

NORTHERN UTILITIES, INC.) DG 09-_____
F-4 PETITION FOR AUTHORITY TO)
ISSUE SECURITIES)
)

Northern Utilities, Inc. (“Northern”) respectfully petitions the New Hampshire Public Utilities Commission (“the Commission”) for approval, pursuant to RSA 369: 1, 369:2 and 369:4, and Puc Rule 509.03 for Northern to issue and sell, at par, by private sale, to institutional investors, unsecured promissory notes in an aggregate amount not to exceed twenty million (\$20,000,000) dollars. The proceeds of Northern's debt financing will be used to repay outstanding short-term indebtedness incurred for additions, extensions and betterments to Northern's property, plant and equipment, to defray the costs and expense of the financing contemplated by this Petition, and for other lawful corporate purposes. In support of its petition, Northern represents as follows:

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is to bear fixed annual rates of interest not to exceed 7.8%, to be determined through a private placement process.

4. The proceeds from the proposed issuance and sale of the Bonds will be used to (1) to pay off outstanding short-term indebtedness incurred for additions, extensions and betterments to the Northern's property, plant and equipment; (2) to defray the costs and expense of the financing contemplated by this Petition; and (3) for other lawful corporate purposes. In addition to the debt financing, Unutil is planning to provide a \$5,000,000 equity contribution.

5. Northern also seeks authorization for the costs associated with the proposed financing, expected to be approximately \$370,000, be incorporated as a portion of the cost of the new financing and amortized over the life of the proposed new issue.

6. The manner of issuance and sale of the Notes, and the details as to their respective terms, are more fully described in the testimony of David L. Chong, Director of Finance, Unutil Service Corp., attached as Exhibit NU-1.

7. Unutil believes that a private placement issuance process is the most cost-effective way to issue the Notes and that it will result in the most beneficial rate and terms.

8. The funded debt and outstanding capital stock, including surplus accounts, of Northern as of **September 30, 2009** were as follows (dollars in thousands):

Long Term Debt

<i>Sub-Total</i>	<u>\$80,000</u>
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Preferred Stock Equity

Common Stock Equity

Premium on Capital Stock	---
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Capital Stock Expense	---
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Paid-in-Capital	\$65,700
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Retained Earnings	\$1,754
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<i>Sub-Total</i>	<u>\$67,454</u>
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Total Capitalization	<u>\$147,454</u>
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9. The amount of short-term notes outstanding of Northern as of September 30, 2009 are as follows (dollars in thousands):

\$33,185

10. The authorized capital stock of Northern at this time is as follows:

Common Stock: \$10 par value, 200 shares. There is no preferred stock.

11. Pursuant to the requirements of PUC Rule 509.03, the following exhibits are attached or will be provided:

Exhibit NU-1 Direct Testimony of David Chong

Exhibit NU-2 Sources and Uses of Funds

Exhibit NU-3 Estimated Cost of Financing

Exhibit NU-4 Balance Sheet as of September 30, 2009, proformed for the
proposed Financing

Exhibit NU-5 Income Statement for the nine months ended September 30,
2009, proformed for the proposed Financing

Exhibit NU-6 Capital Structure as of September 30, 2009, proformed for the
proposed Financing

Exhibit NU-7 Purchase and Sale Agreement/Letter of Commitment
To be provided

Exhibit NU-8 Mortgage Indenture
Not applicable

Exhibit NU-9 New Common or Preferred Stock
Not applicable

Exhibit NU-10 Resolution of Governing Body Approving Financing

12. Northern, the Petitioner utility company, believes and, therefore, alleges that the securities to be issued will be consistent with the public good and that it is entitled to issue said securities under RSA 369 for the purposes set forth in its Petition.

WHEREFORE, Northern respectfully requests that the Commission:

1. Find that the proposed issuance and sale, at par value, by private sale, of unsecured promissory notes in an aggregate amount not to exceed twenty million (\$20,000,000) dollars, for the purposes set forth herein, and in the manner and upon the terms set forth herein and explained in Unital's supporting testimony, is consistent with the public good;
2. Pursuant to RSA: 369: 1, 2 and 4, approve and authorize the issuance and sale of the Notes in the manner and upon the terms herein set forth and explained in the Petitioner's supporting testimony;
3. Authorize Northern to do all things, take all steps, and execute and deliver all documents necessary or desirable to implement and carry out the proposed financing; and
4. Grant the authorizations sought without hearing, by an order *Nisi* to be effective no later than December 18, 2009, or in the alternative, set a date for hearing hereon, at which the Petitioner may present evidence.
5. Take such further steps and make such further findings and orders as the Commission in its judgment considers wise and expedient.

Dated: November 20, 2009

Respectfully submitted,
Northern Utilities, Inc.

By: 

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