



## NEWS RELEASE

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

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### **MMWEC debt retirement benefits municipal utilities, demonstrates success of financing program**

LUDLOW, Mass. – July 9, 2014 – The Massachusetts Municipal Wholesale Electric Company (MMWEC) recently retired the bonds – essentially, burned the mortgage – associated with a portion of its ownership interests in the Seabrook Station and Millstone Unit 3 nuclear power plants.

“This is an important milestone for the MMWEC financing program and for the MMWEC project participant municipal utilities,” said MMWEC Chief Executive Officer Ronald C. DeCurzio. “Retirement of these bonds gets us closer to debt-free ownership of Seabrook and Millstone 3, which are important parts of the MMWEC power supply,” DeCurzio said.

On July 1, MMWEC made the final payments required to retire the bonds issued for its Nuclear Mix No. 1 Power Supply Project, which represents a 19.6-megawatt ownership interest in Millstone Unit 3 and a 2-megawatt ownership interest in Seabrook Station. Via Nuclear Mix No. 1 and four other power supply projects, MMWEC owns 4.8% of Millstone Unit 3 and 11.59% of Seabrook Station. A total of \$167.1 million in MMWEC debt associated with these other power supply projects remains outstanding but is scheduled for retirement by 2019, at which point all of MMWEC’s power supply projects will be debt-free.

“We’re seeing the successful culmination of a power supply and financing program that was conceived 40 years ago to benefit the non-profit, consumer-owned municipal utilities of Massachusetts,” DeCurzio said. “Beyond the immediate credit and financial benefits of debt retirement, this occasion demonstrates that the system established by Massachusetts legislators to finance energy facilities is working extremely well,” he said.

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***Massachusetts Municipal Wholesale Electric Company, P.O. Box 426, Ludlow, MA 01056***

MMWEC has issued more than \$4.7 billion in bonds since 1976 to finance and refinance its 735-megawatt ownership interests in several New England electric generating facilities, including Seabrook Station, Millstone 3, the Stony Brook power plant in Ludlow, MA, and Wyman Unit 4 in Yarmouth, ME. All of the debt associated with the Stony Brook and Wyman Unit 4 plants was retired in 2008. Through its ownership in these plants, MMWEC provides electricity to 28 Massachusetts municipal utilities and six Vermont utilities.

Importantly, Seabrook Station and Millstone 3 are expected to operate until at least 2045, long after the debt for these plants is retired. In addition, MMWEC recently completed a program that extended the life of key Stony Brook components until at least 2030 without issuing additional debt.

Payments for the principal and interest on MMWEC bonds are derived from contracts through which municipal utilities agree to pay a share of MMWEC's unit ownership costs, including the cost of debt service, unit operation and administrative expenses. In return, the utilities are entitled to receive a proportionate share of the unit's output.

In the case of Nuclear Mix No. 1, there will be no debt service expenses after July 1 for the 25 participating municipal utilities, which are based in the communities of Ashburnham, Boylston, Danvers, Georgetown, Groton, Hingham, Holden, Holyoke, Hudson, Hull, Ipswich, Littleton, Mansfield, Marblehead, Middleborough, Middleton, North Attleborough, Paxton, Peabody, Reading, Shrewsbury, Templeton, Wakefield, West Boylston and Westfield.

MMWEC is a non-profit, public corporation and political subdivision of the Commonwealth of Massachusetts created by an Act of the General Assembly in 1975 and authorized to issue 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.