PEU that meet its charter requirements. As a result of the implicit backing of the U.S. Government, CoBank’s borrowing costs are lower than commercial banks and financial institutions, and these lower costs are passed on to its borrowers. In addition to the lower rates, CoBank loans generally have fewer covenants or restrictions as compared to loans from commercial banks and other financial institutions.

Approval by Pennichuck and PEU. The CoBank loan and guaranty, have been approved by the Board of Directors of Pennichuck and PEU.

Pennichuck recommends that the City authorize (i) PEU to enter into the loan with CoBank; and (ii) Pennichuck to guaranty the loan.

Lower Costs Are Good for Customers. Pennichuck and its Board of Directors have determined that the capital projects to be refinanced by the CoBank loan, will allow PEU to continue to provide safe, adequate and reliable water service to their customers on a cost-effective basis. The terms of the loan are very favorable compared to other alternatives and will result in lower financing costs than would be available under other debt options. These lower financing costs will be passed on to customers.

Other Approvals. As a regulated public utility, PEU must obtain approval of the term loan from the New Hampshire Public Utilities Commission (“NHPUC”), which will approve the term loan and FALOC renewal if it finds the loan to be consistent with the public good. PEU is filing a petition for approval with the NHPUC contemporaneously with this notice to the City and expects the NHPUC to consider the petition promptly.

Requested Approvals. For the reasons described above, Pennichuck respectfully requests that the City, acting in its capacity as sole shareholder of Pennichuck and pursuant to Article IX(3) of Pennichuck’s Articles of Incorporation, authorize the following actions:

RESOLVED, that the City hereby approves the loan to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount of up to \$2,100,000, with a 25-year amortization schedule; and

FURTHER RESOLVED, that the City hereby approves the guaranty by Pennichuck Corporation of the payment by Pennichuck East Utility, Inc. of the loan authorized in the prior resolution; and

FURTHER RESOLVED, that the City hereby authorizes Pennichuck Corporation and Pennichuck East Utility, Inc., their Boards of Directors, and their Officers, to take any and all actions required to obtain all necessary approvals with respect to the actions described in these resolutions and to execute and deliver such documents as are necessary to affect the CoBank loan, and the guaranty described in these resolutions.

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Respectfully submitted,

PENNICHUCK CORPORATION

By: 
George Torres
Chief Financial Officer and Treasurer

cc: Mayor James Donchess, Dorothy Clarke, Deputy Corp. Counsel



RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO ENTER INTO A TERM LOAN WITH COBANK, ACB

CITY OF NASHUA

In the Year Two Thousand and Twenty-Four

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation (“Pennichuck”) and each of its subsidiaries;

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck and Article V §2 of the by-laws of Pennichuck require the approval of the sole shareholder (the City of Nashua) for Pennichuck to create, incur, assume, or guarantee any indebtedness for borrowed money, which includes contracting a loan on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck East Utility, Inc. is a regulated New Hampshire public water utility, and is a wholly owned subsidiary of Pennichuck which, in turn, is wholly owned by the City of Nashua.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves (1) the loan to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount of up to \$2,100,000, with a 25-year amortization schedule, and (2) the guaranty by Pennichuck Corporation of the payment by Pennichuck East Utility, Inc. of said loan.

LEGISLATIVE YEAR 2024

RESOLUTION: R-24-024

PURPOSE: Authorizing Pennichuck Corporation and Pennichuck East Utility, Inc. to enter into a term loan with CoBank, ACB

ENDORSERS: Alderman Patricia Klee

**COMMITTEE
ASSIGNMENT:**

Pennichuck Water Special Committee

FISCAL NOTE:

None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation and one of their regulated public water subsidiaries to enter into a loan as described in the resolution.

The Legal Department has forwarded additional information provided by Pennichuck on the proposal to the Board of Aldermen.

Article IX (3) of Pennichuck Corporation's Articles of Incorporation and Article V §2 of the Pennichuck Corporation's by-laws requires City approval for the borrowing.

Approved as to form: Office of Corporation Counsel

By: Donna Clarke

Date: 4 March 2024

From: Dwyer, John T (he/him/his) <John.Dwyer@td.com>
Sent: Thursday, May 23, 2024 10:55 AM
To: Torres, George
Cc: Sugarman, Marshall C (he/him/his); Kerrigan, Jay; Carter, Ryan M; Lombardi, Tristan
Subject: [EXTERNAL] RE: Written Notice to TD Bank for new CoBank debt
Attachments: Written Notice to TD Bank related to the CoBank \$2.1MK new debt.docx

Importance: High

Hi George

I apologize for the delayed response. Please accept this email as approval from TD Bank for this borrowing from Co-Bank relating to PEU's capital project financing.

If you have any questions, please let me know.

Thanks

John

John Dwyer | Senior Relationship Manager | Commercial Banking

TD Bank, America's Most Convenient Bank

200 State Street, Boston, MA 02109

Cell Phone: 617-678-7152

Email: John.Dwyer@TD.Com

Internal

From: Torres, George <george.torres@pennichuck.com>
Sent: Wednesday, April 17, 2024 12:58 PM
To: Dwyer, John T (he/him/his) <John.Dwyer@td.com>
Cc: Sugarman, Marshall C (he/him/his) <Marshall.Sugarman@td.com>; Kerrigan, Jay <jay.kerrigan@pennichuck.com>
Subject: Written Notice to TD Bank for new CoBank debt

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST
ATTENTION : COURRIEL EXTERNE. NE CLIQUEZ PAS SUR DES LIENS ET N'OUVREZ PAS DE PIÈCES JOINTES AUXQUELS VOUS NE FAITES PAS
CONFIANCE

John,

Please accept the attached notice of new debt financing with CoBank, for which we need a response to file with the NHPUC on a docket being prepared for approval.

Let me know if you need anything else as part of this process.

Thanks.

GT



George Torres
Chief Financial Officer and Treasurer
Pennichuck Water
25 Walnut St.
Nashua, NH 03061-0428
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