

SECURITIES AND EXCHANGE COMMISSION

FORM 35-CERT

Certificate of compliance with terms by public utility company under Rule 24

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EASTERN EDISON CO

CIK: **14407** | IRS No.: **041123095** | State of Incorporation: **MA** | Fiscal Year End: **1231**
Type: **35-CERT** | Act: **35** | File No.: **070-07908** | Film No.: **94500822**
SIC: **4911** Electric services

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

In the Matter of :
 :
EASTERN EDISON COMPANY :
 Brockton, Massachusetts :
MONTAUP ELECTRIC COMPANY :
 Boston, Massachusetts :
BLACKSTONE VALLEY ELECTRIC COMPANY : Certificate of Notification
 Lincoln, Rhode Island : Pursuant to Rule 24
NEWPORT ELECTRIC CORPORATION :
 Middletown, Rhode Island :
EUA Service Corporation :
 Boston, Massachusetts :
 :
(70-7908) :
 :
(Public Utility Holding Company Act of 1935):

Eastern Edison Company, Montaup Electric Company, Blackstone Valley Electric Company, Newport Electric Corporation and EUA Service Corporation, subsidiaries of Eastern Utilities Associates, a registered holding company, in accordance with the Order of the Securities and Exchange Commission entered in the above matter on November 7, 1991, hereby certify pursuant to Rule 24 that the transactions reported in the Certificates of Notification pursuant to Rule 24 dated April 23, 1992, July 30, 1992, October 8, 1992, January 14, 1993, April 26, 1993, July 28, 1993, November 9, 1993 and January 4, 1994, constitute all of the steps in the consummation of a series of transactions during the period ending December 31, 1991, in accordance with the terms and conditions of, and for the purposes represented by, the joint application dated September 18, 1991, as amended by Amendment No. 1 thereto dated November 1, 1991, Amendment No. 2 thereto dated November 6, 1991, as filed in said matter, and said Order with respect thereto.

Item 6. Exhibits and Financial Statements

- F-3 - Opinion of McDermott, Will & Emery
- F-4 - Opinion of Tillinghast, Collins & Graham

EASTERN EDISON COMPANY
MONTAUP ELECTRIC COMPANY
BLACKSTONE VALLEY ELECTRIC COMPANY
NEWPORT ELECTRIC CORPORATION

EUA SERVICE CORPORATION

By

Clifford J. Hebert, Jr.
Treasurer

January 10, 1994

Securities and Exchange Commission
450 5th Street, N.W.
Washington, D.C. 20549

Re: File No. 70-7908
Eastern Utilities Associates et al.;
Application-Declaration With Respect to
Issue and Sale of Notes to Banks
Past Tense Opinion

Ladies and Gentlemen:

As counsel for Eastern Utilities Associates ("EUA"), Eastern Edison Company ("Eastern Edison"), Montaup Electric Company ("Montaup") and EUA Service Corporation ("EUA Service") we are furnishing this opinion to be filed by EUA, Eastern Edison, Montaup and EUA Service with the Certificate of Notification pursuant to Rule 24 under the Public Utility Holding Company Act of 1935 (the "Act") concerning the issuance and sale of short-term notes to banks (the "Notes") through the period ending December 31, 1993. The Notes were in aggregate amounts outstanding at any one time not exceeding \$35 million in the case of Eastern Edison, \$25 million in the case of Montaup, and \$10 million in the case of EUA Service (referred to together hereinafter as the "Transactions") all as more fully described in the Application-Declaration, as amended, filed by EUA, Eastern Edison, Montaup, EUA Service and their associate companies, Blackstone Valley Electric Company ("Blackstone") and Newport Electric Corporation ("Newport") with the Securities and Exchange Commission (the "SEC") on September 18, 1991, File No. 70-7908.

This opinion is the "past tense" opinion required by the instructions as to exhibits for Form U-1 and corresponds with our opinion dated October 31, 1991 previously filed as Exhibit F-1 to the Application-Declaration.

It is our opinion, subject to the additional assumptions, exceptions and qualifications hereinafter stated, that in conjunction with the consummation of the Transactions;

(a) All State laws applicable to the Transactions have been complied with by Eastern Edison, Montaup and EUA Service.

(b) Eastern Edison, Montaup and EUA Service, the issuers of the Notes, are all validly organized and duly existing corporations

organized under the laws of The Commonwealth of Massachusetts and the Notes issued by Eastern Edison, Montaup and EUA Service were valid and binding obligations of Eastern Edison, Montaup or EUA Service, as the case may be, in accordance with their terms.

(c) The consummation of the Transactions did not violate the legal rights of the holders of any of the securities of Eastern Edison, Montaup or EUA Service or of EUA, EUA Energy Investment Corporation ("EUA Energy"), OSP Finance Company ("OSP"), and EUA Cogenex Corporation ("EUA Cogenex"), associate companies of Eastern Edison, Montaup and EUA Service.

This opinion is also subject to the following additional assumptions, exceptions and qualifications:

(1) the accuracy of information furnished to us (a) as to the outstanding securities of Eastern Edison, Montaup and EUA Service or of EUA, EUA Cogenex, OSP and EUA Energy and (b) that there is no provision or condition in any note or other document in connection with outstanding short-term borrowings of any of those companies limiting any of the Transactions;

(2) that the enforceability of the Notes may be subject to and affected by applicable bankruptcy, receivership, insolvency, reorganization, moratorium, fraudulent conveyance or other laws affecting the enforcement of the rights and remedies of creditors generally (including, without limitation, such as may deny giving effect to waivers of rights to debtors or guarantors); and such duties and standards as are or may be imposed on creditors, including, without limitation, good faith, reasonableness and fair dealing under any applicable statute, rule, regulation or judicial decision; and

(3) that the enforceability of the Notes may be subject to and affected by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and the exercise of equitable powers by a court of competent jurisdiction (and no opinion is given herein as to specific performance or as to the availability of other equitable remedies or equitable relief of any kind).

This opinion relates only to federal law and the laws of The Commonwealth of Massachusetts and we express no opinion with respect to any other jurisdiction. With respect to OSP, we assume that the relevant laws of the State of Delaware are the same or similar to the laws of the Commonwealth of Massachusetts. We express no opinion with respect to the effect of the consummation of the Transactions on the legal rights of the holders of any of the securities of any associate companies of Eastern Edison, Montaup and EUA Service other than those associate companies expressly set forth herein. For opinions relating to the other associate companies of Eastern Edison, Montaup and EUA Service (Blackstone, Newport, EUA Ocean State Corporation, Ocean State Power and Ocean State Power II),

we refer you to the opinion of Tillinghast, Collins and Graham submitted as a Exhibit F-4 to the Application-Declaration.

We consent to the use of this opinion in connection with the Application-Declaration.

Very truly yours,

McDermott, Will & Emery

EXHIBIT F-4

January 10, 1994

Securities and Exchange Commission
Washington, D.C. 20549

Re: File No. 70-7908
Eastern Utilities Associates

Ladies and Gentlemen:

We are furnishing this opinion at the request of Eastern Utilities Associates, a Massachusetts voluntary association (the "Association") and its associate companies, Blackstone Valley Electric Company ("Blackstone") and Newport Electric Corporation ("Newport"), each a Rhode Island corporation, and Eastern Edison Company ("Eastern Edison"), EUA Service Corporation ("EUA Service"), Montaup Electric Company ("Montaup"), all Massachusetts corporations, and as Rhode Island counsel for the Association and certain of its associate companies: Blackstone, Newport, EUA Ocean State Corporation, a Rhode Island corporation ("EUA Ocean State") and Ocean State Power ("OSP I") and Ocean State Power II ("OSP II"), both Rhode Island general partnerships, pursuant to Rule 24 under the Public Utility Holding Company Act of 1935, as amended (the "Act") concerning certain transactions carried out pursuant to the Declaration with Respect to Issue and Sale of Notes to Banks under the Act filed by the Association on Form U-1 with the Securities and Exchange Commission (the "Commission") on September 18, 1991, as amended, File No. 70-7908 (the "U-1"). This opinion relates only to the transactions described in the U-1 (the "Transactions") insofar as they relate to the Association, Blackstone and Newport.

This opinion is the "past-tense" opinion required by the instructions as to exhibits for Form U-1 and corresponds with our opinion dated October 31, 1991, which was filed as Exhibit F-2 with Amendment No. 1 to the U-1 (the "Opinion").

Terms used but not defined herein shall have the meanings assigned to them in the Opinion.

Based upon and subject to the foregoing, it is our opinion that the Transactions governed by the laws of the State of Rhode Island have been carried out in accordance with the U-1 and that:

- (a) All state laws applicable to the Transactions have been complied with by the Association, Blackstone and Newport.
- (b) Blackstone is a validly organized and duly existing corporation of the State of Rhode Island, and the short-term notes issued by Blackstone were valid and binding obligations of Blackstone in accordance with their terms.
- (c) Newport is a validly organized and duly existing corporation of the State of Rhode Island, and the short-term notes issued by Newport were valid and binding obligations of Newport in accordance with their terms.
- (d) The consummation of the Transactions by the Association, Blackstone and Newport did not violate the legal rights of the holders of any securities issued by Blackstone, including the following: (i) Variable Rate Demand Bonds due 2014; (ii) First Mortgage Bonds, Series B 9.50% due 2004; (iii) First Mortgage Bonds, Series C 10.35% due 2010; (iv) 4.25% Non-Redeemable Preferred Stock; (v) 5.60% Non-Redeemable Preferred Stock; or (vi) Common Stock.
- (e) The consummation of the Transactions by the Association, Blackstone and Newport did not violate the legal rights of the holder of any securities issued by EUA Ocean State, including its common stock and unsecured notes.
- (f) The consummation of the Transactions by the Association, Blackstone and Newport did not violate the legal rights of the holders of any securities issued by Newport, including the following:
 - First Mortgage Bonds, 4.75% Series due 1994;
 - First Mortgage Bonds, 9% Series due 1999;
 - First Mortgage Bonds, 9.8% Series due 1999;
 - First Mortgage Bonds, 8.95% Series due 2001;

 - Second Mortgage Bonds, 8.5% Series due 1998;
 - Second Mortgage Bonds, 12% Series due 2011;

 - 6.5% Small Business Administration Note due 2005;

3.75% Non-Redeemable Preferred Stock;
9.75% Redeemable Preferred Stock;

Promissory Notes due 1993; or

Common Stock.

- (g) The consummation of the Transactions by the Association, Blackstone and Newport did not violate the legal rights of the holders of any securities issued by OSP I including partnership interests and the \$112,000,000 OSP I term loan notes dated October 19, 1992.
- (h) The consummation of the Transactions by the Association, Blackstone and Newport did not violate the legal rights of the holders of any securities issued by OSP II including partnership interests and the \$96,000,000 OSP II term loan notes dated October 19, 1992.

The foregoing opinion is based on the following assumptions and is subject to the following exceptions and qualifications:

1. We assume that the Transactions governed by laws other than the State of Rhode Island were carried out in accordance with the U-1.
2. We assume compliance with such order or orders as may be issued from time to time by the Commission in connection with the U-1.
3. The opinions rendered in subsections (b) and (c) above are subject to any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and the application of equitable principles.
4. We assume that the short-term notes issued by Blackstone and Newport to evidence their bank borrowings were duly authorized, executed and delivered and were substantially in the form of Exhibits A-3 and A-5 to the U-1, respectively.
5. We assume compliance with Section 3.04(D) of the terms and provisions relating to Blackstone's preferred stock as approved by Blackstone's stockholders on November 19, 1956.
6. We assume compliance with the provisions of

Section 4.22(b) of Blackstone's First Mortgage Indenture and Deed of Trust dated as of December 1, 1980 as supplemented and modified by the First Supplemental Indenture dated as of August 1, 1989 and the Second Supplemental Indenture dated as of November 26, 1990.

7. We assume compliance with Section (B)(vi) of the "Restrictions on Corporate Action" contained in the terms and provisions of and relating to Newport's 3.75% Non-Redeemable Preferred Stock as approved by Newport's stockholders on July 16, 1946.
8. We have assumed that no securities were acquired with the net proceeds of the short-term notes except that a portion of the net proceeds were used to meet certain sinking fund requirements and the retirement or redemption of outstanding securities.
9. We express no opinion as to the rights of the holders of securities of any associate of the Association, Blackstone, EUA Ocean State, Newport, OSP I or OSP II other than those expressly mentioned herein.
10. We assume the accuracy of the information provided to us by officers of the Association, Blackstone, EUA Ocean State and Newport (a) as to the securities of Blackstone, EUA Ocean State and Newport, issued and outstanding during the period covered by the U-1, and (b) that there were no provisions or conditions in any note or other document in connection with the borrowings of Blackstone, EUA Ocean State or Newport which would limit any of the Transactions.
11. We assume the accuracy of information furnished to us by officers of JMC Ocean State Corporation, a Rhode Island corporation and a general partner in each of OSP I and OSP II, as to the securities of OSP I and OSP II issued and outstanding during the period covered by the U-1.

This opinion is as of the date hereof and relates only to the laws of the State of Rhode Island and we express no opinion as to the laws of any other jurisdiction, state or federal.

We hereby consent to the filing and use of this

opinion as an exhibit to the U-1.

Very truly yours,

TILLINGHAST COLLINS & GRAHAM

By Tillinghast Collins
& Graham, Inc., Partner