



The  
Gas  
Company

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# HIGH EFFICIENCY RESIDENTIAL TANKLESS WATER HEATERS

If you're in the market for a new water heater, you've likely heard of tankless, continuous, or demand, natural gas water heaters. As relatively new technology, tankless water heaters can cost quite a bit more to purchase and install, but their energy saving features can make them a smart choice. Traditional storage tank water heaters are always "on"—heating and reheating the tank of water, despite that most of us only use hot water for a few hours each day. Tankless units heat the water when the hot water tap is turned on. The water heats up to the desired temperature and stays there until the tap is turned off, which means a continuous supply of hot water that meets your needs.

Tankless natural gas water heaters may not be the right choice for every home. In addition to higher upfront costs, even large units may not adequately support households that have 4 or more hot water uses simultaneously. This may require the purchase of multiple units. Additionally, the amount of energy you save can vary depending on how much water you use.

According to the U.S. Department of Energy, for homes that use 41 gallons or less of hot water daily, demand water heaters can be 24 to 34 percent more energy efficient than conventional storage tank units. Homes that use more hot water will gain a smaller efficiency edge over standard tank heaters.

## The Benefits of Tankless Natural Gas Water Heaters

When evaluating the specific needs of your household, consider the benefits of a tankless natural gas water heating system:

- Units are smaller than traditional storage tank water heaters.
- Tankless water heaters have higher Energy Factor (EF) ratings than storage-type gas water heaters.
- Water is heated when you need it; there is no tank of water to "run out."
- Tankless water heaters can save your household about \$200 per year compared to a standard storage tank water heater.



- Natural gas tankless water heaters may provide higher flow rates than other models.
- There is no pilot light constantly burning and no standby heat loss from stored water, meaning greater energy savings.
- Certain models can be installed indoor and/or outdoor.

## Considerations Before You Buy

If you are thinking about purchasing a tankless water heater, here are some points you'll want to consider:

- **The appropriate size for your household needs.** To ensure your tankless water heater will deliver enough hot water, determine the flow rate and temperature rise you'll need. Make sure the unit you purchase can deliver the most common temperature rise of 70 degrees Fahrenheit (39 degrees Celsius) at the desired flow rate. A trained professional can help you determine the right size for your home.

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- **Minimum flow rate.** Tankless water heaters require a minimum flow of water—typically around a half gallon per minute—through the heating system to heat water. To avoid problems associated with not meeting the minimum flow requirement, consult with a qualified plumber to make sure the flow rates at outlets you'll connect to the heater exceed the unit's minimum requirements.
- **Compatibility with gas.** Tankless water heaters utilize three to four times the BTUs of a conventional tank water heater. Ask your plumber to verify that your current gas line, size, and length can provide sufficient gas flow to the unit. Consult with Southern California Gas Company to determine if your gas meter is adequately sized to accommodate larger water heaters.
- **Compatibility with water supplies.** Local water quality should be considered in areas where the potential for scaling may be increased. Scale control in a water heater requires disconnecting the unit, connecting delimiting hoses and recirculating special delimiting agents.
- **Installation issues need to be considered.** Special venting and/or the need for increased combustion air may require additional changes because of the unit's higher input rates. You will also need 120 volt electric power, and in the event of an electrical power outage, the tankless water heater will not operate.

### Additional Residential Tankless Water Heater Resources\*

- Energy Solutions Center [www.energysolutionscenter.org](http://www.energysolutionscenter.org)
- U.S. Department of Energy [www.eere.energy.gov](http://www.eere.energy.gov)
- Green Home Guide [www.greenhomeguide.com](http://www.greenhomeguide.com)
- Flex Your Power [www.fypower.org](http://www.fypower.org)

\* Note: these links take you to third-party sites which are not part of Southern California Gas Company.



Receive up to \$200  
in Tankless Water  
Heater Rebates.

### Get a Rebate.

You may qualify to receive a rebate from Southern California Gas Company on qualifying tankless water heaters. Models with an Energy Factor (EF) of .90 or higher qualify for a \$200 rebate. Models that meet a minimum EF of .82 qualify for a \$150 rebate.

You must be replacing a conventional tank-type water heater in order to apply for a rebate. Rebates on tankless water heaters are only provided through participating manufacturers. Please fill out the rebate application provided by your licensed contractor and mail it with a copy of your invoice to the manufacturer of your tankless water heater.

### Participating Manufacturers

For a list of current participating manufacturers, visit [www.socalgas.com/twh/](http://www.socalgas.com/twh/).

- Application is valid and redeemable only through participating manufacturers and only for qualifying tankless water heaters. Qualifying models must be replacing a conventional tank-type water heater.
- Please contact your tankless water heater manufacturer directly for any questions regarding the product or status of rebate.

For more information about rebates from Southern California Gas Company, please visit us at [www.socalgas.com/rebates/](http://www.socalgas.com/rebates/).

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