



HVACPro

Home Comfort HVAC Replacement
User Guide

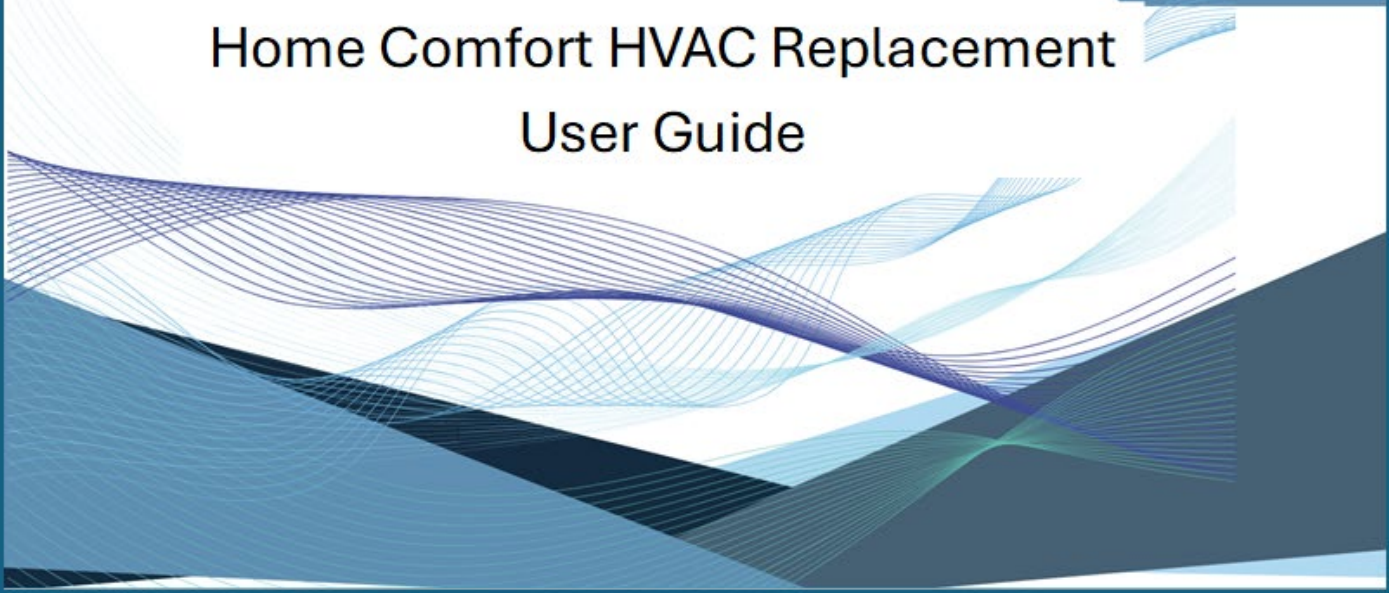


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WHAT IS FLAT RATE REPAIR PRICING?

Flat rate repair pricing is the term retail residential trade contractors use to describe providing a fixed upfront price to the customer for a specific repair. To the customer, it is an “Up-Front Price,” which means the price you quote upfront before you do the work is the price the customer pays. The customer will always know the total investment for the job before any work is done. This approach not only eliminates the fear of unexpected costs but also allows the customer to budget the work to a fixed dollar with no surprises. It also promotes transparency and trust, as the customer is aware of the total cost from the beginning.

Many residential contractors still charge by the hour, which, on the surface, may seem less expensive. Unfortunately, most customers view paid-by-the-hour work as a rip-off.

The problem with paid-by-the-hour work is that the customer never really knows until the job is done what their final price will be. This makes them anxious during the service call because of the fear of possibly getting that big surprise at the end of the job. Why? The customer also knows that some contractors are fast, and some are slow. The customer tends to feel it is unfair to be penalized for a slow technician. Studies show that it is only human nature to feel all technicians are slow if it is hourly billing. Unfortunately, this causes unnecessary stress on the service technician.

FLAT RATE PRICING SAVES TIME IN CALCULATING A SALES PRICE

Your guide enables your company, even in unexpected situations in the field, to respond without ever calculating a sales price.

- We can add or remove system configurations in your price guide. For example, suppose you regularly install systems with horizontal coils. In that case, we can add a section to your guide for systems with those coils. The price guide should contain every type of system you commonly offer in your area.
- We can change the equipment configurations as old units are phased out. For example, if your guide has a furnace model that is later replaced with a newer model, we can change the models and costs in your guide and send you the update. Keep in mind that we offer unlimited updates. Send us the updated equipment for import into your guide if and when this occurs.
- The ***Investment Option Worksheet***, located after the pricing section of your guide, has some standard deductions and add-ons. We can adjust that page to include any common add-on task you want. For example, we recommend including line set replacement in installation. If reusing the existing line set, deduct this on the ***Investment Option Worksheet*** before final pricing the job.

- You can use the **Quick Job Price Guide right after the Investment Option Worksheet** to easily add labor and materials costs, which is known to quickly add its flat-rate sales price. The *Quick Job Price Guide* page was specifically designed for when an installation will require something out of the ordinary, like difficult access that requires extra labor or non-inventory equipment or accessories. It allows you to quickly calculate the total cost of the job, including any additional labor or materials, and determine the flat-rate sales price.
- You can use the **rebate pricing companion** right after the *Quick Job Price Guide* to reduce sales prices and quickly meet any competitive situations. If you are pricing a replacement on a request for a quote, they most likely already have a price from another contractor they did not trust to do the job. Obtain a rebate to get down to your minimum gross profit margin walkaway price to increase close rates. We include a rebate table built into our Home Comfort price guide. Remember that you cannot raise the published UPFRONT price. Still, you can easily get down to your desired walkaway gross profit margin price using one of 3 tier rebate tables. Tier 1 = 5%, Tier 2 = 10% and Tier 3 = 15% rebate.
- We can customize the configurations in your guide to suit your needs. For example, as you read in the User Guide, all installations of a 90%+ Furnace include installing PVC venting. However, suppose most furnace systems in your area already have PVC venting that can be reused. In that case, we can remove that cost and labor from the installation price. Instead of having a deduction task on the IOW, we can make that an add-on task for those few cases where you DO need to install PVC venting. Other customization examples include modifying the allotted crew hours or using your specific costs for miscellaneous installation materials.
- The Home Comfort price guide is more than simply 'menu pricing.' It is a tool that you and your team can learn to use well and that can be fine-tuned to work better for your company. Right 'out of the box,' our price guide works for most HVAC contractors. But we work with all of our customers to make whatever adjustments are needed so they feel comfortable with it.
- So, if you need additional training or explanations about how to use the Home Comfort price guide properly, don't hesitate to contact us. Your assigned business coach is in the best position to guide you on what changes may be needed in your guide to be competitive in your area. Your coach can help you keep growing your replacement business.

FILLING OUT THE "HOME COMFORT SET-UP AND ORDER ENTRY FORM"

Below are instructions for filling out the order form and a simple explanation of the final page in the guide we will produce. The only items we critically need from you to obtain your price guide are the five below **in bold**: 1, 2, 4, 28 & 29 You can customize any of the remaining data entry points. Still, we will either use the default Industry Standard shown below or determine the value based on your location if you don't. The financing rates and utility costs do not affect the prices of the systems in your guide. However, they are an essential part of the selling process.

Installation Labor Set-up

1. Crew Chief Labor Rate: Write the hourly dollar rate of your highest-paid installation department Crew Chief without benefits for non-union workers. (Benefits for non-union workers are included in department overhead on Line 25. If you are a union company, write the hourly rate paid, including benefits.)
2. Helper Labor Rate: Write the hourly dollar rate of your highest-paid installation department Helper without benefits for non-union workers. (Benefits for non-union workers are included in department overhead on Line 25. If you are a union company, write the hourly rate paid, including benefits.)
3. Billable Labor Efficiency (Default—60%): Write the percentage of your installation team's adequate work time. We use industry standards; you don't need to provide us with this value to obtain your guide. However, if known, use the total hours billed by the installers divided by the total hours paid to them.
For example, if the installer is paid 40 hours per week but bills an average of only 20 hours per week for a job, that is 50% efficiency. (If your company policy is to only pay your installation team for the time they bill to a job, this value would be 100%.)

Vehicle / Miscellaneous Set-up

4. Material Sales Tax %: Your company pays the state sales tax rate to purchase equipment and materials. Your wholesale HVAC distributor partner provides unique equipment pricing without added sales tax. We will add this tax percentage to all equipment, materials, and supplies costs.
5. Average miles round trip (Default – 15): On average, this is the round trip in miles from your shop to the customer's location. This value is used together with Line 6 below To calculate the travel cost for each installation.
6. Travel Cost per Mile \$ (Default—\$0.50): This rate should combine the cost of truck depreciation per mile (as obtained from leasing companies, on average \$0.22) with the cost per mile for fuel. To calculate this, Divide the dollars per gallon for fuel by your fleet's average fuel economy (typically 12 mpg). We recommend you obtain this value from your comptroller.
7. Hourly Truck Charge \$ (Default – \$6.00): This is your cost per working hour for the vehicle lease or mortgage plus maintenance costs. To calculate this, Add the annual cost of payments and maintenance, then divide this by the number of billable weeks in a year (typically 48 because of vacations and holidays), then divide this by the number of billable hours in a week (normally 24 for a 60% work efficiency factor). We recommend you obtain this value from your comptroller.
8. Risk & Proficiency & Warranty % (Default – 5.00%): Not all jobs run smoothly due to equipment or material purchase errors or failures. Not all jobs are installed proficiently, depending on the competencies and work efficiencies of the Installation Crew. The average risk loss due to errors is about 2% of job costs. The average labor proficiency loss is also 2%. The equipment warranty is 1%.

Stuff happens on some jobs, and an adjustment of 5% on top of the total job costs is needed. Otherwise, callback costs will come out of your retained earnings.

Geothermal Well Subcontractor Set-up

If you will be offering Geothermal systems, then filling in Lines 9 to 16 below is required. Otherwise, they can be left blank. (For details on what should be included in your subcontractor's service, please see the geothermal system details described in the appendix starting on page. 24.)

9. 1.5 to 2.0 Ton Geothermal: Enter the subcontractor fee for loop installation.
10. 2.5 Ton Geothermal: Enter the subcontractor fee for loop installation.
11. 3.0 Ton Geothermal: Enter the subcontractor fee for loop installation.
12. 3.5 Ton Geothermal: Enter the subcontractor fee for loop installation.
13. 4.0 Ton Geothermal: Enter the subcontractor fee for loop installation.
14. 5.0 Ton Geothermal: Enter the subcontractor fee for loop installation.
15. 6.0 Ton Geothermal: Enter the subcontractor fee for loop installation.

Geothermal Electrical Subcontractor Set-up

16. Electrical Upgrades/Connect: Enter the subcontractor fee for installing electrical upgrades and power connects to the loop pump pack.

Customer Utility Rates Set-up

17. Electric Rate per KWH: Enter the local utility rate for electricity in dollars per KWH.
18. Gas Rate per THERM: Enter the local utility rate for natural gas in dollars per Therm. (If NG is not available in your area, you can leave this blank.)
19. Propane per Gallon: Enter the local price for propane in dollars per gallon. (If LP is unavailable in your area, leave this blank.)
20. Fuel Oil per Gallon: Enter the local price for fuel oil in dollars per gallon. (If fuel oil is not available in your area, you can leave this blank.)

Heating & Cooling Load Hours Set-up

21. Annual Heating Load Hours: Enter your local heating load hours (different from heating degree days). If your local load hours are unknown, we will use the AHRI table to find them.
22. Annual Cooling Load Hours: Enter your local cooling load hours (different from cooling degree days). If your local load hours are unknown, we will use the AHRI table to find them.

Customer Financing Interest Rates Set-up

23. Home Equity Loan Rate: Enter the average home equity loan interest rate. You can obtain this from your local bank or by searching online.
24. Local Bank Loan Rate: Enter the average standard bank loan interest rate. You can obtain this from your local bank or by searching online.

Gross Profit Margin Set-up

25. Installation Dept. Overhead % (Default—25%): Enter the overhead percentage for benefits, insurance, and direct and indirect departmental costs. To calculate this, divide the hourly labor rate by the overhead cost per hour—for example, \$24/hr. Divided by \$6, overhead equals 25%. (Please note: If you use an installation subcontractor, this value will be much lower, typically from 10 to 20%.) The typical range is 20 to 30%.
26. Sales Commission % of Sales (Default – 8%): Enter the percent of the total gross revenue for each system sold that you will pay as commission. Enter 0% if not paying commission. If you pay your technicians a spiff to provide a lead that results in a sale, we recommend you enter a 2% commission. If you compensate a selling tech who also properly guides jobs per company standards, we recommend entering a 4% commission. If you have a comfort advisor, entering from 8 to 10% commission is typical. Keep in mind that this value is part of the Gross Profit Margin. A value of 8% will raise the retail price by more than 8% to ensure you make a decent profit even when the salesperson lowers the sales price.
27. Target Net Profit % before taxes (Default – 12%): Enter the percentage of profit you desire to achieve before paying company revenue taxes. The typical range is 10 to 15%.
28. Total Gross Profit Margin % (Default 45%): This will be the total of items 25 to 27 above. However, instead of filling out those individual values, you may tell us the total gross profit margin you desire to achieve to recover overhead, pay commissions, and obtain net profits before taxes. The typical range is 40% to 50% when not using an installation subcontractor.

Company Information Set-up

29. Price Guide Front Cover Information: Fill in your company's complete name, address, and phone number as you want it to appear on the cover of your Home Comfort Certified System presentation price guide. Also, enter the email address where you wish to receive your completed price guide; it will not be displayed anywhere in your price guide.

DELIVERY AND UPDATING THE HOME COMFORT CERTIFIED SYSTEM GUIDE:

Join HVAC Success produces the Home Comfort Certified System Installation Presentation & Flat Rate Price Guide in PDF format. You simply click the link provided within the body of the email you receive, and when a new window opens in your internet browser, download the PDF file and save it to your computer. We will send the completed price guide to the email address you provide through a third-party document management service.

If you have problems opening your price guide file, have a PDF document reader installed on your computer. Many free software applications open PDF documents. To find one, use the search engine to search for "PDF reader." Choose the software you want to use and install it on your computer or tablet.

Price Delivery Process

1. We deliver the price guide to your email in a PDF file format to download.
2. We then schedule a private GoToMeeting to review pricing and guide use.
3. You can access online live and recorded staff user training.
4. You can access printed documents for system replacement proposal agreements.
5. Once you approve, print hard copies locally for each user plus 1 for the office.
6. We then send your matching import file for your QuickBooks or field management software.
7. We then schedule a private GoToMeeting for online staff user training.
8. You are provided unlimited price guide updates and online user support at your request.

Price Guide Updating Process

1. Forward to us upon receipt from your vendor any changes in your equipment pricing.
2. For system configuration model match-up changes, simply print out and mark up a 4-option price guide page, then scan or fax it back to us.
3. To make changes to the default financial set-up page, simply print out and mark up the default page, then scan and email it back to us.

PROACTIVE SYSTEM REPLACEMENT TRUST-SELLING STANDARD PROCEDURES & FORMS

HVACPro residential subscription includes these price guides and access to multi-form agreement templates. To order, go to www.JoinHVACSuccess,LLC.com and click the Proactive System Replacement Trust-Selling Standard Procedures #1009, or call us at 800-240-2823.

The HVAC industry is beginning to realize that fundamental changes are taking place and impacting our industry. These interrelated changes are:

- The replacement business has now outperformed new construction.
- Energy, operating costs, and environmental considerations are valid reasons to replace versus repair.
- Communication and equipment technology advances found many new products that enhance the customer experience.

The system replacement business represents a business risk to the contractor due to human errors, callbacks, poor pay or no pay, loss of customer equipment, or unforeseen job situations. To attract and retain customers and make money with this service offering, contractors must implement standardized business delivery procedures that systematically, seamlessly, and profitably execute replacement work.

Equipment replacement or service project work is like building a wall. Each brick must be laid precisely right, or the wall's integrity and appearance will suffer. Replacement or service project work includes all the planning and related tasks to mobilize (design, schedule) the work before physically laying the bricks (or installing the project).

To achieve 100% customer satisfaction, selling technicians and comfort advisors must understand that their primary job is objectively evaluating customer and system replacement needs. They then help customers make the right repair or replacement decision. Therefore, proper communication with the customer is critical to a successful installation and is integrated within each step of the replacement call, including pricing, surveying, evaluating, and providing helpful information.

- 1. Preparing for the call** involves preparing to make the right impression on the customer. This means the selling technicians or the comfort advisors taking pride in their appearance, having the right “do the right thing” attitude, having a clean vehicle, survey tools, extra shirt, shoe covers, breath mints, and selling a strategy-built Home Comfort Replacement upfront equipment brand price guide. Plus, having the company call handling handouts and replacement opportunity assessment forms.
- 2. Arriving at the call** involves properly parking the service vehicle, checking appearance, using breath mints, and correctly approaching the customer’s home.
- 3. Greeting the customer** - Knock on the door, verify the purpose of the call, and present your business card.
- 4. The technician found a catastrophic repair** – Since it is not about the price, the

selling technician would price up the best replacement option without discounting the price.

Request for quote or free estimate – Present what the customer can expect from today’s call either using the 4-page sales presentation built-in to the Home Comfort Certified System replacement price guide or the 4-page Replacement Presentation document to upfront handle these 4-common sales objections:

The HVACPro residential subscription includes these price guides and access to multi-form agreement templates. To order, go to www.Join_HVAC_Success,_LLC.com and click on 5-Page Replacement Presentation #1010, or call us at 800-240-2823.

a. **Page #1 – Explain who you and your company are. And what makes you different?** *This page answers, “Why should I buy from you versus another?”*

1. A premiere residential-commercial service company.
2. "We have consistently grown yearly due to our competitive programs and services."
3. Our company has continued to invest in state-of-the-art technology to deliver the highest level of service at the lowest possible cost.
4. Our written training and employee development programs ensure the delivery of safe, reliable service in and around your home.
5. We have a written drug-free hiring policy to protect our customers and their property.
6. We offer the industry's best Install-Right® guarantees, warranties, and assurances.
7. Our field management and equipment installation procedures enable us to take care of everything and assume responsibility.
8. We are an unbiased, independent contractor, not a manufacturer-sponsored dealer.
9. We minimize all personal risks from doing business with us through our delivery systems and liability coverage.
10. We guard both your time and your equipment replacement investment money.

b. **Page #2 - What 7-step process will you use to obtain the right solution at the lowest possible costs endorsed by a trusted industry?**

This page answers the question of “How you will protect their time and money” by using an industry-endorsed action plan to get the customer precisely what comfort, health, safety, property, and financial installation aspects they need at the lowest possible cost (WE DO NOT MEAN THE LOWEST PRICE).

1. Conduct the Home Use and Livability Survey to ensure that the customer’s personal,

technical, and timing objectives are achieved.

2. Conduct ANSI Manual J heat gain/loss measurement to right-size the capacity of replacement equipment and the duct distribution system installation.
3. Analyze the data gathered to ensure proper equipment sizing and inclusion of any accessories to meet your unique requirements.
4. Sit down with you to explore your installation and purchase options.
5. Explain how we back up our work with unsurpassed written Install-Right® guarantees, warranties, and assurances.
6. Organize, educate, schedule installation personnel, and manage your installation requirements.
7. Precision-tune and implement a warranty management system and a 4-hour, or less, 24/7 emergency response.

c. **Page #3 - Why do you have to set the performance standards in the area?**

This page explains “how they have a 90% chance of a poor installation unless they do business with you.” 90% of all installations have problems resulting in unnecessary energy inefficiencies due to:

1. Too large or too small equipment sizing
2. Improper match between condenser and evaporator
3. Improper duct sizing or distribution
4. Improper duct insulation or sealing
5. Leaking or disconnected ductwork or diffusers
6. Improper system balancing
7. Improper system charging and calibration.
8. 40% of all installations fail to meet airflow requirements, resulting in poor indoor comfort due to:
 - a. Improperly sized equipment
 - b. Improper duct distribution design
 - c. Improper diffuser type or location
 - d. Leaking or disconnected ducts and diffusers
 - e. Improper system balancing
 - f. 50% of all installations are not properly charged, resulting in up to 50% higher operating costs due to:
 - g. Improper start-up, test, and installation verification per manufacturer's specifications and industry best practices
 - h. Untrained installation personnel
 - i. Poor contractor installation methods

j. Sources: The above sources come from studies conducted by the North Carolina Alternative Energy Corporation, Texas A&M University, Louisiana State University, and our client customer surveys.

k. The Bottom Line: By preventing these installation errors, we guarantee that your equipment will be in the top 10% of all installations.

d. **Page #4 - What can I expect from you now, during, and post-installation?**

This page answers, “We are in it over the entire life of the installation,” and what to expect now, during, and after post-installation. Customers want to know that your company will be there for warranty and out-of-warranty support. Many sales are lost from larger HVAC companies to smaller and less-resourced companies because their rep has a business card that reads Owner.

a. Pre-installation:

1. Our proven Home Use & Livability Survey data-gathering techniques enable our customers to guarantee unconditional performance.
2. Our computerized ANSI Manual-J home load modeling guarantees that you are heating and cooling capacities will be met.
3. Our equipment/system selection process guarantees we meet your unique operating and home aesthetics requirements.
4. We select the most appropriate installation implementation process that guarantees our customers the lowest possible installation costs.

b. During Installation:

1. We will assign an installation team that will take care of everything, manage everything, and be responsible for everything.
2. We specialize in working in occupied spaces and know the challenges. We keep our work areas clean and plan our work methods to minimize disruptions.
3. We verify and test all completed work to guarantee that everything was installed per specifications and according to the best industry standards.
4. Our in-depth homeowner training guarantees that you will maximize your investment.

c. Post Installation:

1. We respond to emergency trouble calls within four (4) hours or less of your call, even during peak periods. Our installations are performed per industry best practice, which has continuously been proven to reduce emergency or trouble calls. However, if an emergency does occur, you will receive our highest-priority response.

5. **Interviewing the customer**—Obtain a blank customer and scope of work survey form (e.g., our Home Use & Livability Survey Form) and complete Customer & Job Location page #1. Then, complete the Install-Right Solution Survey page #2. This page answers “what personal desires and equipment scope of work is needed and how the customer will pay.”

- a. Home Use & Livability Survey Form – Installed-Right Solution Survey:
- a. The HVACPro residential subscription includes these price guides and access to multi-form agreement templates. To order, go to www.JoinHVACSuccess.com, click these price guides, and access multi-form agreement templates #1006, or call us at 800-240-2823.

b. Home Use Requirements:

- 1. Do you have particular heating & cooling room conditions due to home office, exercise room, or parties?
- 2. Do you have unnecessary heating & cooling of closed-off rooms or during unoccupied periods?

c. Comfort Requirements:

- 1. Do specific rooms that have an odor of stale air problems?
- 2. Do you have specific rooms that are too hot or cold?
- 3. Do you have specific rooms that are too humid (muggy) or too dry (e.g., static electricity, dry throat, skin)?
- 4. Does the air blow too hard or insufficient in specific rooms?
- 5. Does your system operate too noisy?

d. Health/Safety Requirements:

- 1. Do you have indoor air quality respiratory requirements?
- 2. Do you have child safety concerns playing around with air conditioning and heating equipment?

e. Property Requirements:

- 1. Do you plan to move in less than or more than five years?
- 2. Are you planning home renovations or add-ons to your home?

f. Financial Requirements:

- 1. Is your equipment past the point in its useful life to repair?

2. Is saving money on energy & operating costs vital to you?
3. Is not having repair bills for ten years vital to you?
4. Is working with a contractor to protect the owner from risk and liability vital to you?
5. Do you wish to explore financing options?

6. Home Use & Livability Survey Form – System Condition Survey:

a. These forms help verify that there are no existing system installation deficiencies:

You cannot afford not to inform customers that they require system deficiency fixes. The customer should have corrected to achieve a successful replacement. Plus, they gather the existing system nomenclature and pictures of the system layout for the crew chief to review.

1. Visual inspection of room air distribution:

1. Is the thermostat NOT working correctly?
2. Are the supply and exhaust grills obstructed?

2. Visual inspection of air filtration:

1. Is the filter dirty or missing?
2. Are they NOT using the manufacturer's recommended type and quality?
3. Is the present change frequency NOT to industry best practice?

3. Visual inspection of HVAC controls:

1. Are the controls NOT operating correctly?
2. Is the control sequence inappropriate for occupant use requirements?

4. Visual inspection of Air handler's Drains and Lines:

1. Visual inspection of air handler's drains and lines
2. Is there slime or standing water present?
3. Are the drain lines obstructed?

5. Visual inspection equipment Installation:

1. Is the equipment NOT level and plumb?
2. Is the supply/return NOT securely attached?

3. Is the ductwork NOT sized, installed, & sealed per design and code?
4. Does the ductwork NOT have balancing dampers/grilles?
5. Is the ductwork NOT insulated per design and code?
6. Is the gas supply NOT sized and installed per code?
7. Is the electrical & T-stat NOT sized and installed per code?
8. Is the combustion stack/vent NOT sized and installed per code?

7. Home Use & Livability Survey Form – Duct & Flue Tables Survey:

- a.** Use the Duct & Flue Tables Survey page to verify duct size versus CFM capacity. Use this page to identify whether the supply and return ductwork is large enough to handle the needed CFM capacity requirements.

8. Home Use & Livability Survey Form – Inside Equipment Survey:

- a.** Record equipment make, model, and serial number.
- b.** Record existing system measurements for ductwork transitions and utility connections.
- c.** Record system accessories and or add-ons

9. Home Use & Livability Survey Form – Outside Equipment Survey:

- a.** Record equipment make, model, and serial number.
- b.** Record existing system disconnect condition.
- c.** Record the breaker size.
- d.** Record line set size

10. Obtain a blank Mechanical Code Checklist:

- a.** Verify that you must correct no code violations to complete the replacement.

11. Furnace & A/C coil attic application checklist:

- a.** Attic lights by the access
- b.** Hanging kits
- c.** Platform
- d.** Primary drain lines
- e.** Disconnect type.
- f.** Breaker type
- g.** Gas Connections

12. Condenser application checklist:

- a. Does the condenser have 6 inches of space off the home's foundation wall?
- b. Is the whip visible from the condenser?
- c. Is the whip solid or strand copper?
- d. Can the pad be reused?
- e. Elevated pad in the flood zone?
- f. Any obstruction?
- g. Wire size?

13. Conduct a walk-thru Survey of inside and outside equipment with the customer, complete pages 3 through 8, and review any existing installation deficiencies with the customer.

- a). Update as necessary with any of your suggested improvements found back on the Install -Right Solutions Survey – page #2

14. Sit back down with the customer - Go over the Install-Right Solutions Survey by reviewing their present situation versus their wants and needs per the problem or issues found during the walk-thru and update on the Installed Right Solutions Survey form – page 2

15. Get agreement on added options - Get customer agreement on findings and solutions.

16. Ask permission to proceed with system load analysis. Verify the size of the system capacity and ductwork to meet the home's load requirements.

17. Performing a Load Calculation – Before conducting the HVAC system load calculation and keeping the client engaged, display the price guide page, “*Why we set the standards of performance,*” page shown above your price guide. Right behind this section, clients place local pictures of poor installations done by others for their review to prove why you have to set performance standards. Compare ANSI Manual J CFM requirements to actual system capacities – page 5. ANSI is the recognized standard for producing HVAC equipment sizing loads for single-family detached homes, small multi-unit structures, condominiums, townhouses, and manufactured homes. Enter findings on Heating & Cooling Load Profile – page 7.

- a). If equipment size or duct modifications are required, update Installed Right Solutions page 2.

- b). **Ask permission to proceed with system load analysis.** Verify the size of the system capacity and ductwork to meet the home's load requirements.

18. Performing a Load Calculation – Before conducting the HVAC system load calculation and keeping the client engaged, display the price guide page, “*Why we set the standards of performance,*” page shown above your price guide. Right behind this section, clients place local pictures of poor installations done by others for their review to prove why you have to set performance standards. Compare ANSI Manual J CFM requirements to actual system capacities – page 5. Enter findings on Heating & Cooling Load Profile – page 7.

- a). If equipment size or duct modifications are required, update Installed Right Solutions page 2.

19. Select equipment – Select the best option from the Home Comfort Certified System. Then, enter the price on the Investment Option Worksheet or estimate. Customers get nervous about lump-sum pricing unless it is presented in an upfront, itemized, logical fashion. Why? They are not from our industry and want to know if they get a logical replacement installation sequence and price. To subscribe to this guide, go to Appendix A #1002.

20. Select pricing for added work – Where the labor hours and materials cost are known, select the retail price from the Quick Job Adder table and enter it on the *Investment Option Worksheet* page.

21. Select Accessories – Select the required system enhancements from the Home Comfort Certified System and enter the Investment Option Worksheet price or estimate.

22. Subtotal investment—The total up itemized base equipment install price, job adders, system, and enhancements prices as found on the Investment Option Worksheet or estimate.

23. If the price is a quote request, they already have a price from another contractor they did not trust to do the job. Obtain a rebate to get down to your minimum gross profit margin walk-away price to increase close rates. We include a rebate table built into our Home Comfort price guide. Remember that you cannot raise the published “UPFRONT” price. Still, you can easily get down to your desired walkaway gross profit margin price using one of the 3 tier rebate tables. Column 1 = 5%, Column 2 = 10% and Column 3 = 15% rebate.

24. Total investment – subtract rebate from the subtotal investment on the Investment Option Worksheet or estimate.

25. Showing Affordability – You first identify total monthly energy savings from the table

and then select as close as possible to the monthly energy savings of a home equity payment. Subtract the monthly energy savings from monthly home equity payment to identify affordability by presenting to the customer your proposed replacement's net monthly cost of ownership on the Investment Option Worksheet or estimate (e.g., the net monthly cost of ownership is **only \$57 per month** after energy savings)

26. Obtain Installed Right Solutions Proposal Agreement - Complete the Proposal Agreement by checking off and reading aloud to the customer each installation item. Then, enter the total net price and show how affordable the replacement option is per the Investment Option Worksheet.

27. Handle any objections

28. If the Proposal Agreement is not signed – Typically, when a customer does not sign, it is due to their significant other not being present. Studies show that if not closed at the end of the call, 3 out of 10 seek competitive prices. Obtain the Which Contractor Best Meets Your Needs? Introduce to the customer this 20-questionnaire as a courtesy to our clients. This questionnaire helps the customer not to get damaged by using an unworthy contractor to install. The customer will not surpass the first five questions nine out of ten times.

For example, question 4 asks, “Do you perform drug testing to screen employees for hire?”. Explain to the customer the following. Suppose a contractor comes onto your property with an employee under the influence of drugs and gets hurt. In that case, they can sue you personally for allowing them to work on your property stoned. As proof, when contractors recruit technicians and installers applicants for hire and tell applicants that drug testing is required, only 6 out of 10 applicants return. Ouch. Why is this an important question to ask?

29. Review with the customer and close.

30. Handle any objections

APPENDICES

Appendix A – Selecting the Good-Better-Best-Premium system configurations

The price guide is designed to present up to four grades or options for each system configuration to your customer in the order of Good-Better-Best-Premium. We will provide a Microsoft Excel worksheet to specify your choice and costs for Good, Better, Best, and Premium system equipment. The completed worksheet can then be emailed to us.

There are 15 system configuration types in the worksheet, each with its set-up tab(s):

1. Split Air Conditioning with Furnace
2. Split Air Conditioning with Electric Heat
3. Split Air Conditioning Add-on
4. Air Conditioning Condenser or Heat Pump Only
5. Split Heat Pump
6. Split Dual Fuel (or 'Hybrid System')
7. Geothermal Packaged Heat Pump
8. Geothermal Split System Heat Pump
9. Packaged AC / Gas Heat
10. Packaged AC / Electric Heat
11. Packaged Heat Pump
12. Packaged Dual Fuel
13. Furnace Only
14. Boiler Only
15. Air Handler/Fan Coil or Indoor Coil Only

Tell us "YES" if you want to offer it for each configuration or "NO" if you don't want to provide it. For the configurations you want to sell, fill in the set-up data for each system. Most contractors spend less than an hour setting up the system configurations for their price guide. If you can provide us with your distributor's complete equipment price list, you don't need to put the costs for every model on this set-up sheet. (For details on the materials and labor that are built into each of these configurations, please see "Appendix B – Installation costing for each system configuration" on page 20.)

Here is an example of how two companies in different climate zones might select equipment for the Split Air Conditioning with Furnace Configuration.

1. Typical southern climate configuration:

- | | | | |
|-----------|-----------------|-------------------------|--------------------------|
| • Good: | 14 SEER | 80% AFUE | Non-Programmable Tstat |
| • Better: | 16 SEER | 80% AFUE | Programmable Tstat |
| • Best: | 18 SEER 2-Stage | 80% 2-Stage or 90% AFUE | Programmable Smart Tstat |

- Premium: 20 SEER Variable-Capacity 90% AFUE 2-Stage Communicating Controller
2. Typical northern climate configuration:
- Good: 13 SEER 90% AFUE Non-Programmable Tstat
 - Better: 14 SEER 95% AFUE Programmable Tstat
 - Best: 16 SEER 2-Stage 95% AFUE 2-Stage Programmable Smart Tstat
 - Premium: 18 SEER Variable-Capacity 95+% AFUE Modulating Communicating Controller

Appendix B – Installation costing for each system configuration

The presentation price for each configuration is calculated using COGS (cost of goods sold) based on four components (or six for geothermal systems). We use industry-standard installation hours, but you can adjust these hours for your price guide if you wish. Once you receive your guide, locate the hours per installation next to each installation price. Mark up and scan the page(s) from the price guide to us with any installation item descriptions or the hours you need to change.

SPLIT AIR CONDITIONING WITH FURNACE

(Note: Some possible options in this configuration are systems with 80% furnaces, another section for 90%, or mixing them in one section, and having a section with fuel oil-burning furnaces.)

1. Your cost for the equipment (Evaporator, Thermostat, Condenser, Furnace), the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies
 - a. New equipment mounting pad, leveled
 - b. New condensate drain line
 - c. New electrical disconnect
 - d. New power wire, disconnect to equipment
 - e. New PVC venting (only for 90%+ furnaces) up to 30ft
 - f. New valve & fittings to connect to gas line
 - g. New transitions to existing plenums
 - h. New refrigerant line set up to 30ft
 - i. Refrigerant recovery
 - j. Gases for soldering and pressure testing
 - k. Various copper fittings
 - l. Vacuum pump usage & maintenance
 - m. Refrigerant to top off the system
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
 - b. Remove old equipment 1 hour
 - c. Set Outdoor Unit 1-4 hours (*1.5 to 3.5 ton: 1 hour; 4 & 5 ton: 4 hours*)
 - d. Set the Evaporator Coil for 2 hours
 - e. Set the furnace and install Tstat for 3.5 hours

- f. Install and connect line set 1.5 hours
 - g. Start up, Test, and Verify 1 hour
 - h. TOTAL CREW HOURS 10 - 13 hours (plus 2 hours for venting of 90%+ furnaces)
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

SPLIT AIR CONDITIONING WITH ELECTRIC HEAT

(Note: An option in this configuration is a system without an electric heat kit installed. The section will read "Split Air Conditioning with Fan Coil.")

1. Your cost for the equipment (Fan Coil, Thermostat, Condenser, optional Electric Heat Kit), the cost of the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - n. New equipment mounting pad, leveled
 - o. New condensate drain line
 - p. New electrical disconnect
 - q. New power wire, disconnect to equipment
 - r. New transitions to existing plenums
 - s. New refrigerant line set up to 30ft
 - t. Refrigerant recovery
 - u. Gases for soldering and pressure testing
 - v. Various copper fittings
 - w. Vacuum pump usage & maintenance
 - x. Refrigerant to top off the system
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (unless you are using an installation sub-contractor):
 - a. Remove old equipment 1 hour
 - b. Set Outdoor Unit 1-4 hours (1.5 to 3.5 ton: 1 hour; 4 & 5 ton: 4 hours)
- c. Set the fan coil and install Tstat for 1.5 hours
- d. . rs
 - e. Install and connect line set 1.5 hours
 - f. Start up, Test, and Verify 1 hour
 - g. TOTAL CREW HOURS 6 - 9 hours
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

SPLIT AIR CONDITIONING ADD-ON

1. Your cost for the equipment (Evaporator Coil, Thermostat, Condenser), the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies:

- a. New equipment mounting pad, leveled
 - b. New condensate drain line
 - c. New electrical disconnect
 - d. New power wire, disconnect to equipment
 - e. New refrigerant line set up to 30ft
 - f. Refrigerant recovery
 - g. Gases for soldering and pressure testing
 - h. Various copper fittings
 - i. Vacuum pump usage & maintenance
 - j. Refrigerant to top off the system
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
- a. Remove old equipment 1 hour
 - b. Set Outdoor Unit 1-4 hours (*1.5 to 3.5 ton: 1 hour; 4 & 5 ton: 4 hours*)
 - c. Set Evap Coil, install Tstat 1 hour
 - d. Install and connect line set 1.5 hours
 - e. Start up, Test, and Verify 1 hour
 - f. TOTAL CREW HOURS 5.5 - 8.5 hours
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

AIR CONDITIONING CONDENSER OR HEAT PUMP ONLY

1. Your cost for the equipment (Thermostat, Condenser, or Heat Pump), the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor’s fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
- a. New equipment mounting pad, leveled
 - b. New snow riser pump-ups (for HPs)
 - c. New electrical disconnect
 - d. New power wire, disconnect to equipment
 - e. Refrigerant recovery
 - f. Soldering and pressure testing gases
 - g. Various copper fittings
 - h. Vacuum pump usage & maintenance
 - i. Use refrigerant to top off the system (or charge it if it is a dry-charged unit).
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
- a. Remove old equipment 1 hour
 - b. Set Outdoor Unit 2-4 hours (*1.5 to 3.5 ton: 2 hours; 4 & 5 ton: 4 hours*)
 - c. Install Tstat 0.5 hours
 - d. Start up, Test, and Verify 1 hour
 - e. TOTAL CREW HOURS 4.5 - 6.5 hours
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as

entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

SPLIT HEAT PUMP

(Note: An option in this configuration is to use an indoor coil instead of a fan coil. This is useful as an add-on or partial system change-out if you install Split Dual Fuel or Hybrid systems.)

1. Your cost for the equipment (Fan Coil or Indoor Coil, Thermostat, Heat Pump, Electric Heat Kit), the optional extended labor warranty coverage provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New snow riser pump-ups
 - c. New condensate drain line
 - d. New electrical disconnect
 - e. New power wire, disconnect to equipment
 - f. New transitions to existing plenums
 - g. New refrigerant line set up to 30ft
 - h. Refrigerant recovery
 - i. Gases for soldering and pressure testing
 - j. Various copper fittings
 - k. , , Vacuum pump usage & maintenance
 - l. Refrigerant to top off the system
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
 - a. Remove old equipment 1 hour
 - b. Set Heat Pump Unit 1-4 hours (*1.5 to 3.5 ton: 1 hour; 4 & 5 ton: 4 hours*)
 - c. Set the Fan Coil and install Tstat for 1.5 hours (*or 1 hour for Indoor Coil and Tstat*)
 - d. Install and connect line set 1.5 hours
 - e. Start up, Test, and Verify 1 hour
 - f. TOTAL CREW HOURS 6 - 9 hours (*or 5.5 – 8.5 hours for Indoor Coil*)
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 Of the *Home Comfort Order Entry and Set-up Form*.

SPLIT DUAL FUEL (OR 'HYBRID SYSTEM')

(Note: Some possible options in this configuration are systems with 80% furnaces, another section for 90%, or mixing them in one section, and having a section with fuel oil-burning furnaces.)

1. Your cost for the equipment (Indoor Coil, Thermostat, Heat Pump, Furnace), the cost of the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New snow riser pump-ups

- c. New condensate drain line
 - d. New electrical disconnect
 - e. New power wire, disconnect to equipment
 - f. New PVC venting (only for 90%+ furnaces) up to 30ft
 - g. New valve & fittings to connect to the gas line
 - h. New transitions to existing plenums
 - i. New refrigerant line set up to 30ft
 - j. Refrigerant recovery
 - k. Gases for soldering and pressure testing
 - l. Various copper fittings
 - m. , , Vacuum pump usage & maintenance
 - n. Refrigerant to top off the system
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
- a. Remove old equipment 1 hour
 - b. Set Heat Pump Unit 2-4 hours (*1.5 to 3.5 ton: 2 hours; 4 & 5 ton: 4 hours*)
 - c. Set Indoor Coil for 2 hours
 - d. Set the furnace and install Tstat for 4.5 hours
 - e. Install and connect line set 1.5 hours
 - f. Start up, Test, and Verify 1 hour
 - g. TOTAL CREW HOURS 12 - 14 hours (*plus 2 hours for venting of 90%+ furnaces*)
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

GEOTHERMAL PACKAGED HEAT PUMP

1. Your cost for the equipment (Thermostat, Geothermal Packaged Heat Pump, Loop Pump Pack), the optional extended labor warranty coverage provided by your distributor, and your installation subcontractor's fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New condensate drain line
 - c. New electrical disconnect
 - d. New power wire, disconnect to equipment
 - e. New transitions to existing plenums
 - f. Various water line fittings
 - g. Refrigerant recovery
3. The Well subcontractor fee, as entered by you on Lines 9 to 15 of the *Home Comfort Order Entry and Set-up Form* for installing the Well loop, which should include the following:
 - Drilling or trenching for the well
 - Installing water loop
 - Filling water loop with environmentally friendly antifreeze/water solution
 - Connecting water loop to pump pack

- Backfilling the trench
 - 1-year warranty minimum for water loop problems
4. The electrical subcontractor fee, as entered by you on Line 16 of the *Home Comfort Order Entry and Set-up Form* for installing power lines and low-voltage wiring to the loop pump pack.
 5. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

a. Remove old equipment	for 2 hours
b. Seal well loop wall penetration	1 hour
c. Set Geo Unit, install Tstat	5-7 hours (<i>1.5 to 3.5 ton: 4 hours; 4 to 6 ton: 6 hours</i>)
d. Tie Geo Unit to loop pump pack	1-hour
e. Tie Geo Unit to hot water supply	1-hour
f. <u>Start-up, Test, and Verify</u>	<u>2 hours</u>
g. TOTAL CREW HOURS	12 - 14 hours
 6. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 Of the *Home Comfort Order Entry and Set-up Form*.

GEOHERMAL SPLIT SYSTEM HEAT PUMP

(Note: Options in this configuration include having a section for Geothermal Split Dual Fuel or Hybrid systems or a Geothermal Split Heat Pump with Indoor coil for add-on or replacement on a Dual Fuel.)

1. Your cost for the equipment (Indoor Coil/Furnace/Air Handler & optional Heat Kit, Thermostat, Geothermal Heat Pump, Loop Pump Pack), the cost of the optional extended labor warranty coverage as provided by your distributor, and your installation subcontractor’s fee, if applicable.
2. Industry-standard costs for the following materials and supplies:

a. New equipment mounting pad, leveled	h. New refrigerant line set up to 30ft
b. New condensate drain line	i. Refrigerant recovery
c. New electrical disconnect	j. Gases for soldering and pressure testing
d. New power wire, disconnect to equipment	k. Various water line fittings
e. New transitions to existing plenums	l. Various copper fittings
f. New valve & fittings to connect to gas line	m. Vacuum pump usage & maintenance
g. New PVC venting (only for 90%+ furnaces) up to 30ft	n. Refrigerant to top off the system
3. The healthy subcontractor fee, as entered by you on Lines 9 to 15 of the *Home Comfort Order Entry and Set-up Form* for installing the sound loop, which should include the following:
 - Drilling or trenching for the well
 - Installing water loop

- Filling water loop with environmentally friendly antifreeze/water solution
 - Connecting water loop to pump pack
 - Backfilling the trench
 - 1-year warranty minimum for water loop problems
4. The electrical subcontractor fee for installing power lines and low-voltage wiring to the loop pump pack, as entered by you on Line 16 Of the *Home Comfort Order Entry and Set-up Form*.
 5. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
 - a. Remove old equipment for 2 hours
 - b. Seal well loop wall penetration 1 hour
 - c. Set Geo Unit, install Tstat 3-5 hours (*1.5 to 3.5 ton: 3 hours; 4 to 6 ton: 5 hours*)
 - d. Set Indoor Unit for 3 hours (*plus 4 hours if installing Furnace*)
 - e. Install and connect line set 1.5 hours
 - f. Tie Geo Unit to loop pump pack 1 hour
 - g. Tie Geo Unit to hot water supply 1 hour
 - h. Start-up, Test, and Verify 2 hours
 - i. TOTAL CREW HOURS 14.5 - 16.5 hours (*or 18.5 – 20.5 if installing Furnace*)
(*plus 2 hours for venting of 90%+ furnaces*)
 6. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

PACKAGED AC / GAS HEAT

1. Your cost for the equipment (Thermostat, Packaged Unit) and optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation subcontractor fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New electrical disconnect
 - c. New power wire, disconnect to equipment
 - d. New valve & fittings to connect to gas line
 - e. New transitions to existing plenums
 - f. Refrigerant recovery
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):
 - a. Remove old equipment 1 hour
 - b. Set Package Unit 3.5-5.5 hours (*1.5 to 3.5 ton: 3.5 hours; 4 & 5 ton: 5.5 hours*)
 - c. Install Tstat 0.5 hours
 - d. Start up, Test, and Verify 1 hour
 - e. TOTAL CREW HOURS 6 - 8 hours

4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

PACKAGED AC / ELECTRIC HEAT

1. Your cost for the equipment (Thermostat, Packaged Unit, optional Electric Heat Kit) and for optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation sub-contractor fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New electrical disconnect
 - c. New power wire, disconnect to equipment
 - d. New transitions to existing plenums
 - e. Refrigerant recovery
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

a. Remove old equipment	1 hour
b. Set Package Unit	3.5-5.5 hours (1.5 to 3.5 ton: 3.5 hours; 4 & 5 ton: 5.5 hours)
c. Install Tstat	0.5 hours
d. <u>Start up, Test, and Verify</u>	<u>1 hour</u>
e. TOTAL CREW HOURS	6 - 8 hours
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

PACKAGED HEAT PUMP

1. Your cost for the equipment (Thermostat, Packaged Unit, Electric Heat Kit) and optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation subcontractor fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New equipment mounting pad, leveled
 - b. New electrical disconnect
 - c. New power wire, disconnect to equipment
 - d. New transitions to existing plenums
 - e. Refrigerant recovery
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

a. Remove old equipment	1 hour
b. Set Package Unit	3.5-5.5 hours (1.5 to 3.5 ton: 3.5 hours; 4 & 5 ton: 5.5 hours)
c. Install Tstat	0.5 hours
d. <u>Start up, Test, and Verify</u>	<u>1 hour</u>

e. TOTAL CREW HOURS 6 - 8 hours

4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

PACKAGED DUAL FUEL

1. Your cost for the equipment (Thermostat, Package Unit) and optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation subcontractor fee, if applicable.

2. Industry-standard costs for the following materials and supplies:

- | | |
|--|--|
| a. New equipment mounting pad, leveled | d. New valve & fittings to connect to gas line |
| b. New electrical disconnect | e. New transitions to existing plenums |
| c. New power wire, disconnect to equipment | f. Refrigerant recovery |

3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

- | | |
|--------------------------------------|--|
| a. Remove old equipment | 1 hour |
| b. Set Package Unit | 3.5-5.5 hours (<i>1.5 to 3.5 ton: 3.5 hours; 4 & 5 ton: 5.5 hours</i>) |
| c. Install Tstat | 0.5 hours |
| d. <u>Start up, Test, and Verify</u> | <u>1 hour</u> |
| e. TOTAL CREW HOURS | 6 - 8 hours |

4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

FURNACE ONLY

(Note: Options in this configuration include having a section for systems with 80% Furnaces, another section for 90%, or mixing them in one section, and having a section with Fuel Oil burning Furnaces.)

1. Your cost for the equipment (Thermostat, Furnace) and optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation subcontractor fee, if applicable.

2. Industry-standard costs for the following materials and supplies:

- | | |
|---|--|
| a. New electrical disconnect | d. New valve & fittings to connect to gas line |
| b. New power wire, disconnect to equipment | e. New transitions to existing plenums |
| c. New PVC venting (only for 90%+ furnaces)
up to 30ft | f. New transitions to existing vent piping |

3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

- a. Remove old equipment 1 hour
 - b. Set the furnace and install Tstat for 4 hours
 - c. . rs
 - d. Start-up, Test, and Verify 1 hour
 - e. TOTAL CREW HOURS 6 hours *(plus 2 hours for venting of 90%+ furnaces)*
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

BOILER ONLY

(Note: Options in this configuration include having separate sections for Gas-Water Boilers, Gas-Steam Boilers, Oil-Water Boilers, and/or Oil-Steam Boilers.)

1. Your cost for the equipment (Thermostat-optional, Boiler) and for optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation sub-contractor fee, if applicable.
2. Industry-standard costs for the following materials and supplies:
 - a. New electrical disconnect
 - b. New power wire, disconnect to equipment
 - c. New PVC venting (only for 90%+ boilers) up to 30ft
 - d. New valve & fittings to connect to fuel line
 - e. New water fill and backflow preventer
 - f. New expansion tank and air separator
 - g. Various fittings to connect to existing hydronic system
 - h. New transitions to existing vent piping
3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper *(unless you are using an installation sub-contractor)*:
 - a. Remove old equipment 1 hour
 - b. Set and connect the boiler for 6 hours
 - c. . rs
 - d. Start-up, Test, and Verify 1 hour
 - e. TOTAL CREW HOURS 8 hours *(plus an additional 2 hours for 90%+ boilers)*
4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*.

AIR HANDLER/FAN COIL OR INDOOR COIL ONLY

(Note: Options in this configuration include having a section for systems with 80% Furnaces, another section for 90%, or mixing them in one section, and having a section with Fuel Oil burning Furnaces.)

1. Your costs for the equipment (Air Handler, fan Coil, or Indoor Coil) and optional extended labor warranty coverage as provided by your distributor. Also, please provide your installation subcontractor fee, if applicable.

2. Industry-standard costs for the following materials and supplies:

a. New electrical disconnect	d. New valve & fittings to connect to gas line
b. New power wire, disconnect to equipment	e. New transitions to existing plenums
c. New PVC venting (only for 90%+ furnaces) up to 30ft	f. New transitions to existing vent piping

3. Industry-standard Labor Crew hours as shown below for one Crew Chief and one Helper, adjusted by your BLE factor (*unless you are using an installation sub-contractor*):

a. Remove old equipment	1 hour
b. Set the furnace and install Tstat	for 3 hours
c. . rs	
d. <u>Start-up, Test, and Verify</u>	<u>0.5 hours</u>
e. TOTAL CREW HOURS	4.5 hours

4. Material state sales tax, Vehicle costs, and the Risk, proficiency, and warranty percentage as entered by you on Lines 4 to 8 Of the *Home Comfort Order Entry and Set-up Form*.

Appendix C – Enhancements, Accessories & IAQ Essentials

In addition to offering HVAC system installations, your price guide can also present system enhancements to offer to your customers. The following is a brief description of the eight accessories your price guide is ready to display with just a little information from you. We need you to tell us which unit you want to offer (brand & model number) and your cost for each of the following items. The published prices will include material state sales tax, vehicle costs, risk, proficiency, and warranty percentage as you entered them on Lines. 4 to 8 of the *Home Comfort Order Entry and Set-up Form*. The crew hours shown can be adjusted at your request.

1. Touchscreen Programmable Thermostat—The presentation price includes installation time of 0.5 crew hours and wiring materials.
2. HEPA Air Cleaner System—The presentation price includes an installation time of 3.5 crew hours and materials such as wiring, flex-ducting, and/or sheet metal.
3. Whole-House Air Cleaner System—The presentation price includes 2.5 crew hours of installation time, wiring, and sheet metal materials.
4. Ultraviolet Air Purifier System—The presentation price includes installation of 2 crew hours and wiring materials.
5. Energy (or Heat) Recovery Ventilator—The presentation price includes 3.5 crew hours of installation time and wiring, flex-ducting, and/or sheet metal materials.
6. Fan-Powered Humidifier—The presentation price includes 1.5 crew hours of installation time and materials for wiring, piping, and fittings for water supply and drain.

7. **Bypass Humidifier**—The presentation price includes 1.5 crew hours of installation time and materials for wiring, flex-ducting, and/or sheet metal, piping, and fittings for water supply and drain.
8. **High-Efficiency Media Air Cleaner**—The presentation price includes installation time of one crew hour and sheet metal materials.

In addition to these eight items, we can include up to 10 additional accessories in your price guide. These are typically additional sizes of an item above (e.g., 100cfm ERV, 200cfm ERV, 300cfm ERV). If you want to offer an item that is not mentioned above, then please provide the following information for each additional accessory that you want in your price guide:

- Brand and model number of the item
- Your cost for the item
- The total cost of miscellaneous materials needed to install the item
- The total crew hours to install the item and verify proper operation.

Appendix D – Data table for upload to dispatching and/or accounting software

In addition to the PDF version of your guide, you can receive a spreadsheet in CSV (comma-separated variables) format containing essential data from your guide that can be uploaded into most dispatching and accounting software. Please contact us for further details on obtaining this optional feature we offer. Here is an explanation of the data contained in each of the eleven columns of this optional spreadsheet:

1. **Category:** The equipment brand used in your guide and "HVAC Installation."
Example: Trane HVAC Installation
2. **Sub-category:** The configuration type of the system, which is also the page heading.
Example: Split Heat Pump With Fan Coil
3. **Code:** A 14-digit code that will be unique for each installation in your price guide.
Example: H051-GD35-0975 (Note: the last four digits represent the crew-labor hours. The first two digits are hours; the previous two are fractions of hours, so "0975" means 9 hours and 45 minutes (1 hr x 0.75 = 45 mins). In the case of some line items on the *Investment Option Worksheet*, the hours may be a deduction, and the last four digits will begin with "N". If the code is "H1OW-0024-N125", the hours are negative 1 hour and 15 minutes (1 hr x 0.25 = 15 mins).
4. **Description:** The page heading, whether the system is "Good," "Better," "Best," or "Premium," and its nominal size.
Example: Split Heat Pump with Fan Coil Good System 3.5 Ton Size
5. **Retail_\$:** The presentation price (or "sell price") in dollars for the system installation, as shown to your customers in the PDF version of the guide.
Example: 7104
6. **Eqp/Mtl/Sub_\$:** The cost in dollars for equipment, miscellaneous materials, and subcontractors.
Example: 3059.61

7. **Sales_Tax_**\$: The total in dollars for sales tax on equipment and materials, based on what you put on Line 4 of the *Home Comfort Set-up and Order Entry Form*.
Example: 214.17
8. **Labor_Hrs**: The number of crew hours for the installation, based on what you put on Line 3 of the *Home Comfort Set-up and Order Entry Form*, and the crew hours shown in "Appendix B – Installation costing for each system configuration" starting on page 20.
Example: 9.17
9. **Labor_Cost_**\$: The cost in dollars for labor for the installation, based on what you put on Lines 1, 2, and 3 of the *Home Comfort Set-up and Order Entry Form*.
Example: 385.14
10. **Risk_Prof_**\$: The portion of the installation price in dollars assigned to Risk & Proficiency & Warranty, based on what you put on Line 8 of the *Home Comfort Set-up and Order Entry Form*.
Example: 149.97
11. **Gross_Profit_**\$: The portion of the installation price in dollars that is gross profit, based on what you put on Lines 25 to 28 of the *Home Comfort Set-up and Order Entry Form*.
Example: 3190.31

Appendix E – Determining your job costs from the presentation price

Find the *Total System Installation Costs or Cost of Goods Sold (COGS)*.

To calculate: Multiply the presentation price by one minus your Total Gross Profit Margin percentage.

$COGS = PRICE \times (1 - TGPM)$

Example:

- Replacement Price = \$10,000
- TGPM = 45%
- $COGS = \$10,000 \times (1 - 0.45) = \$5,500$



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