

State of California

## Memorandum



Date: August 18, 2020

To: Gary Barsley, Southern California Edison (SCE); Henry Liu, Pacific Gas and Electric (PG&E); Chan Paek, Southern California Gas (SCG); Ed Reynoso, San Diego Gas and Electric (SDG&E); Nancy Goddard, PacifiCorp

CC:

From: Peter Biermayer - Utilities Engineer, Industrial/ Agricultural Programs and Portfolio Forecasting Section, Energy Efficiency Branch, Energy Division, CPUC

Subject: Disposition Approving Residential Heat Pump Water Heater – Fuel Substitution Workpaper: **SWWH025-02**

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### 1. Discussion and Direction

The California Public Utilities Commission (CPUC) approves the statewide workpaper for Residential Heat Pump Water Heater – Fuel Substitution: SWWH025-02. This workpaper is a Phase 1, 2021 workpaper which was revised in accordance with E-5009<sup>1</sup>. This workpaper was submitted on June 15, 2020 and will become effective on January 1, 2021.

### 2. Workpaper Summary

This fuel substitution workpaper is for the installation of residential electric heat pump water heaters to replace existing natural gas storage and instantaneous water heaters for residential application. This workpaper supports measures SWWH025A through SWWH025T. These include HPWHs that replace residential gas storage water heaters with a capacity of 30 to 75 gallons, and HPWH measures that replace tankless water heaters. This workpaper meets all fuel substitution guidance document requirements<sup>2</sup>.

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<sup>1</sup> E-5009 Final Resolution (DEER 2021). <https://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=313350826>

<sup>2</sup> Fuel Substitution Technical Guidance for Energy Efficiency, V1.1, dated 10/31/2019.  
<https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442463564>

### 3. Critical Review Issues

Resolution E-5009 subsection B.2 pertains to the update and correction of the water heater calculator including heat pumps, and states that, “The program administrators are required to work closely with Staff and its team of contractors – DEER and Workpaper review to ensure PY2021 workpapers are filed at least six months prior to effective date.” On June 1, 2020 CPUC issued a revised water heater calculator v4.1<sup>3</sup>, and, in accordance with the Resolution, Southern California Edison (SCE) submitted workpaper SWWH025-02 on June 15, 2020 which was updated based on data from the most recent version of the calculator.

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<sup>3</sup> DEER-WaterHeater-Calculator-v4.1.xlsm <http://deeresources.com/index.php/deer-versions/deer2021>