



NEWS RELEASE

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

Contact: Kate Roy, Director of Communications & External Affairs
(413) 308-1351
kroy@mmwec.org

Fitch Ratings Issues AA- Rating for MMWEC Cotton Solar Project Bonds

Ludlow, MA – December 12, 2023 – Fitch Ratings has assigned a rating of AA- to the approximately \$16 million in revenue bonds issued by the Massachusetts Municipal Wholesale Electric Company (MMWEC) for the MMWEC Master Sergeant Alexander Cotton Memorial Solar Project.

MMWEC, the Commonwealth's designated joint action agency for municipal utilities, constructed the 6.9 megawatt (MW) Cotton Solar Project on a 35-acre section of MMWEC's Ludlow campus. Bond proceeds will provide long-term financing for the project, repay a short-term construction loan issued in anticipation of the issuance of bonds, fund required reserve accounts, pay capitalized interest and pay costs of issuance. The bonds are expected to price this week via negotiated sale.

The AA- rating reflects the credit quality of two of the six project participants with the largest share – Ipswich Electric Light Department (IELD), which owns 34.8% of the output, and Peabody Municipal Light Plant (PMLP), which owns 29.0%. Payments from the project participants, which also include the municipal utilities located in Boylston, Mansfield, Marblehead and Wakefield, are made pursuant to identical, take-or-pay power sales agreements with MMWEC that are absolute and unconditional. Fitch identifies the key ratings drivers as the strong credit quality of the lead participants and the strong take-or-pay language in MMWEC's power sales agreements.

The MMWEC Master Sergeant Alexander Cotton Memorial Solar Project is named in honor of the late Master Sergeant Alexander Cotton of the 439th Airlift Wing at Westover Air Reserve Base, in appreciation of his dedication and service, and in recognition of the long history between MMWEC and neighboring Westover.

The project will generate more than 13,800 megawatt hours per year, enough to power over 1,500 homes. It will displace approximately 13,192,800 pounds of CO2 emissions from Massachusetts power plants per year, based on current ISO New England average emissions.

"We are pleased to continue to be a resource for our Project Participants as they pursue the benefits of generation asset ownership and the expansion of their carbon-free power portfolios through joint action," said Haley Pedruczny, MMWEC's Treasury and Financial Services Manager.

MMWEC's enabling legislation in 1975 gave it the unique power to issue tax-exempt revenue bonds to finance electric generating facilities and other projects. Using this statutory authority, MMWEC has issued more than \$7 billion in bonds since 1976 to finance and refinance its 780-megawatt ownership interest in six major generating plants.

MMWEC is a not-for-profit, public corporation and political subdivision of the Commonwealth of Massachusetts created by an Act of the General Court in 1975 and authorized to issue tax-exempt debt to finance a wide range of energy facilities. MMWEC provides a variety of power supply, financial, risk management and other services to the state's consumer-owned, municipal utilities.

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Massachusetts Municipal Wholesale Electric Company, 327 Moody St., Ludlow, MA 01056