

DE 01-052

EXETER & HAMPTON ELECTRIC COMPANY

Petition for Authority to Issue Securities

Order Nisi Approving the Issuance of Securities

ORDER NO. 23,663

March 23, 2001

On March 15, 2001, the Petitioner, Exeter & Hampton Electric Company (E&H or Company), filed a petition with the New Hampshire Public Utilities Commission (Commission) for authorization to issue securities pursuant to RSA 369, including the mortgaging of the Company's future and present property, tangible and intangible, including franchises, as security. E&H proposes to issue and sell First Mortgage Bonds, Series M (Bonds) in an amount up to \$7,500,000 to an institutional investor, namely Provident Life and Accident Insurance Company, for a thirty year term at an interest rate not to exceed 8.00%.

The Bonds are to be issued under a Supplemental Indenture supplementing the Company's existing Indenture of Mortgage and Deed of Trust to Old Colony Trust Company, Trustee (to which State Street Bank and Trust Company is successor Trustee), dated as of December 1, 1952, as heretofore supplemented by existing First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and

Eleventh Supplemental Indentures as well as by a further proposed Twelfth Supplemental Indenture to be given incident to the issue of the bonds. The Company proposes to use the net proceeds to be derived from the issuance and sale of the Bonds: (1) to pay off outstanding short-term indebtedness incurred for additions, extensions and betterments to the Company's property, plant and equipment; (2) to defray the costs and expense of the financing contemplated in this Petition; and (3) to finance future expenditures for additions, extensions and betterments to property, plant and equipment.

The Company has requested that the Commission authorize the costs associated with the long term debt issuance be incorporated as a portion of the cost of the new financing contemplated herein. This cost is estimated at \$97,000 to be amortized over the life of the proposed new issue.

We have reviewed the Company's request for authorization to issue securities and, after such investigation and consideration, are satisfied that the granting of the Petition is in the public good.

Based upon the foregoing, it is hereby

ORDERED NISI, that Exeter & Hampton Electric Company

is hereby authorized, pursuant to RSA 369, to issue and sell up to \$7,500,000 of First Mortgage Bonds, Series M, at an interest rate not to exceed 8.00%, for a term not to exceed 30 years, such Bonds to be sold to Provident Life and Accident Insurance Company, or their successors or assigns, under a Supplemental Indenture to the Company's existing Indenture of Mortgage and Deed of Trust; and it is

FURTHER ORDERED, that E&H is authorized to mortgage its present and future property, tangible and intangible, including franchises, as security for the Bonds to be issued; and it is

FURTHER ORDERED, that the Company is authorized to recover as a part of this new financing the costs of the associated transaction; and it is

FURTHER ORDERED, that the proceeds from the sale of said Bonds be used solely for the purposes described in this Order; and it is

FURTHER ORDERED, that on January 1 and July 1 of each year the Company shall file with this Commission a detailed statement, duly sworn by its Treasurer, showing the disposition of the proceeds of its financing activities until the whole of such proceeds have been fully accounted for; and it is

FURTHER ORDERED, that the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than March 30, 2001 and to be documented by affidavit filed with this office on or before April 6, 2001 2001; and it is

FURTHER ORDERED, that all persons interested in responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than April 9, 2001; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than April 13, 2001; and it is

FURTHER ORDERED, that this Order Nisi shall be effective April 20, 2001, unless the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that E&H shall file with this Commission executed copies of all documents pertaining to this financing no later than 14 days subsequent to the closing of the transaction.

By order of the Public Utilities Commission of New
Hampshire this twenty-third day of March, 2001.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Director and Secretary