



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
AIR AND RADIATION

May 19, 2023

Dear Ms. Koewler,

In September 2020, the U.S. Environmental Protection Agency, which administers the ENERGY STAR Program, launched the ENERGY STAR Heat Pump Water Heater Manufacturers Action Council (ESMAC) to provide a simple and effective method of collecting feedback from industry OEMs that will increase customer demand and accelerate market transformation. Since then, the ENERGY STAR program has gained valuable insight into the unique challenges of disrupting the residential water heating market and multifaceted components of effective utility program design for heat pump water heaters.

In response to NASEO Request for Information (RFI) regarding implementation options for the Home Energy Performance-Based Whole-House Rebate Program and High-Efficiency Electric Home Rebate Program, ESMAC collected the five general recommendations from three of largest U.S. based manufactures of heat pump water heaters and encourages NASEO to consider the following as best-practices:

1. Prioritized simplicity at all touch points including implementation ease, optimal consistency of design and implementation process flows, and automated field data collection methods for QA/QC.
2. Encourage as many states as possible adopt similar program design and implementation plan.
3. Seek dual incentive application paths: (1) Contractor midstream and (2) Customer downstream instant at Point of Sale (POS).
4. DOE provides a universal Income Eligibility Tool that SEOs, contractors, and/or individual customers can utilize.
5. Ensure contractors are effectively trained in product technology, selling techniques including overcoming objections/misperceptions, and quality installation practices and considerations.

Additionally, ENERGY STAR received the following supplemental recommendations from one of the leading manufactures , and based on ENERGY STAR's extensive experience in identifying successful program models, we support these suggestions as well:

- Immediate eligibility feedback upon submittal of the application, allowing the Contractor to reduce their invoice price on the spot of the amount of the rebate during the moment of truth (short 4 to 5 hours window).
- Smart phone friendly website or mobile APP that would help the Contractor and/or the Consumer at the kitchen table walk step by step thru the application process for income

eligibility. The tool would help easily and systematically capture the data elements needed for the application, including Contractor invoice or Retail receipt. It would greatly simplify the training work of the Manufacturers on the program, bring consistency and repeatability, and reduce rework. The tool also needs to help the Contractor, or the Retailer track the status of the payments of the rebates.

- Strict guidance on payment turnaround time, which is also critical to the engagement of the Contractors and the Retailers.

Thank you.

Sincerely,

Nathaniel Jutras
ENERGY STAR Labeling Program