

**MANITOBA HYDRO**

**2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION**

**UNDERTAKING PROVIDED BY: L. MORRISON**

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**Manitoba Hydro Undertaking #72**

Manitoba Hydro to provide the payback for converting from an electric water tank to side-vent natural gas.

**Response:**

The simple payback period for installing a side vent natural gas water heater as opposed to installing an electric water heater can be calculated using the information presented in the chart on page 12 of the Fuel Switching Report:

- The incremental cost of installing side vent natural gas water heater relative to an electric water heater is \$750 (\$1,750 - \$1,000).
- The annual incremental cost savings for operating a side vent natural gas water heater compared to an electric water heater is \$131 (\$105-\$236).
- The simple payback period for purchasing the side vent natural gas tank compared to an electric water heater is approximately 6 years.