

The new degree of comfort."

The Water Heater of the Future -Hybrid Heat Pump Technology

GREATER DEGREE

HEATING 💨 COOLING 💥 WATER HEATING

20181127 Rev4

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Outline

- Why Choose Heat Pump Water Heaters?
- How do they work?
- Installation and Retrofit applications
- Future of Water Heating
 - EcoNet and Demand Response
- New Construction
- Commercial and Multi-family



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Why Heat Pump Water Heaters?



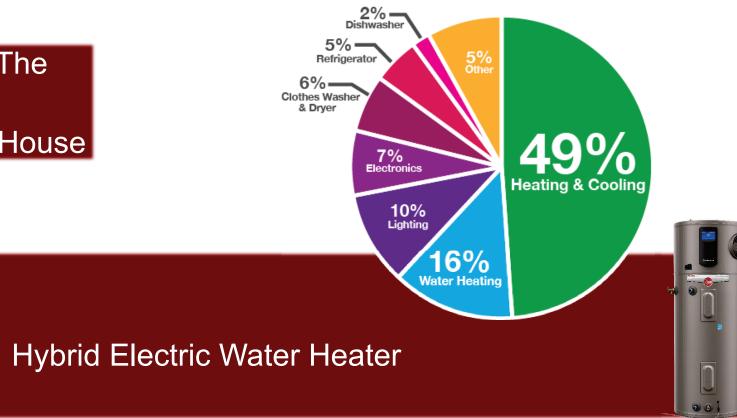
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Home Energy Use

Rheem can help a homeowner control 65% of their home's energy usage.

Water Heating is The <u>2nd Highest</u> Energy User In The House





Why Care About Heat Pump Water Heating?

Water Heating is The <u>2nd Highest</u> Energy User In The Home

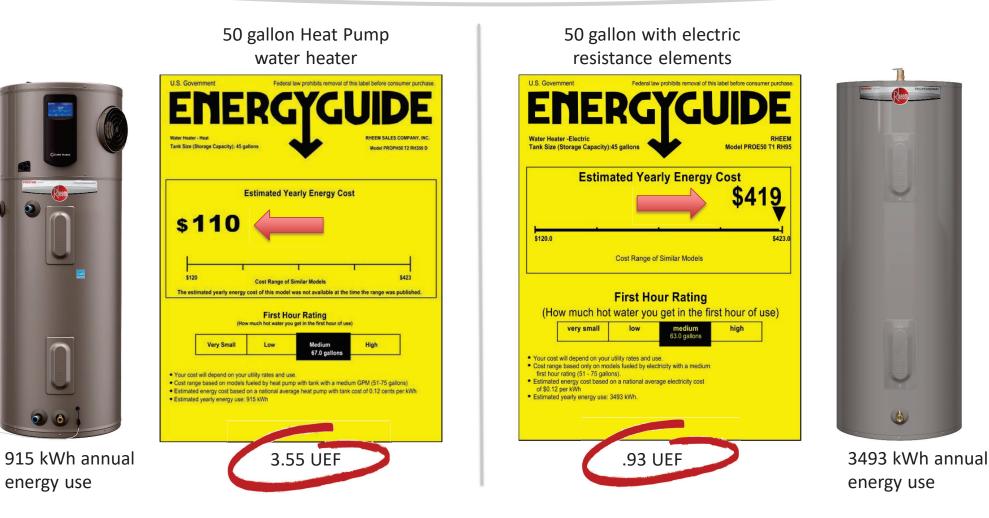
HPWH are *THE MOST* efficient way to heat water...only technology over 100% efficient

Save over **\$300** per Year with a Hybrid Electric Water Heater





70%+ Annual Operating Cost Savings with Heat Pump Water Heating

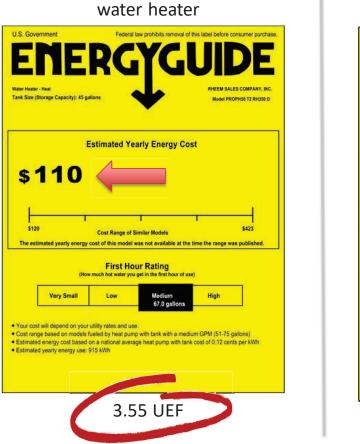




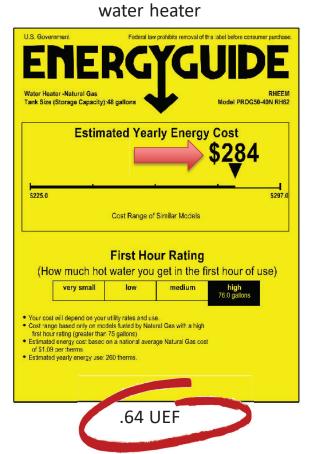
70%+ Annual Operating Cost Savings with Heat Pump Water Heating



energy use



50 gallon Heat Pump





264 therms annual energy use



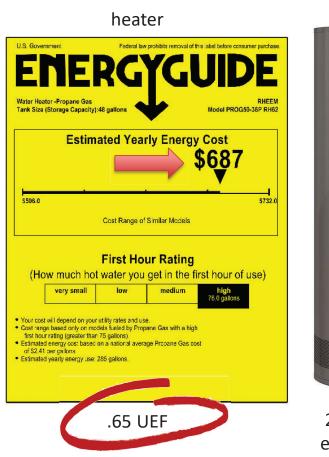
70%+ Annual Operating Cost Savings with Heat Pump Water Heating



energy use

water heater U.S. Governmen Federal law prohibits removal of this label before consumer ourchas ER Water Heater - Hea RHEEM SALES COMPANY, INC. Tank Size (Storage Capacity): 45 gallons Model PROPHSe T2 RH350 D Estimated Yearly Energy Cost \$11 \$120 \$423 Cost Range of Similar Models The estimated yearly energy cost of this model was not available at the time the range was published First Hour Rating (How much hot water you get in the first hour of use Very Small Low Medium High 67.0 gallon · Your cost will depend on your utility rates and use. • Cost range based on models fueled by heat pump with tank with a medium GPM (51-75 gallons) · Estimated energy cost based on a national average heat pump with tank cost of 0.12 cents per kWh · Estimated yearly energy use: 915 kWh 3.55 UEF

50 gallon Heat Pump





285 gallons annual energy use



Hybrid Heat Pump Water Heater

| Features | | | | | |
|--------------------------------|-------|-------|-------|--|--|
| Capacity (gal) | 50 | 65 | 80 | | |
| UEF | 3.5 | 3.7 | 3.7 | | |
| Annual Operating Cost | \$110 | \$161 | \$161 | | |
| FHD | 67 | 75 | 89 | | |
| Up to \$4000 Lifetime Savings | | | | | |
| 49 DBA Sound Level | | | | | |
| Water Sensor – Yes | | | | | |
| EcoNet Enabled - Yes | | | | | |
| Tier 3 Northern Climate Spec | | | | | |
| Condensate Management - Yes | | | | | |
| Horizontal & Vertical Shipping | | | | | |
| Duct Ready – Inlet & Exhaust | | | | | |
| No Space Requirement | | | | | |





Integrated Wi-Fi Controller

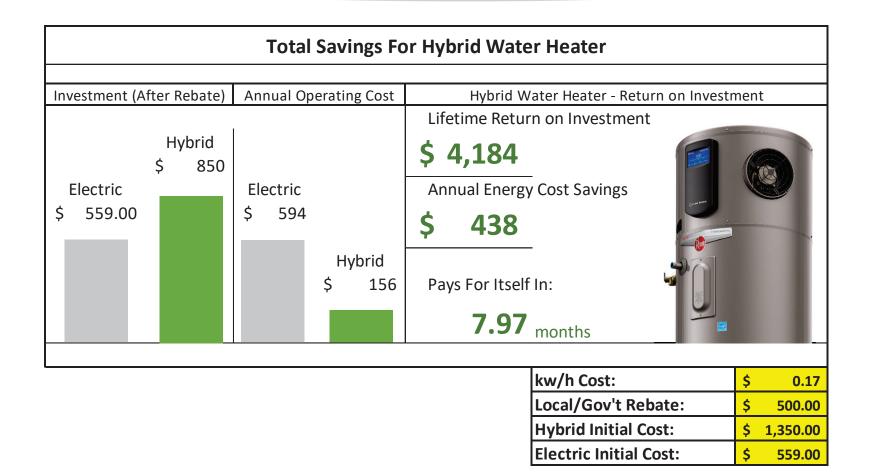
✓ Free EcoNet App

 ✓ Remote Alarms and Alerts

 ✓ Energy Use Report via App



Return On Investment





Payback Story

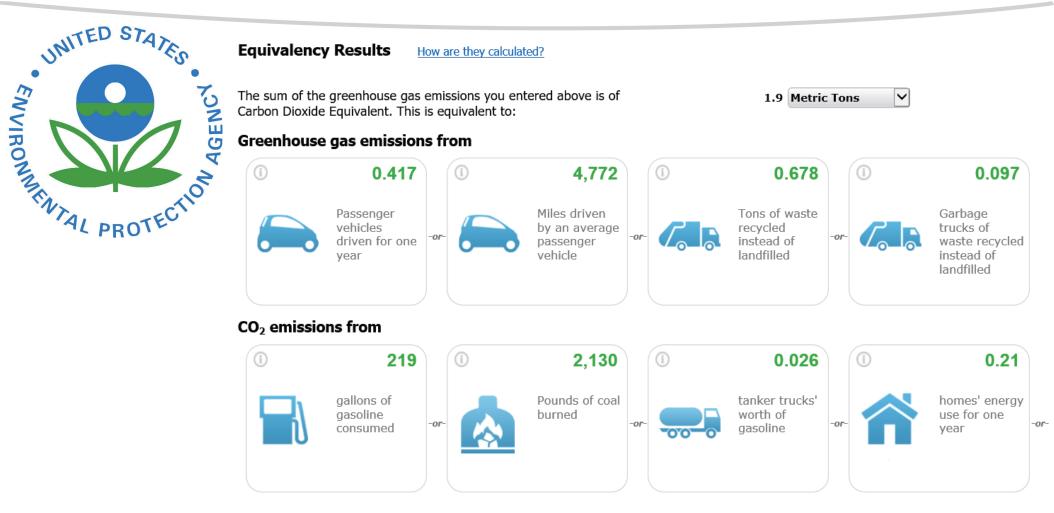


Hybrid HPWH\$2500Standard Electric WH\$1500Cost Difference:\$1000

Rebate (up to \$600 + tax credit)-\$ 500Total Upgrade Cost\$ 500\$438 Energy Savings per yearPays for itself in Just over 1 Year!\$3,880 Lifetime Savings!

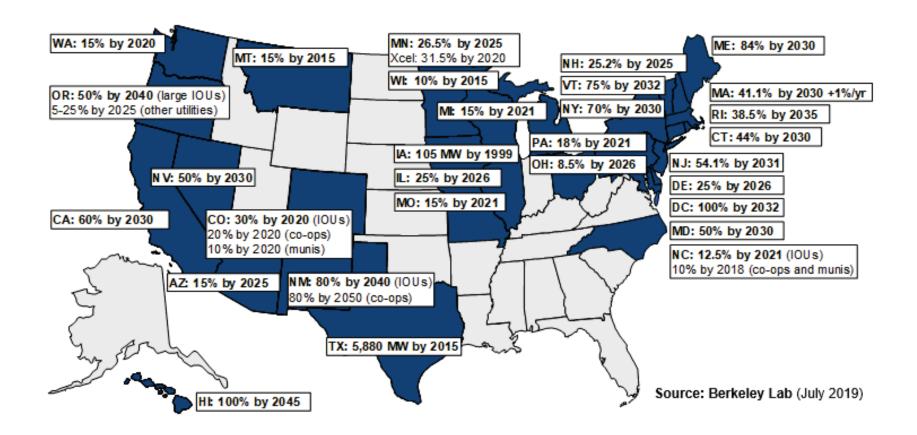


Environmental Considerations





National Profile



2/7/2020



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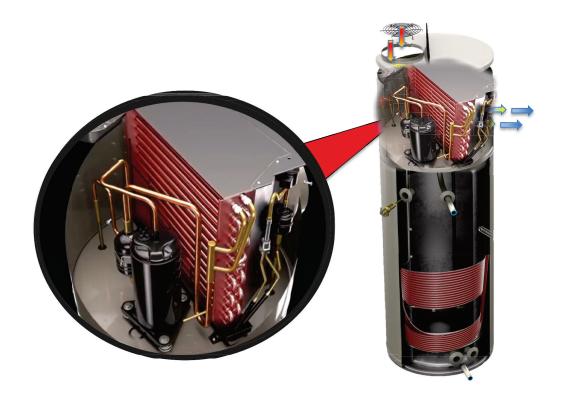
How it works



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How It Works (Heat Pump)



- Ambient air is pulled into unit and heat is absorbed by the evaporator coil
- Compressor increases the temperature of the refrigerant
- Heated refrigerant is pumped into the condenser coil
- Condenser coil tubing is wrapped around the tank and transfers heat from the refrigerant to the water



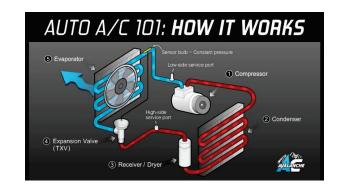
Sound Familiar?











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Recovery and Sound dB



Efficient

 Compressor uses 300-500W but delivers 1700W of hot water recovery

Smart

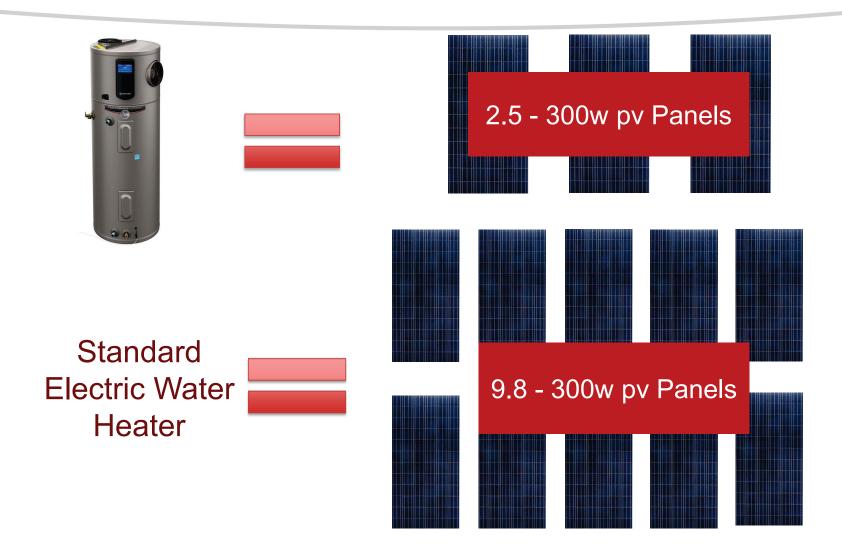
- 5000W heating elements
- As much hot water or more as standard electric tank
- LeakSense
 - Leak Detection
 - Protects your home
 - Audible Alert from unit
 - Alerts via EcoNet® App

Quiet

• Can be installed in the living space. As quiet as a dishwasher or refrigerator (49dB)



Value Proposition With Solar





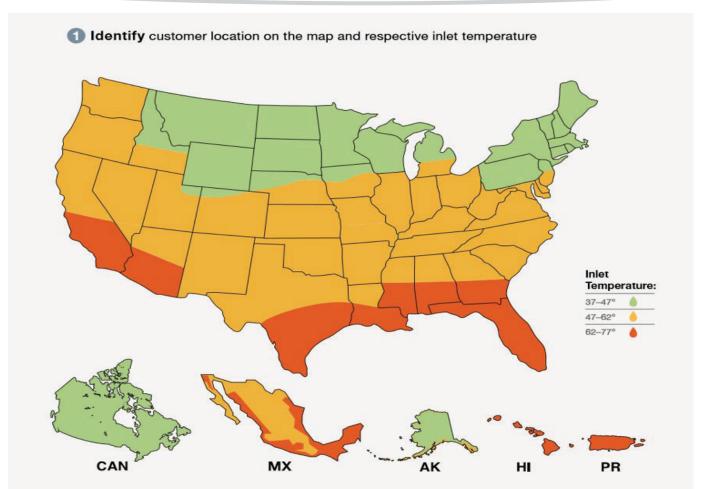
30 Amp Models



Delivers 6 hot 8-minute showers back-to-back



Hybrid Sizing Chart





Hybrid Sizing Chart

Assess your customer's hot water usage based on the number of back-to-back showers 3 **Determine** the best model for your customer based on their usage and inlet temperature from step 1

MODEL, INLET TEMPERATURE AND APPROXIMATE USAGE CHART

| 15 AMP Models | | Inlet Temperature 37-47° | Inlet Temperature 47-62° | Inlet Temperature 62-77 | |
|------------------|---------------------------|--------------------------|--------------------------|-------------------------|--|
| Models rated at: | Model # | Approximate Usage | Approximate Usage | Approximate Usage | |
| 50 Gallon | PROPH50 T2 RH350 D15 | | ≑≑≑ | **** | |
| 65 Gallon | PROPH65 T2 RH350 D15 6 | ** | ≑≑≑≑ | ***** | |
| 80 Gallon | PROPH80 T2 RH350 D15 | ** * | **** | ****** | |

| 30 AMP Models | | Inlet Temperature 37-47° | Inlet Temperature 47-62° | Inlet Temperature 62-77° | |
|------------------|---------------------------|--------------------------|--------------------------|--------------------------|--|
| Models rated at: | Model # | Approximate Usage | Approximate Usage | Approximate Usage | |
| 50 Gallon | PROPH50 T2 RH350 DCB | ≑≑≑ | ₩₩₩₩ | *** | |
| 65 Gallon | PROPH65 T2 RH350 DCB 6 | *** | **** | **** | |
| 80 Gallon | PROPH80 T2 RH350 DCB 6 | *** | **** | ***** | |

NOTE: Number of showers indicates how many eight-minute showers can be delivered back-to-back.

USAGE KEY



Inlet Temperature:

The temperature of cold water before it enters your water heater.

Approximate Usage:

120°F and shower temperature of 105°F. Flow rates vary depending on temperature of incoming cold water and water heater set temperature.

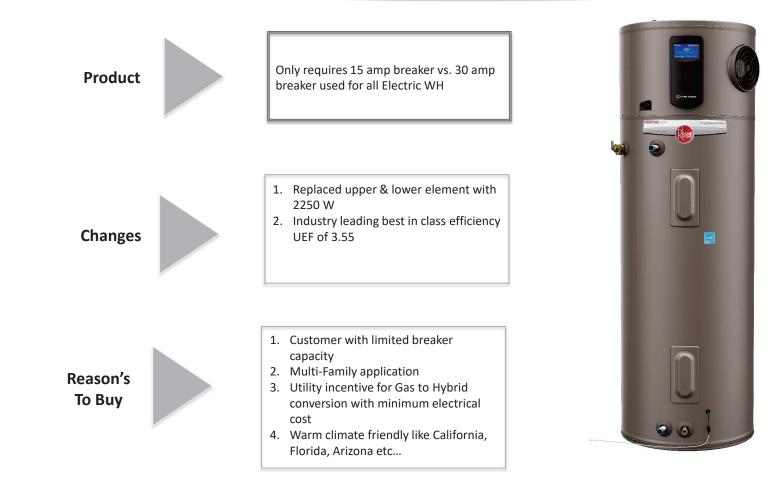


Specifications

| Capacity | 50 Gallon | | 65 Gallon | | 80 Gallon | |
|-------------------|-------------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| BREAKER SIZE | 30A | 15A | 30A | 15A | 30A | 15A |
| MODEL NUMBER | PROPH50 T2 RH350 DCB | PROPH50 T2 RH350 D | PROPH65 T2 RH350 DCB | PROPH65 T2 RH350 D15 | PROPH80 T2 RH350 DCB | PROPH80 T2 RH350 D15 |
| UEF | 3.55 | 3.55 | 3.70 | 3.55 | 3.70 | 3.55 |
| HEIGHT | 61" | | 64" | | 74" | |
| DIAMETER | 22 1/4" | | 24 1/4" | | 24 1/4" | |
| COMPRESSOR BTU | 4200 | | 4200 | | 4200 | |
| WEIGHT | 178 lbs | | 225 lbs | | 244 lbs | |
| SOUND LEVEL | 49 dBA | | 49 dBA | | 49 dBA | |
| VOLTAGE | 240V | | 240V | | 240V | |
| UPPER ELEMENT | 5000W | 2250W | 5000W | 2250W | 5000W | 2250W |
| LOWER ELEMENT | 5000W | 2250W | 5000W | 2250W | 5000W | 2250W |



15 amp Gen 4 HPWH





Modes Of Operation



HEAT PUMP

• Water is heated using the heat pump and will not utilize electric heating elements

ENERGY SAVER (default mode)

• Optimizes heat pump and electric heat



HIGH DEMAND

• Utilizes heat pump and electric heat simultaneously



ELECTRIC

• Uses only the electric heating elements



VACATION

• Tank temperature will be maintained at 65° for 1-28 days or held indefinitely when "HOLD" feature is used



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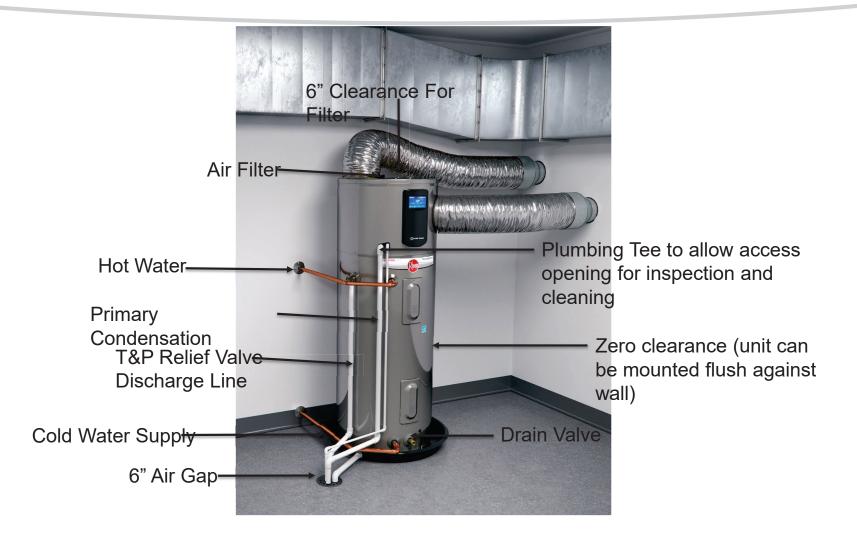
Installation



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Example of Installation





Installation with No Ducting

Option 1:

Heater: Not Ducted

Room size: Smaller than 700 ft³ (e.g. 7' x 10' x 10'). Requirements: Full louvered door OR two louvers top and bottom.





Option 2:

Heater: Not ducted

Room: Small Closet

Requirements: * Air gap under door equal to 18 in² (0.75" clearance).

* Louver must be located the same height on door as the air exhaust on heater.

* Heater air exhaust must be positioned towards louver within one foot of door.





Installation with Ducting

Heater: Ducted with inlet OR outlet duct

Room size: Any size room Requirements: Air gap under door equal to 18 in² (0.75" clearance)



Heater: Ducted with inlet AND outlet duct

Room size: Any size room Requirements: No additional ventilation needed.





What's The Same



208/240V 30Amp



Can Be Placed Against a Wall



Can Be Transported On Its Side



100% Plumber Serviceable



What's Different

- Condensation Drain
- About 50lbs Heavier
- 10-Year Warranty
- Needs 700 Cubic Ft Space to Exchange Heat
- Will Make Noise (49db-quietest in the industry!)
- Side-Mount Water Connections (Same ³/₄" Size)





How would you respond?

Heat pump water heaters won't work in a cold climate....

Will work in temperatures as low as 38°F and offer year round savings regardless of climate

Condensate water should be neutralized.....

Condensate water from this unit is not acidic *(no flue gases)* and does not need to be neutralized

It's too expensive.....

60% energy savings and local utility incentives

It's too loud.....

only 49 decibels-Quietest hybrid unit currently available

I don't want to run out of hot water.....

Same delivery (or more)

as a standard electric tank

2/7/2020

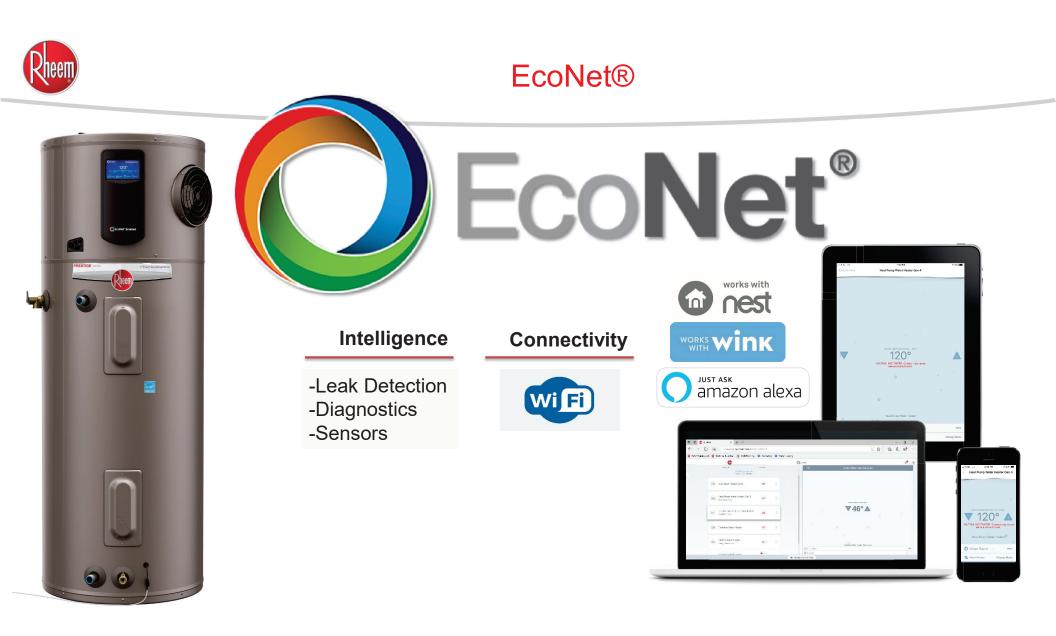


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What does the future look like?



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There's an APP for That

Built-In Integrated Wi-Fi

Wi-Fi to receive alerts and alarms with no additional cost



On screen Wi-Fi Set up



Simplifies Wi-Fi set up for the plumber or homeowner

Energy Usage Reports NEW Provides real time information on energy use

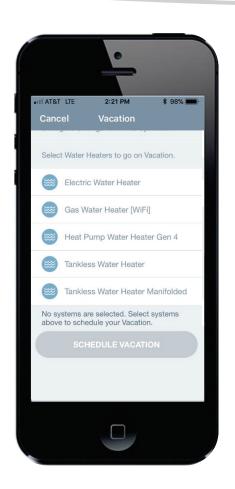




Energy Usage Report

In the past 30 days, you've used **9 kWh** of energy.





EcoNet®

Command and Control

- -Adjust water heater temperature
- -Change Mode of Operation
- -Set to Vacation Mode

User and Usage Data

- -View Usage Reports
- -Total kWh used in the last day, month, year

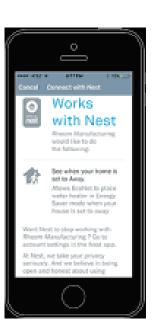
Error Alerts

- -View error codes
- -Send error codes directly to contractor





- Nest Thermostat
 - Automates savings by putting EcoNet connected water products in Away/Vacation mode if it detects no one in the house.
- Rush Hour Rewards
 - Nest Thermostat automatically adjusts water heating to reduce energy consumption at peak consumption time.
 - Customers are rewarded by the Utility for participating
- Nest Protect
 - Immediately extinguishes the flame in gas water heaters if it detects fumes
- Note: Nest recently purchased by Google.
 - All current customers will be supported by Nest products will leave the shelves Aug 31, 2019











- Alexa augments Rheem's Smart Thermostat with hands-free Voice Control
- EcoNet Smart Home skill certified (June 2018)
 - Supports basic commands and inquiries of HVAC systems
 - Alexa Commands-
 - "Set <Thermostat name> to <Mode>"
 - "What's <Thermostat name> set to?"
 - "Set <Thermostat name> to N degrees"
 - "Increase <Thermostat name> by N degrees"
 - "What's the <Thermostat name> temperature?"
- Custom skills in development
 - Certified water heater control + recirc pump
 - Advanced HVAC control (place system into away mode and set vacation)









- Google Assistant augments Rheem's Smart Thermostat with hands-free Voice Control
- EcoNet Smart Home skill certified (March '19)
 - Supports basic commands and inquiries of HVAC systems
 - Google Assistant Commands-
 - "Set <Thermostat name> to <Mode>"
 - "What's <Thermostat name> set to?"
 - "Set <Thermostat name> to N degrees"
 - "Increase <Thermostat name> by N degrees"
 - "What's the <Thermostat name> temperature?"
 - Water Heater skills being reviewed now











- Integrates EcoNet connected water heaters into a whole smart home control via the Wink App
 - Access features such as leak detection, service diagnostics, and system status
 - Saves money effortlessly
 - Control temperature, set schedules and put in Vacation mode when away
 - Works with the EcoNet Smart Thermostat or the Wink Hub





Next In Development

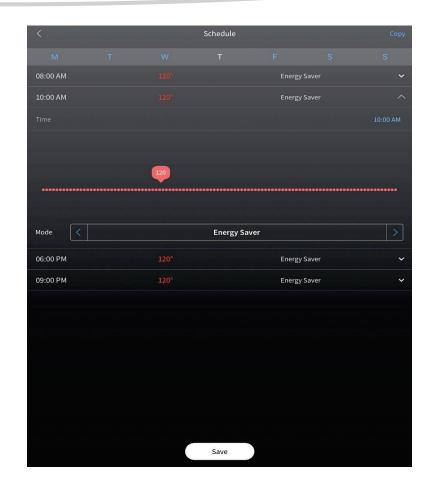






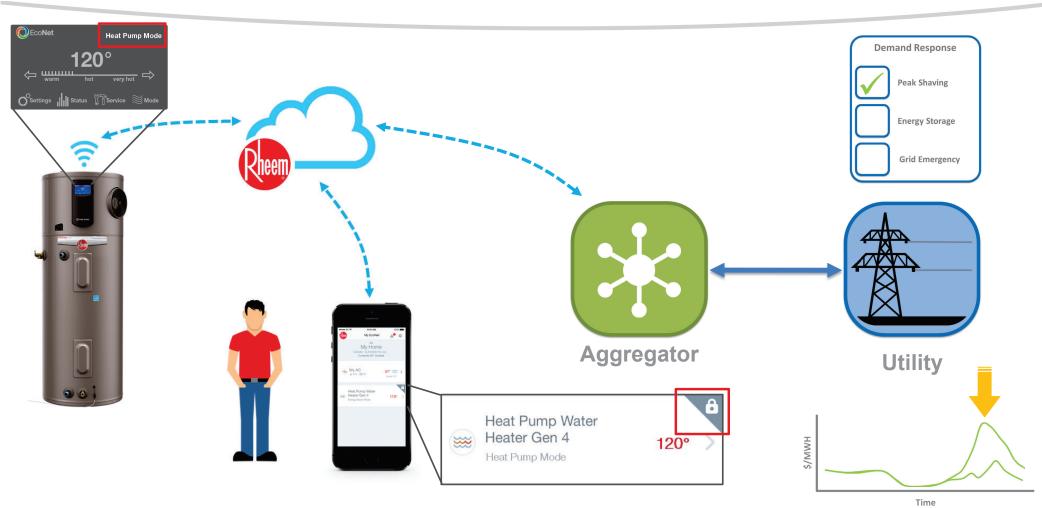
Time of Use Programming

- Home owner can program desired mode of operation at specific times throughout the day or week.
- Allows for pre-programmed temperature setting variations.
- Water heater can be set to "hybrid only" mode during peak utility hours, savings even more on utility costs.



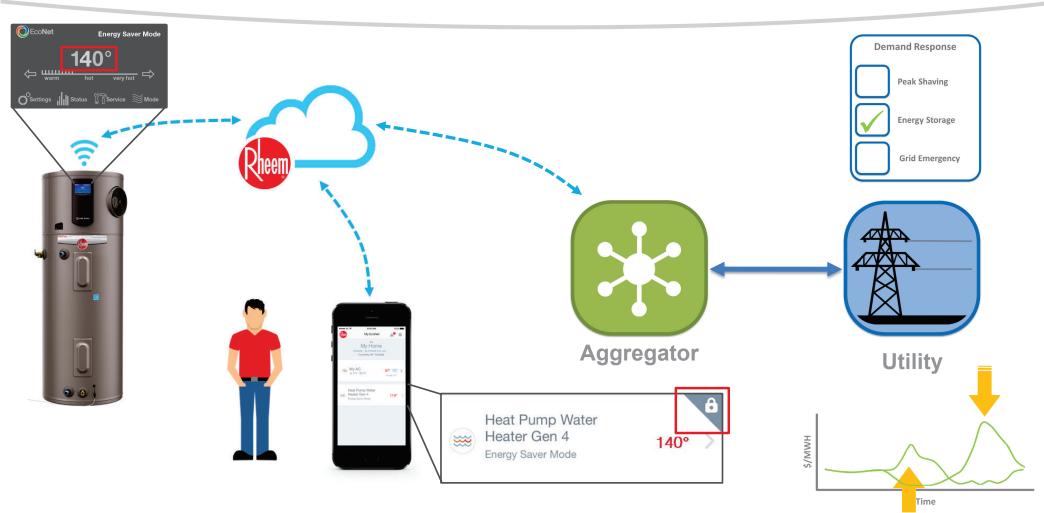


EcoNet® Demand Response Integration



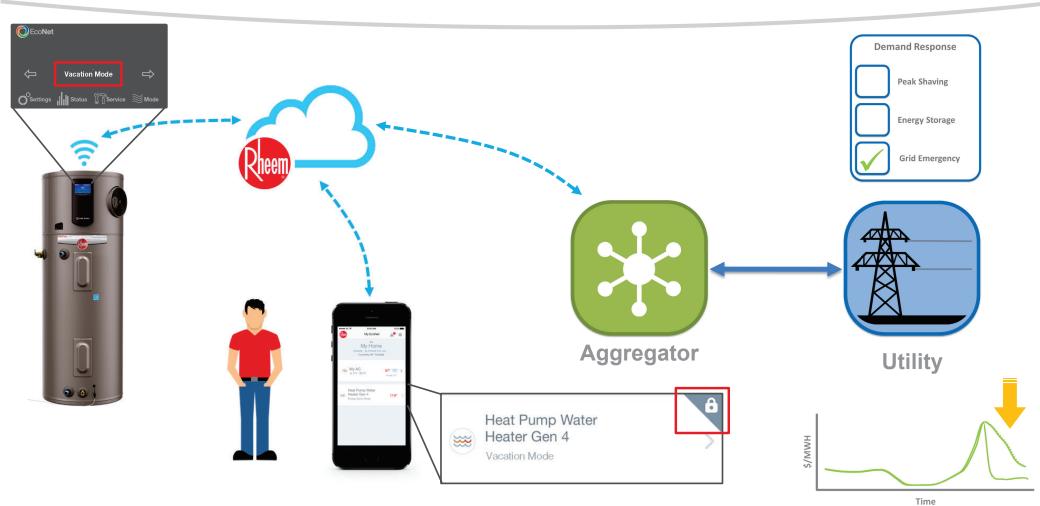


EcoNet® Demand Response Integration





EcoNet® Demand Response Integration





Forging Partnerships for Better Grid Management





Experiment in Smart Living



Objective

Design and build a first of a kind living laboratory to prepare APC for future grid needs and customer expectations

62 homes with Rheem Hybrid Heat Pump Water Heaters

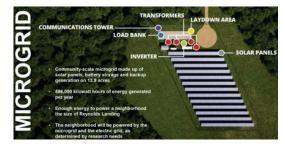
- All EcoNet connected
- All Demand Response participants
- Sept 2018- first DR event
- Each home averaging 58% less energy use than comparable homes









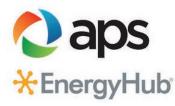




APS Reserve Rewards Program

November 2018 -200 Homes with Ruud Hybrid Heat Pump Water Heaters

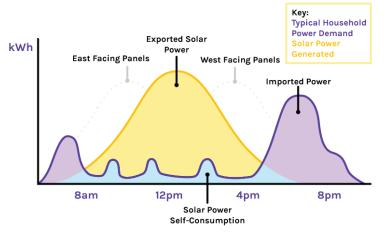
- All EcoNet connected
- All Demand Response participants
- 80 gallon hybrid installed (FREE)
- Energy Hub partnership allows APS to autonomously charge water heaters during periods of high solar generation & decrease load during system peak.







SOLAR POWER SELF-CONSUMPTION





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New Construction



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What Rating Systems Are Used









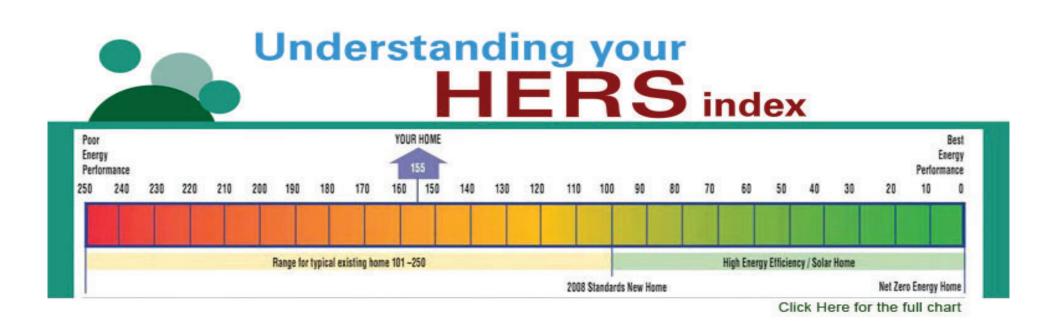




How The Home Energy Rating System (HERS) Score is Determined

HERS Index

PEfrac x 100 x (Eheating + Ecooling + Ewh + Ela) rated home (Eheating + Ecooling + Ewh + Ela) reference home





Home Energy Rating System (HERS)

Over 2,000,000 Homes in The U.S. Were RESNET HERS Rated! From 120,000 homes in 2011.

WHAT IS THE HERS INDEX SCORE?

The HERS Index Score is the nationally recognized, energy efficiency version of a MPG (miles-per-gallon) sticker for homes. It tells you how a home rates for energy efficiency and its potential energy savings as compared to other similar homes.







Using a Hybrid Electric Water Heater Saves 4-7 HERS Points!



LEED for Homes



Hybrid Electric Water Heaters give 2-3 LEED Points!

2/7/2020



Hybrid Gen4 Product Variations

Gen4 Hybrid Replacement Model



- 3.55 3.70 UEF
- Integrated Wi-Fi
- Leak Sensor shipped with Unit
- Duct Ready
- Quietest Design w/49 DBA
- Brass drain valve
- Meets NEEA Tier 3
- 50/65/80 Gallon Capacity

Gen4 Hybrid Builder Model

- 3.50 3.70 UEF
- Requires Wi-Fi Module
- No Leak Sensor
- Exhaust duct adapter not included
- Quiet Design w/53 DBA
- Plastic drain valve
- Meets NEEA Tier 3
- 50/65/80 Gallon Capacity





Add-on Parts



| Available Add-on Parts | | | |
|------------------------|--------------|--|--|
| Part # | Description | | |
| SP178229 | Duct Adapter | | |
| EEWRA631EW H | Wi-Fi Module | | |



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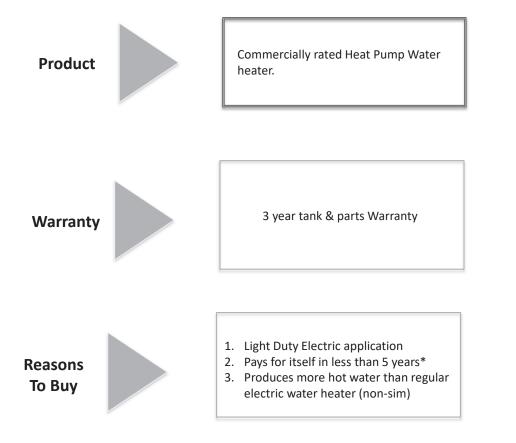
Commercial and Multi Family



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Commercial Gen 4 HPWH





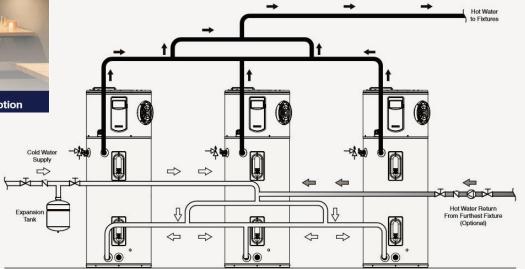
*For a proactive replacement of existing unit. Pays for itself in less than

3 years when compared to hybrid replacement vs. a standard electric resistance water heater replacement.



Example of Multi Unit Install





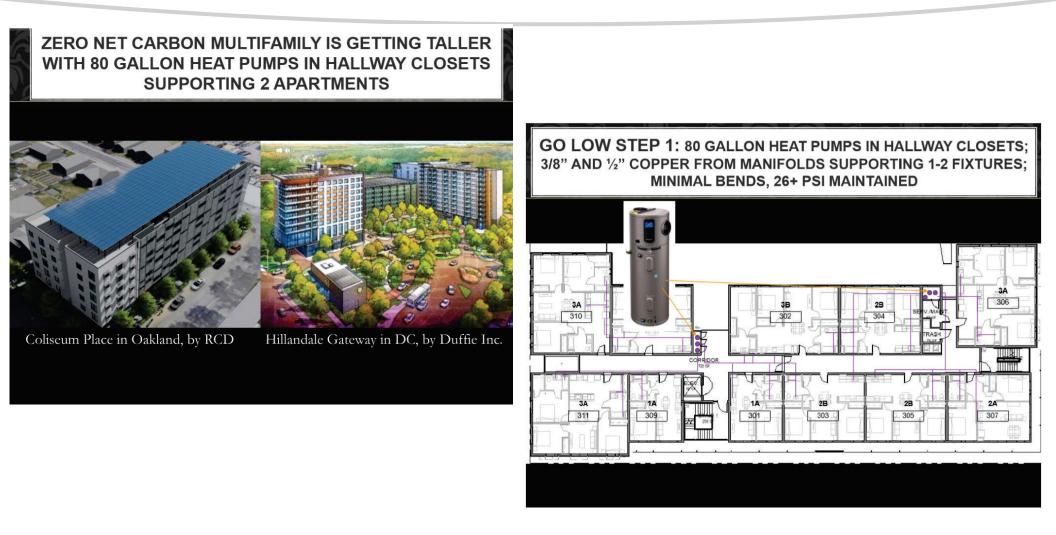


Multi Unit Install with solar





Multi Family Install with larger capacity





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Questions?

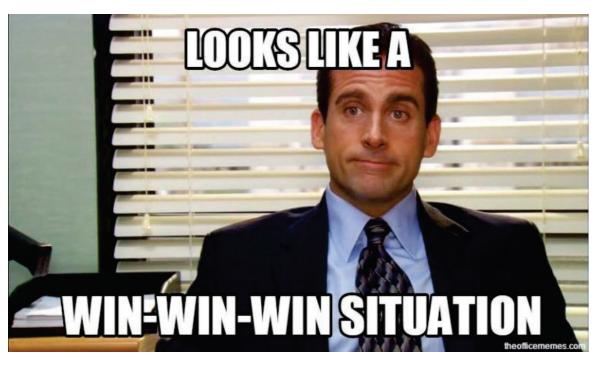


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The Rheem Hybrid Wins:

- Highest Efficiency
- Quietest
- Install-ability
- Connectivity
- Leak Detection
- Energy Savings Reports
- Included Ducting Connection
- Serviceability
- Recovery
- Available Models



Diane Cabral

Region Sales Manager – Utilities, HE Products & Builders NE & MA <u>Diane.Cabral@Rheem.com</u> 401-323-4571 Tom Landry Manufacturer Rep – EdOs <u>TLandry@edosonline.com</u> 518-321-1347



Effect on Heating Systems



2017 NEEA study -Interaction between Heat Pump Water Heaters or Other Internal Point Source Loads and a Central Heating System

https://neea.org/img/uploads/interaction-between-heatpump-water-heaters-and-heating-system.pdf

Northwest Energy Efficiency Alliance PHONE 503-688-5400 EMAIL info@neea.org



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Competitive Comparison



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Industry Leading Hybrid

| | Rheem | Closest Competitor |
|--------------------------|-----------------------|---------------------------|
| UEF (hybrid mode) | 3.55-3.70-3.70 | 3.42-3.52-2.73 |
| Dimensions | 61"x22.25" | 63"x22" |
| Weight | 178lbs | 180lbs |
| FHR | 67 | 66 |
| dB (noise) | 49 | 51 |
| Compressor size | 4200 btu/h | 8300 btu/h |
| Warranty | 10yr (very different) | 10yr |
| Leak Detection | YES | NO |
| Connectivity/diagnostics | YES | NO |
| Side clearance required | None | 6" |
| Ducting | No Kit | Required Kit |
| | up to 125' | up to 10' |
| | | |



Competitive Comparison



| | Rheem | Smith. | BRADFORD WHITE |
|--------------------|-------------|----------------|----------------|
| Models (Gal) | 50, 65, 80 | 50, 66, 80 | 50, 80 |
| Control Panel | Touchscreen | Digital w/LED | Digital w/LED |
| WiFi | Integrated | N/A | N/A |
| Leak Sensor | Yes | No | No |
| UEF | 3.55 | 3.42 | 3.48 |
| Sound DBA | 49 | Not Listed | 55 |
| Duct Adapter Kit | Vot Needed | Additional Kit | Additional Kit |
| Maintenance Alerts | Yes | No | No |
| Contractor Contact | Yes | No | No |
| Multiple Modes | Yes | Yes | Yes |
| Works With Nest | Yes | No | No |
| Warranty | 10 | 10 | 10 |





Builder Model Competitive Comparison

| - | • | |
|---|---|---|
| I | | I |
| | | |

| | Rheem | AC Smith. | BRADFORD WHITE |
|----------------------------|----------------|----------------|----------------|
| Models (Gal) | 50, 65, 80 | 50, 66, 80 | 50, 80 |
| Control Panel | Touchscreen | Digital w/LED | Digital w/LED |
| UEF | 3.50/3.70/3.70 | 3.42/3.52/2.73 | 3.39/3.48 |
| NEEA Tier | Tier 3 | Tier 1 | Tier 1 |
| Sound DBA | 53 | 65 | 55 |
| Maintenance Alerts | Yes | No | No |
| Contractor Contact Info | Yes | No | No |
| Multiple Modes | Yes | Yes | Yes |
| Works With Nest | Yes | No | No |
| Warranty | 10 | 6 | 6 |

