

# Heat Pump Water Heater Program

**Heat Pump Water Heaters (HPWH) are efficient alternatives to natural gas or electric water heaters. HPWHs use electricity, providing the opportunity for net zero emissions hot water if you purchase renewable electricity.**

## How to apply

### 1. Confirm eligibility

Email your site address to [avahpwh@cascadeenergy.com](mailto:avahpwh@cascadeenergy.com). We'll quickly verify if you are eligible to receive a rebate. If you qualify, an Energy Manager will guide you through each of the following steps.

### 2. Choose your contractor and get a quote

You can use your own contractor or ask us for a list of participating contractors. Once you have a quote, send it to us along with photos of your existing water heating system.

### 3. Reserve your rebate

We'll send you a Deemed Rebate Application and Conditional Rebate Reservation showing your approved rebate amount. You'll review, sign, and return the paperwork to lock in your rebate.

### 4. Install your HPWH

Install your HPWH using your contractor or one of our participating contractors. If you use a participating contractor, the rebate can be applied directly to your invoice to reduce your upfront cost.

### 5. Submit final documentation

Following installation, send us photos of installed equipment, contractor invoice, and copies of any required permits. We may also schedule a quick verification visit.

### 6. Receive Rebate

If you used your own contractor, we will send you the rebate check directly. If you used a participating contractor, your rebate will already be deducted from your invoice.

## DEEMED REBATES

### What are Deemed Rebates?

Deemed rebates provide quick cash for common energy savings projects.

Approved HPWH measures are eligible for rebates based on a pre-defined criteria such as equipment type, building type, climate zone, etc.

### Who is Eligible?

The Ava HPWH Program is open to all Ava Commercial and Industrial customers who pay the Public Purpose Program (PPP) charge on their utility bills and replace eligible gas or electric water heaters with HPWHs.

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Contact us at [avahpwh@cascadeenergy.com](mailto:avahpwh@cascadeenergy.com) to learn more.

## General requirements, all offers

- The offer is valid for qualifying equipment **installed and fully commissioned between August 1, 2025 and December 31, 2025.**
- All requested documentation **must be provided before December 31, 2025.**
- Rebate amounts are capped at full project cost.
- Funding is limited. Rebates are available on a first-come, first-served basis until funds are exhausted. Contact us early to reserve your rebate.
- Installation must follow the manufacturer’s guidelines and instructions.
- All necessary permits must be obtained by the customer with copies of closed permits provided upon request.
- Existing natural gas equipment must be decommissioned and removed from the site, and natural gas lines supplying the replaced equipment permanently capped.
- Should California Public Utilities Commission (CPUC) revise workpapers on which this rebate offer is based, Ava Community Energy and Cascade Energy reserve the right to withdraw Conditional Rebate Reservations and/or modify this rebate offer.

### **SWWH027-04, Heat Pump Water Heater, Commercial, Fuel Substitution**

#### Requirements:

- This measure is only applicable to the 1:1 replacement of gas storage or instantaneous (“tankless”) water heaters with a qualifying heat pump water heater.
- The heat pump water heater project must match an Offer ID as noted in the Eligible Measures table.

#### Exclusions:

- Replacement of water heaters used for non-domestic hot water uses, such as space conditioning, industrial (process) loads, and pool and/or spa applications.
- Redundancy/back-up systems.

#### Eligible Measures:

Offer ID	Storage capacity and minimum efficiency requirements
AA	HPWH, ≥45 to ≤ 55 gal, UEF = 3.30 replacing storage natural gas water heater, 50 gal, UEF = 0.63
AB	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30 replacing tankless natural gas water heater, High Draw, UEF = 0.81
AC	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50 replacing storage natural gas water heater, 30 gal, UEF = 0.60
AD	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50 replacing storage natural gas water heater, 40 gal, UEF = 0.64
AE	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50 replacing storage natural gas water heater, 50 gal, UEF = 0.63
AF	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50 replacing tankless natural gas water heater, High Draw, UEF = 0.81
AG	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75 replacing storage natural gas water heater, 30 gal, UEF = 0.60
AH	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75 replacing storage natural gas water heater, 40 gal, UEF = 0.64
AI	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75 replacing storage natural gas water heater, 50 gal, UEF = 0.63
AJ	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75 replacing tankless natural gas water heater, High Draw, UEF = 0.81
Y	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30 replacing storage natural gas water heater, 30 gal, UEF = 0.60
Z	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30 replacing storage natural gas water heater, 40 gal, UEF = 0.64
S	HPWH, > 55 to ≤ 75 gal, UEF = 3.30 replacing storage natural gas water heater, 60 gal, UEF = 0.61

Offer ID	Storage capacity and minimum efficiency requirements
T	HPWH, > 55 to ≤ 75 gal, UEF = 3.50 replacing storage natural gas water heater, 60 gal, UEF = 0.61
U	HPWH, > 55 to ≤ 75 gal, UEF = 3.75 replacing storage natural gas water heater, 60 gal, UEF = 0.61
V	HPWH, > 75 gal, UEF = 3.30 replacing storage natural gas water heater, 75 gal, UEF = 0.59
W	HPWH, > 75 gal, UEF = 3.50 replacing storage natural gas water heater, 75 gal, UEF = 0.59
X	HPWH, > 75 gal, UEF = 3.75 replacing storage natural gas water heater, 75 gal, UEF = 0.59

#### Rebates:

Building type	Rebates per 45-55 gal HPWH	Rebates per 56-75 gal HPWH	Rebates per >75 gal HPWH
<b>Group A*:</b> Hotels, Nursing Homes, Hospitals, Grocery Stores, Fitness Centers/ Pools, Refrigerated Warehouse, Laundromats, Police/Fire Stations, Assembly (Gathering Spaces), Motels, Large Retail, Universities & Dorms, Storage Spaces, Industrial/Manufacturing, Restaurants (Sit-down), Small Retail (<40,000 sq ft)	\$5,750	\$6,500	\$8,000
<b>Group B:</b> Offices, Community Colleges, Fast Food Restaurants, All other schools and educational facilities	\$5,000	\$6,500	\$8,000

\*Higher rebates will be considered in the case of complex installations

## **SWWH028-06, Large Heat Pump Water Heater, Commercial and Multifamily, Fuel Substitution**

#### Requirements:

- The project must replace one or more domestic gas water heaters with one or more HPWH storage heaters.
- HPWH with storage capacity of 75-100 gal must have UEF at least 3.0.
- HPWH with a minimum storage capacity of 100 gal must have a Coefficient of Performance (COP) of at least 4.3.
- HPWH with a minimum output capacity of 105 kBtu/hr must have a COP of at least 3.0.
- Baseline equipment must be a storage or instantaneous (“tankless”) gas water heater.

#### Exclusions:

- Replacement of water heaters used for non-domestic hot water uses, such as space conditioning, industrial (process) loads, and pools and/or spas applications.
- Baseline systems that use steam boilers.
- Installations with output capacity greater than 1,000 kBtu/hr.
- Redundancy/back-up systems.

### Eligible Measures:

Offer ID	Storage capacity and minimum efficiency requirements
K	Commercial heat pump water heater, 75 gal to < 100 gal, UEF = 3.0 replacing large natural gas, storage water heater, 80 gal, Et = 0.80
L	Commercial heat pump water heater, ≥ 100 gal, COP = 4.3 replacing large natural gas, storage water heater, 100 gal, Et = 0.80
M	Commercial heat pump water heater, ≥ 100 gal, COP = 4.3 replacing instantaneous natural gas water heater, 76 to <200 kBtu/hr, Et = 0.80
N	Commercial heat pump water heater, ≥ 100 gal, COP = 4.3 replacing instantaneous natural gas water heater, > 200 kBtu/hr, Et = 0.80

### Rebates:

Building type	Rebate per 80 gal HPWH	Rebate per 120 gal HPWH
<b>Group A*:</b> Hotels, Nursing Homes, Hospitals, Grocery Stores, Fitness Centers/ Pools, Refrigerated Warehouse, Laundromats, Police/Fire Stations,	\$8,000	\$26,250
<b>Group B:</b> Assembly (Gathering Spaces), Motels, Large Retail, Universities & Dorms, Storage Spaces,	\$8,000	\$19,000
<b>Group C:</b> Industrial/Manufacturing, Restaurants (Sit-down), Small Retail (<40,000 sq ft), Offices, Community Colleges, Fast Food Restaurants	\$7,500	\$15,000
<b>Group D:</b> All other schools and educational facilities.	\$5,500	\$11,500

\*Higher rebates will be considered in the case of complex installations.

## **SWWH031-03, Heat Pump Water Heater, Commercial**

### Requirements:

- This measure is only applicable to the 1:1 replacement of electric resistance or low-efficiency HPWH with high-efficiency HPWH storage heaters.
- The heat pump water heater project must match an Offer ID as noted in the Eligible Measures table.

### Exclusions:

- Replacement of water heaters used for non-domestic hot water uses, such as space conditioning, industrial (process) loads, and pools and/or spas applications.
- Replacement of instantaneous (“tankless”) or non-electric water heater.
- A new heat pump water heater with a storage capacity of less than 45 gallons.
- Replacement of a single water heater with multiple HPWHs.

### Eligible Measures:

Offer ID	Measure Offering Description
P	HPWH, > 75 gal, UEF = 3.30, replacing HPWH, 75 gal, UEF = 3.00
Q	HPWH, > 75 gal, UEF = 3.50, replacing HPWH, 75 gal, UEF = 3.00
R	HPWH, > 75 gal, UEF = 3.75, replacing HPWH, 75 gal, UEF = 3.00

Offer ID	Measure Offering Description
S	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30, replacing electric storage water heater, 30 gal, UEF = 0.92
T	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30, replacing electric storage water heater, 40 gal, UEF = 0.92
U	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.30, replacing electric storage water heater, 50 gal, UEF = 0.92
V	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50, replacing electric storage water heater, 30 gal, UEF = 0.92
W	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50, replacing electric storage water heater, 40 gal, UEF = 0.92
X	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.50, replacing electric storage water heater, 50 gal, UEF = 0.92
Y	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75, replacing electric storage water heater, 30 gal, UEF = 0.92
Z	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75, replacing electric storage water heater, 40 gal, UEF = 0.92
AA	HPWH, ≥ 45 to ≤ 55 gal, UEF = 3.75, replacing electric storage water heater, 50 gal, UEF = 0.92
AB	HPWH, > 55 to ≤ 75 gal, UEF = 3.30, replacing HPWH, 60 gal, UEF = 2.91
AC	HPWH, > 55 to ≤ 75 gal, UEF = 3.50, replacing HPWH, 60 gal, UEF = 2.91
AD	HPWH, > 55 to ≤ 75 gal, UEF = 3.75, replacing HPWH, 60 gal, UEF = 2.91

### Rebates:

Building type	Rebates per 45-55 gal HPWH	Rebates per 56-75 gal HPWH	Rebates per >75 gal HPWH
<b>Group A:</b> Hotels, Nursing Homes, Hospitals, Grocery Stores, Fitness Centers/ Pools, Refrigerated Warehouse, Laundromats, Police/Fire Stations, Assembly (Gathering Spaces)	\$3,000	\$500	\$400
<b>Group B:</b> Motels, Large Retail, Universities & Dorms, Storage Spaces	\$2,500	\$400	\$350
<b>Group C:</b> Industrial/Manufacturing, Restaurants (Sit-down), Small Retail (<40,000 sq ft)	\$2,300	\$350	\$300
<b>Group D:</b> Offices, Community Colleges, Fast Food Restaurants	\$2,000	\$300	\$250
<b>Group E:</b> All other schools and educational facilities.	\$1,500	\$250	\$200