

Appendix M: Domestic Water Heating Equipment Selection (11.22 Update)

Water Heater Equipment Selection Policies

Oil-Fired Water Heaters (Storage Tank & Tankless)

All Homes/Dwelling Units | All Year

Oil-fired water heater installations shall only be performed using WAP funding (HWAP, DOE, ARPA-SFR) if an existing, oil-fired water heater presents a health and safety issue and the determinations listed below have already been made:

Determination 1(a): Supplemental, OEO-Administered Funding; e.g., VHR-Plus funding, is not available to fund an upgrade to a Heat Pump Water Heater (HPWH).

-or-

Determination 1(b): The client or the installation space available will not allow for the installation of a HPWH per installation standards of the funder.

-And-

Determination 2(a): Efficiency Vermont or Other non-OEO WAP partners will not fund the installation of an upgrade to a HPWH.

-or-

Determination 2(b): The client or the installation space available will not allow for the installation of a HPWH per installation standards of the funder.

-And-

Determination 3(a): Installing an indirect DHW storage tank off an already existing central boiler is not a viable and/or cost-competitive option (+/- \$500 total-installation-cost) when compared with the total-installation-cost of a HPWH.

In the cases where all of the determinations above have been made and WAP funding will be used to replace an oil-fired water heater, the product with the highest AFUE rating available when the installation needs to happen shall be installed.

Additionally, any oil-fired, water heater installed by WAP in a mobile home shall be approved for mobile home use.



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Gas-Fired, Storage Tank Water Heaters

Mobile Home Policies | All Year

Any gas-fired, storage tank water heater installed by WAP in a mobile home shall, at minimum, be approved for mobile home use. ENERGY STAR® certified equipment selection is encouraged whenever there are products available and it is practical to install the ENERGY STAR® certified equipment in the needed mobile home installation location.

Site-Built Home Policies | All Year

All gas-fired, storage tank water heaters installed by WAP in site-built, single-family/small multi-family homes (1-4 dwelling-units in size) shall be ENERGY STAR® certified whenever there are ENERGY STAR® certified products available.

Gas-Fired, Tankless Water Heaters

Mobile Home Policies | All Year

Any gas-fired, tankless water heater installed by WAP in a mobile home shall, at minimum, be approved for mobile home use. ENERGY STAR® certified equipment selection is encouraged whenever there are products available and it is practical to install the ENERGY STAR® certified equipment in the needed mobile home installation location.

Site-Built Home Policies | All Year

All gas-fired, tankless water heaters installed by WAP in site-built, single-family/small multi-family homes (1-4 dwelling-units in size) shall be ENERGY STAR® certified whenever there are ENERGY STAR® certified products available.



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Electric Water Heaters (Storage Tank & Tankless)

Electric water heater installations (storage tank or tankless) shall only be installed using WAP funding (HWAP, DOE, ARPA-SFR) as a last resort funding source option.

If an existing electric water heater presents a health and safety risk, WAP funding can be used to install a 0.9 EF or better electric water heater to resolve the health and safety issue if the determinations listed below have already been made:

Determination 1(a): Efficiency Vermont or Other non-OEO WAP partners will not fund the installation of a new electric water heater or an upgrade to a heat pump water heater (HPWH).

-Or-

Determination 1(b): The client or the installation space available will not allow for the installation of a HPWH per installation standards of the funder.

-And-

Determination 2(a): Supplemental, OEO-Administered Funding; e.g., VHR-Plus funding, is not available to fund an upgrade to a HPWH.

-Or-

Determination 2(b): The client or the installation space available will not allow for the installation of a HPWH per installation standards of the funder.



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Water Heater Fuel Switching Policies

All Homes/Dwelling Units | All Year

DOE Funding

No water heater fuel switches shall be performed with DOE formula or DOE stimulus WAP grant funding. This is not an entire job restriction. This is a measure funding restriction.

Non-DOE, OEO-Administered WAP Funding

No water heater fuel switches that would use any amount of OEO-administered, non-DOE WAP grant funding to perform the fuel switching measure(s) themselves shall be initiated without prior, written OEO approval.

The prior approval request shall be initiated using the Atypical Project Approval form. At the time of this writing, this pre-approval-required policy applies to these non-DOE WAP grants:

- (1) HWAP
- (2) ARPA-SFR

Any future, non-DOE WAP grants that resemble the HWAP and ARPA-SFR WAP grants shall also follow this policy unless explicit instruction to operate differently is included in a respective non-DOE grant that would supersede this rule.

Non-DOE, OEO-Administered Supplemental Funding

None of the water heater fuel switching policies in the section above apply to supplemental funding sources, e.g., VHR-Plus grant funding. Policies issued separately for supplemental funding sources like VHR-Plus supersede the rules above that are focused on the primary WAP grants.

