

2023 TAX ABATEMENT APPROVAL FORM

MAP-LOT-SEQ	BILL#	LOCATION	OWNER/MAILING	AMT ABATED per BILL #	TOT TAX AFTER ADJ	TOTAL ABATE ONLY
11-1-1	178174 & 178794	Seabrook Station	Nextera Energy Seabrook LLC Etals % Nextera Energy Seabrook LLC PO Box 14000 Juno Beach, FL 33408	1,179,538.00 & 1,179,538.00	12,835,924.00	\$2,359,076.00

NOTES: Per TAX SETTLEMENT AGREEMENT.

By vote of the Board of Selectmen, the above property taxes shall be ABATED for the 2023 Tax Year.

Date: _____

Theresa Kyle, Chairman

Srinivasan Ravikumar

Harold Eaton

Original to Tax Collector, Copy to Assessor & Finance

Settlement Agreement and Tax Stabilization Agreement for the
Seabrook Nuclear Station

This Settlement and Tax Stabilization Agreement for the Seabrook Nuclear Station ("**Agreement**") is made effective this ____ day of May, 2023 by and between, Theresa A. Kyle, Srinivasan Ravikumar, and Harold Eaton, 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**"), Massachusetts Municipal Wholesale Electric Co. ("**MMWEC**"), Hudson Light & Power Department ("**Hudson**"), and Taunton Municipal Lighting Plant ("**Taunton**"), (collectively, "**Owners**"); (collectively with the Town, "**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, including making policy decisions regarding a comprehensive and integrated settlement of existing and potential litigation;

WHEREAS, 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, 2022, 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, prior to and after the Town's issuance of the second tax bills for Tax Years 2021 and 2022, the Parties conducted extensive negotiations, during which the Parties discussed the impacts of the economy and energy markets on Seabrook Station, and the Parties acknowledge that each has previously engaged and consulted with qualified professionals to assist in the valuation negotiations 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 Seabrook Station;

WHEREAS, the Parties have reached an Agreement as to the full and true fair market value for Seabrook Station for Tax Years 2021 through 2023 based on extensive market analyses as to the full and true value for the tax amounts, inclusive of all town, county, school, and school district taxes (except for state utility property tax assessments), to be paid for Tax Years 2021 and 2023 set forth herein;

WHEREAS, the Parties intend that this Agreement is a comprehensive and integrated settlement of any potential claims or litigation regarding assessments under New Hampshire law and will memorialize the agreed upon prospective taxable value of Seabrook Station for Tax Years 2021 through 2023 and that the Town will forego any assessment of ad valorem property taxes of Seabrook Station in addition to those set forth in this Agreement during Tax Years 2021 through 2023;

WHEREAS, the assessment and taxation of the NextEra's Real Property shall be

valued, assessed, and taxed in accordance with the terms of the agreement titled, "Settlement and Tax Stabilization Agreement for Real Property at Seabrook Nuclear Station Owned by NextEra Energy Seabrook, LLC" executed contemporaneously herewith;

WHEREAS, this Agreement is not intended to affect any direct payments for services provided by the Town 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 the Owners 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 deems appropriate;

WHEREAS, this Agreement establishes the full and true taxable value of Seabrook Station for Tax Years 2021 through 2023 and resolves the Lawsuit, the 2021 and 2022 Abatement Applications, and any current and anticipated future disputes involving valuation of the Seabrook Station for the Tax Year 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, the Parties have reached this Agreement as the result of good faith negotiations, in which each party was represented by competent counsel with the assistance of independent appraisal consultants, and the agreed upon property tax obligations are a good faith compromise as to the full and true fair market value of the Seabrook Station;

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 72:8, 75:1, and 75:8 to establish the full and true value of the Seabrook Station.

WHEREAS, in executing this Agreement, the Board of Selectmen finds that the values established for the Seabrook Station in this Agreement reflect a good faith compromise as to the full and true value of the Seabrook Station and that the agreed-to taxable value of Seabrook Station for Tax Years 2021 through 2023 set forth herein is based on the estimated full and true market value for the Seabrook Station arrived at through utilization of sound valuation methodology, reached through the input of the Parties' appraisal consultants;

WHEREAS, the Owners and Town acknowledge that this Agreement both resolves any future or anticipated claims or litigation with respect to assessments and also provides predictability with respect to the assessment of Seabrook Station 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 receipt and sufficiency of which are hereby acknowledge, the Parties agree as follows:

1. In resolving any anticipated and potential litigation and establishing the assessed values and associated payments in Paragraphs 2 and 3 below, the Owners and the Town have agreed to establish the level of assessment and payment for Tax Years 2021 through 2023, such assessed value being the full and true market value of Seabrook Station in compliance with RSA 72:8, 75:1, and 75:8. The Owners agree to make this annual property tax payment in their proportionate ownership shares as the full payment for all local property taxes associated with the Seabrook Station (Tax ID Parcel 11-11-1).

2. For purposes of local property taxes for the 2021 Tax Year, inclusive of all real and personal property ownership interests of the Owners of the Seabrook Station located in the Town, and 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 Seabrook Station, the Owners shall pay in their proportionate ownership shares real estate taxes in the sum of \$9,610,024.00 as full payment for all property taxes for the Seabrook Station and land owned appurtenant thereto (Tax ID Parcel 11-11-1).

a. The Town acknowledges that the Owners paid taxes on or before June 30, 2021 due date in the amount of \$6,000,000.00, and have paid taxes on or before December 1, 2021 in the amount of \$5,969,100.00, based on the tax bills issued by the Town, for a total payment for Seabrook Station for Tax Year 2021 in the amount of \$11,969,100.00.

b. As this Agreement was not executed prior to December 1, 2021, the Town acknowledges that the Owners have paid \$2,359,076.00 in excess of the \$9,610,024.00 tax liability established in Paragraph 2 of this Agreement for Tax Year 2021. The Town agrees to abate the 2021 taxes such that the taxes assessed shall be \$9,610,024.00 and the Town shall refund \$2,359,076.00 to the Owners (“2021 Abatement”), without interest. The 2021 Abatement shall be provided to the Owners in two (2) equal credits of \$1,179,538.00 against the Owners’ first and second issue tax bills for Seabrook Station, issued on or around June 1, 2023 and November 1, 2023, respectively.

c. For the avoidance of doubt, the 2021 taxes shall be deemed to have been allocated as follows:

Owner	Ownership Share	Total 2021 Taxes
NextEra	88.22889%	\$8,478,817.50
MMWEC	11.59340%	\$1,114,128.52
Hudson	0.07737%	\$7,435.28
Taunton	0.10034%	\$9,610.02
Total	100.00000%	\$9,610,024.00

3. For purposes of local property taxes for the 2022 Tax Year, inclusive of all

real and personal property ownership interests of the Owners of the Seabrook Station located in the Town, and 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 Seabrook Station, the Owners shall pay in their proportionate ownership shares real estate taxes in the sum of \$15,194,976.00 as full payment for all property taxes for the Seabrook Station and land owned appurtenant thereto (Tax ID Parcel 11-11-1).

a. The Town acknowledges that the Owners paid taxes on or before June 30, 2022 due date in the amount of \$5,984,550.00, and have paid taxes on or before December 1, 2022 in the amount of \$9,210,426.00, based on the tax bills issued by the Town, for a total payment for Seabrook Station for Tax Year 2022 in the amount of \$15,194,976.00.

b. The Parties acknowledges that the Owners have already paid taxes equal to the amount of taxes to be paid under this Agreement for Tax Year 2022. The Parties agree that no abatement, interest, costs, fees, or other expenses shall be due to the Owners related to the Town’s valuation, assessment, or taxation of the Owners for Tax Year 2022.

c. For the avoidance of doubt, the 2022 taxes shall be deemed to have been allocated as follows:

Owner	Ownership Share	Total 2022 Taxes
NextEra	88.22889%	\$13,406,358.66
MMWEC	11.59340%	\$1,761,614.35
Hudson	0.07737%	\$11,756.35
Taunton	0.10034%	\$15,194.98
Total	100.00000%	\$15,194,976.00

4. For purposes of local property taxes for the 2023 tax year, inclusive of all real and personal property ownership interests of the Owners in the Seabrook Station located in the Town, and 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 Seabrook Station, the Owners shall pay in their proportionate ownership shares the real estate taxes in the sum of \$15,195,000.00 as full payment for all property taxes for the Seabrook Station and land owned appurtenant thereto (Tax ID Parcel 11-11-1).

a. Owners shall pay one-half of the tax on or before June 30th and one-half on or before December 31st, based on the tax bills provided by the Town. For avoidance of doubt, the taxes due for Tax Year 2023, with the application of the credit identified in Paragraph 2(b), are set forth in the document appended hereto as titled “Schedule A, Breakdown of Taxes and Credits for Tax Year 2023” (“**Schedule A**”).

5. The Parties agree and acknowledge that the Town is at all times during the

term of this Agreement appraising and assessing the Seabrook Station at its estimated full and true market value as a single unit of value.

6. Upon the Town applying the credits associated with the 2021 Abatement to NextEra, the Owners agree and acknowledge that no further amounts shall be due or owed to the Owners by the Town related to the assessment of taxes for Tax Year 2021, and to the greatest extent permitted by law, the Owners waive, release, and discharge any and all such claims, causes of action, obligations, or liabilities which the Owners may have against the Town, its agents, successors, and assigns, whether known or unknown, at law or at equity, related to the assessment of taxes for Tax Year 2021.

7. The Town and the Owners have been unable to agree on the Town's legal obligation to issue tax bills separately to each owner for its proportionate share of taxes due. However, the Town and the Owners agree that for Tax Year 2023, the Town shall provide separate invoices directly to each Owner for each Owner's share of taxes due in the amounts reflected in Schedule A. For each tax year, unless there is a change of ownership, the tax bills will be allocated based on the following ownership percentages:

Owner	Ownership Share
NextEra	88.22889%
MMWEC	11.59340%
Hudson	0.07737%
Taunton	0.10034%
Total	100.00000%

For avoidance of doubt and pursuant to this Agreement, for Tax Year 2024 and all years subsequent, the Town may continue to provide separate invoices directly to each Owner for each Owner's share of taxes due; however, nothing in this Agreement shall be construed as creating any obligation for the Town to continue doing so, and the Town may discontinue said practice in its discretion.

8. During the term of this Agreement, the Owners shall not contest, seek abatement of, or appeal the taxes imposed pursuant to this Agreement so long as the Town complies with Paragraphs 1 through 4 of this Agreement. Nothing in this Agreement shall in any way affect the rights of the Town to assess the Seabrook Station for any year subsequent to the 2023 Tax Year at an amount different from the agreed-upon, compromise estimate of fair market value set forth herein, and nothing in this Agreement shall in any way affect the rights of the Owners, or of their respective successors and assigns, to contest, seek abatement of, or appeal any property tax assessed against the Owners for any year subsequent to the 2020 property tax year, even if the assessment is in the same amount as any of the assessed valuations agreed to under this Agreement.

9. 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.

10. 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.

11. By and through the execution of this Agreement, the Owners shall be deemed to hereby withdraw the 2022 Abatement Application and shall not initiate, commence, and/or pursue any action, at law or at equity, related to the Town's assessment, taxation, and/or valuation of Seabrook Station and the NextEra's Real Property.

12. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement shall affect or impair in any respect the rights of the Owners, or of their respective successors and assigns, to seek a property tax abatement or appeal or petition for review of property tax assessments on the Seabrook Station, with respect to any property tax year beginning on April 1, 2024 or any tax year thereafter.

13. The Parties agree that no Party shall seek to use in any proceeding, this Agreement and/or the values stated in this Agreement as evidence of what the other Party may believe the true market value of the Seabrook Station is, nor as evidence with regard to whether separate tax bills should be issued to the Owners, and in no way does this Agreement bind the Town or the Owners in determining the value of the Seabrook Station after the expiration of this Agreement.

14. 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, the Owners 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 14, "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, the Town or any of the Owners 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.

15. Should the terms of this Agreement be legally challenged, either by any resident of the Town or any state agency, the Town and the Owners 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 the Owners each reserve all their respective rights under law and equity with regard to the modification, rescission, or termination of this Agreement.

16. Should the Town's tax collector have to give written notice to any Owner of the failure to pay taxes owed under this Agreement, the tax collector shall provide all Owners with a copy of the notice. Any notice of impending lien pursuant to RSA 80:60 provided by the Town's tax collector to any Owner for failure to pay taxes owed under this Agreement shall be copied on all Owners.

17. The Town and each Owner 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 other 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 18 below.

18. Should any of the Owners file or be named as a debtor in any bankruptcy petition filed under the Bankruptcy Code, Owners agree 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.

19. Whether or not an individual Owner has filed or been placed in bankruptcy or

receivership, if the Town fails to receive full tax and statutory interest owed to it by any individual Owner(s) from any source, including the Owners, for a period in excess of two (2) years from the date a lien pursuant to RSA 80:59 is placed on an individual Owner's interest in Seabrook Station (the "Termination Date"), then, in such event, this Agreement shall become null and void and without further effect upon the Owners and the Town on a prospective basis only. The Owners and the Town agree that in the event of a bankruptcy or receivership involving an Owner, if the automatic stay is in effect on the Termination Date, the Owners which have paid their taxes, either individually or collectively, may elect, but are not obligated, to buy the Town's tax claims pursuant to Bankruptcy Rule 3001 in order to avoid termination of this Agreement, whereupon the Town's claims shall be assigned to the purchasing Owners. In the event the automatic stay is not in effect, the Owners who have paid their taxes may elect, but are not obligated, to either buy the tax claim or in the alternative, acquire the Debtor's undivided interest through the issuance of a tax deed by the Town or by redemption of the tax lien. If the Town becomes an owner of any interest in Seabrook Station through the issuance of a tax deed, the Owners agree to cooperate with the Town, to the extent practical, in locating a buyer for the Town's interest. As among the Owners, to the extent that the provisions of this Paragraph 19 conflict with the Joint Ownership Agreement, the Joint Ownership Agreement governs the duties, responsibilities and obligations of the Owners. Regardless of any language to the contrary, the Town's acquisition of any interest in Seabrook Station through the issuance of a tax deed is subject to all applicable federal and state laws, rules and regulations to the extent they are consistent with the bankruptcy code or other laws applicable to receivership.

20. 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 Seabrook Station 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.

21. This Agreement is binding upon the Owners 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 21 shall preclude the Town from exercising its rights and seeking all remedies available to the Town pursuant to RSA chapter 80.

22. 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.

23. 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 Owners 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: _____

**Massachusetts Municipal Wholesale
Electric Co.**

Dated: May ____, 2023

By: _____

Hudson Light & Power Department

Dated: May ____, 2023

By: _____

Taunton Municipal Lighting Plant

Dated: May ____, 2023

By: _____

Schedule A
Breakdown of Taxes and Credits for Tax Year 2023

Owner	Ownership Share	Total 2023 Taxes	Taxes Due by June 30	Taxes due by June 30, less First Half 2021 Credit	Taxes Due by December 31	Taxes due by December 31, less Second Half 2021 Credit
NextEra	88.23%	\$13,406,379.84	\$6,703,189.92	\$5,662,496.63	\$6,703,189.92	\$5,662,496.63
MMWEC	11.59%	\$1,761,617.13	\$880,808.57	\$744,060.01	\$880,808.57	\$744,060.01
Hudson	0.08%	\$11,756.37	\$5,878.19	\$4,965.58	\$5,878.19	\$4,965.58
Taunton	0.10%	\$15,195.00	\$7,597.50	\$6,413.95	\$7,597.50	\$6,413.95
Total	100.00%	\$15,195,000.00	\$7,597,500.00	\$6,417,962.00	\$7,597,500.00	\$6,417,962.00

✓
11/17/23

