Rheem Water Heating

ENERGY STAR Partners Meeting
Connecting the Dots: Supply Chain Integration Panel Discussion
October 6th 2010
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Rheem Market Position

Rheem manufactures high-quality tank, tankless, solar, and heat pump water heating solutions.

* Products made in China
# ENERGY STAR Water Heating

<table>
<thead>
<tr>
<th>Water Heating Category</th>
<th>Energy Factor</th>
<th>First Hour Rating</th>
<th>Warranty Period</th>
<th>Product Category Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Storage (Ending 8/31/2010)</td>
<td>EF ≥ 0.62</td>
<td>FHR ≥ 67 gallons / hr</td>
<td>Warranty ≥ 6 years on sealed system</td>
<td>A nominal input of 75,000 BTU/hour or less and a rated storage volume from 20 to 100 gallons</td>
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<tr>
<td>Gas Storage (Beginning 9/01/2010)</td>
<td>EF ≥ 0.67</td>
<td>FHR ≥ 67 gallons / hr</td>
<td>Warranty ≥ 6 years on sealed system</td>
<td>A nominal input of 75,000 BTU/hour or less and a rated storage volume from 20 to 100 gallons</td>
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<tr>
<td>Heat Pump Water Heater</td>
<td>EF ≥ 2.0</td>
<td>FHR ≥ 50 gallons / hr</td>
<td>Warranty ≥ 6 years on sealed system</td>
<td>A maximum current rating of 24 amperes, voltage no greater than 250 volts, and a transfer of thermal energy from one temperature to a higher temperature level for the purpose of heating water. Unit must &quot;integrated&quot; or &quot;drop in&quot; configuration.</td>
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<tr>
<td>Whole-Home Gas Tankless</td>
<td>CF ≥ 0.92</td>
<td>GPM ≥ 2.5 over a 77°F rise</td>
<td>Warranty ≥ 10 years on heat exchanger and 5 years on parts</td>
<td>A nominal input of over 50,000 BTU/hour up to 200,000 BTU/hour and a rated storage of 2 gallons or less</td>
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<tr>
<td>Solar Water Heaters</td>
<td>SF ≥ 0.50</td>
<td>N/A</td>
<td>Warranty ≥ 10 years on solar collector, 6 years on storage tank, 2 years on controls, and 1 year for piping and parts</td>
<td>OG-300 rating from the SRCC</td>
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</tbody>
</table>
Plumber Adoption of ENERGY STAR

• Most consumers are price conscious, focused on the installed cost and a fast water heater replacement.
• To most plumbers, time is money...get in and get out.
• Knowledge of the available consumer tax credits,
  – It takes time to understand and stay up to date on these programs
Success Story

• Municipal utility incentive for installation of ENERGY STAR product category
  – Local wholesaler and manufactures rep. identified plumbers with success selling product category
  – Jointly developed consumer selling story
  – Wholesaler increased inventory of product category
  – Quadrupled sales of product category since implementation of incentive
Keys to Success

• Plumbers that are successful selling ENERGY STAR water heaters
  – Know their market and what products will sell
  – Know/understand available incentives
  – Stock or have fast access to the right products
  – Relationship with a wholesaler that knows the market and stocks the right products
Questions?

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