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Templeton Municipal Light and Water Plant

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REPORTING PROGRESS

Management Letter



As a consumer-owned light department, Templeton Municipal Light and Water Plant (TMLWP) is proud to have served the businesses and residents of Templeton for more than 100 years and deliver reliable electricity at a competitive rate.

Together with the light department's joint action agency, the Massachusetts Municipal Wholesale Electric Company (MMWEC), TMLWP is working towards reaching the Commonwealth of Massachusetts' goals of reaching net zero carbon emissions by 2050 and reaching the department's 2030 and 2040 decarbonization milestones along the way.

To reach those goals, TMLWP strives to keep up with energy trends and efficient technology. In alignment with the 2050 net zero emissions target, TMLWP began rewarding its customers for upgrading their gas-powered cars with electric vehicles through a new electric vehicle charger rebate program. Customers can now receive rebates for chargers for both fully electric and plug in hybrid electric vehicles.

TMLWP is eager to continue its decarbonization efforts and play a pivotal role in a greener, cleaner climate.

IN THIS REPORT

This report highlights TMLWP's focus on sustainability along three dimensions: environmental, social, and governance/community engagement. These facets are central to TMLWP's mission of providing affordable, reliable, and clean energy in a transparent and accountable way.



Environmental

TMLWP is not only committed to providing reliable energy; it is also moving toward making the energy provided carbon neutral.



Social Responsibility

TMLWP is dedicated to providing reliable, high quality services to the community at the lowest cost. The department strives for excellence in daily operations and provides a safe workplace for its employees.



Governance and Community Engagement

As a consumer-owned, municipal utility, TMLWP is committed to transparency and accountability. TMLWP is governed by a Light Commission whose members are elected by the town's citizens. The commissioners are sworn to uphold and operate in the best interest of the town and its citizens. The Commission holds monthly meetings and posts the minutes of these public sessions on its website. The public is welcome to attend commission meetings. This engagement is important to TMLWP in keeping the Templeton community involved in their municipal light department.

50%

carbon-free portfolio by 2030

75%

carbon-free portfolio by 2040

100%

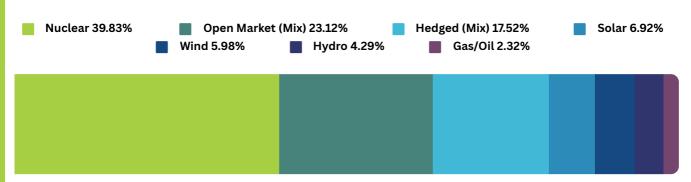
carbon-free portfolio by 2050

POWER SUPPLY

Templeton Municipal Light and Water Plant

| MWh/RECs | Percentage of Total Sales | Name | REC Type |
|-----------------------------------------|----------------------------------------|-----------------------|-------------------------|
| 2,949 | 4.29% | NYPA Hydro | VT Tier II |
| 27,360 | 39.83% | Nuclear | EFEC / CES-E |
| 65 | 0.09% | MLP/DOER Solar Rebate | MA Class I |
| 2,190 | 3.19% | Hydro Québec | Hydro Québec System Mix |
| 32,564 | 47% | TOTAL | |
| 68,689 Total Templeton Electrical Sales | | | |
| 47% | Templeton Carbon-Free Electrical Sales | | |

2022 kWh PURCHASES BY FUEL SOURCE







NextZero is the leading residential electrification, demand response, and energy conservation service for Massachusetts municipal utility customers. Managed by MMWEC, NextZero provides energy education, no-cost home energy audits and incentives on home energy improvements. It also offers rebates on ENERGY STAR® appliances, electric assets like heat pumps, mini-splits, and smart thermostats.

The total value of audits, rebates, and incentives awarded to TMLWP customers through the NextZero energy efficiency program in 2022 amounted to \$26,361. The rebates provided by the program helped increase efficiency and reduce energy costs for customers.

HOME ENERGY AUDITS

Templeton Municipal Light and Water Plant



Home energy audits are the best first step for homeowners and renters to get advice on measures they can take to reduce their energy use. By providing no-cost energy audits through NextZero, TMLWP is committed to helping customers identify energy savings potential and helping educate customers about the rebates and incentives available to help them implement efficiency measures.

As part of the process, customers receive a Home Energy Assessment Report that highlights the results of the audit and lists the rebates and incentives available through the NextZero program.

As part of the audit, if warranted, the auditor provides up to three LED light bulbs as an instant savings measure. TMLWP also provides inspections of customer installations to confirm that measures, for which incentives are sought, have been installed correctly.

| 2022 Home Energy Audits | Quantity |
|-------------------------|----------|
| Audits | 23 |
| LED Bulbs | 69 |
| PII Verification Visits | 7 |

ENERGY STAR®

Templeton Municipal Light and Water Plant





ENERGY STAR is the program developed by the US Environmental Protection Agency to identify and promote the most energy efficient products.

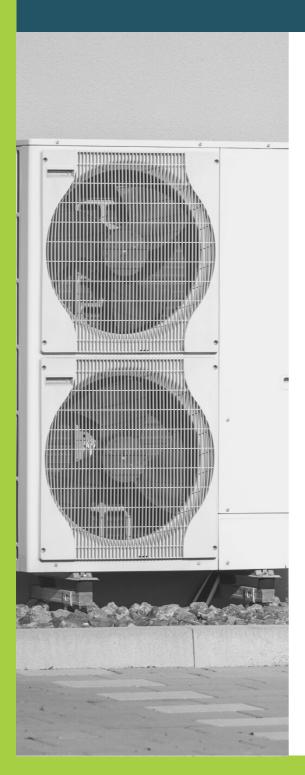
TMLWP pays rebates to customers that purchase specific efficient ENERGY STAR appliances for their homes through the NextZero program.

These rebates help offset the higher cost of energy efficient appliances, while reducing the amount of energy TMLWP needs to purchase. This makes the program not only good for the customer receiving the rebate, but for all TMLWP customers.

| 2022 ENERGY STAR® Appliance Rebates | Quantity | Value |
|-----------------------------------------|----------|---------|
| Clothes Washers | 4 | \$200 |
| Clothes Dryers | 2 | \$100 |
| Dehumidifiers | 1 | \$30 |
| Heat Pump Water Heater | 3 | \$1,500 |
| Variable Speed Pool Pumps | 1 | \$250 |
| Refrigerators | 5 | \$250 |
| Induction Range (replacing gas/propane) | 1 | \$500 |
| Wi-Fi Thermostats | 8 | \$611 |
| Total | 25 | \$3,441 |

HEATING AND COOLING

Templeton Municipal Light and Water Plant



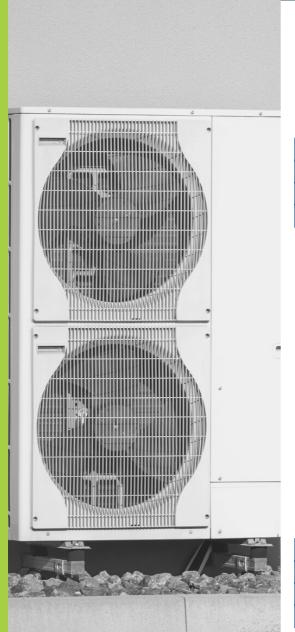
TMLWP is doing more than just decarbonizing its own power portfolio. Through NextZero, TMLWP is also helping Templeton customers switch to clean heating and cooling systems.

In order to reach state decarbonization goals by 2050, homeowners will need help converting their fossil fuel heating systems to electric heating systems.

The most efficient way to heat with electricity is with a heat pump. TMLWP offers rebates to help offset the cost of converting fossil fuel heating systems into efficient heat pump systems.

HEATING AND COOLING REBATES

Templeton Municipal Light and Water Plant



Of the Heating and Cooling rebates provided through NextZero for Templeton in 2022, 100% were for ductless mini-splits.

| 2022 Heating and Cooling Rebates | Quantity | Value |
|------------------------------------|----------|---------|
| Ductless Mini-Splits (Single Zone) | 8 | \$2,400 |
| Ductless Mini-Splits (Multi Zone) | 9 | \$4,500 |
| Total | 17 | \$6,900 |

Ensuring heating and cooling systems are efficient is only part of the solution to reducing energy use. The building envelope is key to keeping living spaces cooler in the summer and warmer in the winter. Sealing drafts and increasing ceiling and wall insulation are also important to keeping people comfortable while using less energy. That's why TMLWP, through NextZero, is providing rebates and incentives on insulation, air sealing, and duct sealing.

| 2022 Home Efficiency Rebates | Quantity | Value |
|------------------------------|----------|---------|
| Blower Door Test/Air Sealing | 1 | \$500 |
| Insulation | 2 | \$1,000 |
| Total | 3 | \$1,500 |

NEW IN 2023

N. S.

Templeton Municipal Light and Water Plant



In 2023, TMLWP began offering rebates on eligible Wi-Fi-equipped Level 2 residential electric vehicle (EV) charger to its customers. The rebate amount varies depending on battery size and whether the charger is for a fully electric vehicle or a plug-in hybrid electric vehicle.

| Vehicle Type | EV Charger Rebate |
|----------------------------------------------------------------------------|-------------------|
| Fully Electric Vehicle | \$400 |
| Plug-in Hybrid Electric Vehicle with less than 15 kWh Battery Capacity | \$200 |
| Plug-in Hybrid Electric Vehicle with 15 kWh Battery Capacity or Greater | \$300 |

MOVING FORWARD

Templeton Municipal Light and Water Plant



While TMLWP has made many strides in decarbonizing its power portfolio and offering new ways for its customers to increase energy efficiency in their homes, we recognize the path to electrification and decarbonization will be a challenging one. We all must work together to see real results.

TMLWP will continue to charge forward and set the standard for meeting, if not exceeding, the Commonwealth's greenhouse gas emissions targets. Together, TMLWP and its customers can pave the way to a cleaner, greener tomorrow.