

PENNICHUCK EAST UTILITY, INC.

BOARD OF DIRECTORS
MINUTES OF FEBRUARY 23, 2018 MEETING

A meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Friday, February 23, 2018 at 11:23 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
John M. Murphy
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 October 27, 2017 meeting of the Board of Directors. There being none, on motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the October 27, 2017 meeting of the Board of Directors are hereby approved.

Distribution to Pennichuck Corporation

L. Goodhue stated that management is seeking approval of a distribution from the Company to Pennichuck Corporation in the amount of \$512,531.00 to fund Pennichuck Corporation's payment of the City's acquisition debt.

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

Resolved: that a distribution in the amount of \$512,531.00 (from additional paid in capital) be recorded to Pennichuck Corporation on February 23, 2018.

Grant Agreement – Litchfield Interconnection Project – Trust Fund

L. Goodhue indicated that the Company has qualified for a grant from the Drinking Water and Groundwater Trust Fund in the amount of \$600,000 for the Litchfield interconnection project. He indicated that management is seeking approval from the Board to accept the grant and to enter into a Grant Agreement with the NHDES, a copy of which was included in the written materials to the Board.

After discussion, on motion duly made by J. Dore and seconded by J. McGrath, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors of Pennichuck East Utility, Inc. (the "Company") hereby authorizes the Company to accept a grant of up to \$600,000 from the Drinking Water and Groundwater Trust Fund for the Litchfield interconnection project (the "Project");

Further

Resolved: that the Company is authorized to enter into the Grant Agreement for the Project with the NH Department of Environmental Services, a copy of which was presented at this meeting; and

Further

Resolved: that the Company's Chief Executive Officer or Chief Operating Officer, acting singly, are each hereby authorized to execute and deliver the Grant Agreement, and to execute any and all other documents necessary, and to take such further actions, as either of them, in their sole discretion, may deem necessary, proper or advisable, to carry out the intent of these resolutions.

There being no further business to come before the Board, the meeting was adjourned at 11:25 a.m.

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