

# HOW HEAT PUMP WATER HEATERS WORK

Heat pump water heaters move heat from the room air into the water tank the same way an air conditioner moves heat from the room air to the outdoors.

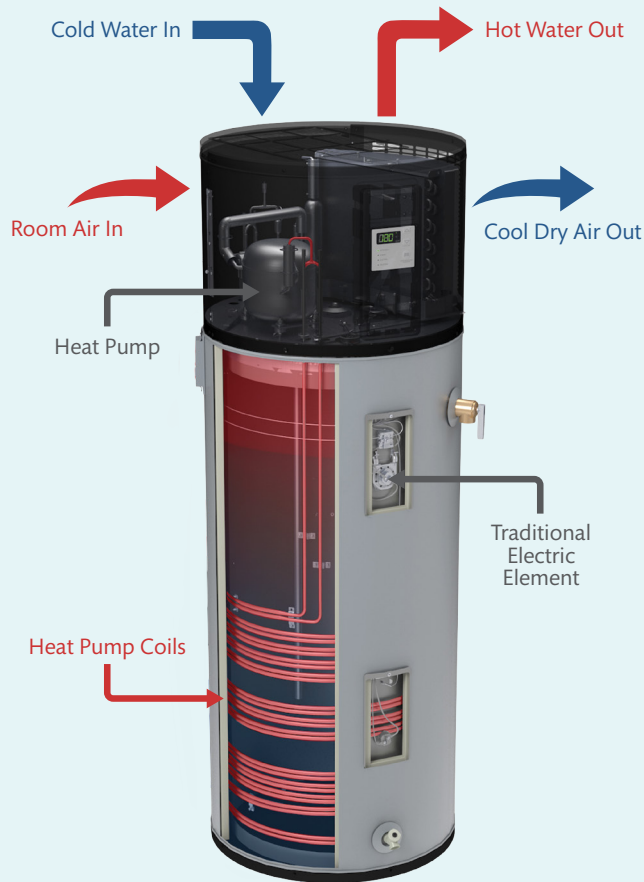
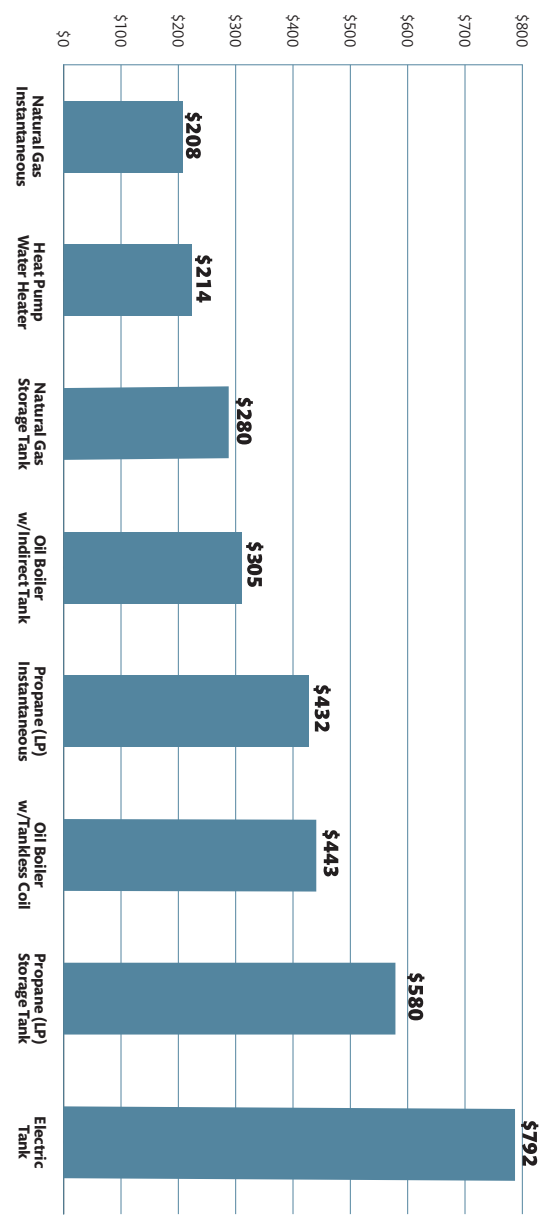


Chart assumes typical efficiency values and 50 gallons of hot water usage per day. Energy prices updated 7/07/2025.



Typical Annual Water Heating Costs

# Heat Pump Water Heater Incentives Up To \$1,050



# BENEFITS OF A HEAT PUMP WATER HEATER

Tens of thousands of Mainers have heat pump water heaters. They love them because they:

- produce lots of hot water
- save more than \$500 per year in electricity\*
- help dehumidify
- cost less, after available incentives, than traditional electric water heaters
- typically have 10+ year warranties

\* Compared to traditional electric water heaters

## FINANCIAL EXAMPLE

	Traditional Electric Water Heater	Heat Pump Water Heater	Savings
Warranty	6-year	10-year	
Capacity	40 gallons	50 gallons	
Purchase Price	\$479	\$1,539	
Mail-in Rebate	n/a	-\$1,050	
<b>Final Purchase Cost</b>	<b>\$479</b>	<b>\$489</b>	
<b>Annual Electricity Cost (\$/year)*</b>	<b>\$792</b>	<b>\$214</b>	<b>\$578</b>

\* Compared to a traditional electric water heater as shown on Efficiency Maine's Compare Water Heating Costs calculator as of 7/03/2025. Your cost and savings may vary.

## INCENTIVES

- Efficiency Maine offers a choice of:
  - a \$1,050 instant discount at participating retailers,
  - an instant discount at participating distributors (ask your plumber for more information), or
  - a \$1,050 mail-in rebate for units purchased without an instant discount.
- Federal tax credits are available that cover 30% of the cost up to \$2,000 per year.

## WHEN TO CONSIDER INSTALLING A HEAT PUMP WATER HEATER

If you have a traditional electric water heater that is more than 10 years old, you may want to consider replacing it with a heat pump water heater before it fails. If you install one yourself, it can pay for itself in less than a year. If you choose to hire a plumber, it can pay for itself in about three years.

## GETTING STARTED

Visit [efficiencymaine.com](http://efficiencymaine.com) for a list of the best water heater prices in the state, a plumber locator, and information on how to get a \$1,050 instant discount and a federal tax credit up to 30%.

## ABOUT EFFICIENCY MAINE

Efficiency Maine is the independent administrator for energy efficiency programs in Maine. Efficiency Maine's mission is to lower the cost and environmental impacts of energy in Maine by promoting cost-effective energy efficiency, conservation, and alternative energy systems. Efficiency Maine does this primarily by delivering rebates on the purchase of high-efficiency equipment to help customers save electricity, natural gas, and unregulated fuels, as well as reduce greenhouse gases.