

Bow prepares for financial blow should Merrimack Station win tax appeal

By MELISSA PROULX - Union Leader Correspondent

BOW — How much is an old Eversource coal and kerosene power plant worth?

The question has been a source of contention for years in Bow and the answer, due in an upcoming court ruling, will likely be no less contentious.

If Eversource wins its challenge — that the Merrimack Station plant was overvalued — the town may have to repay up to \$14 million, according to Town Manager David Stack. The power plant is one of the town's most valuable properties.

Airing on the side of caution, Stack said, the town has for some time been taking steps to lessen the potential blow.

If the court rules for Eversource, this wouldn't be the first time they won the legal battle. A Superior Court ruling favored Eversource in 2016. Bow appealed that decision, which was heard in October, and both sides now await a decision.

Preparing for the worst, this year Bow taxed the plant according to the price Eversource was able to sell it for. Also, more than \$1 million has been set aside to cover the town's liability should it lose its appeal, Stack said.

These aren't the only actions the town is taking.

"We're counteracting this with our economic efforts," Stack said.

One example is designation of the new Bow Mills District voters approved at town meeting earlier this year. The mixed-use zone is more flexible and accommodating for development.

"It allows for residential use, which isn't allowed in commercial (zones), but it also allows for higher density," Community Development Director Matt Taylor said.

The goal is to foster villagelike development in that part of town. The zone allows for retail shops and restaurants.

Merrimack Station was sold last month in a \$175 million deal that included several Eversource power plants. Granite Shore Power LLC, a new partnership between Atlas Holdings of Greenwich, Conn., and Castleton Commodities International of Stamford, Conn., now own Merrimack Station, along with Newington Station in Newington, Schiller Station in Portsmouth and two combustion turbines, in Groveton and Tamworth.



The Merrimack Station power plant is one of Bow's largest sources of local property taxes. MELISSA PROULX/ UNION LEADER CORRESPONDENT