



Lake County Illinois

Legislation Text

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Resolution authorizing execution of the Zion Power Station Agreement with Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC).

- Constellation Energy Generation, LLC owns the parcel Zion Nuclear Power Station, referred to as the Station Parcel.
- Constellation is no longer generating electricity at the Zion Station and will not resume generating electricity with nuclear power at the Zion Station.
- The Zion Station Parcel has suffered and continues to suffer a significant and continuing erosion of value and the Parties agree to ameliorate the impact of this increasingly diminished value on the Taxing Bodies by providing an agreed upon value for tax years 2022 through 2026.
- Each impacted taxing jurisdiction will need to approve this agreement.
- Upon the approval of this Agreement by all of the Parties, the Parties shall request that the Nineteenth Judicial Circuit Court, Lake County (the "Court"), approve this Agreement, pursuant to the terms of 35 ILCS 200/9-45, in a case that will be filed for this express purpose.

RESOLUTION

WHEREAS, Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC) owns real property located within Lake County, Illinois, the permanent index real estate tax number of which is 04-23-100-006 (the "**Station Parcel**"). The Station Parcel is the site of the Zion Nuclear Power Station; and

WHEREAS, a real estate tax assessment was placed on the Station Parcel for the tax year 2022; and

WHEREAS, the 2022 real estate tax assessment, involving the classification and valuation of the independent spent fuel, and spent fuel storage installation consisting of a large unitary concrete pad on which 65 individual over packs and canisters containing spent nuclear materials are stored, and a small security building, installed on the Station Parcel is the subject of controversy; and

WHEREAS, Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC) is no longer generating electricity for sale at the Zion Nuclear Power Station and will not resume generating electricity at the Zion Nuclear Power Station. As a result, the Station Parcel has suffered and continues to suffer a significant and continuing erosion of value and the Parties agree for purposes of settlement to ameliorate the impact of this increasingly diminished value on the Taxing Bodies by providing agreed upon assessed

values over a five year period; and

WHEREAS, Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC) has been negotiating with representatives of the City of Zion, Zion Township, Zion Elementary School District No. 6, Zion-Benton Township High School District No. 126, Zion Park District, Zion-Benton Public Library District, Lake County Forest Preserve District, College of Lake County Community College District No. 532, North Shore Sanitary District and Lake County (collectively, the "Taxing Bodies") to resolve the controversy surrounding the real estate tax assessment for 2022 concerning the Station Parcel and its future assessments; and

WHEREAS, the Taxing Bodies and Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC) have negotiated the Zion Power Station Parcel Agreement ("Agreement") attached herewith and incorporated herein, pursuant to 35 ILCS 200/9-45 regarding the real estate tax assessment for the Station Parcel for tax years 2022 through 2027; and

WHEREAS, after a review of the Agreement, the Taxing Bodies have determined that it is in the best interest of the taxpayers to enter into the attached Agreement; and

WHEREAS, it is necessary that each of the governing bodies of the Taxing Bodies approve and the corporate authorities of Constellation Energy Generation, LLC ("Constellation" f/k/a Exelon Generation Company, LLC) execute the Agreement and submit it to the Nineteenth Judicial Circuit Court for its review; and

WHEREAS, none of the provisions of the Agreement shall be of any force or effect until approved by the Nineteenth Judicial Circuit Court; and

WHEREAS, the Financial and Administrative Committee of the Lake County Board has reviewed the Agreement and concur with the recommendation that said Agreement should be approved.

NOW, THEREFORE, BE IT RESOLVED, by this County Board of Lake County, Illinois that the County Board Chair is hereby authorized to execute the Zion Power Station Parcel Agreement on behalf of Lake County.

DATED at Waukegan, Illinois on August 9, 2022.