

State of California

Memorandum



Date: May 24, 2021

To: Ryan Cho, Southern California Edison (SCE); Jay Bhatka, SCE; Danielle Dragon, Pacific Gas and Electric (PG&E); Chan Paek, Southern California Gas (SCG); Ed Reynoso, San Diego Gas and Electric (SDG&E); John Zwick (SDG&E); Nancy Goddard, PacifiCorp

CC:

From: Peter Biermayer P.E., Utilities Engineer, EE Planning & Forecasting Section, Energy Division, CPUC

Subject: Disposition Approving Heat Pump Water Heater – Fuel Substitution, Residential – Workpaper SWWH025-03

1. Discussion and Direction

The California Public Utilities Commission (CPUC) approves the statewide workpaper for Heat Pump Water Heater – Fuel Substitution, Residential – Workpaper SWWH025-03. This workpaper adds new measures to an existing workpaper and will become effective upon approval.¹

2. Workpaper Summary

This workpaper is a revision to the existing workpaper Heat Pump Water Heater – Fuel Substitution, Residential – SWWH025-02 and adds two new measures SWWH025U and SWWH025V for residential applications to replace existing gas and electric resistance water heaters with an electric heat pump water heater. Changes to this workpaper include two new ≤ 45 gallon capacity water heater measures with associated savings from the DEER Water Heater Calculator v4.2 and costs for measure. This workpaper meets all fuel substitution guidance document requirements.²

¹ New measures added to existing Phase 2 revised workpapers are effective upon approval.

² Fuel Substitution Technical Guidance for Energy Efficiency, V1.1, dated 10/31/2019.

<https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442463564>

3. Critical Review Issues

Fuel substitution measures may face market barriers and Program Administrators (PAs) may choose to offer rebates to the customer that exceed the net cost to the participant of installing the more efficient measure, i.e., the Incremental Measure Cost (IMC). In the instances where the cost of the rebate exceeds the IMC, PAs will outline the reasons for such rebate in an addendum. Since each PA program may have different rebates, each PA will need to provide a separate addendum. If the program is third-party implemented, an addendum will be required for each instance.