



allows for Northern to match the long-lived nature of its utility assets with the long-term average life of the securities while achieving an attractive and market-based overall weighted yield.

4. The proceeds from the proposed issuance and sale of the Notes will be used to:

(1) re-pay outstanding short-term indebtedness incurred for additions, extensions and betterments Northern's property, plant and equipment as well as to refinance maturing long-term debt; and (2) defray the costs and expense of the financing or for other lawful general corporate purposes.

5. Northern also seeks authorization for the costs associated with the proposed financing, expected to be approximately \$300,000, 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 Andre J. Francoeur, Financial Planning and Analysis Manager, Unitil Service Corp., and Christopher J. Goulding Vice President of Finance and Regulatory, Unitil Service Corp., attached as Exhibit AFCG-1.

7. Northern 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 capital structure of Northern as of December 31, 2023 is as follows:

NORTHERN UTILITIES, INC.			
PRO FORMA CAPITAL STRUCTURE AS OF DECEMBER 31, 2023			
Issuance and Sale of \$50,000,000 Senior Unsecured Notes			
(\$ in Millions)			
	ACTUAL	ADJUSTMENTS	PRO FORMA
Short-Term Debt	\$ 86.2	(49.7)	\$ 36.5
Senior Unsecured Notes, Net of Issuance Costs	228.8	49.7	278.5
<b>Total Debt</b>	<b>\$ 315.0</b>	<b>\$ -</b>	<b>\$ 315.0</b>
Common Equity	257.8	-	257.8
<b>Net Capitalization</b>	<b>\$ 572.8</b>	<b>\$ -</b>	<b>\$ 572.8</b>
Net Debt / Net Capitalization	55.0%		55.0%

9. Pursuant to the requirements of PUC Rule 507.02, the following exhibits are attached or will be provided:

- Exhibit AFCG-1: Direct Testimony and Schedules of Andre J. Francoeur and Christopher J. Goulding
- Exhibit AFCG-2: Sources and uses of funds
- Exhibit AFCG-3: Estimated cost of financing
- Exhibit AFCG-4: Actual and pro-forma Balance Sheet as of December 31, 2023
- Exhibit AFCG-5: Actual and pro-forma Income Statement as of December 31, 2023
- Exhibit AFCG-6: Actual and pro-forma Capital Structure as of December 31, 2023
- Exhibit AFCG-7: Actual and pro-forma Weighted Average Cost of Debt
- Exhibit AFCG-8: Financial Statements as of December 31, 2023
- Exhibit AFCG-9: Financial Statements as of 03/31/2024 (to be provided)
- Exhibit AFCG-10: Purchase and sale agreement/letter of commitment (to be provided)
- Exhibit AFCG-11: New Common or Preferred Stock (not applicable)

10. Northern, the Petitioner utility company, believes and 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 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 Fifty Million (\$50,000,000) Dollars for the purposes set forth herein and, in the manner, and upon the terms set forth herein and explained in Northern's supporting testimony, is consistent with the public good;

2. Pursuant to RSA 369:1, 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 Northern'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 authorizations sought without hearing, by an order *Nisi* to be effective not later than June 28, 2024; or, in the alternate, set a date for hearing hereon at which Northern 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: April 5, 2024

Respectfully submitted,

Northern Utilities, Inc.



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