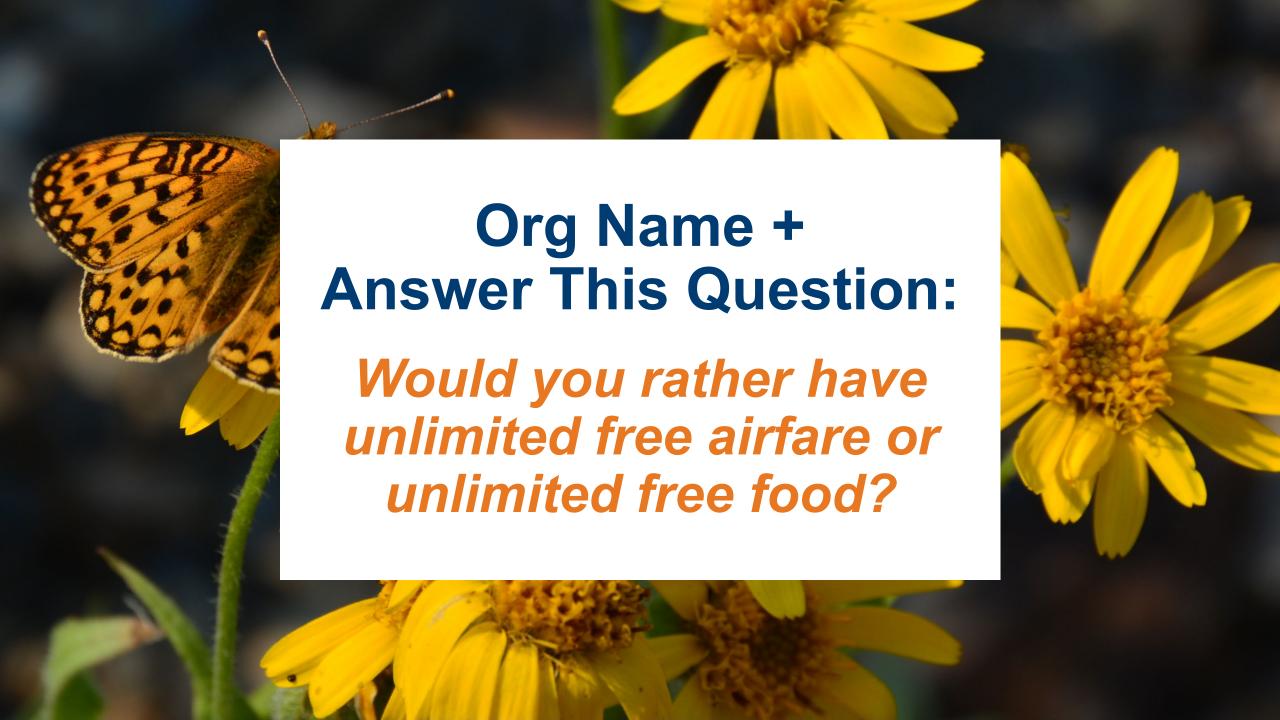


# Momentum Savings & Market Research





### Agenda

- Team Updates
- Latest Insights in Residential HVAC
  - 2023 HVAC Sales Data
  - HVAC Sales Forecast
  - Where Sales Go in the Stock
  - HVAC Stock Forecast in Single Family Existing Homes

#### Team Updates

- Thank you to everyone who voiced support for BPA's critical work in the Northwest.
- New Market Research Project
   Manager (Masumi) started in late
   January right before federal hiring freeze.
- One Project Manager position remains vacant indefinitely.

#### **Market Research Team**



Masumi Izawa Market Research Project Manager



#### **Annual Collaboration on HVAC Sales Data**



#### **Sales Data Collected**

- From 16 suppliers
- Stable participation
- Primarily **residential-sized** equipment
- Covers estimated 30%-80% of total residential market depending on HVAC technology

### Focus on Top 5 Residential HVAC Technologies

Technology	Abbreviation	Notes
Air-Source Heat Pump	ASHP	Centrally ducted, single or two-stage
Variable-Speed Heat Pump	VSHP	Centrally ducted
Mini-Split Heat Pump	MSHP	Previously categorized as ductless heat pumps (DHP). Majority of MSHPs are DHPs.
Gas Furnace	N/A	
Central Air Conditioner	CAC	

#### **Key Takeaways on 2023 Sales**



Overall residential HVAC sales declined

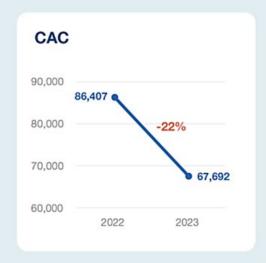


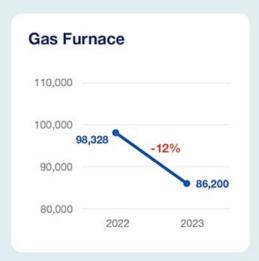
Combined heat pump sales **surpassed** gas furnace and CAC sales



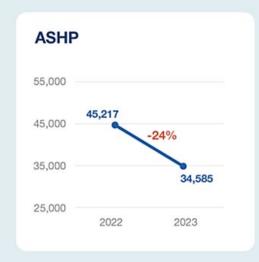
New federal standards **raised** overall market efficiency for ASHPs and CACs

#### 2022-2023 Sales Volume by Technology





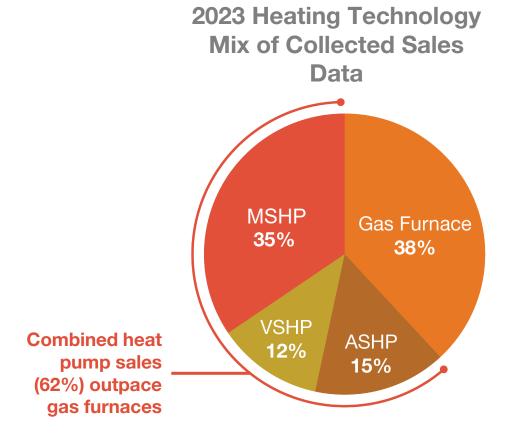


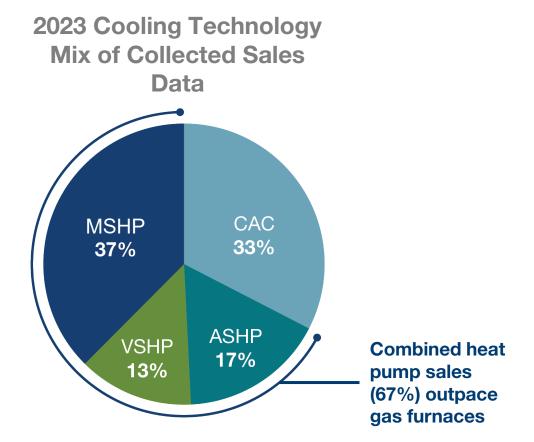




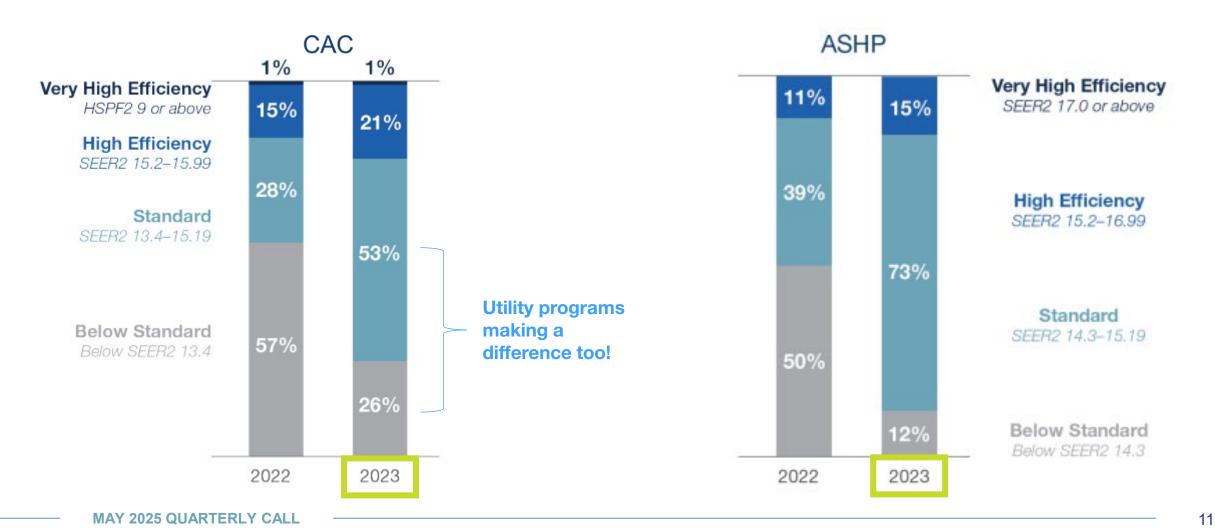
Overall sales dropped in 2023 but not for MSHPs and VSHPs

### Heat pumps combined made up majority of heating and cooling sales in 2023.





### CAC and ASHP cooling efficiency increased in first year of new federal standards.





## 2022-2023 HVAC Sales Insights Summary available at

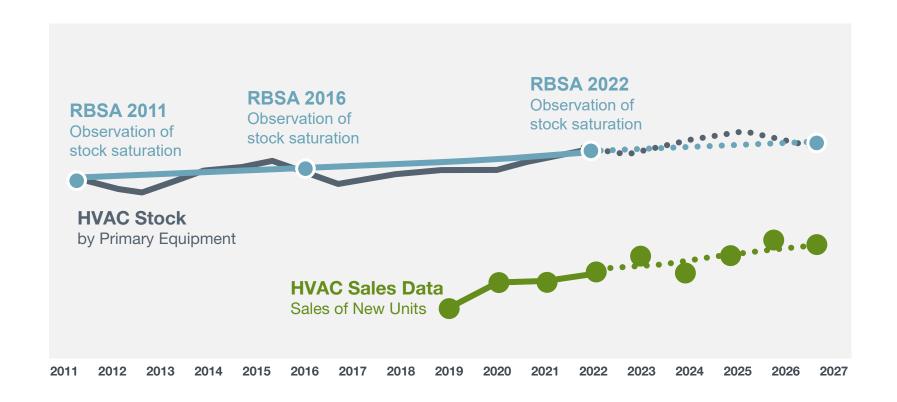
https://www.bpa.gov//media/Aep/energyefficiency/momentum-savings/20222023-hvac-sales-insights.pdf

## 2022-2023 HVAC Sales Data Spreadsheet available at

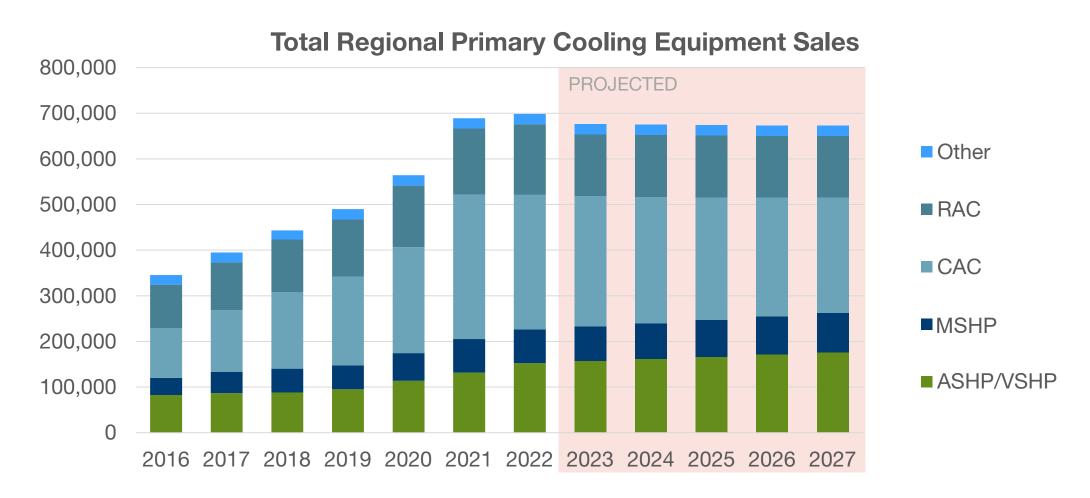
https://www.bpa.gov//media/Aep/energyefficiency/momentumsavings/2022-2023-hvac-salesdata.xlsx



### BPA's Residential HVAC Interim Market Model combines stock and sales data in forecasting.



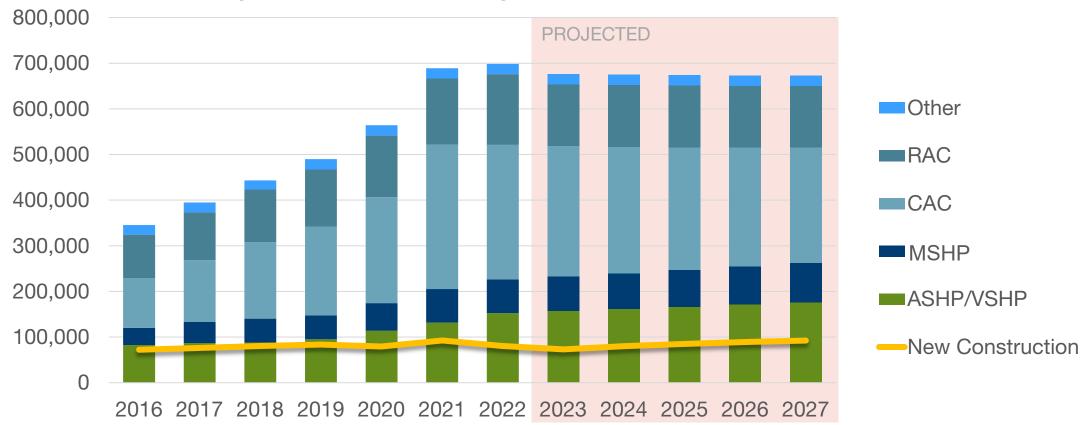
## Primary cooling equipment annual sales projected to level off.





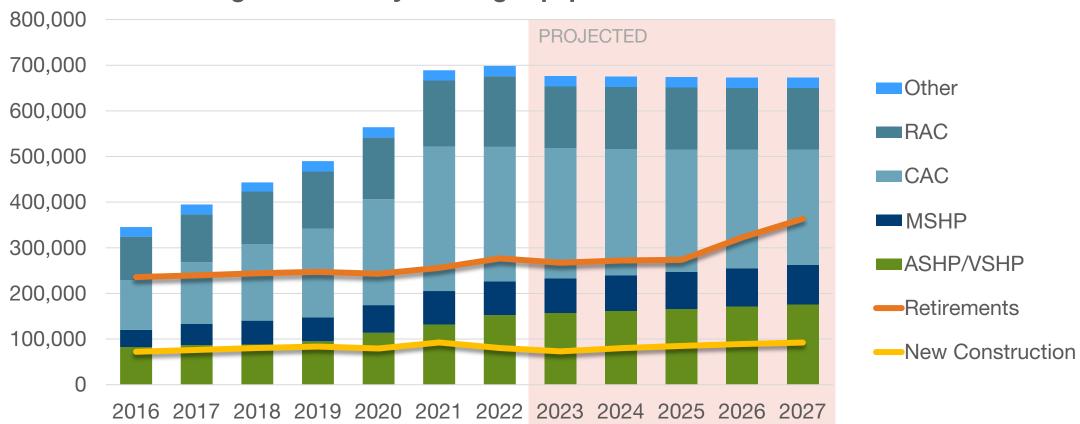
#### First, new construction homes get cooling.





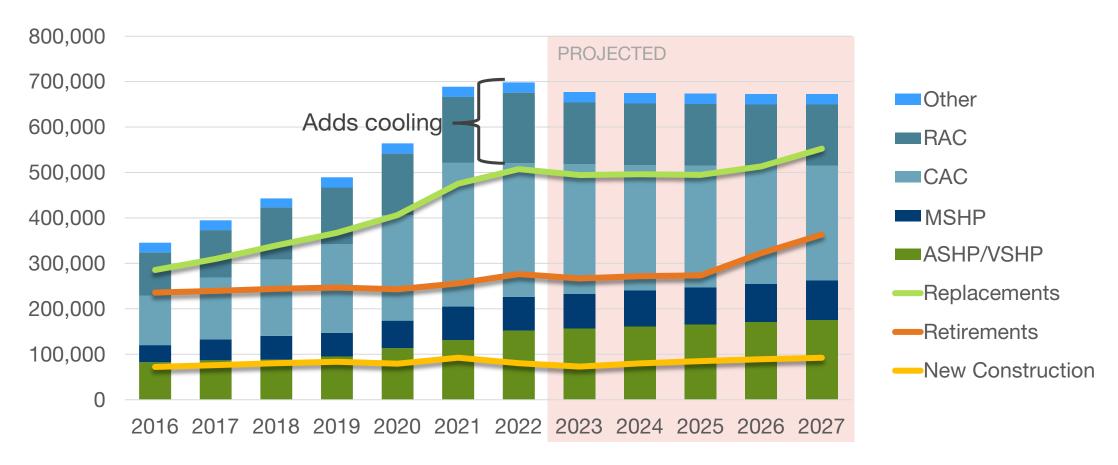
#### Next, sales replace equipment that retire.



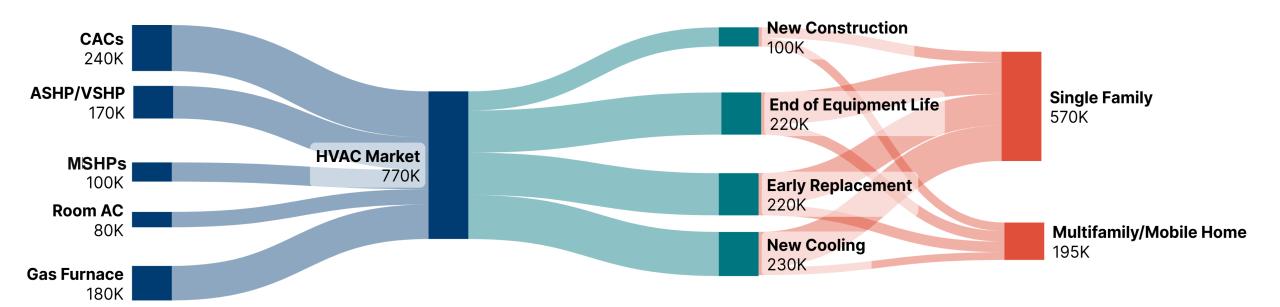


## Remaining sales replace equipment before end of useful life or add cooling.

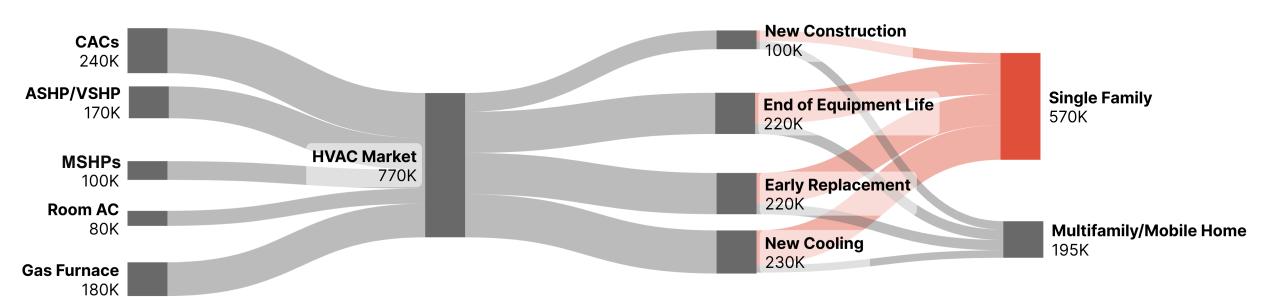
#### **Total Regional Primary Cooling Equipment Sales**



#### Another way to summarize where sales go in the stock.

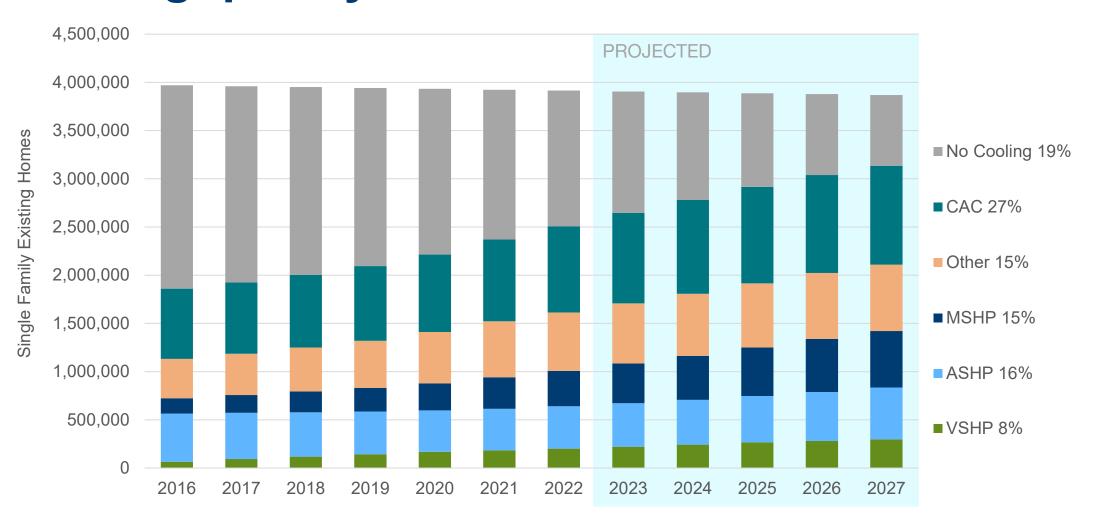


## Single family existing homes make up the largest segment of the market.

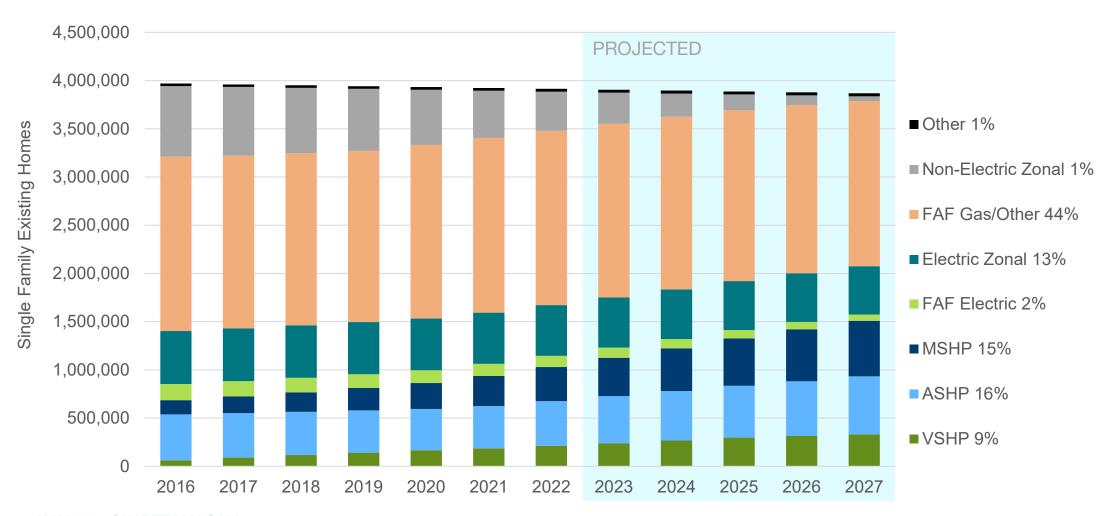




### Single family existing homes are adding cooling quickly.



## Single family existing homes are adopting heat pumps as primary heating at a steady pace.



### Are you seeing what we're seeing in the market?



We plan to conduct an installer survey in 2026 to confirm trends.

What is your #1 question for installers?

### Thank You for Attending

See you Aug. 6 at the next quarterly call

#### Contact

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https://www.bpa.gov/energy-and-services/efficiency/market-research-and-momentum-savings

