



TOWN OF DEERING

Board of Selectmen

762 Deering Center Road
Deering, NH 03244

ReVision Solar Impact Partners, LLC

PILOT Hearing January 16, 2020

Selectmen present: Allen Belouin, Bill Whisman, Rebecca Mitchel

Others Present: Diane Kendall, Interim Town Administrator and see attached sign in sheet

Mr. Belouin called the hearing to order at 7:00pm

Ms. Kendall reported hearing notice was posted in the Union Leader January 2, 2020 Page A3; Stone Bridge Post January 3, 2020 page 14; two Town notice bulletin boards December 27, 2019 and on the Deering Website public notices. In 2009 Town Meeting demonstrated commitment to renewable energy by voting to adopt provisions of RSA 72:62 for the property tax exemption on real property equipped with solar equal to 100% of the assessed value. In 2019 Town Meeting again reinforced commitment to renewable energy by approving the town enter in to a Power Purchase Agreement with Revision Solar Impact Partners, LLC and voted to establish the Solar Energy Expendable Trust Fund. On December 19, 2019 the Selectmen executed the Power Purchase Agreement with Revision. The town will make necessary roof shingle repairs in the spring and the Solar facility will be mounted in the second quarter of 2020. RSA 72:74 allows owners of renewable generation facility and the governing body of a municipality to enter into a voluntary agreement to make a payment in lieu of taxes for not more than five years. If the town assessed the facility the cost of the taxed would be rolled into the energy rate the town will pay for energy generated by the facility, raising the energy cost for the town and in affect paying its own tax. The PILOT agreement of \$100 a year demonstrates Revision's corporate responsibility without raising the expected energy cost. The Agreement has been vetted by both parties' legal counsel and the Selectmen support. Mr. Belouin invited public comment. After hearing all comments and questions, Mr. Whisman motioned to authorize the PILOT agreement with Revision Solar Impact Partners, LLC, seconded by Ms. Mitchell and unanimously approved.

Mr. Belouin made the motion to adjourn the public hearing and open the Selectmen meeting at 7:50pm, seconded by Mr. Whisman seconded unanimously approved.

Respectfully Submitted,
\\ Diane Kendall, Interim Town Administrator

PAYMENT IN LIEU OF TAXES AGREEMENT

This Payment in Lieu of Taxes Agreement (hereinafter “PILOT” or “Agreement”) is entered into with the effective date of January 16th, 2020 by and between the **Town of Deering**, a New Hampshire municipal corporation, of 762 Deering Center Road, Deering, New Hampshire 03244 (hereinafter the “Town”) and **ReVision Solar Impact Partners LLC**, a Maine limited liability company with offices at 758 Westbrook Street, South Portland, ME 04106 (hereinafter “ReVision” or the “Taxpayer”). The Town and ReVision may each be referred to as a “Party” or collectively as the “Parties”.

WHEREAS, the Parties intend to enter into a Solar Power Purchase Agreement (“PPA”) whereby ReVision would construct and operate solar photovoltaic arrays (the “System”) in the Town of Deering;

WHEREAS, under the PPA ReVision will own equipment and other personal property comprising the System that would be located and attached to various buildings and land owned by the Town (“Premises”);

WHEREAS, once constructed and operating, the above-described interconnected System, the Premises are intended to provide a significant portion of the Town’s electrical energy needs (hereinafter collectively referred to as “the Project”);

WHEREAS, New Hampshire law requires that all real estate, whether improved or unimproved, be taxed unless otherwise provided in law;

WHEREAS, NH RSA 72:23, I requires that any municipal real estate that is used or occupied by a person or organization other than the municipality be taxed unless otherwise provided;

WHEREAS, said state law authorizes the Town to enter into a PILOT agreement where the Project shall constitute renewable energy facilities pursuant to RSA 72:73;

WHEREAS, it is in the best interests of the Town to encourage renewable energy generation as intended by the PPA and to enter into this PILOT Agreement related thereto under RSA 72:74; and

WHEREAS, the Parties intend to execute a PPA in combination with this PILOT Agreement;

WHEREAS, the Town understands and agrees that ReVision Solar Impact Partners LLC may assign its interests in the PPA and this PILOT Agreement to a Financing Party in accordance with Exhibit 4, Section 20.a. of the PPA;

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town and ReVision agree to enter into this voluntary PILOT Agreement pursuant to RSA 72:74 as follows:

I. Definitions

"Commercial Operation Date" (or "COD") shall be the date Taxpayer gives the Town written notice that the System is mechanically complete and capable of providing electric energy to the Town. Under the PPA, the Commercial Operation Date is expected to occur on December 31, 2019.

"Calendar Year" shall mean the period beginning on January 1 and ending on December 31 of each year during the term of this Agreement.

"Payment in Lieu of Taxes" (or "PILOT") shall mean all payments made by ReVision to the Town under this Agreement in lieu of any and all ad valorem taxes on the Project that would otherwise be assessed by the Town and due from ReVision to the Town.

"Power Purchase Agreement" shall mean any agreement or agreements pursuant to which electrical energy produced by the Project is sold, including the sale, trade or auction of RECs, any Environmental Attributes or capacity payments.

The "Project", as defined above, shall also include any and all real and personal property owned by ReVision or used in the production of electric energy at the Project, including the land, all rights, easements, licenses and other interests thereto, as well as transmission lines from such facility and other equipment or improvements situated thereon which are necessary or incidental to the production of electrical energy at the Project.

"Tax Year" shall mean the period beginning on April 1 and ending on March 31 of the following calendar year during the term of this Agreement.

II. Payments in Lieu of Taxes

A. ReVision shall pay to the Town, during each Tax Year that occurs after the Commercial Operation Date during the term of this Agreement, voluntary payments in lieu of taxes. The First Tax Year after the COD is expected to begin on April 1, 2020. The Town shall provide an annual bill associated with this financial obligation, under this PILOT, to ReVision prior to the payment period as set forth herein.

B. The amounts of annual PILOT payments shall be in an amount of ONE HUNDRED DOLLARS (\$100.00) each Tax Year.

C. Said PILOT payments shall fulfill ReVision's obligation for the payment of any ad valorem taxes due to the Town for the taxable value of ReVision's real and personal property interests in the Town of Deering.

III. Effective Date and Term; Expiration or Termination of Agreement; Renewal

A. This Agreement shall take effect upon execution. The obligation to make PILOT payments shall begin with the First Tax Year after the Commercial Operation Date and shall remain in full force and effect for a period of five (5) Tax Years subsequent to the Commercial Operation Date. This Agreement shall expire at the conclusion of the fifth (5th) Tax Year after the Commercial Operation Date. The fifth Tax Year is expected to conclude on March 31, 2025.

B. This Agreement may be automatically renewed upon the termination of any previous terms for an additional five (5) year term, subject to the provisions of RSA 72:74 and any other requirements imposed by law or regulation. This Agreement may be subject to an additional four (4) renewal periods (of five (5) years for each term) in which the total timeframe of this Agreement may achieve twenty-five (25) years if all renewal terms are implemented. If either Party seeks to renew this Agreement, it shall give notice to the other Party no earlier than October 1 and no later than January 1 of the fifth (5th) Tax Year. However, neither Party shall be obligated to renew or extend this Agreement upon its expiration or earlier termination. Upon either expiration or termination of this Agreement, the Project shall be taxable as required by RSA 72:74; provided, however, that in the event the PILOT Agreement is repealed or terminated for any reason, the Town shall be responsible to pay or promptly reimburse ReVision for any duly assessed taxes that are imposed on the System under NH RSA Chapter 72.

C. In the event the PPA is terminated prior to the end of the fifth (5th) Tax Year for reasons other than those listed in Section V, this Agreement shall terminate at the conclusion of the Tax Year when termination of the PPA has occurred. For example, if termination of the PPA occurs in July 2021, this PILOT Agreement will terminate on March 31, 2022.

IV. Payment Due Date and Enforcement

A. ReVision shall submit the PILOT payment due under this Agreement to the Town between February 1 and no later than March 1 before the end of each Tax Year.

B. Failure to pay any portion of the PILOT by the due date may be deemed a breach of this Agreement. In the event that ReVision fails to make any payments as required herein, the Town shall be entitled to all rights and remedies available to the Town for the collection of property taxes as contained in New Hampshire RSA Chapter 80, as amended, as if the PILOT is a tax, including without limitation a statutory

lien on ReVision's taxable real estate interests or the imposition of statutory interest on the amount due.

C. As the amount of the PILOT constitutes a *de minimus* payment, ReVision hereby waives any alternative tax options, statutory appeal rights, or remedies under Title V of the New Hampshire Revised Statutes Annotated that may become applicable during the effective period of this Agreement. In the event there is a change in law that becomes applicable or is deemed applicable to the Project during the effective period of this Agreement that materially affects the interests of either Party, including but not limited to a tax credit or tax exemption that may reduce or eliminate the PILOT payment the Parties agree to revisit and amend this Agreement as may be reasonably appropriate at such time.

D. The final PILOT payment shall be due and payable on or before March 1 of the fifth (5th) Tax Year of this Agreement (or in the event of an earlier termination, on or before March 1 of the applicable Tax Year).

E. In the event that ReVision, or its successors and/or assigns, fails to abide by the payment deadline set herein (March 1st of any Tax Year), the Town shall notify the appropriate party of its lack of payment and provide an additional five (5) days, from receipt of said notice, to cure the default prior to the activation of any other provision within this Agreement dealing with such default.

F. The obligation to make all PILOT payments, and to pay all interest and penalties assessed on the same if applicable, shall survive the expiration or earlier termination of this Agreement.

V. Changes in Use of the Property

In the event that the Project owned or operated by ReVision no longer qualifies as a "Renewable Generation Facility" under RSA 72:73, this PILOT Agreement shall no longer apply to the Property as of the date of the change in use and shall terminate.

In the event that any portion of the Project owned or operated by ReVision is used, occupied, leased, transferred, or sold to a third party that is not engaged in generating and selling electricity at the Project, this Agreement shall no longer apply as of the date of the transfer to, or use or occupation by, the third party and shall terminate.

VI. Miscellaneous

A. This Agreement does not intend to address ad valorem or other taxes, fees, charges, assessments or payments for property interests (real or personal) other than those that are part of the Project as defined herein.

B. This Agreement shall be binding on the Town and Taxpayer and their successors and assigns. ReVision may assign its interests in this PILOT Agreement pursuant to Exhibit 4, Section 20.a. of the PPA provided that it provides written notice to the City within 60 days following the assignment.

C. This Agreement and the performance hereof shall be governed by, and construed in accordance with, the laws of the State of New Hampshire.

D. All notices, requests, and other communications hereunder shall be in writing and shall be deemed to have been satisfactorily delivered to the other Party when delivered in hand to such Party or mailed by certified mail, postage prepaid, return receipt requested, and addressed to:

If to Taxpayer: Mr. Fortunat Mueller, Manager
ReVision Solar Impact Partners LLC
c/o ReVision Energy Inc.
758 Westbrook Street
South Portland, ME 04106

If to the Town: Deering Board of Selectmen
762 Deering Center Road
Deering, NH 03244

E. The Section headings herein are for reference and convenience only and shall not affect the interpretation hereof.

F. This Agreement may be executed in any number of counterparts, each of which when so executed shall be an original, but all of the counterparts together shall constitute one and the same instrument.

G. If any terms of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid, or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall thereby, and each term and provision of this Agreement shall be valid and enforced to the extent permitted by law.

H. The Town represents and warrants that it has all the requisite statutory power and authority to enter into this Agreement and the signatories hereto represent and warrant that they have all the requisite power and authority to bind the respective Parties to the terms of this Agreement.

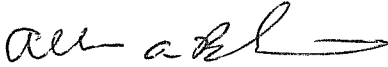
IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed and effective as of the day and year when fully executed below.

TOWN OF DEERING

REVISION SOLAR IMPACT PARTNERS LLC

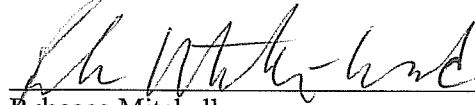
Dated: January 16th, 2020

Dated: _____

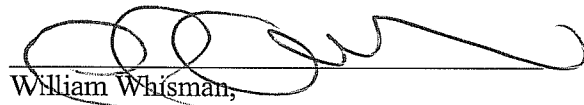


Allen Belouin, Chair
Deering Board of Selectmen

Fortunat Mueller, Manager
Duly Authorized



Rebecca Mitchell,
Deering Board of Selectmen



William Whisman,
Deering Board of Selectmen