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Fitch Ratings Affirms MMWEC Cotton Solar Project Bonds at AA-

Ludlow, MA – November 17, 2025 – Fitch Ratings has affirmed its rating of AA- on approximately $14.5 million in outstanding revenue bonds issued by the Massachusetts Municipal Wholesale Electric Company (MMWEC) for the MMWEC Master Sergeant Alexander Cotton Memorial Solar Project in Ludlow, MA.

MMWEC, the Commonwealth's designated joint action agency for municipal utilities, issued the MMWEC 2023 series A bonds to finance the approximately 6.9-megawatt Cotton Solar Project sited at MMWEC's Ludlow headquarters. Built on 35 acres, the project is expected to generate approximately 12,000 megawatt-hours in 2025, consistent with the projected output. The project came online in March 2024.

Six MMWEC Member municipal light plants (MLPs) participate in the project. They include Ipswich Electric Light Department (IELD), Peabody Municipal Light Plant (PMLP), Wakefield Municipal Gas & Light Department, Marblehead Municipal Light Department, Mansfield Municipal Electric Department and Boylston Municipal Light Department. The Cotton Solar Project provides the six participating MLPs with carbon-free energy, assisting them with meeting the state's Municipal Light Plant Greenhouse Gas Emissions Standard targets of 50% carbon-free energy sales by 2030, 75% carbon-free energy sales by 2040, and net zero emissions by 2050.

The 'AA-' rating reflects the strong credit quality of the project participants, particularly the credit quality of the largest purchasers, IELD and PMLP. Payments from the project participants are made pursuant to identical take-or-pay power sales agreements (PSAs) with MMWEC that are absolute and unconditional.

"The Fitch AA- rating speaks to the strength of MMWEC's legislative authority to apply 'Take or Pay' language and to the financial diligence of the municipal light departments' governing bodies," says MMWEC CEO Tom Barry.

Fitch also assessed the operating risk at 'a.' Fitch's report states that this reflects the project's low operating cost burden of 8.85 cents per kilowatt hour in 2024.

In early 2025, MMWEC announced that it had received a direct payment from the Internal Revenue Service on behalf of the project for $2.34 million under the Inflation Reduction Act. It is believed MMWEC was one of the only public power joint action agencies to benefit from this clean energy tax credit direct payment under the IRA prior to the change in the federal administration. MMWEC's success story sets a powerful example of how public power utilities, with the help of joint action, can advance sustainability and reduce costs for their communities.

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.

"The MLPs' ability to own assets, and MMWEC's unique authority to finance these assets at a lower cost, has provided a distinct advantage to MMWEC Project Participants in their ability to keep steady, affordable rates," Barry said.

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. It is the largest provider of asset-owned generation for municipal light departments in New England.