



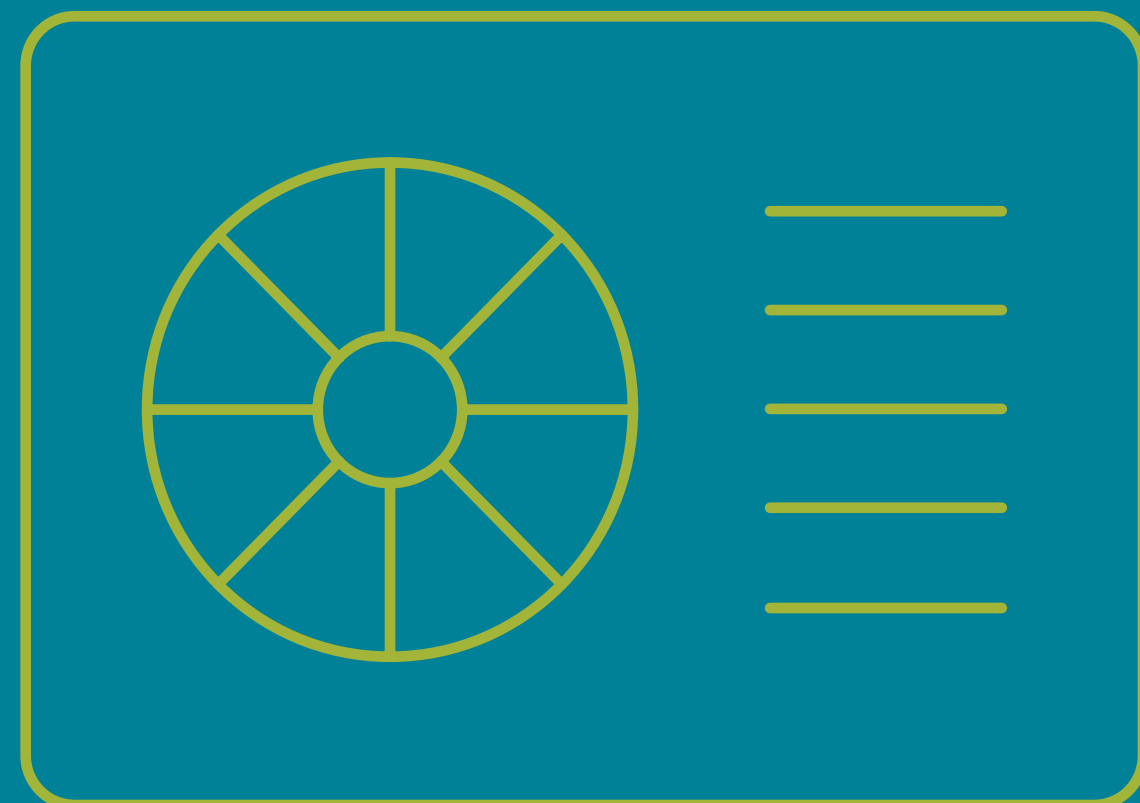
ARTICLE OVERVIEW | APRIL 2026

Lower Bills, Better Grids

Heat Pump Benefits for Electric Resistance-Heated Homes

Electricity demand and energy bills are rising.

We need solutions that are fast, proven, and scalable.



Over 60 million homes still heat their home or water with electric resistance.

25 million – 1 in 5

homes are heated by electric resistance



57 million – 1 in 2

homes use electric resistance water heaters



The opportunity? Heat pumps are significantly more efficient.

This means:

 **Lower bills**

 **Lower peak demand**

 **Lower emissions**

According to RMI's Green Upgrade Calculator, switching to a heat pump could save a single home thousands of dollars over time.

\$1,530

average annual savings per household



\$20 billion

saved annually in energy bills if all US single-family electric resistance homes upgraded to heat pumps for space and water



\$23,000

saved over the equipment's 15-year lifetime



Nearly

\$2 billion

in annual energy bill savings in Texas alone



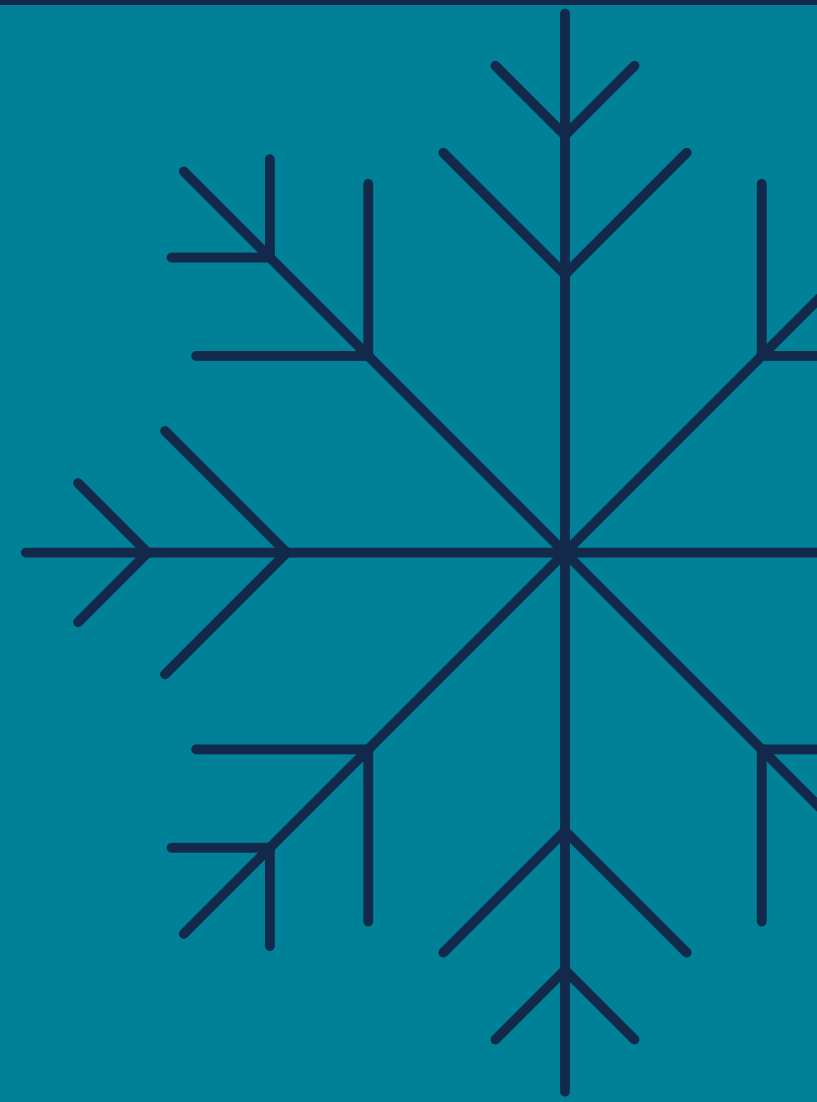
Because heat pumps have higher efficiency levels — and deliver both heating and cooling — **they reduce peak demand and result in a more reliable grid.**

11 GW

reduction in
summer peak
demand

51 GW

reduction in
winter peak
demand



By requiring less electricity, heat pumps also cut air and carbon pollution.

40%

reduction in carbon pollution from single-family electric resistance households when switching to heat pumps

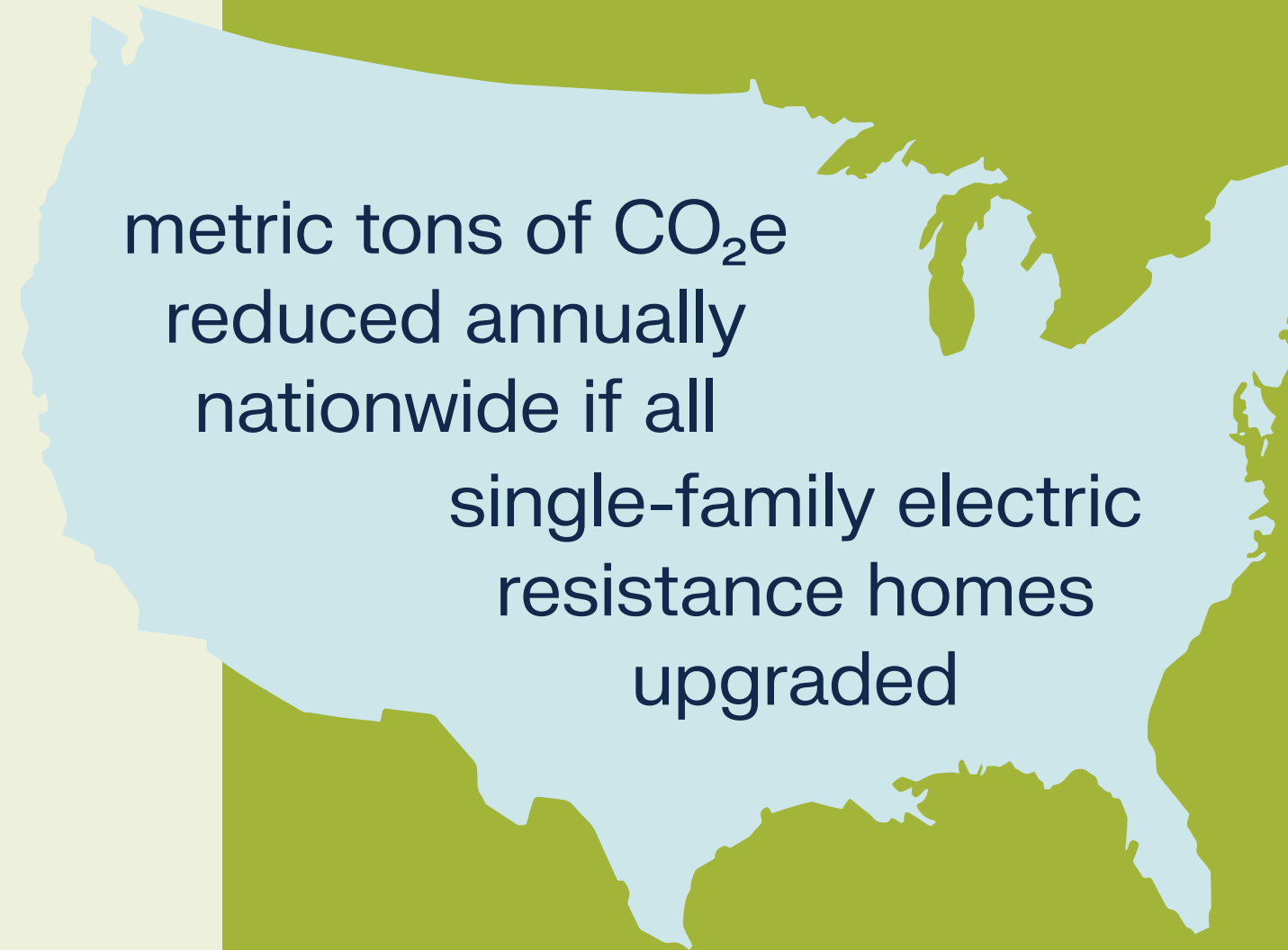
2.8 metric tons

CO₂e reduced per home in the first year alone



38 million

metric tons of CO₂e reduced annually nationwide if all single-family electric resistance homes upgraded



What's next?

Key actions for policymakers:



→ **Modernize building energy codes**

Make heat pumps the default in new builds, retrofits, and AC replacements

→ **Set clear targets + allocate resources**

Prioritize electric resistance homes for heat pump replacements to maximize affordability, grid, and emissions benefits

What's next?

Key actions for utilities:



→ **Get incentives right**

Prioritize heat pumps and set incentive levels that fully reflect their value

→ **Simplify program delivery + financing**

Streamline programs and pair with low-cost, accessible financing

→ **Target the right customers**

Directly reach electric resistance households and connect them with trusted contractors