

Heat Pump Water Heaters

Standard electric water heaters account for nearly 20% of the energy used by an average home — more than a refrigerator, dishwasher, clothes washer and dryer combined.

However, an energy-efficient option exists. Heat pump water heaters, also known as hybrid water heaters, use heat pump technology to transfer heat from the surrounding air to water in the tank. This uses as little as one-third of the energy consumed by standard electric water heaters.

Efficiency isn't the only thing heat pump water heaters have going for them. They are also capable of providing more hot water than similarly sized standard electric water heaters, and they come with 10-year warranties. A typical family of four will save **\$550 per year** and approximately **\$5,610 on utility bills** over the heat pump water heater's lifetime, compared to a standard electric tank unit. Individual savings will vary based on usage.¹

Types of heat pump water heaters include:

- **Unitary, standalone units** that work well in unconditioned spaces and can be fitted with intake and/or exhaust ducts for installation in conditioned living spaces.
- **Split systems** with a heat pump compressor that is located outdoors, separate from the tank. It provides flexibility in installation locations when there is not enough space for required airflow, such as closets.

Cost, Payback and Incentives

The average cost for a 50-gallon heat pump water heater is about \$1,500–2,500 and \$3,500–\$7,000, including installation. Pricing is affected by factors including tank size and any accommodations that must be made for the location of the installation.

You can save money by installing your own heat pump water heater. See the [Hot Water Solutions DIY Guide](#) to learn more.

An incentive of up to \$1,800 may be available for qualifying heat pump water heaters and up to \$2,200 for split system heat pump water heaters. [Check with your local utility for offers.](#)

1. Source: U.S. Environmental Protection Agency. *Heat Pump Water Heaters: Benefits and Savings.*

The simple payback period for heat pump water heaters is typically 4 to 8 years.

Typical Cost (with installation)	Payback Period	Utility Incentives
\$3,500–\$7,000	2 to 6 years	Up to \$1,800

Customer Benefits

- Reduces water-heating energy consumption and operating costs with a ENERGY STAR® certified HPWH model by up to 70% compared to standard electric water heaters.
- When properly sized, delivers more hot water than a standard electric resistance tank.
- Can be installed with little-to-no additional plumbing work needed.
- Offers a minimum 10-year manufacturer warranty on tank and parts.
- Many models offer leak detection and Wi-Fi connectivity.

Recommended For

- Homes with standard electric water heaters, particularly with water heaters 10 years or older.
- Installations in unconditioned or semi-conditioned areas, such as garages or basements.
- Installation in closets with airflow modifications such as high and low grills, and louvered doors.

How to Use Your New Heat Pump Water Heater



Wondering what the settings on your new water heater mean? Learn to change the filter and access Wi-Fi with this video on the best ways to keep the most efficient water heater on the market working like a champion. Watch this video:

<https://www.youtube.com/watch?v=iqDocpWxMmY>

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