

THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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January 25, 2018

Debra A. Howland, Executive Director  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, New Hampshire 03301

NHPUC 25 JAN 18 PM 12:51

Re: DW 17-183: Pennichuck Water Works, Inc.  
Petition for Approval of Bond Financing and Fixed Asset Line of Credit  
City of Nashua Resolution

Dear Ms. Howland:

In my letter dated January 24, 2018 recommending approval of Pennichuck Water Work's ("PWW") proposed Bond Financing in this docket, I indicated that the City of Nashua ("City"), PWW's sole shareholder, had approved the proposed financing transaction by vote of the City's Board of Alderman. Further, I stated that PWW would provide the Commission with documentation in support of the Board of Alderman's approval as soon as it is made available. Attached is a copy of the Board of Alderman's Resolution providing approval for the Bond Financing transaction presented in this case.

Thank you for your assistance with this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jayson P. Laflamme".

Jayson P. Laflamme  
Utility Analyst, Gas-Water Division

Attachment  
cc: Service List

LINKED



## RESOLUTION

**AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK WATER WORKS, INC. TO ISSUE BONDS AND ENTER INTO A FIXED ASSET LINE OF CREDIT WITH TD BANK, N.A.**

### *CITY OF NASHUA*

*In the Year Two Thousand and Seventeen*

**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 or assume any indebtedness for borrowed money or guarantee any such indebtedness on behalf of Pennichuck or its subsidiaries; and

**WHEREAS**, Pennichuck Water Works, Inc. (“PWW”) is a regulated New Hampshire public water utility corporation providing retail water service to New Hampshire customers, and is a wholly owned subsidiary of Pennichuck Corporation, 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 Pennichuck and PWW borrowing up to a total of \$32,500,000 in an aggregate principal amount by issuing tax-exempt AMT bonds and/or other borrowings to raise proceeds for the following purposes: (1) to finance up to \$30,000,000 of PWW’s cost of constructing, reconstructing, and replacing infrastructure, equipment, vehicles and all other fixed assets of PWW for the years 2017 – 2109; and (2) to fund up to \$2,500,000 of various costs of issuance of the new bonds, including transaction costs, capitalized interest, and, if necessary and appropriate, credit enhancements such as a debt service reserve fund or other credit measure as may be determined by PWW in response to prevailing market conditions.

**AND FURTHER, BE IT RESOLVED** by the Board of Aldermen of the City of Nashua that the City approves Pennichuck and PWW entering into a revolving fixed asset line of credit with TD Bank, N.A., allowing for annual borrowings of up to \$10,000,000, pursuant to a security interest in PWW’s accounts receivable and inventory, and pledge of the stock of PWW, for the purpose of providing advances to be used for interim capital projects funding.

**LEGISLATIVE YEAR 2017**

**RESOLUTION:** R-17-157

**PURPOSE:** Authorizing Pennichuck Corporation and Pennichuck Water Works, Inc. to issue bonds and enter into a fixed asset line of credit with TD Bank, N.A.

**ENDORSERS:** Alderman-at-Large Brian S. McCarthy

**COMMITTEE  
ASSIGNMENT:**

**FISCAL NOTE:** None.

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**ANALYSIS**

This resolution approves the proposal by Pennichuck Corporation and Pennichuck Water Works to issue tax-exempt AMT and/or taxable bonds and to enter into a new revolving fixed asset line of credit with TD Bank, N.A. as described in the resolution.

Pennichuck has provided additional information 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.

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**Approved as to form:** Office of Corporation Counsel

By: Dorothy Clarke

Date: November 13, 2017

**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

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**Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.**

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Docket #: 17-183-1      Printed: January 25, 2018

**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**

DEBRA A HOWLAND  
EXECUTIVE DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**