

ENERGY STAR. The simple choice for energy efficiency.



ENERGY STAR® Water Heater Update

Steve Ryan, US EPA

**ENERGY STAR Partner Meeting
October 13, 2015**





Facts about Water Heaters

- Water heaters (WHs) = 17% of residential energy consumption!
- Cost households \$200 to \$600 annually in energy costs
- 96% market is storage WHs; 4% tankless
- Fuel used to heat water nationwide:
 - 39% electric
 - 53% natural gas
 - 4 % bottled propane gas
 - 4% other (fuel oil, wood, solar)

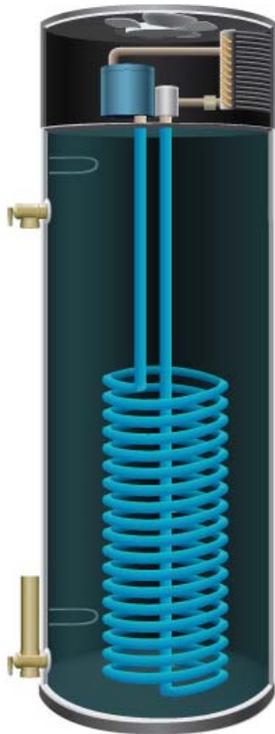


How are water heaters sold, who to, and why?

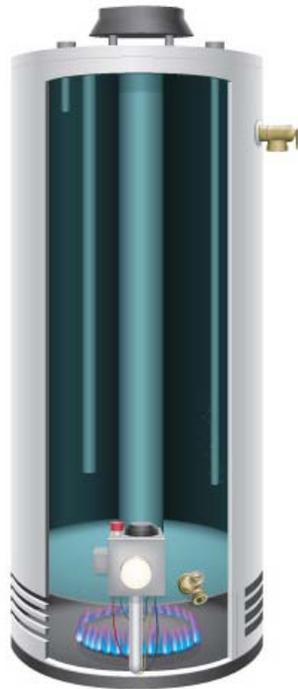
- Who sells WHs:
 - Half sold through distributors (mainly to plumbers)
 - Half sold through retailers, of those:
 - **34% sold to homeowner for plumber to install**
 - **52% sold to homeowner DIY install**
 - 10% property owners
 - 4% to re-modelers
- Why do folks buy WHs:
 - 18% for new construction
 - 82% sales are for WH replacement – with just about all of those an emergency situation



Types of ENERGY STAR certified water heaters



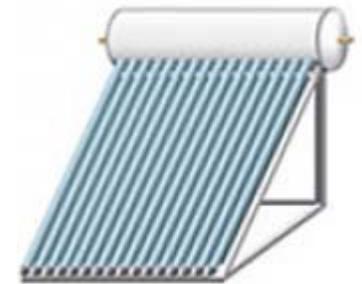
Electric Storage



Gas Storage



Gas Tankless



Solar



New ENERGY STAR Specification

- The new specification for ENERGY STAR certified water heaters went into effect April 2015

Type	Old	New Spec
Electric Storage	EF \geq 2.00	\leq 55 gallons: EF \geq 2.00 > 55 gallons: EF \geq 2.20
Gas Storage	EF \geq 0.67	\leq 55 gallons: EF \geq 0.67 > 55 gallons: EF \geq 0.77
Gas Tankless	EF \geq 0.82	EF \geq 0.90



National Fall Water Heater Promotion

- Increase sales of and awareness of certified water heaters
- Encourage consumers to consider early/planned replacement
- Raise consumer awareness of issues to build “bottom up” demand
- Develop integrated campaign that can reach consumers through entire market chain
- Timing: September - October



Consumers are the decision makers!



- Significant opportunity to increase awareness on the benefits of planned replacement for water heaters and drive sales and program activity
 - Opportunity to avoid costly cleanup from old unit and other non-energy saving benefits
 - 37% of water heaters nationwide are at least 10 years old (41.7 million units total eligible for replacement)
 - Over 146 utilities, energy service providers, and municipalities are offering rebates for ENERGY STAR certified gas, electric, and solar water heaters
 - Manufacturers and retailers often offer discounts on certified water heaters as well throughout the year



Key Early Replacement Messages

- Why wait?** Avoid costly and annoying clean up when old unit dies which could be soon based on national average age of water heater units.
- Make an investment and save.** Replacing your old water heater with an ENERGY STAR certified unit can save you thousands of dollars in energy costs, depending on the type and size of unit replaced.
- Now is the time to buy.** There are available incentives for all types of ENERGY STAR certified water heaters made possible by manufacturers, utilities, energy service providers, and municipalities. How long will they last?



SOAK IN THE SAVINGS CHOOSE AN ENERGY STAR® CERTIFIED ELECTRIC STORAGE WATER HEATER AND SAVE THOUSANDS OF DOLLARS

Electric storage water heaters that have earned the ENERGY STAR are independently certified to save energy, save you money, and help prevent climate change.



★ Use less than half the energy of a standard electric storage water heater

★ Can save a four-person household \$490 per year in energy bills

ENERGY STAR certified electric storage water heaters use a highly efficient heat pump – essentially a refrigerator run in reverse – to transfer heat from the surrounding air to the water. They are referred to as heat pump water heaters (HPWHs).

TAKE ADVANTAGE OF UTILITY INCENTIVES

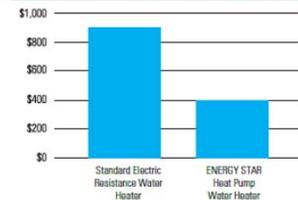
Many utilities offer incentives for purchasing an ENERGY STAR certified HPWHs. The table below shows several examples from across the country. Go to www.energystar.gov/rebate-finder to determine your incentive.

State	Utility	Incentive
CA		\$500
GA		\$250
HI		\$200
MA		\$750
ME		\$300
NH		\$1,000
TX		\$500

Don't Flood Your Basement!

If your water heater is over 10 years old, be proactive and replace it with an ENERGY certified water heater BEFORE it fails.

ANNUAL ENERGY COSTS FOR AN ELECTRIC STORAGE WATER HEATER (4-PERSON FAMILY)



SAVE THOUSANDS OF DOLLARS

An ENERGY STAR certified HPWH can save a four-person family \$4,000 over its lifetime and will pay for its additional cost in less than two years.

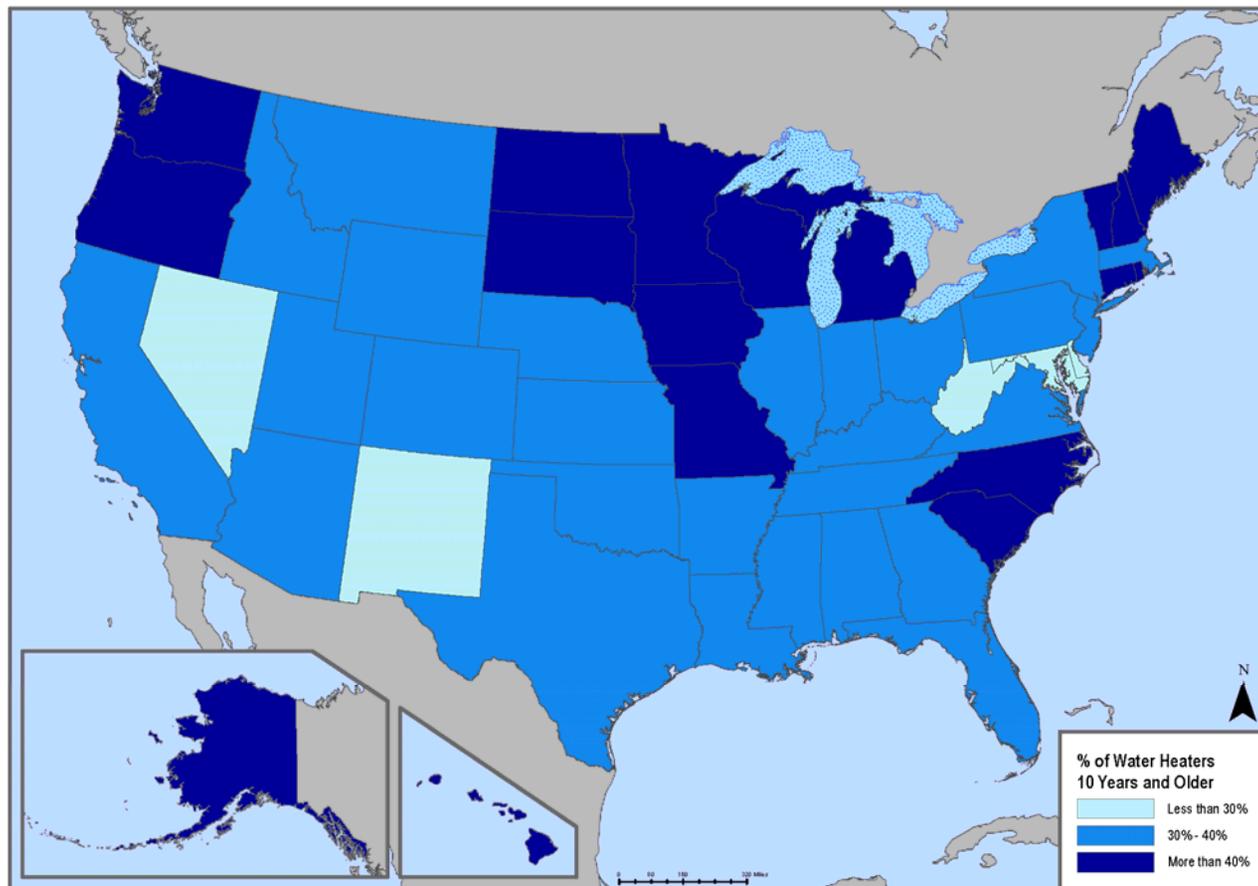
Household Size	Annual Savings	Payback (Years)	Lifetime Savings
2	\$250	3.4	\$1,650
3	\$370	2.3	\$2,850
4	\$490	1.7	\$4,050
5	\$620	1.4	\$5,350
6	\$740	1.1	\$6,550

Assumes: Electricity Rate of \$12 cents/kWh; Incremental cost = \$850; 10-year lifespan; no incentives.

Visit www.energystar.gov/products for more information.

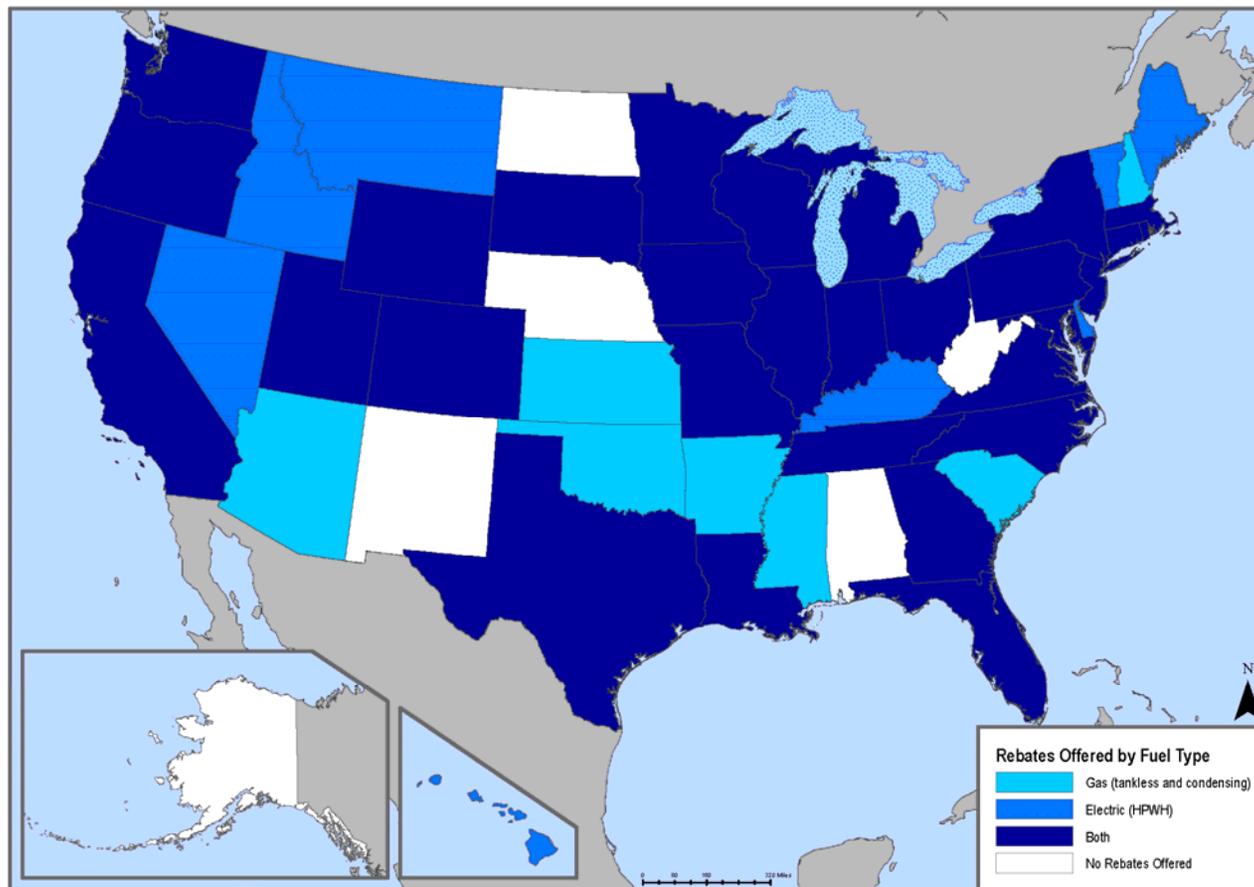


National Water Heater Stock is Old





Incentives for ENERGY STAR Water Heaters are Widespread





Program Administrators support certified Water Heaters

Certified WH	No. of Programs	Highest Incentive	Average Incentive
HPWH	109	\$1000	\$410
Gas Storage	39	\$600	\$210
Gas Tankless	26	\$1500	\$330





Partner Support for National Promotion

- Retailers, manufacturers, utilities, and trade associations have been very supportive of the national promotion
 - Retailers: Promoting on-line, working with utilities, stocking product
 - Utilities: Using ENERGY STAR messaging, significant incentives, coordinating with retailers and contractors
 - Manufacturers: Worked with retailers and utilities to provide limited time offers; designed their own campaigns in support
 - Trade Associations: PHCC disseminating campaign information to their contractor and plumber members on campaign's desire to increase early replacement



ENERGY STAR **UPGRADE AND SAVE BIG WITH A NEW ENERGY STAR® CERTIFIED WATER HEATER**

Don't Get Caught Off Guard!
If your water heater is more than 10 years old, you could be risking leaks and flooding.

STOP WASTING ENERGY AND LOCK IN BIG LONG-TERM SAVINGS.

WATER HEATERS ARE TYPICALLY THE SECOND HIGHEST ENERGY USER IN THE HOME.

Replace your old water heater on your terms! Make the simple choice with ENERGY STAR.

Water heaters that have earned the ENERGY STAR are independently certified to save energy and protect the environment.

- An ENERGY STAR certified electric storage water heater uses half the energy of a standard model and can save a family of four more than \$3,500 over its lifetime by heating water with a highly efficient heat pump (an air conditioner run in reverse).
- An ENERGY STAR certified gas storage water heater uses 6% less energy through better insulation, heat traps and more efficient burners.
- An ENERGY STAR certified tankless water heater can save a family of four more than \$1,800 over its lifetime on gas bills compared to a standard gas storage model by heating water only when you need it.

To learn more and find big rebates in your area, visit energystar.gov/waterheaters

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Partner Marketing Samples – SoCal Gas





ENERGY STAR Marketing & Outreach Campaign

- Paid & Earned Media:
 - Regional online banner advertising campaign
 - Regional PR activity in support of campaign
- Owned Media:
 - Dedicated campaign website – energystar.gov/waterheaters
 - Ask the expert video
 - Mention in upcoming ENERGY STAR Consumer newsletter
 - Campaign messaging integration into Facebook and Twitter channels
- Shared:
 - Developed digital tool kit to help partners co-market promotion – energystar.gov/products/marketing_materials

Home » Products » Find ENERGY STAR Products » Water Heaters » ENERGY STAR Water Heaters Mean BIG Savings

ENERGY STAR Water Heaters Mean BIG Savings

Water heaters are often the second highest energy user in the home. If your water heater is more than 10 years old, consider replacing it with a new ENERGY STAR certified model to save energy, save money, and help protect the climate. Investing in a planned replacement NOW can lock in big energy savings and help avoid a potential costly clean-up when your old water heater fails. Don't delay! Look for utility offers or other discounts in your area and see why ENERGY STAR is the right choice, right now!

DID YOU KNOW?

ENERGY STAR certified water heaters are an easy choice for energy savings, performance, and reliability.

- If electric is your only option, an ENERGY STAR certified electric storage water heater uses half the energy of a standard model and can save a family of four more than \$3,500 over its lifetime by heating water using highly efficient heat pump technology.
- An ENERGY STAR certified gas storage water heater uses less energy through better insulation, heat traps and more efficient burners.
- An ENERGY STAR certified tankless water heater can save a family of four more than \$1,800 over its lifetime on gas bills compared to a standard gas storage model by heating water only when you need it.

FEATURED BRANDS AND RETAILERS

Please note that links in this section take you away from energystar.gov. [EELC](#)

AC Smith. **GE APPLIANCES** **BRADFORD WHITE**

THE HOME DEPOT **sears**

FIND WATER HEATER REBATES

I PLEDGE TO CHANGE MY WATER HEATER

MY ENERGY STAR

WAYS TO SAVE WITH WATER HEATERS

Choose an ENERGY STAR certified Gas Storage Water Heater.

Choose an ENERGY STAR certified Electric Heat Pump Water Heater.

ENERGY STAR **UPGRADE AND SAVE BIG**

Save up to **\$330** per year with **ENERGY STAR-plus** more with **rebates**.

See **BIG** savings now.



ENERGY STAR Consumer Site (energystar.gov/waterheaters)



The simple choice for energy efficiency.

[ENERGY EFFICIENT products](#) | [ENERGY SAVINGS at home](#) | [ENERGY EFFICIENT new homes](#) | [ENERGY STRATEGIES FOR buildings & plants](#)

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ENERGY STAR Water Heaters Mean BIG Savings



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FIND WATER HEATER REBATES

I PLEDGE TO CHANGE MY WATER HEATER

MY ENERGY STAR

WAYS TO SAVE WITH WATER HEATERS



Choose an ENERGY STAR certified Gas Storage Water Heater

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- An ENERGY STAR certified gas storage water heater uses less energy through better insulation, heat traps and more efficient burners.





ENERGY STAR Consumer Site (energystar.gov/waterheaters)

ASK THE EXPERT

Water Heaters Mean BIG Savings

See how heat pump water heaters work and how ENERGY STAR certified models can help you save on your utility bills.

ENERGY STAR Water Heaters Mean BIG Savings - Ask the Expert





Water Heater marketing tools

- All Fuels
 - Contractor Training
 - Marketing Messaging copy
 - Social Media content
- Electric Storage
 - HPWH Fact Sheet
- Gas Storage and Tankless
 - Fact Sheet *(In Development)*



EPA ENERGY STAR Water Heater Widgets



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WATER HEATER FACTS FROM ENERGY STAR

- More than **41 MILLION** water heaters in the U.S. are over 10 years old and risking failure.
- A water heater is typically the **SECOND BIGGEST** household energy user.
- A new ENERGY STAR certified water heater could save up to **\$330 PER YEAR** in energy costs.

[Learn more at energystar.gov](http://energystar.gov) »



The simple choice for energy efficiency

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- Give consumers more good reasons to buy your products and take advantage of promotions and easily link back to energystar.gov/waterheaters.

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Thank you!

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