

PENNICHUCK EAST UTILITY, INC.  
BOARD OF DIRECTORS  
MINUTES OF JANUARY 27, 2017 MEETING

A meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Friday, January 27, 2017 at 10:17 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  
C. George Bower  
James P. Dore  
Elizabeth A. Dunn  
Stephen D. Genest  
John D. McGrath  
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer  
Donald L. Ware, Chief Operating Officer  
Suzanne L. Ansara, Corporate Secretary

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 June 24, 2016 meeting of the Board of Directors. There being none, on motion duly made by S. Genest and seconded by E. Dunn, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the June 24, 2016 meeting of the Board of Directors are hereby approved.

SRF Loans

The Chairman referred the Board to the resolutions set forth in the Agenda relating to the following SRF loans to Pennichuck East Utility, Inc., which loans were discussed at the Pennichuck Corporation Board meeting held today:

1. a \$2,400,000 SRF loan to fund an interconnection pipeline to connect PEU Litchfield with Pennichuck Water Works Merrimack/Litchfield;
2. a \$570,000 SRF loan to fund the replacement of water main on Brady Avenue, Maple Hills, in Derry, NH; and
3. a \$245,000 SRF loan to fund the replacement of water main on Hillcrest Road in Litchfield, NH.

A brief discussion ensued.

Interconnection Pipeline – PEU Litchfield with PWW Merrimack/Litchfield

On motion duly made by J. Dore and seconded by D. Bernier, all of the Directors present 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 \$2,400,000 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 an interconnection pipeline to connect PEU Litchfield with Pennichuck Water Works, Inc. Merrimack/Litchfield, NH, pursuant to a Loan Agreement between PEU 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 Pennichuck Corporation (the Company’s parent corporation), and any other authority determined by such officers relating to the SRF Loan.

Further

Resolved: that Larry D. Goodhue, Donald L. Ware and Carol Ann Howe 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.

Water Main Replacement, Brady Avenue, Maple Hills, Derry, NH

On motion duly made by J. Dore and seconded by D. Bernier, all of the Directors present 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 \$570,000 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 main on Brady Avenue of PEU-Maple Hills, Derry, NH, pursuant to a Loan Agreement between PEU 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 Pennichuck Corporation (the Company's parent corporation), and any other authority determined by such officers relating to the SRF Loan.

Further

Resolved: that Larry D. Goodhue, Donald L. Ware and Carol Ann Howe 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.

Water Main Replacement, Hillcrest Road, Litchfield, NH

On motion duly made by J. Dore and seconded by D. Bernier, all of the Directors present 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 \$245,000 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 main on Hillcrest Road, Litchfield, NH, pursuant to a Loan Agreement between PEU 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 Pennichuck Corporation (the Company's parent corporation), and any other authority determined by such officers relating to the SRF Loan.

Further

Resolved: that Larry D. Goodhue, Donald L. Ware and Carol Ann Howe 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.

Move to Non-Public Session

J. McGrath moved that the Board enter into non-public session to discuss the acquisition, sale or lease of real or personal property pursuant to RSA 91-A:3, II(d). P. Stanley seconded the motion.

A roll call of the Directors present was taken, which resulted as follows:

Yea: D. Bernier, G. Bower, J. Dore, E. Dunn, S. Genest, T. Leonard,  
J. McGrath, P. Stanley

Nay:

Motion was carried to enter into non-public session at 10:19 a.m.

Reconvene in Public Session

The non-public session ended at 10:29 a.m. and the Board reconvened in public session.

E. Dunn moved that the Board seal the minutes of the non-public session under RSA 91-A:3, II(d). D. Bernier seconded the motion. A roll call of the Directors present was taken, which resulted as follows:

Yea: D. Bernier, G. Bower, J. Dore, E. Dunn, S. Genest, T. Leonard,  
J. McGrath, P. Stanley

Nay:

Motion was carried to seal the minutes of the non-public session.

There being no further business to come before the Board, the meeting was adjourned at 10:31 a.m.

/s/ Suzanne L. Ansara  
Suzanne L. Ansara  
Corporate Secretary