



New Energy Bill To Save Americans Money at Home

Rinnai Gas Tankless Water Heaters Benefit Homeowners with \$300 Tax Credit

Peachtree City, GA – Heating your home's water just got more affordable thanks to the newly signed Energy Bill; homeowners can now save up to \$300 on their income taxes by installing energy-efficient water heating units like Rinnai tankless water heaters. The new Energy Bill allows for such tax credits in order to encourage the use of energy efficient appliances and technologies.

The Energy Bill was established in part to help the U.S. better manage its energy consumption. Therefore, the Bill incorporates incentives for American consumers to embrace new energy-conscious technologies and products. Because residential water heating is one of the highest energy consumers in the American home, the Bill created a special incentive to encourage nationwide transition to modern, highly efficient water heating technology, such as the state-of-the-art technology from Rinnai. The Rinnai tankless water heater provides a never-ending supply of hot water to a home while simultaneously reducing energy consumption and operating versus standard storage tank water heaters. Add these savings to the income tax credit and homeowners are getting a double bonus.

The U.S. Department of Energy assigns an Energy Factor (EF) to appliances according to the tested efficiency of products. Generally, standard gas storage tank water heaters have a low EF due to the standing pilot light and the constant heating and reheating of water, whether or not it is demanded. Electric gas storage tank water heaters can have a higher EF, but the operating cost of electric heated water is considered by many as the

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most expensive way to heat water. Accordingly, the Energy Bill excludes electric tanks from participation in the tax credit. In contrast, the Rinnai tankless water heater has a high EF because of its patented gas modulation technology, which only consumes energy to heat water when it is demanded and consumes no gas when there is no hot water demand; Rinnai tankless technology's EF is often 20 points higher (40+% more efficient) than that of a storage tank. Section 1333 of the Energy Bill identifies the minimum water heating EF to 0.80 in order to qualify for the tax credit. Several of Rinnai's tankless water heater models meet the EF requirement.

The same section gives American consumers a tax credit of up to \$300 for installing items like a Rinnai tankless water heater. This savings is in addition to what consumers will receive on their monthly utility expenses with a Rinnai tankless water heater. With Rinnai's efficient technology, homeowners can often save up to \$600 annually on their energy bills, depending on the water heating equipment being replaced.

"We applaud the work of all the many champions who brought this Bill to fruition. We worked diligently to demonstrate the significant energy savings associated with the use of efficient, 21st century water heating technology in the Energy Bill," said Ervin Cash, Vice President of Rinnai's heater and water heater groups. "We appreciate the fact that President Bush and Congress embraced the opportunity for all Americans to be rewarded for making energy-smart decisions. With efficient, lifestyle-enhancing water heating equipment like Rinnai now widely available, Americans can personally benefit from becoming more energy conscious and help reduce our dependency on foreign energy sources simultaneously."

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Separate tax incentives exist for builders of efficient new homes (Sec. 1332) and new or renovated commercial buildings (Sec. 1331). These incentives are designed to encourage companies to use efficient water heating methods such as Rinnai's commercial tankless water heaters.

This tax credit is scheduled to go into effect Jan. 1, 2006 and continue through Dec. 31, 2007, with the potential for renewal beyond this date. Additional credits and requirements are available for a total cap of \$500. Tax professionals should be consulted for further interpretation. See www.energy.senate.gov or www.house.gov/jct/pubs05.html for a copy of the bill. Visit www.foreverhotwater.com for more information on Rinnai's tankless water heaters.

About Rinnai

Rinnai North America Corporation, a subsidiary of Rinnai Corporation in Nagoya, Japan, was established in 1974 and is headquartered in Peachtree City, GA. Rinnai Corporation manufactures gas appliances, including tankless hot water heaters, ductless heaters, fireplaces, and cooking appliances. Today, Rinnai is the single largest gas appliance manufacturer in the world and is the technology leader in the tankless water heating industry. Annual corporate revenues including those of its subsidiaries are in excess of \$2 billion USD. With a global perspective to create 21st century products for the home and office, Rinnai Corporation commits itself to safety and the pursuit of comfortable lifestyles. For more information about the Rinnai Corporation and the Rinnai tankless water heater product, visit www.foreverhotwater.com.

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