



Residential Water Heating: New Incentive Delivery Design

Spring Trade Ally Forum



Agenda

- 2017 incentives and qualifying products
- Water heater market potential
- Energy Trust's goals for water heating
- Shift to midstream water heater incentives



Water Heater Incentive Types

Standard Customer Incentive

- Cash rebate paid to customer
- Must submit application for qualifying install

Savings Within Reach Customer Incentive

- Increased cash rebate paid to moderate-income customers
- Must submit Savings Within Reach application for qualifying install

Instant Incentive

- Cash rebate paid to installer
- Installer must submit application for qualifying install
- Installer required to reflect instant incentive on customer invoice

Midstream Incentive

- Aggregated cash incentives paid to distributor
- Distributor must report on water heater sales and information on qualifying installs

Energy Trust Water Heater Incentives

Water Heater Type	Qualification	2017 Incentive
Heat Pump Water Heater Standard Incentive	Tier 1 ≤ 55 gallon tank	\$150
	Tier 2 ≤ 55 gallon tank	\$300
	Tier 3 any tank size	\$300
Heat Pump Water Heater Savings Within Reach	Tier 3 any tank size; must replace an existing electric water heater	\$600
Gas Tank Water Heater	EF .67 or greater; ENERGY STAR® qualified	\$100

Savings Within Reach Applications

Savings Within Reach incentives for Tier 3 heat pump water heaters are now available to Oregon customers

- Enroll as Savings Within Reach contractor
- \$600 incentive for Tier 3 HPWH units (any tank size)
- HPWH must replace an existing electric water heater
- Submit applications to hesforms@energytrust.org
- Allow 4-6 weeks for incentive processing

To offer Savings Within Reach incentives, contact your account manager to schedule a brief orientation.



Financing with On-Bill Repayment

Affordable financing for water heater projects:

Water Heater Type	PGE and Pacific Power customers in Oregon	
Heat Pump Water Heater Savings Within Reach	SWR OBR (moderate income)	
Water Heater Type	NW Natural customers in Oregon	NW Natural customers in SW Washington
Gas Tank Water Heater	SWR OBR (moderate income)	OBR - SW WA (any income level)

To offer On-Bill Repayment, contact your Account Manager to schedule a brief orientation.

Qualifying Water Heater Products

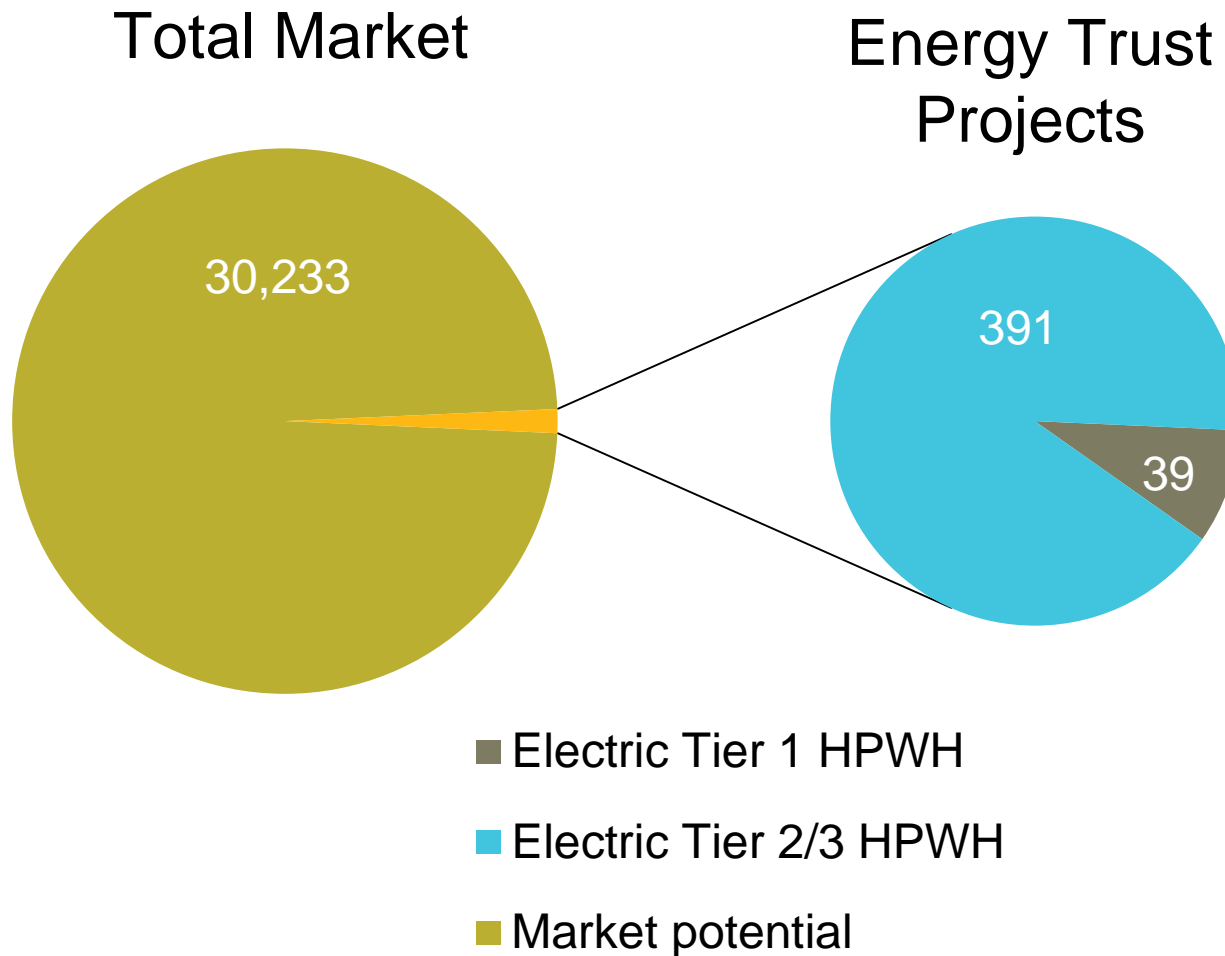
Water Heater Type	Tier / EF				
Heat Pump Water Heater	Tier 1	A. O. Smith, American, Reliance, State, U.S. Craftmaster, Whirlpool	-	Rheem, Ruud	-
	Tier 2	-	-	-	-
	Tier 3	A. O. Smith, American, Kenmore, Lochinvar, Reliance, State, U.S. Craftmaster, Whirlpool	Bradford White, (GE)	Rheem, Richmond, Ruud	Sanden "SANCO ₂ "
Gas Tank Water Heater	EF >.67	A. O. Smith, American, GSW, Kenmore, Lochinvar, Reliance, State, U.S. Craftmaster, Whirlpool	Bradford White	Rheem, Richmond, Ruud	

Water Heater Market Opportunity

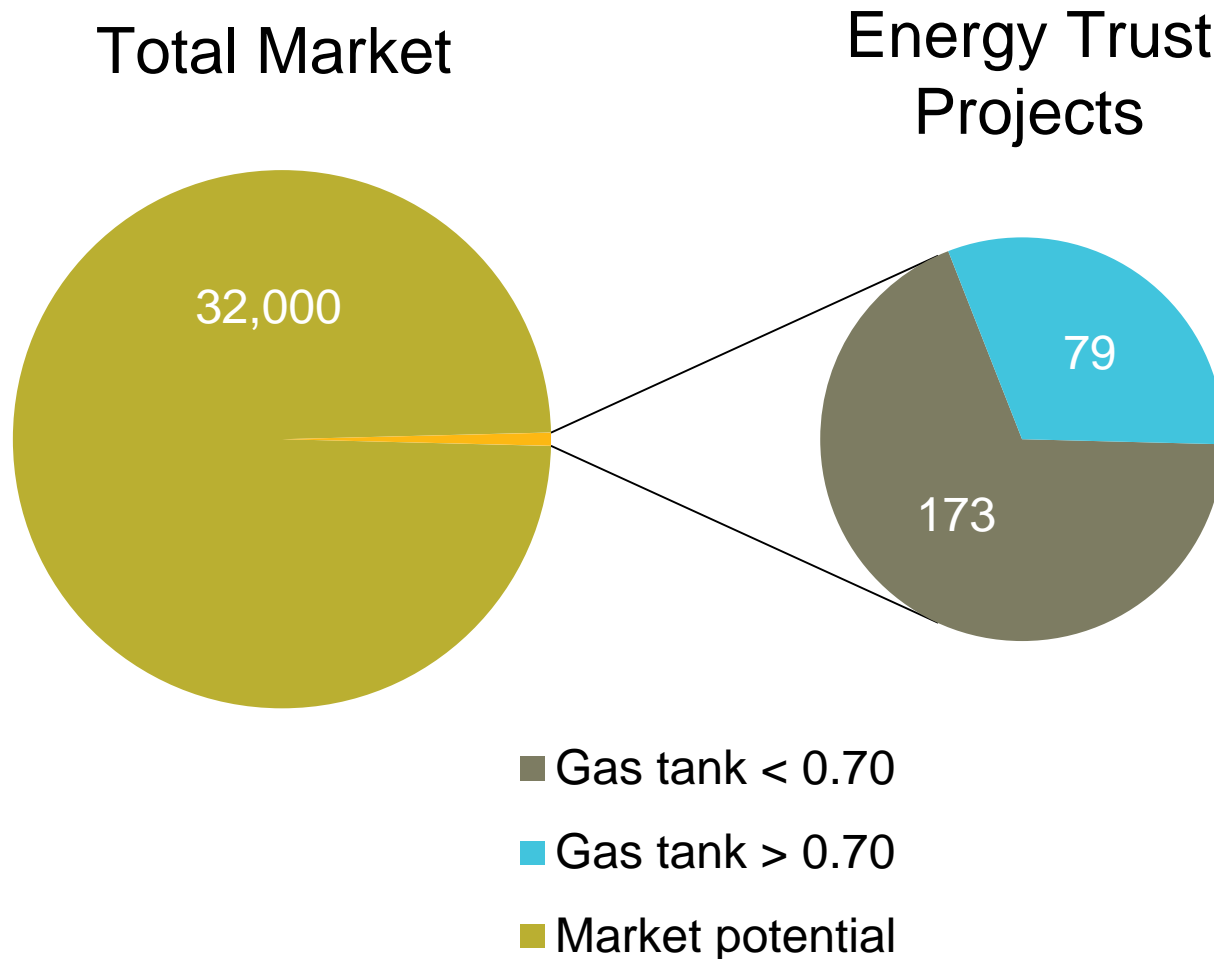
- Water heater replacement is one of the most cost-effective residential measures
- Energy Trust only captures about 1% of the water heater replacement market
- Water heater savings are about 2% of Existing Homes program savings
- Opportunities for some other energy-saving measures expected to decrease (e.g. Energy Saver Kits)



2016 Market Potential and Electric Water Heater Projects



2016 Market Potential and Gas Water Heater Projects



Influencing the Water Heater Market

How can Energy Trust help...

- Save more energy with efficient water heaters?
- Increase affordability and availability of efficient water heaters?
- Make it easier and cheaper for everyone to purchase, install and maintain efficient water heaters?
- Eliminate the need to complete forms?



Midstream Water Heater Incentive Program

- Midstream incentives are offered directly to distributors
- Incentives will be used to drive sales of efficient water heaters and reduce the cost for contractors and customers
- Water heater product eligibility requirements will remain the same
- Distributors must report on water heater sales and install information to receive incentives

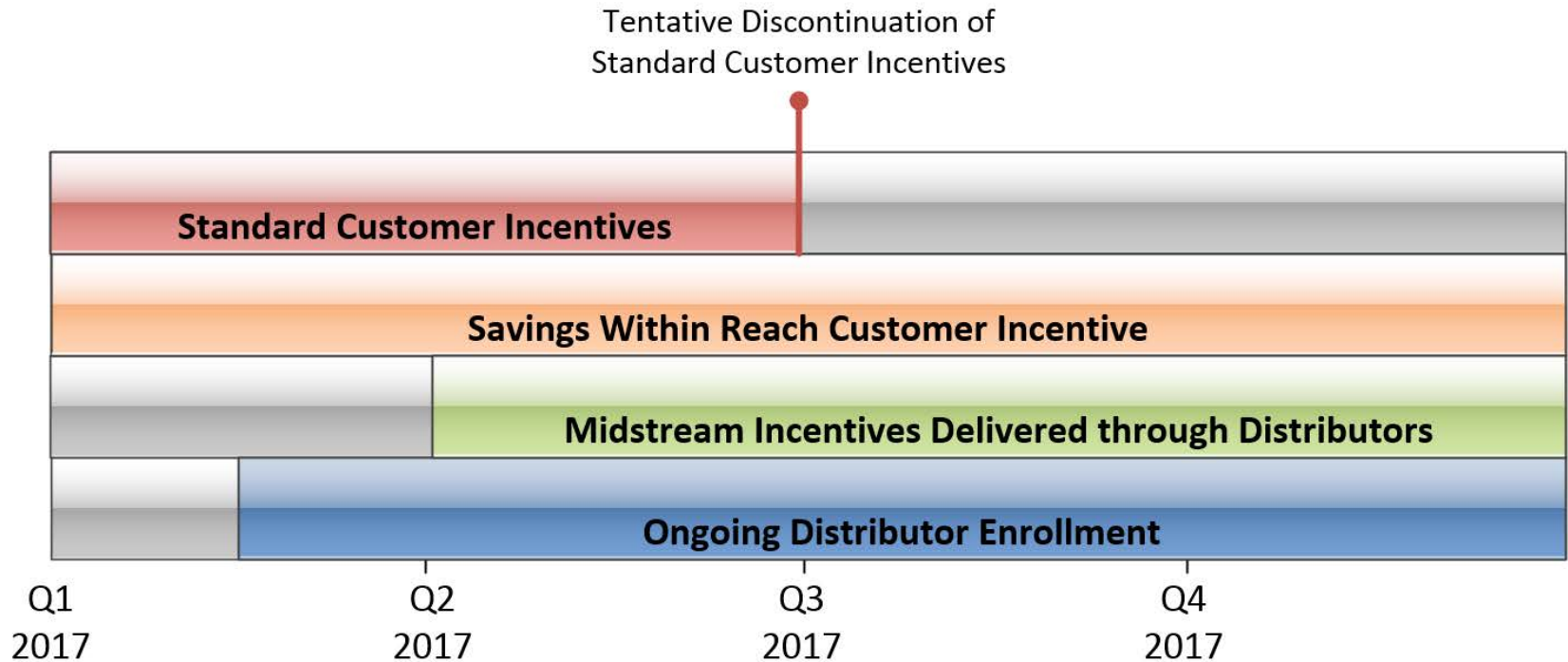


Shift to midstream water heater incentives

- Distributors and Energy Trust will notify installers of enrollment in midstream incentive program
- Until officially retired, customer incentives will be available for units that do not receive a midstream incentive
- Minimum 60-day notice before customer incentives are discontinued
- When the customer incentive is discontinued, water heaters will only be eligible for midstream and Savings Within Reach incentives



Shift to midstream water heater incentives



What does this mean for trade allies?

- Instead of submitting forms, trade allies provide installation data to the distributor
- Help communicate Energy Trust's support in lowering the cost of the equipment, rather than a customer incentive
- Continued Energy Trust marketing and lead generation support



Participating Distributors (as of 4/7/2017)

- General Pacific
- NW Natural Appliance Center

If your distributor is not listed, ask them about their plans to enroll in Energy Trust's midstream program.

Energy Trust will update this participant list and inform installers of any additions on an ongoing basis.





Discussion and Questions

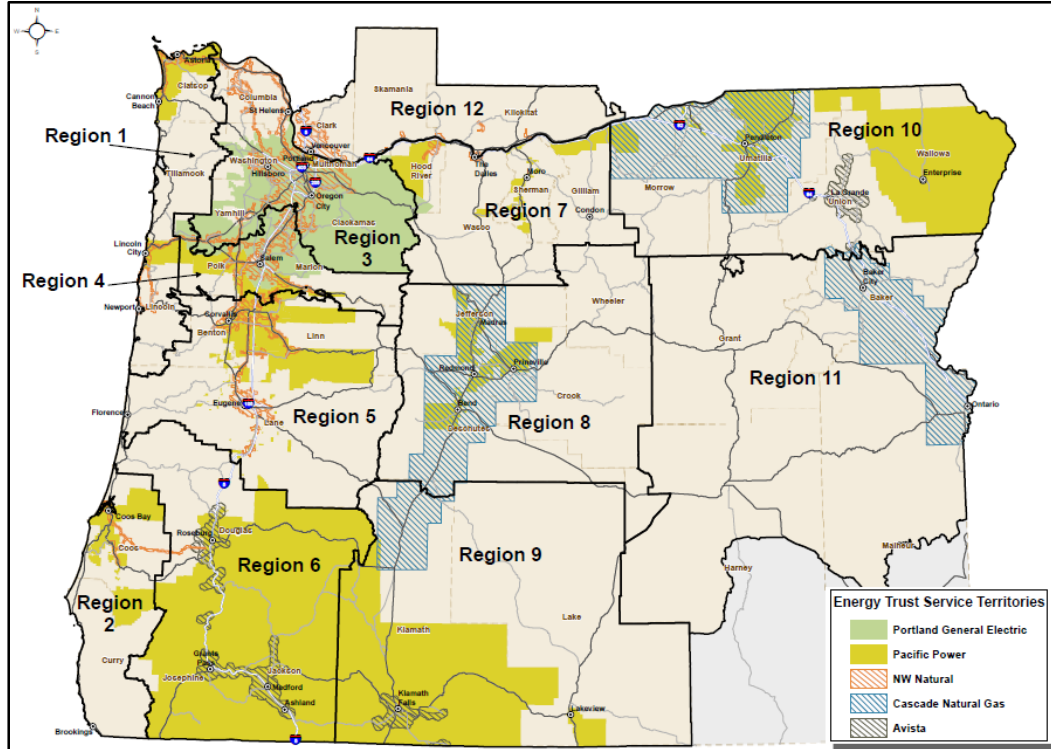
Regional Photo Map



Rick Flacco - R: 1, 4, 5



Mike McMillan - R: 8, 9



Eric Falk - R: 1, 3, 7



Dean Brewer - R: 10, 11

Existing Homes Account Managers

Trade Ally Hotline:

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Thank You

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