

NEW GOVERNMENT HVAC REGULATIONS



On January 1, 2023, the Department of Energy's (DOE) [new minimum efficiency standards](#) for commercial packaged air conditioners and heat pumps will go into effect. These new regulations are part of the DOE's plan to reduce commercial building energy usage in the United States.

BACKGROUND

Every six years, the Department of Energy (DOE) analyzes the effect of energy usage and sets minimum efficiency requirements. In 2018, the DOE started the first phase of a six-year plan, requiring a 13% increase in energy efficiency for commercial packaged air conditioners, heat pumps and split systems.

The second phase of this plan will start next year, on January 1, 2023. At that time, all commercial air conditioning and heat pump equipment from 65,000 btu/h to 760,000 btu/h will require an additional 15% efficiency increase from the existing ratings set in 2018.

IMPLICATIONS

Challenges associated with this change may include:

- Longer lead times for equipment
- Equipment pricing increases
- Size and weight restrictions.

NEXT STEPS

Contact a GEM Service HVAC expert now. (See below for your local GEM Service contact.) We can assess your current equipment's age and condition to help you determine the right plan for dealing with this upcoming mandate.

FAQS

- Question 1:** Do I have to install new equipment as of January 2023, or does this only impact any future equipment purchases?
Answer: This only impacts equipment purchased after January 1, 2023.
- Question 2:** Beyond the challenges listed above, do I need to worry about this if I don't need new equipment?
Answer: Manufacturers are telling us the new equipment may be 30% more expensive than similar equipment purchases made right now, so plan to talk with a GEM Service HVAC expert who can advise you about your equipment. (See below for more info.)
- Question 3:** Will this change necessitate adding new space or renovating existing space for mechanical equipment in the future?
Answer: It's possible, but the answer depends on your unique facility and equipment configuration. Plan to talk with a GEM Service HVAC expert who can assess your situation. (See below for more info.)
- Question 4:** Will this change impact my existing building control systems?
Answer: No
- Question 5:** Does the size, age or type of my building affect whether these regulations apply to me?
Answer: No. All commercial packaged air conditioners and heat pumps are affected.
- Question 6:** At what age should my equipment be assessed for replacement?
Answer: ASHRAE places this type of equipment life expectancy at 15 years.
- Question 7:** Are there incentives available for equipment replacement?
Answer: Manufacturers are not offering incentives, but depending on your location, PACE financing may be available. Talk with a GEM Service HVAC expert for more details. (See below for more info.)
- Question 8:** If I've been advised that I need new equipment now, should I defer the purchase until I can get a system that meets the mandate?
Answer: Based on current lead times, customers may already be forced to wait for certain unit sizes, so deferring the purchase could increase the wait time.
- Question 9:** Is mandate-compliant equipment available now?
Answer: Unfortunately, manufacturers are not expected to be able to ship this type of equipment until early 2023.
- Question 10:** Will this new equipment reduce my utility spend or cost of operations?
Answer: Yes, depending on usage and type of facility.