



## NEWS RELEASE

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

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### **MMWEC Retires All Bonds Related to Generating Assets; MLPs to Enjoy Debt-Free Ownership**

Ludlow, MA – July 3, 2019 – The Massachusetts Municipal Wholesale Electric Company (MMWEC), the joint action agency for Massachusetts municipal utilities, has retired all the bonds related to its ownership interests in several New England generating facilities, allowing its 28 municipal utility project participants to enjoy years of debt-free ownership in their generating asset entitlements.

MMWEC made the final payment of \$5.26 million in fixed-rate debt on July 1, 2019. The final payment was associated with MMWEC's Project No. 6, which represented a portion of its ownership in Seabrook Station, a nuclear plant located in Seabrook, New Hampshire. Earlier this year, MMWEC redeemed the remaining \$1.85 million in auction rate securities associated with Project No. 6.

In 2018, MMWEC made the final payments to retire the bonds issued for its Project No. 3 and Project No. 5, which represented a portion of its ownership interests in the Millstone Unit 3 nuclear power plant in Connecticut, and Seabrook Station.

MMWEC has issued more than \$4.7 billion in bonds since 1976 to finance and refinance its 735-megawatt ownership interest in Seabrook, Millstone, the Stony Brook power plant in Ludlow, MA and Wyman Unit 4 in Yarmouth, ME. Through its ownership in these plants, MMWEC provides electricity to 28 Massachusetts municipal utilities, six Vermont utilities and one Rhode Island utility.

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 expenses. The utilities are entitled to receive a proportionate share of the unit's output.

A major refinancing of project debt in 2001 helped save project participants over \$200 million, and served as the cornerstone of the MMWEC debt management strategy.

"The MMWEC financing program has helped each of its project participants develop their own independent power supply through local control and decision-making," said MMWEC Chief Executive Officer Ronald C. DeCurzio. "MMWEC is proud to have facilitated this program on behalf of its project participants over the past four decades."

Industry sources believe the MMWEC bond retirement leaves its project participants as the only public power utilities in the country to own nuclear assets debt-free. Seabrook Station and Millstone Unit 3 are expected to operate for years to come. Millstone Unit 3 is licensed to operate until 2045, and Seabrook Station's operating license was recently renewed to 2050.

"Nuclear generation is key to meeting state and regional goals aimed at reduced carbon emissions," DeCurzio said. "The municipal utilities' nuclear ownership demonstrates their commitment to supporting these public policies."

MMWEC's project participants include municipal utilities in the communities of: Ashburnham, Boylston, Braintree, Chicopee, Danvers, Georgetown, Groton, Hingham, Holden, Holyoke, Hudson, Hull, Ipswich, Littleton, Mansfield, Marblehead, Middleborough, Middleton, North Attleborough, Paxton, Peabody, Princeton, Reading, Russell, Shrewsbury, South Hadley, Sterling, Templeton, Wakefield, West Boylston, and Westfield.

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

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.

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