

Water Heater type	Efficiency (EF)	Installed Cost¹	Yearly Energy Cost²	Life (Years)	Total Cost (Over 13 Years)³
Conventional gas storage	0.60	\$850	\$350	13	\$5,394
High-efficiency gas storage	0.65	\$1,025	\$323	13	\$5,220
Condensing gas storage	0.86	\$2,000	\$244	13	\$5,170
Conventional oil-fired storage	0.55	\$1,400	\$654	8	\$11,299
Minimum Efficiency electric storage	0.90	\$750	\$463	13	\$6,769
High-eff. electric storage	0.95	\$820	\$439	13	\$6,528
Demand gas (no pilot) ⁴	0.80	\$1,600	\$262	20	\$5,008
Electric heat pump water heater	2.20	\$1,660	\$190	13	\$4,125
Solar with electric back-up	1.20	\$4,800	\$175	20	\$7,072

1. Purchase costs include our best estimates of installation labor and do not include financial incentives.

2. Operating cost based on hot water needs for typical family of four and energy costs of 9.5¢/kWh for electricity, \$1.40/therm for gas, \$2.40/gallon for oil.

3. Future operating costs are neither discounted nor adjusted for inflation.

4. Estimates for tankless gas water heaters are based on the federal EF rating method, which may over-estimate the efficiency of tankless water heaters in houses.