

What to Know About Demand Response & Time-of-Use Rates

And how to receive your heat pump water heater incentive

Demand Response and Time-of-Use Rate Requirement

To receive your TECH Clean California heat pump water heater incentive, you will need to enroll in a demand response program and be on a time-of-use rate with your electricity provider if options are available for you. These requirements will help you pay less for electricity and/or earn incentives when you reduce or shift your electricity use to lower-cost times of the day!

Requirements by Project Type

- **Single family, multifamily unitary, and small business customers** must enroll in BOTH a demand response program AND time-of-use billing rate to qualify for TECH Clean California heat pump water heater incentives.
- **Multifamily (central) and large commercial customers** must enroll in a demand response program to qualify for TECH Clean California heat pump water heater incentives.

Note: For all types of multifamily projects, the building owner is required to enroll, while tenants are encouraged to enroll. If you are a multifamily building owner or project developer, talk to the TECH Clean California team for more details.

Why Do We Have These Requirements?

Demand response programs help you lower energy usage when the electric grid needs it most. Demand response “events” are typically triggered during the most expensive times of the year or at times when the grid is most strained due to high usage or grid emergencies. When you are enrolled in a demand response program, you temporarily reduce your electricity usage during occasional events and contribute to making California’s energy grid cleaner, more reliable, and more affordable. This is one of the key reasons California is providing incentives to discount your new heat pump water heater!

By being on a time-of-use rate, you can lower the price you pay for electricity by reducing your usage during peak times each day. This can save you money and helps even out the demand on our power grid, which helps avoid power outages. It also means California can take better advantage of energy produced from renewable sources like solar and wind. Your TECH Clean California contractor will, by default, install and schedule your heat pump water heater so that it will automatically reduce electricity use during peak hours, but still provide you with hot water when you need it. This will help you take advantage of your time-of-use rate.

Visit switchison.org/techcleanca/hpwh-incentives to learn more and to see what demand response programs and time-of-use billing rates are available for you.



Things to Do Before the Heat Pump Water Heater Installer Arrives

- Please put your pets away and make sure your electrical panel and water heater are accessible.
- Complete your Customer Agreement to TECH Clean California Program Terms and Conditions. Find your electric utility bill (paper or digital) for reference to fill out these Terms and Conditions correctly.
 - Most electric utilities require the account number from the customer's electric bill to be provided on the Terms and Conditions.
 - The person or party named on the electric bill as account holder, or a party with permission to sign on behalf of the account holder, must sign the Terms and Conditions prior to installation.
 - Your contractor may ask to check your electricity bill to make sure you filled in the correct account number, so try to have it handy when they arrive.
- Complete your demand response program enrollment so that your contractor can verify you've met the program requirement before completing your installation and offering you the incentive.
- You may be eligible to receive higher incentives through TECH Clean California's Equity budget. Visit switchison.org/techcleanca/hpwh-equity/ to learn more and confirm eligibility. If you are confirmed as eligible, make sure to show your confirmation notice to your contractor so they provide you with the higher incentive amount.

Additional Incentives

In addition to TECH Clean California heat pump water heater incentives, there may be other incentive programs or tax credits available for your project.

Visit incentives.switchison.org for other heat pump incentives available for California customers.

Get information on federal tax credits for heat pump water heaters: www.energystar.gov/about/federal_tax_credits



Thank you for your participation in TECH Clean California's heat pump water heater incentive program! And for helping California meet its clean energy goals!

Energy Costs and Energy Use: *It's important for you to know that by switching to a heat pump you may or may not see savings on your energy bill. Please visit techcleanca.com/hpwh-energy-costs to learn more about the factors to consider when upgrading to a heat pump and how to help lower your energy bill.*