

PENNICHUCK EAST UTILITY, INC.
BOARD OF DIRECTORS
MINUTES OF JANUARY 23, 2015 MEETING

A meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Friday, January 23, 2015 at 9:49 a.m. at the Company’s offices at 25 Manchester Street, Merrimack, New Hampshire.

Written materials relating to items listed in the Agenda were provided to the Board members for their review prior to the meeting.

The following Directors were present, constituting a quorum:

Thomas J. Leonard, Chairman
David P. Bernier, telephonically
C. George Bower
James P. Dore
Elizabeth A. Dunn
Stephen D. Genest
Paul A. Indeglia
Jay N. Lustig
John D. McGrath
James McMahan, telephonically
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

John L. Patenaude, Chief Executive Officer
Donald L. Ware, Chief Operating Officer
Larry D. Goodhue, Chief Financial Officer
George Torres, Accounting Manager
Carol Ann Howe, Director of Regulatory Affairs, Treasury and Business Services
James Lavacchia, Distribution Manager
Suzanne L. Ansara, Corporate Secretary

D. Bernier indicated that he could not attend the meeting in person because he is travelling out of state, that he can hear the proceedings and he is alone.

J. McMahan indicated that he could not attend the meeting in person because he is travelling out of state, that he can hear the proceedings and he is alone.

S. Ansara recorded the minutes of the meeting.

Approval of Minutes

The Chairman inquired whether there were any comments with respect to the draft minutes of the September 26, 2014 Board meeting. There being none, on motion duly made by E. Dunn and seconded by P. Stanley, all of the Directors voting in favor, except for G. Bower who abstained, it was

Resolved: that the minutes of the September 26, 2014 meeting of the Board of Directors are hereby approved.

SRF Loan – Replacement of Water Mains at Locke Lake in Center Barnstead, NH

The Chairman asked for a motion to approve the resolutions set forth in the Agenda relating to the borrowing by Pennichuck East Utility, Inc. of up to \$400,000 from the State of New Hampshire to fund the replacement of water mains at Locke Lake in Center Barnstead, New Hampshire. The matter was discussed at the Pennichuck Corporation Board meeting held earlier in the day.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors then voting, it was unanimously

Resolved: that the Board of Directors hereby approves the borrowing by Pennichuck East Utility, Inc. (the “Company”) of up to \$400,000 in principal amount from the State of New Hampshire (the “State”), such amount to be paid over a 20-year term, level payment, with interest and related costs, for the purpose of funding the replacement of water mains at Locke Lake in Center Barnstead, New Hampshire, pursuant to a Loan Agreement between the Company and the State under the State’s Drinking Water Revolving Loan Fund program.

Further

Resolved: that the officers of the Company are severally authorized, empowered and directed to execute and deliver, in the name and on behalf of the Company, the Loan Agreement for the SRF loan described in the previous resolution (the “SRF Loan”) with such terms, including the exhibits and schedules to such Loan Agreement, as may be deemed necessary or advisable in the several judgment of the officers executing the Loan Agreement.

Further

Resolved: that the officers of the Company are hereby authorized, empowered and directed to take any and all actions to obtain all necessary approvals for the SRF Loan from the New Hampshire Public Utilities Commission, the New Hampshire Department of Environmental Services, the Governor and Executive Council, and the City of Nashua in its capacity as the sole shareholder of the Company, and any other authority determined by such officers relating to the SRF Loan.

Further

Resolved: that John L. Patenaude, Donald L. Ware, and Larry D. Goodhue are severally authorized, empowered and directed to take such actions and to execute and deliver such documents as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the SRF Loan and to carry out the purposes of the preceding resolutions, the taking of such actions and the execution and delivery of such documents to be sufficient and conclusive evidence that the same are within the authority conferred by these resolutions.

There being no further business to come before the Board, the meeting was adjourned at 9:50 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary