



**MASSACHUSETTS MUNICIPAL WHOLESAL ELEC TRIC COMPANY**

Contact: David Tuohey, Corporate Communications Manager  
(413) 308-1392  
[dtuohey@mmwec.org](mailto:dtuohey@mmwec.org)

**Standard & Poor’s upgrades ratings on MMWEC power supply projects**

LUDLOW, Mass. – December 5, 2008 – Standard & Poor’s (S&P) has upgraded its credit ratings on three Massachusetts Municipal Wholesale Electric Company (MMWEC) power supply projects to A from A-, citing the improved credit quality of MMWEC’s project participants and the strength of project finances.

“The upgrades reflect the improved credit quality of the MMWEC members participating in these projects and sustained strong debt service coverage and liquidity at each project,” said S&P credit analyst Jeffrey Panger.

The upgrades bring all but one of MMWEC’s five power supply projects with outstanding debt to the A level in the eyes of S&P, although Fitch Ratings in February upgraded all of the MMWEC projects to grade A. The S&P rating on one MMWEC project remains a shade below the A level at BBB+.

“The S&P upgrades are a reflection of the sound financial and legal structure of MMWEC’s power supply projects and continue a trend of upgrades in our credit ratings,” said MMWEC Chief Executive Officer Ronald C. DeCurzio. “In addition, the MMWEC participants are doing better than holding their own in these difficult financial times, and they continue to provide their customers with reliable electric service at rates that are below or very competitive with investor-owned utilities in the state,” he said.

These improvements in the credit standing of MMWEC and its participants come at a time when the organization is planning to build and finance new generating facilities, including a 280-megawatt power plant at MMWEC’s Stony Brook site in Ludlow. Long-term financing also is being planned for a 15-megawatt wind farm in Hancock, Mass., through the Berkshire Wind Power Cooperative, comprised of MMWEC and 14 of its member utilities.

more

## S&P Upgrades MMWEC Ratings – 2

“Higher credit ratings will help keep the expense of financing new projects down, which translates into lower costs and further improvements in the competitive positions of MMWEC participants,” DeCurzio said.

Other strengths cited in the S&P credit report are the sound legal standing of MMWEC contracts, a supportive regulatory environment for municipal utilities and above-average demographics in the service territories of project participants. The project participants also “have limited direct debt, limited capital needs ... and strong liquidity,” the report states.

MMWEC’s power supply projects represent a 144-megawatt ownership in the Seabrook Station nuclear plant, a 55.5-megawatt ownership in the Millstone Unit No. 3 nuclear plant, an approximate 321-megawatt ownership in the gas-and-oil fired Stony Brook Intermediate Unit, a 173-megawatt ownership in the oil-fired Stony Brook Peaking Unit and a 22-megawatt ownership in the oil-fired Wyman Unit No. 4 plant. Debt issued to finance the Stony Brook and Wyman facilities has been retired.

The participants in these projects include 28 Massachusetts municipal utilities, the Pascoag (RI) Utility District and six Vermont utilities. Most of the Massachusetts utilities participate in multiple projects. Each project participant has contracted with MMWEC to pay its share of project costs, which include the cost of debt service on MMWEC bonds and MMWEC’s share of project operating costs.

The 28 Massachusetts project participant utilities are based in the communities of Ashburnham, Boylston, Braintree, Danvers, Georgetown, Groton, Hingham, Holden, Holyoke, Hudson, Hull, Ipswich, Littleton, Mansfield, Marblehead, Middleborough, Middleton, North Attleborough, Paxton, Peabody, Reading, Shrewsbury, South Hadley, Sterling, Templeton, Wakefield, West Boylston and Westfield.

MMWEC is a non-profit, public corporation and political subdivision of the Commonwealth of Massachusetts that provides a variety of power supply, financial and other services to the state’s consumer-owned, municipal utilities.