

**THE STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

IN RE LAKELAND MANAGEMENT)
COMPANY, INC.)
)
Authority to Acquire Capital,)
 \$47,500 Loan)
 \$47,500 Grant)
)

PETITION TO AUTHORIZE BORROWING

NOW COMES Lakeland Management Company, Inc. (the "Company"), and, pursuant to RSA 369:3, requests the Commission to approve the receipt of a \$47,500 grant and the incurrence of \$47,500 in long term debt. In support of this petition, the Company states:

1. The Company is a corporation organized and existing under the law of the State of New Hampshire. The Company is a public utility, owning and operating a public water supply system and a public sewer system in the Town of Belmont, New Hampshire. The Company's address is PO Box 7394, Gilford, NH 03247.

2. The capital stock of the Company consists of 100 shares of common stock with no par value. The Company has \$41,036 in long term debt.

3. The Company has no short term notes outstanding.

4. The Company seeks to acquire funds from the State of New Hampshire acting through its Department of Environmental Services State Revolving Fund ("SRF"). The total funding will be \$95,000. Half of that, \$47,500

will be a loan, plus interest at the rate of 2.34% per year on the declining balance, repayable in 120 equal monthly installments. The loan shall be evidenced by a promissory note. The other half, \$47,500, will be a grant, and will be treated as contribution in aid of construction. The funds are made available under the American Recovery and Reinvestment Act.

5. The proceeds will be used to fund the construction of an additional water storage facility in the Briarcrest area within the Company's franchise territory in the Town of Belmont, New Hampshire. The water storage facility that is to be built will be located approximately 1,000 feet northeast of Plummer Road in Belmont, New Hampshire. The project will be to purchase and install two new American manufactured pre-cast concrete water storage tanks, totaling 30,000 gallons of storage, including the necessary water main piping, valves, fittings, and miscellaneous appurtenances.

6. There is an existing 20,000 gallon water storage facility that currently provides water throughout the service area by gravity pressure. The service area is currently underserved.

7. A breakdown of the total funding is as follows:

Storage Tanks	\$85,000
Variable Frequency Drives	<u>\$10,000</u>
Total	\$95,000

8. In 2008, water service was extended to Maple Hill Acres Apartments. Those apartments added 32 water users to the Company's customer base. The additional water storage will provide a more stable water flow to the customers of the Company. The New Hampshire Department of Environmental Services has approved the project.

9. The borrowing which is the subject of this petition will save the ratepayers of the Company money, for it allows the Company to acquire the capital to improve its storage capability at a favorable rate of interest. The terms are reasonable. The borrowing is consistent with the public good.

10. The Company can not repay the proposed financing in the absence of a step increase in rates for the project. The step increase would go into effect upon completion of the project and apply to water taken on and after January 1, 2010. The project will be completed in December 2009.

11. The following exhibits accompany this petition:

Exhibit 1 Construction Program 2009-2011

Exhibit 2 Borrowing Resolution

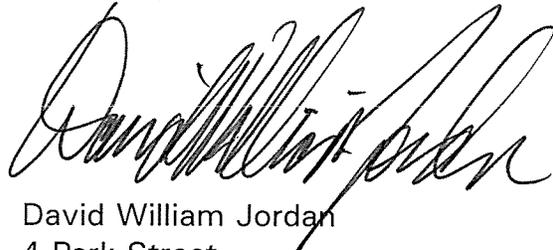
Exhibit 3 Site Map

WHEREFORE, the Company prays that the Commission issue an order NISI approving the receipt of a \$47,500 grant and the borrowing of \$47,500 from Department of Environmental Services State Revolving Fund.

Respectfully submitted,

LAKELAND MANAGEMENT
COMPANY, INC
By its Attorneys

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CERTIFICATE OF SERVICE

Today the foregoing document was served by depositing a copy of same in a United States Postal Service receptacle, first class postage prepaid, addressed to Office of the Consumer Advocate, Fruit Street, Concord, NH 03301.



David William Jordan

DATED: July 13, 2009
d/cli/5469comauthorization

EXHIBIT 1
CONSTRUCTION PROGRAM AND SOURCE OF FUNDS
YEARS 2009 - 2010 - 2011

DESCRIPTION OF CONSTRUCTION	TOTAL	2009	2010	2011
30,000 GAL. Storage	85,000	85,000	-	-
Variable Drives	<u>10,000</u>	<u>10,000</u>	-	-
Total Funds	95,000	95,000	-	-
Source of Funds				
Long Term Note	47,500	47,500	-	-
Grant	47,500	47,500		

The Company does not anticipate any other construction in 2009-2011.

EXHIBIT 2
BORROWING RESOLUTION

ACTION BY UNANIMOUS CONSENT OF DIRECTOR
AND WAIVER OF NOTICE

The undersigned, being the sole director of Lakeland Management Company, Inc., pursuant to the provisions of New Hampshire RSA 293-A:8.21, consents to the following action, hereby waives any notice requirements with respect thereto, and adopts the following votes:

VOTED: That the corporation construct an additional water storage tank in its franchise territory; and that the corporation finance that construction with a loan from the New Hampshire Department of Environmental Services under the American Recovery and Reinvestment Act, said loan to be for \$95,000, payable over 10 years, at 2.44% interest per year; and that the officers of the corporation be authorized to sign and deliver such documents as are necessary to effect the purposes of this vote, including, but not limited to, a promissory note.

This writing shall be filed with the records of the meetings of the directors of this corporation, and shall for all purposes be treated as votes taken at a meeting.

Dated: June 1, 2009

Wade R. Crawshaw, Director