



NEWS RELEASE

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

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

MMWEC Green Bond Issuance Complete; Long-Term Financing for Site Solar Project

Ludlow, MA – January 2, 2024 –Massachusetts Municipal Wholesale Electric Company (MMWEC), the Commonwealth’s designated joint action agency for municipal utilities, has closed on approximately \$15 million in green bonds to complete the long-term financing of the MMWEC/Master Sergeant Alexander Cotton Memorial Solar Project in Ludlow.

The issuance of \$14,995,000 in MMWEC 2023 Series A Revenue Bonds, which are designated green bonds, was completed in late December 2023. The bonds were issued to finance the 6.9-megawatt solar array located on a 35-acre parcel 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. Green bonds are earmarked to be used exclusively for climate and environmental projects.

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.

Fitch Ratings earlier assigned a rating of AA- to the bonds. 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 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.

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 pleased to be able to offer all Massachusetts municipal utilities the opportunity to add more carbon-free energy to their power portfolios through its ability to finance these projects,” said MMWEC Chief Executive Officer, Ronald C. DeCurzio. “We continuously investigate potential project opportunities for the municipal utilities, in alignment with our collective effort to reach net zero carbon emissions by 2050.”

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