

**Settlement and Tax Stabilization Agreement for Real Property at Seabrook Nuclear
Station Owned by NextEra Energy Seabrook, LLC**

This Settlement and Tax Stabilization Agreement for Real Property at Seabrook Nuclear Station Owned by NextEra Energy Seabrook, LLC (“Agreement”) is made effective this __ day of May, 2023 by and between, Theresa A. Kyle, Srinivasan Ravikumar, and Harold Eaton, and in their capacities as Selectmen and Members of the Assessing Board (collectively, “Board of Selectmen,” in both such capacities) of the Town of Seabrook, New Hampshire, (“Town”), and NextEra Energy Seabrook, LLC (“NextEra”); (collectively, “Parties”).

WHEREAS, the Board of Selectmen for the Town is the entity which, under RSA 41:8, is responsible for the prudential management of the Town to include making policy decisions regarding a comprehensive and integrated settlement of potential litigation. Under RSA 75:1, the Board of Selectmen for the Town is responsible for appraising all taxable property within the Town;

WHEREAS, the Owners are the owners of property in the Town of Seabrook identified as Tax ID Parcel 11-11-1, known as the Seabrook Nuclear Station (“**Seabrook Station**”);

WHEREAS, the Owners are the owners of other taxable property located in the Town of Seabrook, identified as follows: Tax ID Parcels 11-2, 12- 2, 12- 26, 12-32, 7- 94-1, 7- 110, 8-52-1 (“**NextEra’s Real Property**”);

WHEREAS, Seabrook Station is subject to air and water pollution control facility tax exemptions as determined by the New Hampshire Department of Environmental Services for the Seabrook Station, which decreases the annual tax assessment of the land and buildings of the Seabrook Station located within the Town;

WHEREAS, the Town assessed a tax on the Owners related to the value of the taxable portion of the Seabrook Station located in the Town, net of any non-taxable pollution control property, in the amount of \$11,969,100.00 for Tax Year 2021;

WHEREAS, the Town assessed a tax on the Owners related to the value of the NextEra’s Real Property in the aggregate amount of \$128,752.00 for Tax Year 2021;

WHEREAS, on February 21, 2022, Nextera, on behalf of the Owners, filed an Abatement Application with the Town, in which NextEra challenged the assessment of Seabrook Station and the NextEra’s Real Property for Tax Year 2021 (“**the 2021 Abatement Application**”);

WHEREAS, when the Select Board denied the aforementioned Abatement Application,

Nextera, on behalf of the Owners, filed a lawsuit in the Rockingham County Superior Court on August 30, 2021, said being captioned NextEra Energy Seabrook, LLC v. Town of Seabrook, New Hampshire and having case number 218-2022-CV-00722 (“**the Lawsuit**”);

WHEREAS, the Town assessed a tax on the Owners related to the value of the taxable portion of the Seabrook Station located in the Town, net of any non-taxable pollution control property, in the amount of \$15,194,976.00 for Tax Year 2022;

WHEREAS, the Town assessed a tax on the Owners related to the value of the NextEra’s Real Property in the aggregate amount of \$129,069.00 for Tax Year 2022;

WHEREAS, on February 16, 2023, Nextera, on behalf of the Owners, filed an Abatement Application with the Town, in which NextEra challenged the assessment of Seabrook Station and the NextEra’s Real Property for Tax Year 2022 (“**the 2022 Abatement Application**”);

WHEREAS, the Parties acknowledge that they have each engaged and consulted qualified professionals to assist in the valuation negotiations and discussions that have been ongoing between the Parties and have had the opportunity to consult with qualified professionals to assist them in reaching this Agreement as to full and true market value of NextEra’s Real Property;

WHEREAS, based on an extensive market analysis, the Town and NextEra have reached an agreement as to the full and true market value for NextEra’s Real Property for assessing the tax amounts to be paid in 2021 through 2023;

WHEREAS, Seabrook Station is subject to air and water pollution control facility tax exemptions as determined by the New Hampshire Department of Environmental Services, which decreases the annual tax assessment of the land and buildings of the Seabrook Station located within the Town;

WHEREAS, the Parties intend that this Agreement is a comprehensive and integrated settlement of any potential litigation and will memorialize the agreed upon prospective taxable value of NextEra’s Real Property for Tax Years 2021 through 2023 and that the Town will forego any additional assessment or collection of ad valorem property taxes for NextEra’s Real Property during Tax Years 2021 through 2023;

WHEREAS, the assessment and taxation of the Seabrook Station will be established agreed-upon in a separate “Settlement Agreement and Tax Stabilization Agreement for the Seabrook Nuclear Station,” executed contemporaneously herewith;

WHEREAS, the Parties’ agreement as to the taxable values of NextEra’s Real Property for Tax Years 2021 through 2023 is not intended to affect any direct payments for services provided by the Town to NextEra or to the Seabrook Station, including, but not limited to, water, sewer, and

waste disposal, or other obligations not in the nature of property taxes that NextEra might be obligated to pay to the Town, and nothing in this Agreement shall preclude the Town from operating, managing, or regulating any public services that the Town provides or adjusting the rates thereof, as the Town may deem appropriate;

WHEREAS, this Agreement establishes the full and true taxable value of NextEra's Real Property for Tax Years 2021 through 2023 and adjudicates any dispute involving valuation of NextEra's Real Property for the Tax Years 2021 through 2023, and in consideration for such Agreement, the Parties release each other from any and all claims related to such disputes, subject to the terms and conditions stated herein;

WHEREAS, NextEra and the Town have reached this Agreement as the result of good faith negotiations, in which each party was represented by competent counsel with the assistance of qualified professionals, so that the agreed-upon annual payments of taxes shall be based on a good-faith compromise as to the full and true fair market valuation of NextEra's Real Property;

WHEREAS, the Town acknowledges that in entering into this Agreement for Tax Years 2021 through 2023, it is doing so with the intent of fulfilling its obligations under RSA 75:1 and 75:8 to establish the full and true value of NextEra's Real Property. The Board of Selectmen finds that the values set for NextEra's Real Property for Tax Years 2021 through 2023 are based on the estimated full and true market values and the input of its appraiser and its expert consultants;

WHEREAS, in executing this Agreement, the Board of Selectmen finds that the values established for NextEra's Real Property for Tax Years 2021 through 2023, set forth herein, reflect a full and true value of NextEra's Real Property and that the agreed-to taxable value of NextEra's Real Property for Tax Years 2021 through 2023, set forth herein, is based on the estimated full and true market values for NextEra's Real Property arrived at through utilization of sound valuation methodology, reached through the input of the Parties' qualified professionals; and

WHEREAS, NextEra and the Town acknowledge that this Agreement provides predictability with respect to the assessment of NextEra's Real Property in the context of a dynamic and shifting regulatory and energy market for the future tax years covered by this agreement; and

NOW THEREFORE, for valuable consideration and in consideration of the mutual promises and covenants contained in this Agreement, the Parties agree as follows:

1. The Parties acknowledge that the Town's valuation, assessment, and taxation of Tax ID Parcels 7-94-1, 7-110, 8-52-1, 11-2, 12-2, 12-26, and 12-32 was, in the aggregate, just and proportionate and that the Town's imposition of taxes in the aggregate amount of \$128,752.00 for Tax Year 2021 was lawful and reasonable. NextEra hereby agrees that it is not entitled to any refund, interest, costs (including fees) or expenses related to the Town's assessment, valuation, or taxation of NextEra's Real Property.

2. The Parties acknowledge that the Town's valuation, assessment, and taxation of Tax ID Parcels 7-94-1, 7-110, 8-52-1, 11-2, 12-2, 12-26, and 12-32 was, in the aggregate, just and proportionate and that the Town's imposition of taxes in the aggregate amount of \$129,069.00 for Tax Year 2022 was lawful and reasonable. NextEra hereby agrees that it is not entitled to any refund, interest, costs (including fees) or expenses related to the Town's assessment, valuation, or taxation of NextEra's Real Property.

3. For purposes of local property taxes for Tax Year 2023, inclusive of all real property ownership interests of NextEra's Real Property, after deducting exempt pollution control equipment and other non-taxable property, and based on an assessed value representing the full and true market value of NextEra's Real Property, in compliance with RSA 72:8, RSA 75:1, and RSA 75:8, NextEra shall pay taxes in the sum of \$130,000.00 for Tax ID Parcels 7-94-1, 7-110, 8-52-1, 11-2, 12-2, 12-26, and 12-32. The Town shall allocate the total tax payment amongst each of the aforementioned payments and shall issue semi-annual tax bills related to said payment such that the entirety of the \$130,000.00 payment is made on or before December 31, 2023. NextEra shall pay \$65,000.00 on or before June 30th and \$65,000.00 on or before December 31st of each year, based on tax bills provided by the Town.

4. In executing this Agreement, NextEra acknowledges and shall be construed to have withdrawn the 2021 and 2022 Abatement Applications to the extent related to the Town's assessment of Seabrook Station and NextEra's Real Property. Within ten (10) days after full execution of this Agreement, the Owners shall file a Motion for Voluntary Non-Suit, based on the execution of this Settlement Agreement, disposing of the Lawsuit. Said Non-Suit shall be with prejudice, and no further action shall be filed or commenced by the Town or Owners with regard to Tax Years 2021, 2022, or 2023, except to the extent necessary to enforce the terms of this Agreement.

5. Should the ownership of Tax ID parcels 7-94-1, 7-110, 8-52-1, 11-2, 12-2, 12-26, and/or 12-32 change during the life of this Agreement, the tax bill for the pro rata share of the \$130,000.00 assigned to that parcel shall be sent to the new owner or owners. Said pro rata adjustment shall be determined by the amount of acreage said parcel represents to the entirety of NextEra's Real Property.

6. During the term of this Agreement, NextEra shall not contest, seek abatement of or appeal of the taxes set forth in this Agreement. Nothing in this Agreement shall in any way affect the rights of the Town to assess NextEra's Real Property for Tax Year 2024 or any year thereafter, at an amount different from the agreed-upon, compromised estimate of fair market value set forth herein, and nothing in this Agreement shall in any way affect the rights of NextEra, or of its respective successors and assigns, to contest, seek abatement of, or appeal any property tax assessed against NextEra for Tax Year 2024 or any year subsequent thereto, even if the assessment is in the same amount as any of the assessed valuations agreed to under this Agreement.

7. Notwithstanding anything in this Agreement to the contrary, including, without limitation, the preceding paragraph, nothing in this Agreement shall affect or impair in any respect the rights of NextEra, or of its respective successors and assigns, to seek a property tax abatement or appeal or petition for review of property tax assessments on NextEra's Real Property with respect to any property tax year subsequent to the Tax Year 2023 (Tax Year 2024 and after), or should the Town for any reason fail to comply with this Agreement.

8. In consideration of the mutual promises, covenants, agreements and representations contained herein, the Owners, on behalf of themselves and their agents, successors and assigns hereby irrevocably and unconditionally releases, remises, and forever discharges the Town, and the Town's respective past and present board members, officers, employees, agents, and attorneys, predecessors, successors, and assigns, (collectively, "**Releasees**"), of and from any and all actions, causes of action, suits, debts, charges, complaints, claims, grievances, liabilities, obligations, promises, agreements, controversies, damages, refunds, credits, interests, and expenses (including attorney's fees), including all claims that were or could have been raised, arising out of or in connection with the Town's assessment, taxation, and/or valuation of Seabrook Station and the NextEra's Real Property, whether in law or equity, which the Owners had, now have, or hereafter may have against the Releasees from the beginning of time to the Effective Date of this Agreement.

9. NextEra and the Town agree that neither party shall seek to use in any proceeding the values stated in this Agreement as evidence of what the other party may believe the true market value of NextEra's Real Property is, nor as an admission of what the other Party may believe the true market value of the Seabrook Station is. In no way does this Agreement bind the Town or NextEra in determining the value of the NextEra's Real Property after the expiration of this Agreement.

10. If, during the period of this Agreement, Seabrook Station either is a) prevented from operation for a period of six consecutive months due to any reason, or b) is taken out of service permanently, NextEra and the Town will meet to discuss the effect of such action on the tax payments not yet paid pursuant to this Agreement. For the purpose of this Paragraph 6, "taken out of service permanently" shall be defined as the filing and approval of all necessary applications and notices with all applicable regulatory agencies and entities, including, but not limited to, Independent System Operator New England or the Nuclear Regulatory Commission, necessary for the lawful retirement of a nuclear generation facility. If the parties are unable to reach agreement on the amount of taxes to be paid under this agreement in light of the above-referenced circumstances, despite their best efforts, either side shall have the right to submit the issue to non-binding arbitration within 30 days after declaring an impasse in negotiations, said arbitrator to be chosen by the mutual agreement of the Parties, or in the absence of such agreement, a retired New Hampshire Superior or Supreme Court judge.

11. Should the terms of this Agreement be legally challenged, either by any resident of the Town or any state agency, the Town and NextEra shall have a joint obligation to defend such terms. The Parties shall be responsible for their respective costs, and the Parties shall defend the terms of this agreement in good-faith, using best efforts. Should any material provisions of this Agreement be declared legally ineffective by a court of competent jurisdiction, then in such event, the Town and NextEra each reserve all their respective rights under law and equity with regard to the modification, rescission, or termination of this Agreement.

12. The Town and NextEra do hereby waive and release any right or standing that it may have in a federal bankruptcy proceeding to have the tax obligations covered by this Agreement (Tax Years 2021 through 2023) adjudicated by the bankruptcy court pursuant to 11 U.S.C. §505, it being expressly agreed and acknowledged that this Agreement constitutes a final adjudication of all such issues which may come before the Superior Court, the BTLA, or any administrative tribunal of competent jurisdiction. Otherwise, should any of the Parties file or be placed in bankruptcy or receivership, the Parties retain all their rights and remedies under the bankruptcy code and any other applicable federal and state laws, rules and regulations except as set forth in Section 15 below.

13. Should NextEra file or be named as a debtor in any bankruptcy petition filed under the Bankruptcy Code, NextEra agrees not to object to a Town motion for relief from the automatic stay pursuant to 11 U.S.C. §362, to become effective no sooner than 120 days after the date of the order for relief in the bankruptcy case, but only for the purpose to permit the Town to exercise any or all of the Town's lien rights and subsequent tax deed rights under New Hampshire Revised Statutes Annotated chapter 80 for nonpayment of any of the tax payments due under the terms of this Agreement. Otherwise, the Parties retain all their rights and remedies under the bankruptcy code and any other applicable federal and state laws, rules and regulations.

14. No amendment, waiver of compliance with any provision or condition of this Agreement, or consent pursuant to this Agreement, will be effective unless evidenced in an instrument in writing signed by the Parties. This Agreement is a full, final, and complete expression of the Parties' agreement respecting the taxable value of NextEra's Real Property for Tax Years 2021 through 2023, and in the manner stated herein, and supersedes any and all other agreements, negotiations, arrangements and understandings, verbal or written relating to the matters addressed in this Agreement. This Agreement may be executed in counterparts.

15. This Agreement is binding upon NextEra and the Town, their successors, trustees, and assigns, including future Boards of Selectmen, within the terms of the Agreement. Upon material breach of this Agreement by one party, the non-breaching party may pursue any remedy available to it in law or equity, including, but not limited to, injunctive relief or specific performance of this Agreement. Nothing in this Paragraph 14 shall preclude the Town from exercising its rights and seeking all remedies available to the Town pursuant to RSA chapter 80.

16. This Agreement shall be interpreted and enforced in accordance with the internal laws of the State of New Hampshire. All disputes arising out of, or associated with this Agreement, shall be brought in the Rockingham County Superior Court, unless otherwise provided herein, and the Parties hereby submit to the jurisdiction of said court.

17. In executing this Agreement, the undersigned agree, warrant, and acknowledge that they have the authority to sign on behalf of their respective party and that said party has followed all requirements necessary for this Agreement to be binding and enforcement upon them.

IN WITNESS WHEREOF, the Town and NextEra have executed this Agreement by their duly authorized representatives as of the first date appearing above.

[SIGNATURE PAGE TO FOLLOW]

**Town of Seabrook, New Hampshire and
Selectmen/Assessing Board of the Town of
Seabrook, New Hampshire**

Dated: May ____, 2023

By: _____

Theresa Kyle

Dated: May ____, 2023

By: _____

Srinivasan Ravikumar

Dated: May ____, 2023

By:

Harold Eaton

NextEra Energy Seabrook, LLC

Dated: May ___, 2023

By: