

**AMENDED AND RESTATED
PAYMENT IN LIEU OF TAX AGREEMENT**

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("Amended Agreement") by and between the Town of Plymouth, a municipal corporation and political subdivision of the Commonwealth of Massachusetts, with offices at 11 Lincoln Street, Plymouth, Massachusetts 02360 ("Town") and Entergy Nuclear Generation Company, a Massachusetts corporation, with its principal place of business at the Pilgrim Nuclear Generating Station, Plymouth, MA 02360 ("Entergy"), each individually a "Party" and collectively, the "Parties."

WITNESSETH:

WHEREAS, Entergy is the owner of the Pilgrim Nuclear Generating Station located in the Town; and

WHEREAS, Entergy and the Town, desiring to establish a fair and reasonable process by which to assess the fair cash value of Entergy's property identified in Exhibit 1 (hereinafter, "the Plant"), and the resulting real and personal property taxes to be paid by Entergy to the Town, entered into a payment in lieu of taxes ("PILOT") Agreement dated March 5, 2002, commencing in Fiscal Year 2003; and

WHEREAS, Entergy and the Town acknowledge that a comprehensive PILOT Agreement fixing and maintaining mutually acceptable, reasonable and accurate fair cash values for the Plant for the Fiscal Years 2003 through 2012 was appropriate and has served their respective interests; and

WHEREAS, Entergy has applied to the U.S. Nuclear Regulatory Commission (“NRC”) for a license renewal which is currently under review but which will not be granted until July 27, 2008 at the earliest, and the conditions and associated costs of which are not yet known; and

WHEREAS, Entergy and the Town acknowledge that the fair cash value of the Plant is, at this time, higher than is reflected in the PILOT Agreement; and

WHEREAS, Entergy and the Town desire to amend and restate the PILOT Agreement as hereinafter set forth;

NOW, THEREFORE, Entergy and the Town stipulate and agree as follows:

1. Fair Cash Value. Entergy and the Town agree that the fair cash value of the Plant for Fiscal Year 2008 is \$875,000,000.

2. Acknowledgement of Uncertainty. Entergy and the Town agree and acknowledge that there is currently some uncertainty and lack of agreement as to the future fair cash value of property used for the production of electricity, and that this uncertainty and lack of agreement is not likely to be definitively resolved with respect to the electric utility industry in general, during the term of this Amended Agreement.

3. Amendment for Remaining Term of PILOT. The Parties acknowledge and agree that although there is some uncertainty and lack of agreement regarding the long-term determinants of fair cash value as discussed in paragraph 2, the fair cash value of the plant as of January 1, 2007 is higher than that reflected in the PILOT Agreement. It is therefore appropriate to hereby amend and restate the PILOT Agreement for a limited period of time, specifically, the five remaining Fiscal Years 2008 through 2012.

4. Schedule of Fair Cash Value. The Parties have agreed that the fair cash value for the Plant for Fiscal Year 2008 and for each fiscal year covered by this Amended Agreement

thereafter will be as set forth in Exhibit 2. For the purposes of this Amended Agreement only, both Entergy and the Town acknowledge and agree that the fair cash values set forth in Exhibit 2 are fair, reasonable, and accurately reflect those property valuations established for other similar taxpayers in the Town.

5. Adjustments. Entergy and the Town agree that the fair cash value of the Plant for Fiscal Year 2009 and subsequent fiscal years governed by this Amended Agreement shall be adjusted annually to reflect the fair cash value of any additions and/or retirements to the real and personal property located at the Plant. For purposes of making such adjustments, an “addition” shall be understood to mean the expenditure of funds to add to the structures and/or equipment at the Plant in such a way as to increase the productive capacity of the Plant, measured as net summer capacity, over the levels in effect as of the close of the immediately prior year. For these purposes, expenditures in the nature of normal repairs, replacements or maintenance do not result in “additions.” In the case of a replacement which does not enhance the productive capacity of the Plant, the replacement would not be reported as an addition. A retirement requiring an adjustment in the fair cash value of the Plant will occur when a component or unit subject to tax under M.G.L. c. 59 is removed from the Plant and, as a result of the retirement, the summer capacity rating of the Plant is reduced by ISO New England. Entergy may submit a proposed adjustment reflecting the net effect of additions and/or retirements completed during the year and supported by the individual values of each material addition and/or retirement.

6. Arbitration. In case of a disagreement about the adjustment to be made which the Parties cannot resolve, they will refer the matter for arbitration in accordance with the following rules:

a) Either Party may commence arbitration by delivering to the other Party, by a means requiring a written acknowledgment of receipt, a request for arbitration which specifies the items to be resolved. Such a request shall be delivered on or before the third Monday in July.

b) There shall be a panel of three arbitrators who shall conduct hearings in the New England region unless the parties mutually agree to a different location. Each Party shall select a member of the panel. These two members will select a third independent member to serve on the panel. Each member of the panel shall be experienced in the area of property valuation and in particular the valuation of property used for the generation of electricity. Selection shall be completed so as to follow the timetable set in subparagraph (c) below.

c) The arbitration hearing shall commence not later than August 1 and shall proceed from day to day, consecutively, for no more than three hearing days. The panel shall issue its decision on or before September 1 of that year.

d) Except insofar as the scheduling provisions of this paragraph 6 supersede them, the Commercial Arbitration Rules of the American Arbitration Association then in effect shall govern the arbitration proceedings.

e) In the event of arbitration, Entergy shall provide the Town the opportunity to audit and inspect Entergy's records with respect to the specific factual matters in dispute in the arbitration proceeding. The scope of such audits shall be limited to reviewing information that is reasonably necessary to ascertain the accuracy of the information provided or omitted by Entergy in its proposed adjustment. Such records shall be made available for inspection upon seven (7) days prior notice during normal

business hours at the Plant and in such manner as to not unreasonably interfere with Entergy's normal business activities. If such records are not kept at the Facility, Entergy shall make copies available to the Town at the Facility within seven (7) business days of the request. Any information provided to the Town as part of an audit shall be treated as confidential unless in violation of applicable law.

f) The decision of the arbitration panel shall be binding on both Parties; and there shall be no further judicial review of that decision.

g) The Parties shall share the costs incurred by the arbitration panel equally and shall also pay their own expenses in connection with the arbitration, including but not limited to expert witness expenses and attorney fees.

7. Late Payments. In accordance with G.L. c.59, §57, the Town may assess penalties for late payments of taxes properly assessed under the provisions of this Agreement. The Town expressly reserves all rights available to it respecting the collection of taxes. Late payment shall be deemed to be a material breach of this Agreement, and the Town may declare this Agreement null and void as of the tax year which follows the billing cycle in which the breach occurred.

8. Exemptions and Abatements. Entergy agrees that during the period that this Amended Agreement is in force and effect, it will not seek, and expressly waives to the fullest extent of the law, any right to an abatement or reduction of amounts assessed in accordance with the terms of this Amended Agreement except as expressly provided herein. In addition, provided that this Amended Agreement continues to remain in full force and effect throughout its term, Entergy, on behalf of itself and any successors to or assigns of its interest in the Plant agrees for the term of this Amended Agreement not to assert before any applicable governmental or judicial

body or authority, any claim that the owner of the Plant is a manufacturing corporation, as designated by G.L. c.63, §§38C and 42B or that the Plant contains machinery used for the manufacture of electricity which therefore is otherwise exempt from local property taxation by virtue of the provisions of G.L. c.59, §5 (16)(3). In addition, Entergy, on behalf of itself and any successors to or assigns of its interest in the Plant, agrees for the term of this Amended Agreement not to assert a claim for abatements for pollution control equipment under G.L. c.59, §5(44).

9. Mutual Benefits. The Parties acknowledge that this Amended Agreement is fair and beneficial to them because it resolves all tax issues between them, including any litigation which might otherwise ensue concerning Fiscal Years 2008 through 2012, with resulting substantial costs and the alleviation of economic and financial uncertainty. Moreover, both Parties value the tax and economic stability achieved by this Amended Agreement at a time of uncertainty as to the fair cash value of property used for the production of electricity.

10. Benefits to the Town. The Town acknowledges that this Amended Agreement is beneficial to it because it will result in steady, predictable and reasonable fair cash values for the Plant at a time when the relicensing of the Plant has not been completed, the outcome of and the costs associated with that relicensing are not yet known, and the ISO-NE market rules are still in litigation.

11. Benefits to Entergy. Entergy acknowledges that this Amended Agreement is beneficial to it because it ensures that the Town will establish reasonable, accurate, and reliable fair cash values for the Plant for the Fiscal Years 2008 through 2012.

12. Material Interruption. Entergy and the Town stipulate and agree that in the event of a material interruption in the operation of the Plant during the term of this Amended

Agreement because of regulatory action, physical calamity or because all or any part of the Plant is taken out of service with the intention to returning it to service at a later date, including but not limited to any such interruptions which are associated with the revocation or rescission of the Plant's NPDES Permit No. MA0003557, then, for each fiscal year during which such material interruption exists, the Parties will engage in a good faith effort to determine whether and to what extent the value of the Plant as shown on Exhibit 2 should be adjusted to account for the material interruption. If it is not possible to reach a mutually acceptable resolution through negotiation, the arbitration provisions of paragraph 6 above shall apply, provided, however, that the Parties shall adapt the time schedule as may be required to achieve a comparably efficient process for resolving the dispute as to valuation. For the purpose of this Amended Agreement, the Parties agree that a material interruption shall be defined as any reduction in the net output of electricity from the Plant which results in at least a twenty-five (25) percent decrease in the net output of electricity in that fiscal year as compared to the Plant's average net output of electricity over the five (5) prior calendar years, where the net output of electricity consists of gross station output (measured at unit generator leads) minus all auxiliary power requirements; provided, however, that a planned outage to refuel the Plant shall not constitute a material interruption for purposes of this Amended Agreement.

13. Timely Payment. In consideration of the Town's undertaking of its obligations under this Amended Agreement and provided that this entire Amended Agreement continues to remain in full force and effect throughout its term, Entergy, on behalf of itself and any successors to or assigns of its interest in the Plant, agrees for the term of this Amended Agreement to timely pay real and personal property taxes on the Plant, as such taxes may be duly assessed by the Town pursuant to the terms of this Amended Agreement. The Parties agree that Entergy's

agreement to pay taxes pursuant to this Amended Agreement is specifically contingent upon the Town's continued use of a unified tax rate. Should the Town adopt a classified tax rate, Entergy shall have the right to declare this Amended Agreement null and void, as of the tax year in which the Town uses a classified tax rate, in which case, the Parties agree to proceed in accordance with the provisions of paragraph 21 hereof.

14. No Precedent. This Amended Agreement is entered into in good faith to resolve future disputes and to achieve predictability and economic stability for both Parties by establishing reasonable, accurate, and reliable fair cash values for the Plant for Fiscal Years 2008 through 2012. Accordingly, Entergy and the Town agree that neither Party shall seek to use the fair cash values established by this Amended Agreement in any future proceedings regarding the value of the Plant in the Town or in any other proceeding regarding the value of any other Entergy property.

15. Entergy Determination to Extend Operations. Upon receipt from the NRC of a final decision, not subject to further appeal, permitting renewal of the operating license for the Plant through 2032, Entergy, on behalf of itself and any successors to or assigns of its interest in the Plant, will in good faith attempt to negotiate, a further amendment of this Amended Agreement to be effective no earlier than Fiscal Year 2011 for payments in lieu of taxes. In support of this commitment, Entergy will notify the Town in writing as soon as it has determined that continued operation of the Plant after June 8, 2012 is a substantial probability, consistent with the disclosure limitations imposed on Entergy by the Securities and Exchange Commission and the Sarbanes-Oxley Act.

16. Advice of Counsel. The Parties have entered into this Amended Agreement only after full and due consideration thereof and with the advice of their counsel and of their independent consultants.

17. Good Faith Implementation. Entergy, on behalf of itself and any successors to or assigns of its interest in the Plant, and the Town agree to act in good faith, each to the other, to carry out this Amended Agreement and shall endeavor to resolve amicably any disputes or disagreements which may arise hereunder.

18. Conditions Precedent. The obligations of the Parties under this Amended Agreement are conditioned on (i) the Town promptly submitting this Amended Agreement to the Massachusetts Department of Revenue ("DOR") and DOR having no objection, and (ii) approval of the Amended Agreement by the Town of Plymouth acting by a vote of its Town Meeting. In the event that DOR objects to the Amended Agreement or the Amended Agreement is not approved by Town Meeting by June 15, 2007, the Amended Agreement shall become null and void and of no further effect unless otherwise agreed by the parties in writing, and the PILOT Agreement shall remain in full force and effect unless terminated pursuant to its terms.

19. Buyer's Exclusive Obligation. Notwithstanding the provisions of paragraph 13 of this Amended Agreement, Entergy and the Town hereby expressly stipulate and agree that in the event that Entergy were to sell the Plant, the Town will look only and exclusively to the buyer to pay future real and personal property tax obligations which may arise under this Amended Agreement or otherwise arise under state law, and that this Amended Agreement shall not impose upon Entergy any liability or obligations to the Town with respect to such taxes after the date of such sale, except for any taxes due and owing the Town as of the date of the sale. However, the successors or assigns of Entergy shall fulfill the obligations of Entergy hereunder.

20. Change in Law. Entergy and the Town hereby stipulate and agree that no portion of this Amended Agreement, including but not limited to the provisions of paragraph 13, shall be enforceable, and the Amended Agreement shall terminate if (a) any material portion of this Amended Agreement is determined or declared to be illegal, void, or unenforceable; or (b) the Massachusetts General Court abolishes an ad valorem tax on property used for the production of electricity. In the event that the Massachusetts General Court enacts another means of taxation or assessment in addition to ad valorem taxation applicable to the Plant during the term of the Amended Agreement, the payments due under the Amended Agreement shall be reduced each fiscal year by the amount of such taxes or assessments actually paid by Entergy.

21. Renegotiation Obligations. Entergy and the Town agree that in the event this Amended Agreement terminates pursuant to the provisions of paragraph 20 of this Amended Agreement, and that such event does not occur through the direct fault of either Party, that the Parties will in good faith attempt to negotiate a new agreement which will seek to accomplish and implement the objectives and purposes of this Amended Agreement for the same period of time as is addressed by this Amended Agreement.

22. Entergy's Representations and Warranties. Entergy hereby makes the following representations and warranties to the Town:

a) Entergy is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts and has the full corporate power and authority to carry on its business as it is now being conducted.

b) This Amended Agreement constitutes the legal, valid and binding obligation of Entergy enforceable in accordance with its terms, except to the extent that the enforceability may be limited by applicable bankruptcy, insolvency or other laws

affecting other enforcement of creditors' rights generally or by general equitable principles. Entergy has taken all necessary corporate action to authorize and approve the execution and delivery of this Amended Agreement.

c) None of the documents or information furnished by or on behalf of Entergy to the Town in connection with negotiation and execution of this Amended Agreement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading.

d) The person executing this Amended Agreement on behalf of Entergy has the full power and authority to bind it to each and every provision of this Amended Agreement.

23. Town's Representations and Warranties. The Town hereby makes the following representations and warranties to Entergy:

a) The Town is a municipal corporation and body politic of the Commonwealth of Massachusetts.

b) Subject to satisfaction of the condition precedent in Section 18, this Amended Agreement constitutes the legal, valid and binding obligation of the Town enforceable in accordance with its terms. The Town will take all necessary action to authorize and approve the execution and delivery of this Amended Agreement.

24. Development Restriction. In consideration of the Town's willingness to enter into this Amended Agreement, Entergy agrees that, during all years in which the Town agrees to be bound by the provisions of this Amended Agreement, Entergy will neither develop any of the approximately 1542.717 acres of forestry land which it owns in the Town for residential

purposes, nor sell any of such land for purposes of residential development. Entergy further agrees to record this non-development agreement as a Restriction In Gross substantially in the form attached hereto as Exhibit 3.

25. Notices. All notices and consents required or permitted by this Amended Agreement shall be in writing and, if mailed, shall be deemed to have been given when sent by facsimile and dispatched by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Plymouth:

Town Manager
Town Hall
11 Lincoln Street
Plymouth, MA 02360
Fax: (508) 830-4140

With a copy to:

Board of Assessors
Town Hall
11 Lincoln Street
Plymouth, MA 02360
Fax: (508) 830-4062

If to Entergy:

Tax Officer
Entergy Services, Inc.

639 Loyola Avenue
Mail Stop: L-ENT-12B
New Orleans, LA 70113
Fax: (504) 576-6500

With a copy to:

Senior Tax Counsel
Entergy Services, Inc.
639 Loyola Avenue
Mail Stop: L-ENT-12B
New Orleans, LA 70113
Fax: (504) 576-6500

26. Amendments. No amendment to this Amended Agreement shall be effective until reduced to writing and executed and delivered by the Town and Entergy.

27. Counterparts. This Amended Agreement may be executed in counterparts by the Parties hereto and will become binding upon the Parties at such time as the signatories hereto have signed each counterpart of this Amended Agreement. All counterparts executed shall constitute one Amended Agreement binding all Parties hereto, notwithstanding that all Parties are not signatories to the original or same counterpart.

28. Waivers. No waiver by either Party hereto of any one or more defaults by the other Party in the performance of any provision of this Amended Agreement shall operate or be construed as a waiver of any future default, whether of like or different character. No failure on the part of either Party hereto to complain of any action or non-action on the part of the other Party, no matter how long the same may continue, shall be deemed to be a waiver of any right hereunder by the Party so failing. A waiver of any of the provisions of this Amended Agreement shall only be effective if made in writing and signed by the Party who is mailing such waiver.

29. Construction. The Parties agree that they have shared equally in the drafting of this Amended Agreement, and, therefore, neither shall be treated as the drafter for purposes of the application of any rule of strict construction.

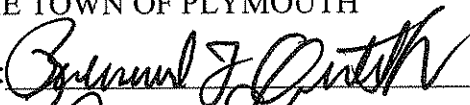
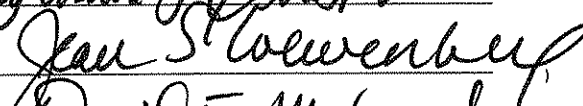
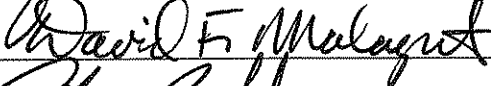

30. Complete Agreement. This Amended Agreement is a full, final and complete expression of the Parties' agreement on all real and personal property tax issues respecting all of Entergy's property identified in Exhibit 1 in the Town for the fiscal years and in the manner stated herein.

31. Early Termination. This Amended Agreement shall terminate upon cessation of operations and submittal to the NRC by Entergy of a notice of intent to decommission.

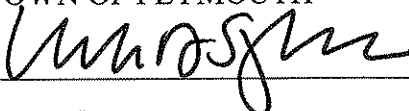
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Executed this day 24 of April, 2007, by the undersigned who represent that they are fully and
duly authorized to act on behalf of their principals.

BOARD OF SELECTMEN OF
THE TOWN OF PLYMOUTH

By: 
By: 
By: 
By: 

TOWN MANAGER OF THE
TOWN OF PLYMOUTH



ENTERGY NUCLEAR GENERATION CO.


By: 

EXHIBIT 1

That certain parcel of land situated in the Town of Plymouth, shown as Lot 1B on Map 44 of the Assessors Maps, containing 133.57 acres; together with all buildings, structures, fixtures and other improvements, above or below ground, now located on or in the premises. The property described in this exhibit shall include neither: 1) those easements reserved by Boston Edison Company as described in a deed to Entergy Nuclear Generation Company recorded at Plymouth County Registry of Deeds at Book 17658, page 265; nor 2) any property, equipment or fixtures of whatever nature presently or hereafter erected or maintained by Boston Edison Company within such easements.

EXHIBIT 2

FY 2008	\$875,000,000
FY 2009	\$800,000,000
FY 2010	\$775,000,000
FY 2011	\$750,000,000
FY 2012	\$700,000,000

EXHIBIT 3
FORESTRY LANDS
DECLARATION OF
RESTRICTIVE COVENANT

This Agreement made this 24th day of April, 2007, by and between ENTERGY NUCLEAR GENERATION COMPANY (the "Grantor") and THE TOWN OF PLYMOUTH (the "Grantee").

WHEREAS, the Grantor is the owner of certain land (the "Burdened Parcel") located in Plymouth, Plymouth County, Massachusetts, which land is described more particularly in a deed from Boston Edison Company to the Grantor, which deed is recorded with the Plymouth County Registry of Deeds at Book 17658, Page 265;

WHEREAS, the Grantee is the owner of certain land (the "Benefited Parcel") located in Plymouth, Plymouth County, Massachusetts, which land is described more particularly in a deed from Neil McIntosh to the Grantee, which deed is recorded with the Plymouth County Registry of Deeds, Land Court Certificate No. 13599;

WHEREAS, the Grantor and the Grantee have entered into an Amended and Restated Payment in Lieu of Tax Agreement, dated April 24, 2007, with respect to the Grantor's obligation to pay real estate and personal property taxes to the Grantee (the "Amended Agreement"); and

WHEREAS, in accordance with Section 24 of the Amended Agreement, the Grantor has agreed to impose certain restrictions on the Burdened Parcel for the benefit of the Benefited Parcel.

NOW, THEREFORE, for valuable consideration each to the other paid, the receipt and sufficiency of which are hereby acknowledged, the Grantor and the Grantee hereby agree as follows:

1. For so long as the Amended Agreement is outstanding and in effect, but in no event later than June 30, 2012, the Grantor will not use the Burdened Parcel, nor will it permit the Burdened Parcel to be used, for residential purposes, nor shall it construct, or permit the construction of, any improvement intended for residential use on the Burdened Parcel. For the purpose of this Declaration of Restriction, a determination of whether or not a use or structure is “residential” shall be made with reference to the Zoning By-Laws of the Town of Plymouth.

2. This Declaration of Restriction is intended to burden the Burdened Land and to benefit the Benefited Parcel and shall be appurtenant to each of the Parcels and shall be binding upon the Grantor’s and the Grantee’s respective successors and assigns and shall run with the land.

3. This Declaration of Restriction shall terminate and shall be of no further force and effect if the Amended Agreement becomes void or is terminated according to the terms of the Amended Agreement. The recording of an affidavit in the Plymouth County Registry of Deeds by the then record owner of the Burdened Parcel stating that the Amended Agreement is void or has terminated shall be conclusive evidence as to third parties of the truth of the matters stated therein.

4. This Declaration shall not be construed as creating any rights in the public in and to the Burdened Parcel.

WITNESS, the execution hereof under seal.

GRANTOR:

ENTERGY NUCLEAR
GENERATION COMPANY

R. H. [Signature]

GRANTEE:

TOWN OF PLYMOUTH

[Signature]

COMMONWEALTH OF MASSACHUSETTS

PLYMOUTH, ss.

On this 24th day of APRIL, 2007, before me, the undersigned Notary Public, personally appeared the above-named BOARD OF SELECTMEN, proved to me by satisfactory evidence of identification, being (check whichever applies): driver's license or other state or federal governmental document bearing a photographic image, oath or affirmation of a credible witness known to me who knows the above signatory, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her voluntarily for its stated purpose.

[Signature]
Notary Public

My commission expires: 11-9-2012



LISA AHIGIAN CONROY
Notary Public
Commonwealth of Massachusetts
My Commission Expires
November 9, 2012

STATE OF LOUISIANA

Parish of Orleans

On this 23rd day of April, 2007, before me, the undersigned Notary Public, personally appeared the above-named R. Ken Looper II, proved to me by satisfactory evidence of identification, being (check whichever applies): driver's license or other state or federal governmental document bearing a photographic image, oath or affirmation of a credible witness known to me who knows the above signatory, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her voluntarily for its stated purpose.

Parla S. Zink
Notary Public
PARLA S. ZINK

My commission expires: AT DEATH