



Connecting with the Residential Water Heater Supply Channel

2010 Industry Partners Meeting Breakout Session

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Meeting Guidelines

- ▶ 100% Participation
- ▶ Parking Lot for items not on the agenda
- ▶ All Ideas are Valid and Valued
- ▶ Meeting Closure will Outline Next Steps
- ▶ For the Phone Line
 - *6 to Mute/unMute
 - DO NOT PUT CALL ON HOLD

This meeting will follow **CEE Guidelines**
for Program Meetings

Objectives

- ▶ Understand the perspectives and sensitivities that each industry has towards highly efficiency water heating
- ▶ Discuss if and how efficiency programs and industry can best work together to promote and build a market for high efficiency residential water heating

Today's Agenda

- ▶ Introductions
- ▶ Natural Gas Program Drivers
- ▶ New technologies overview with GTI
- ▶ CEE water heating work
- ▶ Discussion: Industry and efficiency programs to share perspectives on
 - Market for high efficiency,
 - Current challenges, and
 - Potential partnership opportunities
- ▶ Wrap up and next steps

Introductions

- ▶ Name
- ▶ Organization
- ▶ Your interest in residential water heating
- ▶ What you hope to get out of this session

What Drives Residential Gas Programs?

- ▶ Achieving mandated efficiency savings targets
 - Programs are often mandated to offer programs in their service territories
- ▶ Finding more opportunities to achieve claimed savings
 - Many traditional furnace programs going offline, so there is a need to find new savings
- ▶ What other drivers are gas programs experiencing?

Trends: ENERGY STAR Transition

- ▶ ENERGY STAR transition for 0.62 to 0.67 EF storage water heaters took place September 1, 2010
- ▶ Manufacturers are rapidly introducing new products to the market
- ▶ Efficiency programs are grappling with how to continue their programs in light of this
- ▶ Supply channel likely impacted as well

Trends: New Technologies

◀ Doug Kosar, Gas Technologies Institute

Residential Water Heating Work at CEE

- ▶ CEE High Efficiency Residential Gas Water Heating Initiative
 - Common Efficiency Specifications
- ▶ Coordination with ENERGY STAR®
 - Brand with powerful recognition
- ▶ Residential Water Heating Program Summary
 - Provides current rebate and incentive information for natural gas efficiency programs
- ▶ Coalition for ENERGY STAR Water Heaters
 - Marketing “blocking & tackling” to promote to consumers and installers
- ▶ Residential Water Heater Installer Outreach Program Guide
 - Helps Efficiency programs run training programs for installers



2010 Water Heater Program Summary

- ▶ CEE compiles information from its membership each quarter to share with
 - Members
 - Manufacturers
 - Trade Allies
- ▶ Also used in a database of water heater incentive program information available to the public on www.eswaterheaters.org.

CEE Water Heating Efficiency Programs

	Storage	Tankless	Solar	Integrated
Number of Rebates	46	39	12	20
Number of Programs Offering Rebates	33	31	7	16

Discussion Questions

- ▶ What are some of the challenges you face in getting high efficiency into the marketplace?
- ▶ How can we create and sustain a market for high efficiency given the changing technology landscape?
- ▶ In what other ways would it be useful for us to work together to promote the market for high efficiency residential products?

How can we best work together?

Manufacturers



Wholesale
Distributors

Retailers



Plumbing
Contractors

*High Efficiency Residential Water Heater
Installer Outreach Program Guide*

Consumers



Market Challenges & Opportunities

- ▼ Majority of consumers replace only in an emergency
 - Often can't afford more upfront for this unplanned expense
 - Installers may find it difficult to get high efficiency water heaters quickly enough
- ▼ Few options have been available in higher efficiency models, but huge technical promise
- ▼ Opportunities exist to educate consumers, train installers, and to stock high efficiency

Do these hold true from the industry perspective?

What other challenges or opportunities exist?

Wrap Up and Next Steps

- ▶ Capitalize on the potential relationships and ways to work together identified during this session
- ▶ Continue to monitor new product introductions and market for ENERGY STAR qualifying models and other high efficiency technologies

Contact

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Extra Slides

Coalition for Energy Star Water Heaters



- ▶ Sponsored by CEE members, manufacturers and AHRI (Air-Conditioning, Heating and Refrigeration Institute)
- ▶ Promote consumer awareness and distributor stocking of energy efficient water heaters
- ▶ Materials developed by sponsors and available to all CEE Members
- ▶ www.eswaterheaters.org



Residential Storage Rebates

	Efficiency	# of Rebates	\$ / Rebate
CEE Tier 1	0.62 EF	22	\$25-\$100
	0.64 EF	4	\$50-\$75
	0.65 EF	2	\$50-\$60
CEE Tier 2	0.67 EF	3	\$75-\$100
	0.80 EF	1	\$200-\$350
	0.82 EF	1	\$250
	Condensing	4	\$500

Residential Tankless Rebates

	Efficiency	# of Rebates	\$ / Rebate
	0.67 EF	1	\$300
	0.78 EF	1	\$450
	0.80 EF	3	\$100-\$200
CEE Tier 1	0.82 EF	17	\$200-\$700
	0.90 EF Condensing	3	\$200-\$350
	0.92 EF Condensing	2	\$350

Other Rebates

<u>Technology</u>	<u># of Reb</u>
Solar Thermal	5
Integrated Heat & HW Systems	13

