

Electrifying a Commercial HVAC System



Electrify...?

Go all-electric & reduce site energy & reduce source operational carbon emissions – CO₂e

What System?

All Hydronic Heat & Cool System for comfort and building conditioning

What Hydronic System?

CoolSense™ System – DOAS with Sensible-Cooling Terminals

This seminar assumes you know what a CoolSense System is. If you do not, it is not required for the concepts discussed on electrification; you can learn the specifics on the DOAS + terminals HVAC system after learning how to electrify it.

Agenda



- What system are we electrifying?
- Building heating needs and design practices
- Hot water temperature for efficient operation
- Distribution design using switch over terminal units
- Annual CO₂e reduction of three electrified CoolSense Systems
- Using Distribution Area Directors to help with retrofits



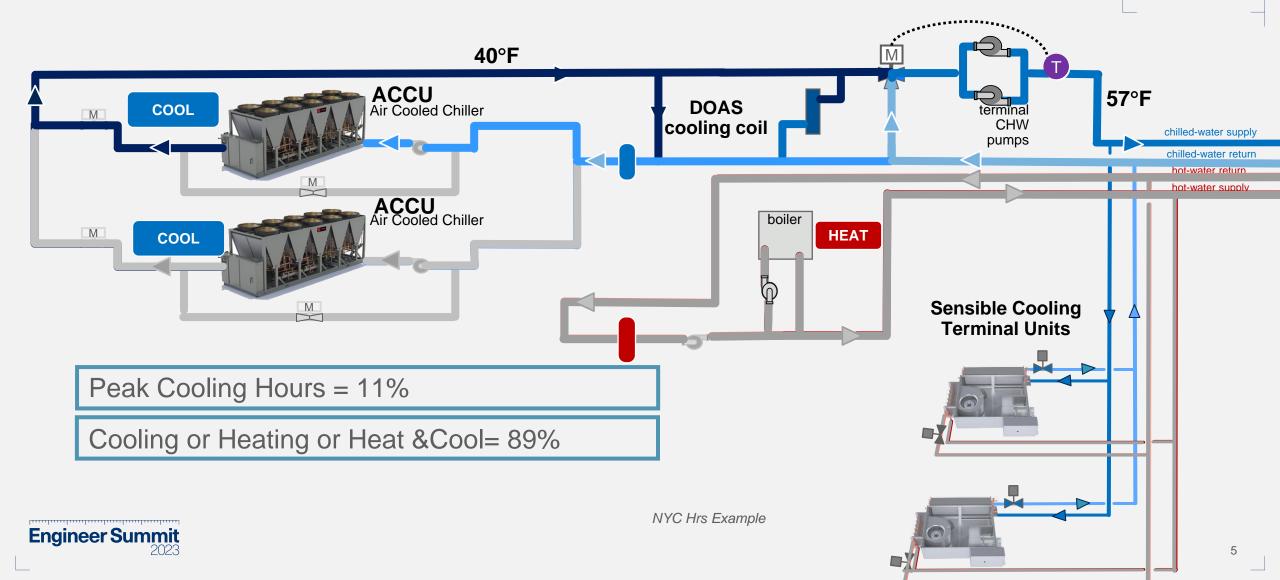


What System are we electrifying?

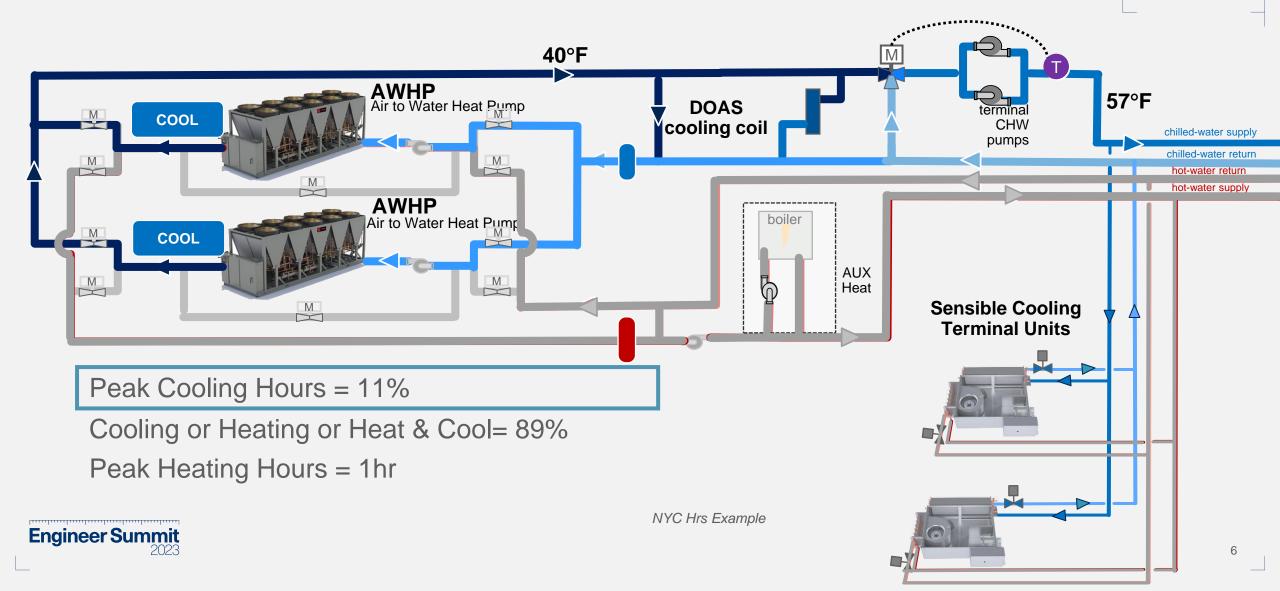




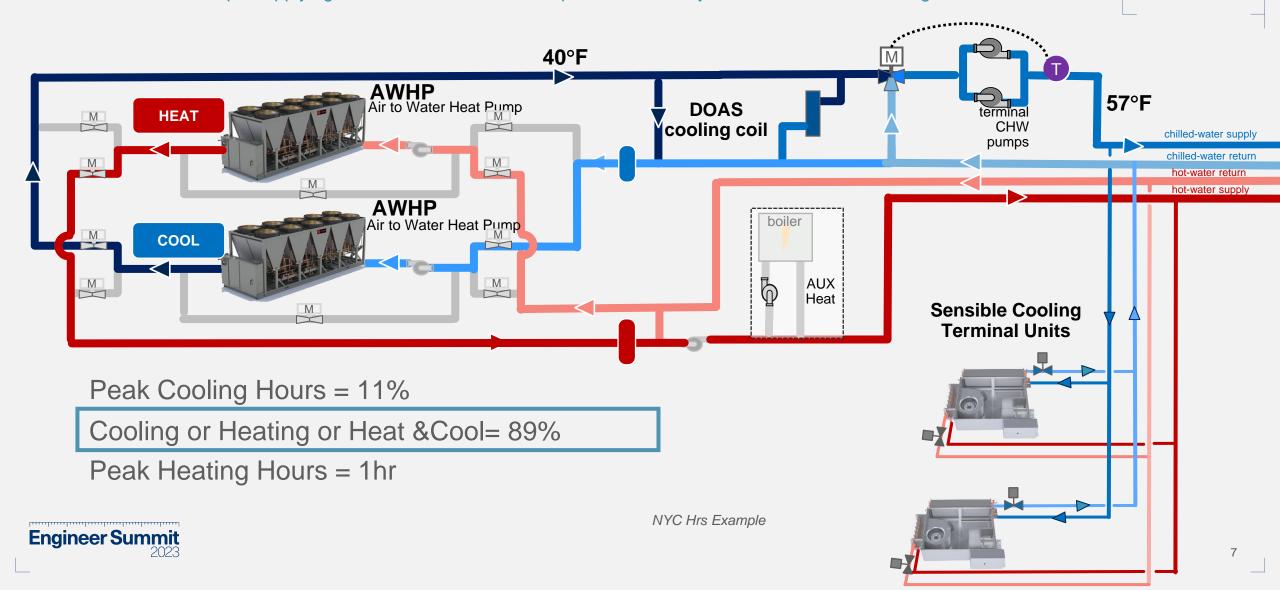
Air Cooled Chillers and Boiler(s) Supplying Hot and Cold Water to 4-Pipe Distribution System with Sensible Cooling Terminals



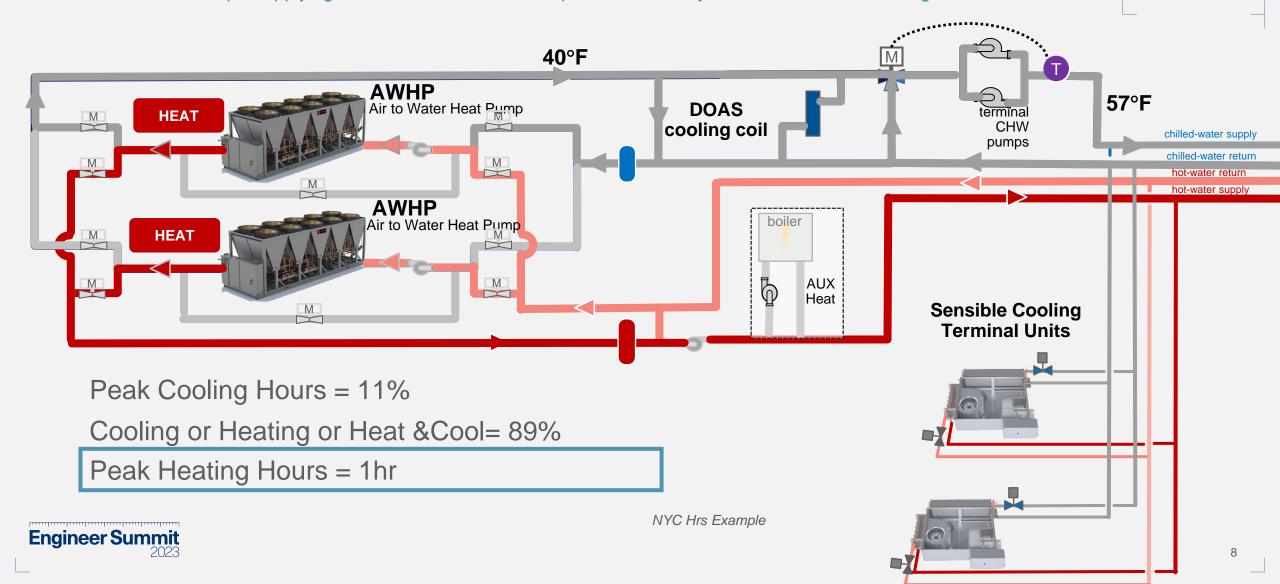




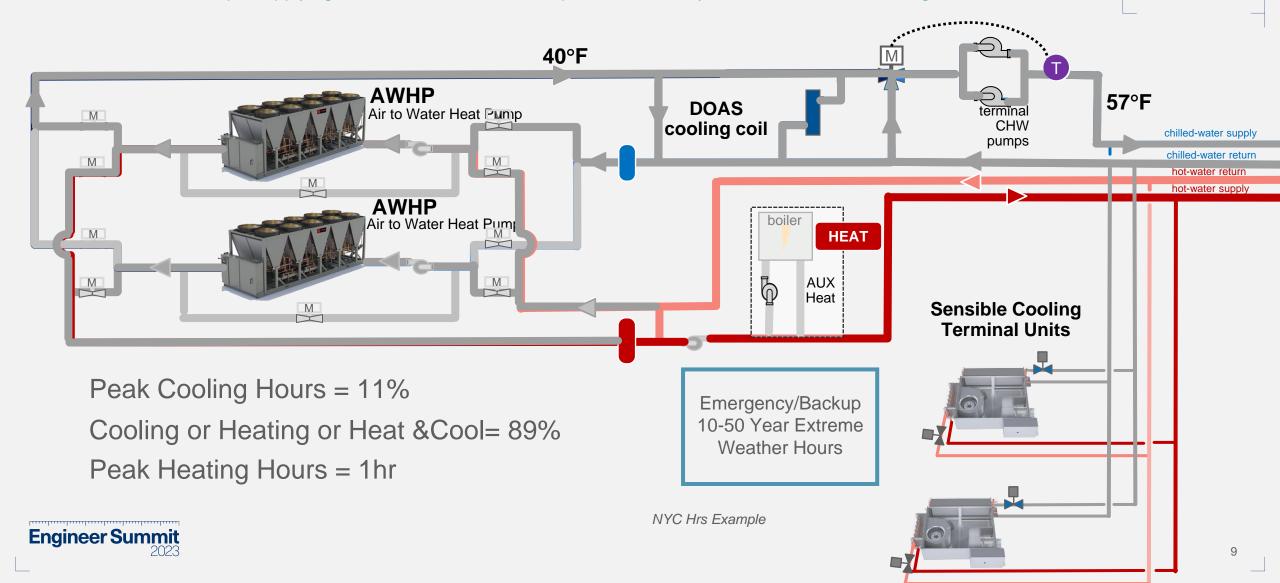












Electrify Successfully





Peak Heating Load vs. Cooling Load Oversized
Terminal Heating
Capacity

Design Oversized
Plant Heating
Capacity

Minimize Impact: Understand Terminal Unit Sizing



- Heat Sizing Practices
 - Overwhelming design practice of engineers is to oversize fan terminal unit heating capacity on rules of thumb
 - Scheduled terminal heating capacity on scheduled is rarely zone load



Heating Coil Flow = ½ Cooling_{gpm}



Heating Coil Lvg Air Temp = 95°F

Heating Coil Flow = 0.5gpm, 1.0gpm, 2gpm or...

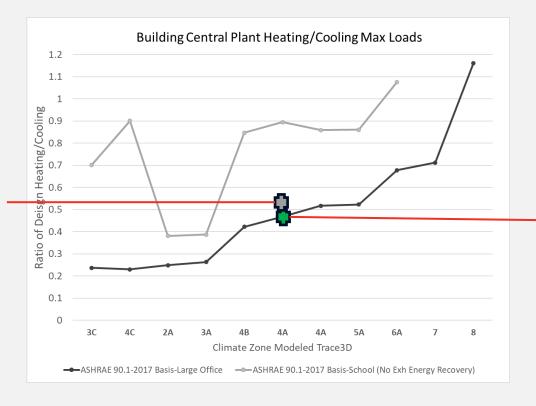
MAX.					COOLING COIL					HEATING COIL					
PRIMARY AIRFLOW (CFM)	MAX FAN AIRFLOW (CFM)	MIN FAN AIRFLOW (CFM)	EXT. S.P. IN W.C.	PRIMARY ENTERING AIR DB °F	SENSIBLE MBH	GPM	EWT °F	LWT °F	W.P.D. FT. HD	TOTAL MBH	GPM	EWT °F	LWT °F	W.P.D. FT. HD	
120	700	120	0.25	54.0	9	1.7	57	67.5	0.93	555	1.0	140			



Minimize Impact: Understand Typical Building Heat to Cool Design Loads

TRANE

- What is typical peak building heating load vs. cooling load?
 - Trane study using ASHRAE 90.1 2017 basis buildings
 - Trace 3D used to model annual performance at different climate zones



Peak Heating < 1

Example: NYC Office

What is the oversizing from current practices?

Engineer Summit

1999 Construction Office

Minimize Impact: Understand Installed Total Terminal Heating Capacity vs Peak Load



Terminal Cooling Capacity vs Heating Capacity Ratio Using Rules of Thumb



Heating Coil Flow = ½ Cooling_{gpm}

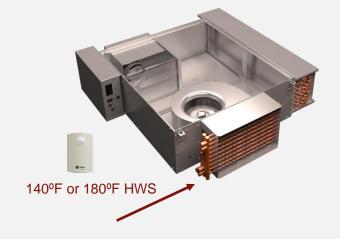
140F ≈1.5 heat/cool 180F ≈ 2.4 heat/cool

Heating Coil Lvg Air Temp = 95°F

≈1.7 heat/cool

These heat/cool ratios will result in terminal units heating that is

oversized by ≈ 150-500%

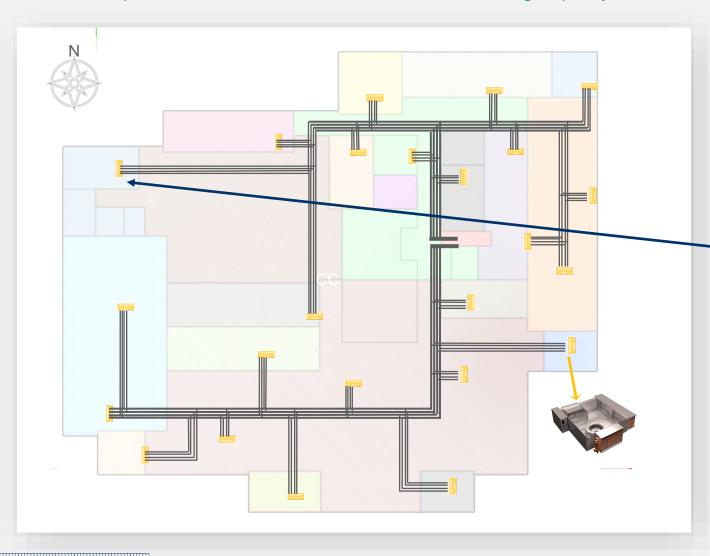


MAX.					COOLING COIL					HEATING COIL				
PRIMARY	MAX FAN	MIN FAN	EXT.	PRIMARY										
AIRFLOW	AIRFLOW	AIRFLOW	S.P. IN	ENTERING	SENSIBLE				W.P.D.	TOTAL			LWT	W.P.D.
(CFM)	(CFM)	(CFM)	W.C.	AIR DB °F	MBH	GPM	EWT °F	LWT °F	FT. HD	MBH	GPM	EWT °F	°F	FT. HD
120	700	120	0.25	54.0	9	1.7	57	67.5	0.93	???	1.0	140		



Minimize Impact: Understand Installed Total Terminal Heating Capacity vs Peak Load





Example: Office BuildingDetailed look at a 15,893 ft² floor

Zones = 20

CoolSense Terminals = 25

Trace 3D Predicted Building Peak Loads

Ratio Heating to Cooling = 0.45

Worst Case NW Corner Office = 0.88

Cooling 6.0MBH

Heating 5.3MBH

Sizing Method Impact on this building in NYC

Heating Coil Flow = 1.5_{gpm} @140°F

≈ 301% more capacity than peak heating need

Heating Coil Lvg Air Temp = 95°F

≈ 407% more capacity than peak heating need

Minimize Impact: Understand Terminal Oversizing and Plant Oversizing Differences



- Oversizing terminals is OK
 - Keeps fans at low speed during heating
 - Each zone has safety factor in case it goes rogue
- Size AWHP on Peak Block Load X SF
 - DO NOT size on sum of terminal capacity, will greatly oversize



What Fan Terminal Heating Capacity Scheduled?

≈ 301% of peak design capacity



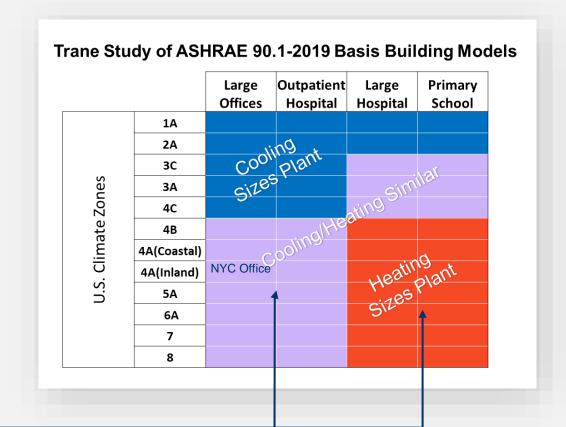
What is AWHP Capacity Scheduled?

Cooling sizes unit

Design Cooling Capacity = 120% of peak cooling

Design Heating Capacity = 192% of peak heating @7°F



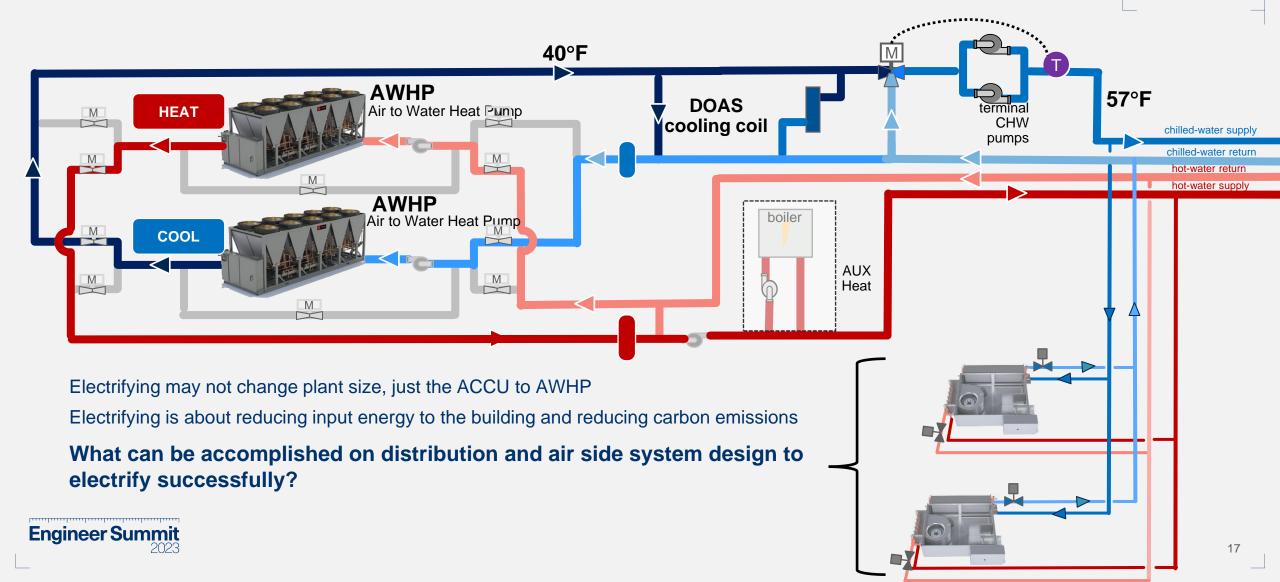


Electrify Successfully



Use Lower Hot Water Temperature Use the Sensible-Cooling Coil for Heat







Only use the hot water required to heat

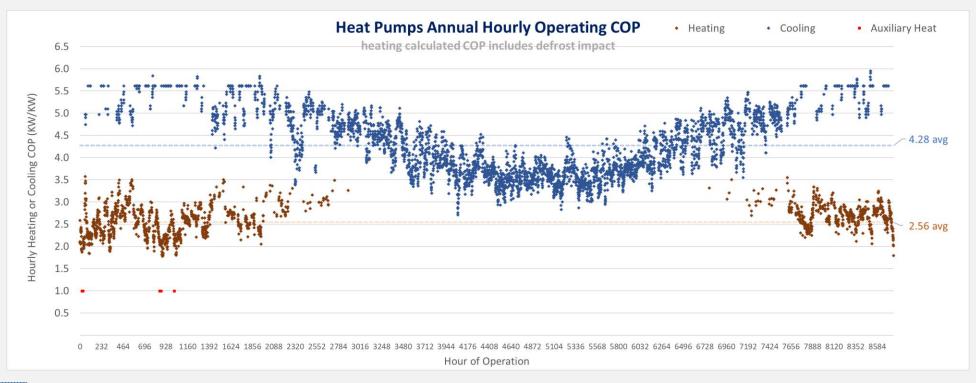
- What hot water temperature that is available is restricted by the equipment?
 - Gas fired non-condensing boilers 180°F HWS to reduce risk of condensing flue gas
 - Gas fired condensing boilers to get efficiency benefit <120°F HWR
 - Air to water heat pumps are limited by the ambient temperature 95°F @ 0°F; HWS = 100°F @ 10°F; HWS = 110°F @ 15°F
- The lower the temperature of the water, the more efficient the heat pump
 - Less energy
 - Less demand power
 - Lower CO₂e

Only use the hot water required to heat



NYC Example Office

	AWHP Annual Avg COP	Annualized COP				
95°F HWS →	3.33	2.94				
110°F HWS →	2.56	2.35				







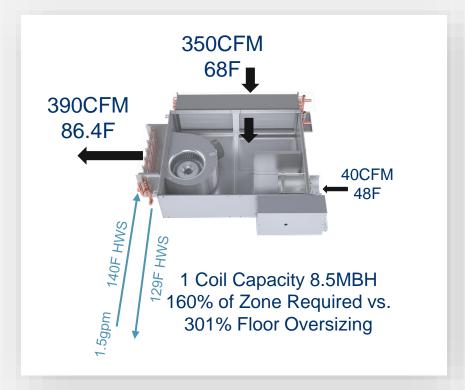
Only use the hot water required to heat

- The lower the face velocity of the coil the lower the hot water temperature needed
- 140°F or 180°F use a high air velocity coil to help with control
- CoolSense terminals have a low face velocity coil (Sensible Cooling)
 - Sensible Coil can be used for heating with AWHP hot water to reduce required hot water temperature



NW Office Cool 6.0MBH Heat 5.3MBH

Worst Case Ratio







Only use the hot water required to heat



- AWHP system is a 4-pipe system
- Building is 4-pipe system
- Hot water or chilled water is available for each terminal

Predicted Performance on Peak Load Days





Electrify Successfully



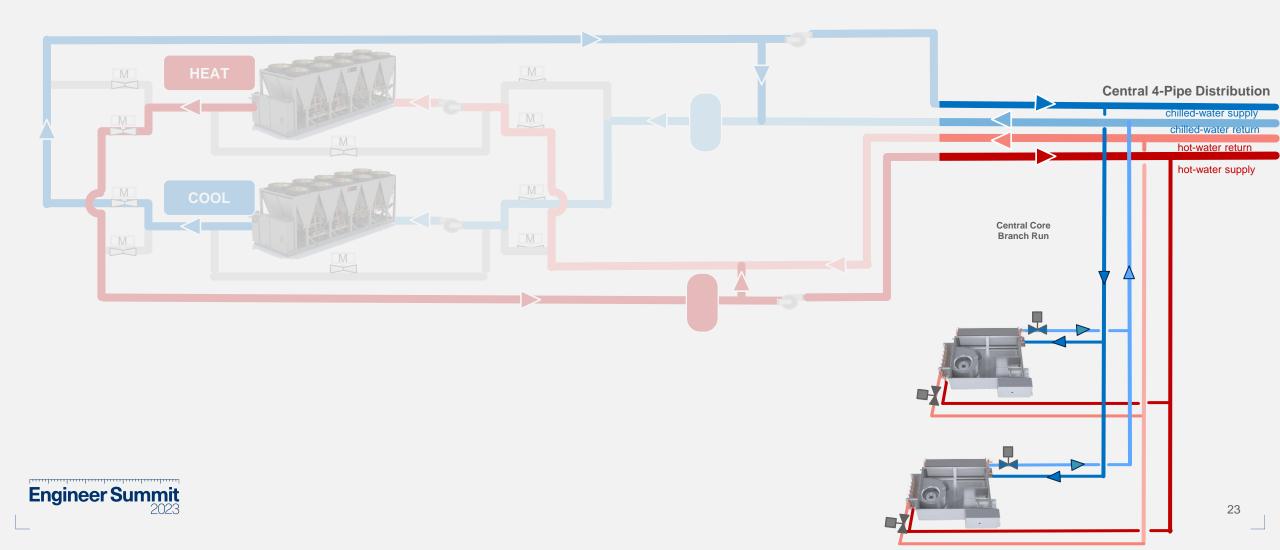
4-Pipe **Distribution Design**

Switch Over Terminal Units

Distribution Area Director

4-Pipe Distribution for Switch Over CoolSense Terminals

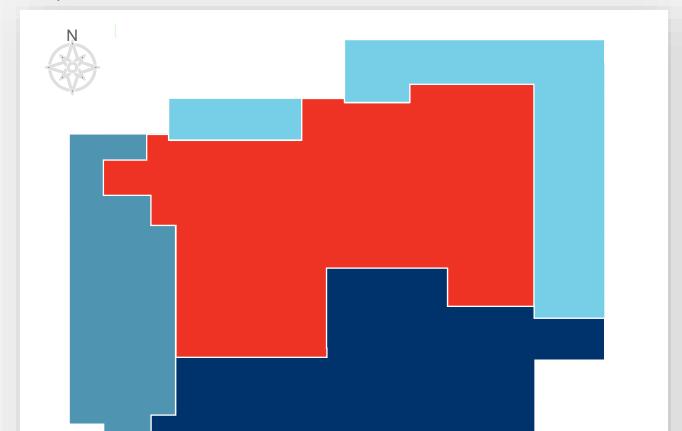




4-PIPE DISTRIBUTION PIPING FOR CoolSense TERMINALS Central 4-Pipe Distribution chilled-water supply chilled-water return hot-water return hot-water supply North Façade **Central Core** Branch Run **Branch Run Traditional ACCU+ Gas Boiler Piping** Undersized Coil for 140F to 180F No Switchover coil Boiler and ACCU different plants HWS too hot **Electrify CoolSense** Undersized coil needs higher temperature HWS than necessary to heat Will lower efficiency of AWHP

4-PIPE DISTRIBUTION PIPING FOR CoolSense TERMINALS chilled-water supply chilled-water return hot-water return hot-water supply Central Core **Branch Run** North Façade Branch Run **Electrify CoolSense 6-way Valve at each** zone Removes high velocity coil and lowers fan SP Allows for lower temperature water (96°F) Requires in the zone space for valve Adds costs (One 6-way \$ > Two 2-way \$) Zone controls more complex not out of the box Primary benefit is each zone has independent heat/cool mode

4-Pipe Distribution for Switch Over CoolSense Terminals





25 Zones for Floor

Independent zone control is important, each zone should have ability for different set points!

Don't forget the primary purpose: COMFORT

Every zone does not need independent heat/cool switchover

Boston Model 3.3% hours simultaneous heat/cool

South Area 4 Independent Zones, 7 Units

North/East

5 Independent Zones, 6 Units

Central Area

8 Independent Zones, 8 Units

West

3 Independent Zones, 4 units

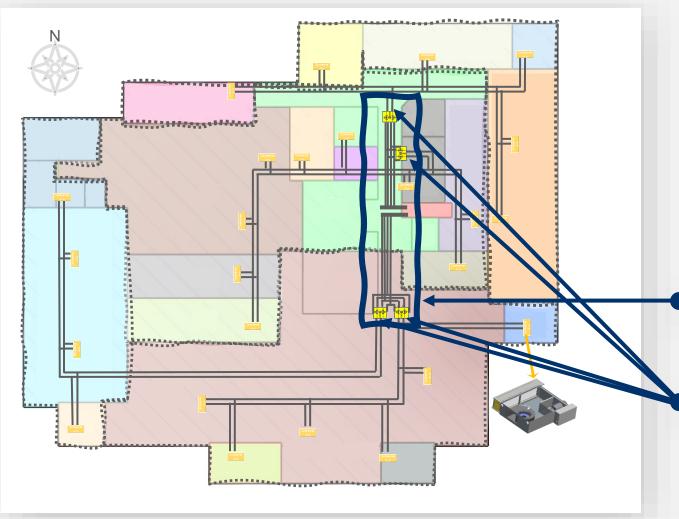


4 PIPE DISTRIBUTION PIPING FOR CoolSense TERMINALS Central 4-Pipe Distribution chilled-water supply chilled-water return hot-water return hot-water supply **Central Core** North Façade **Branch Run Branch Run Distribution Area Director, DAD™** Simplifies switch over coils Switch over for coil occurs for a thermal area Each zone is independently controlled by unit controller with 2-way valve using proven logic. (I) 72°F Heat 70°F Cool . Binary Value: Binary Value: Thermal Area = Heat Thermal Area = Cool 75°F Heat (1) 68°F Cool BAS Tracer)

4-PIPE DISTRIBUTION PIPING FOR CoolSense TERMINALS Central 4-Pipe Distribution chilled-water supply chilled-water return hot-water return hot-water supply Central Core North Façade **Branch Run Branch Run Distribution Area Director, DAD™** Switch over for coil occurs for a thermal area BAS does NOT control the zones BAS reads each terminal control mode Status 72°F Heat BAS makes decision to send chilled water or hot water and tells the Thermal Area DAD 70°F Cool (I) 75°F Heat 75°F Cool Unit controller senses and knows if hot water or cold water is available. 68°F Cool There can be unit(s) in different modes. 72°F Cool

4 pipe Distribution Piping for Switch Over CoolSense Terminals using DAD





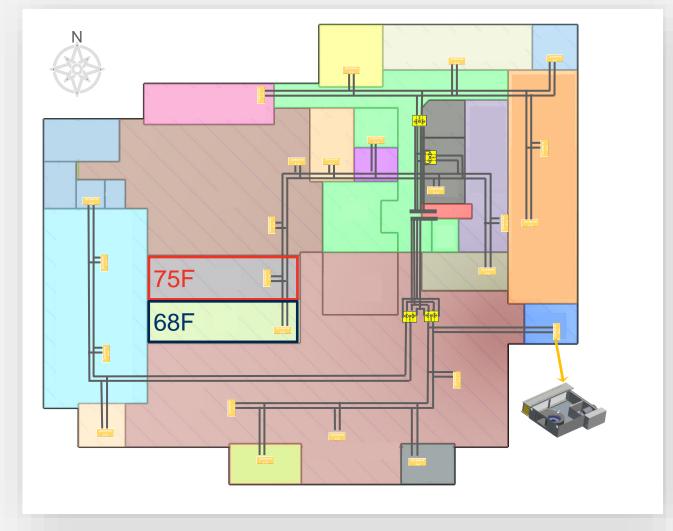
Distribution Area Director, DAD™

- Greatly reduces the piping for building
- All branch area piping is 2-pipe

Center Floor 4-Pipe Run from Central 4-Pipe Chase

All Thermal Area Branch Pipe Run are 2-pipe leaving the Distribution Area Director

4-pipe Distribution Piping for Switch Over CoolSense Terminals using DAD





Distribution Area Director, DAD™

- Stops the zone fighting!
- Allows independent set points
- Improved comfort
- Reduced energy impact

Example: Adjacent Zones

75°F vs 68°F all year

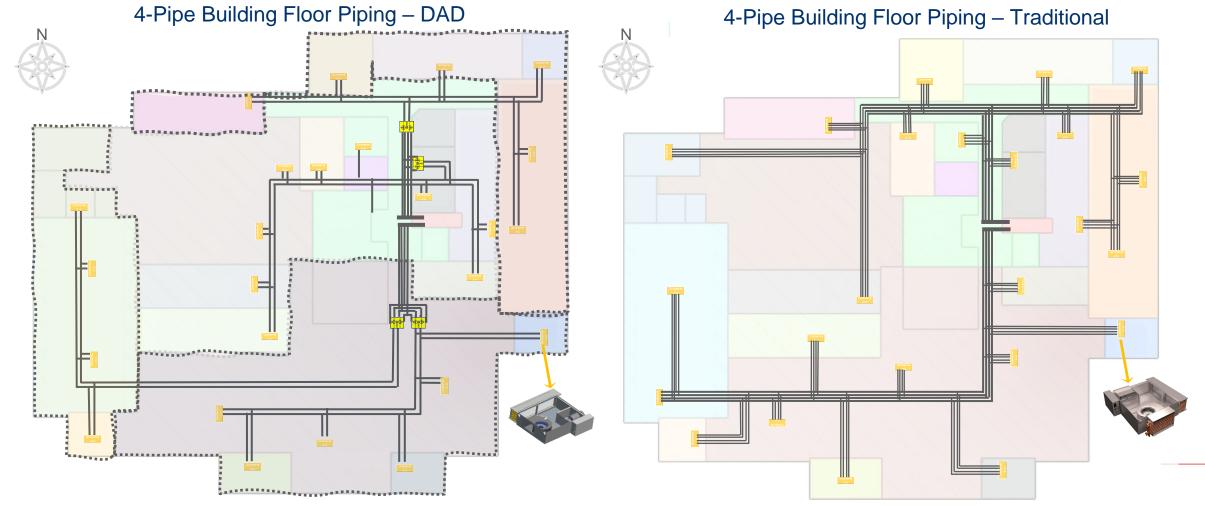
Modeling example the adjacent zones meets set point 8759 out of 8760hrs both in same Heat/Cool mode

Adds 5,376,000 BTU Annual Cool Reduces 832,000 BTU Annual Heat



Distribution Area Director and switch over coils will significantly reduce building costs

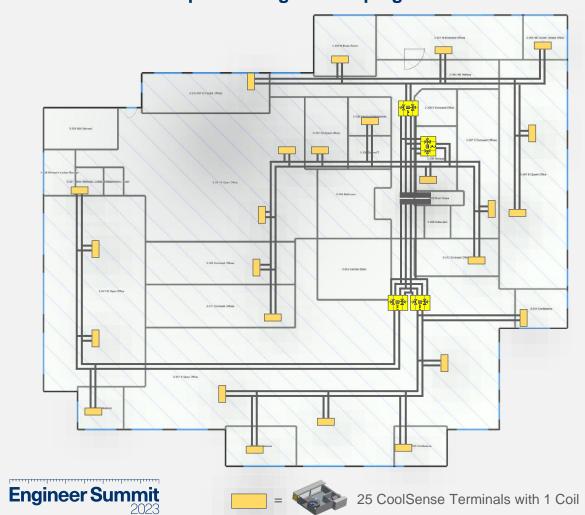




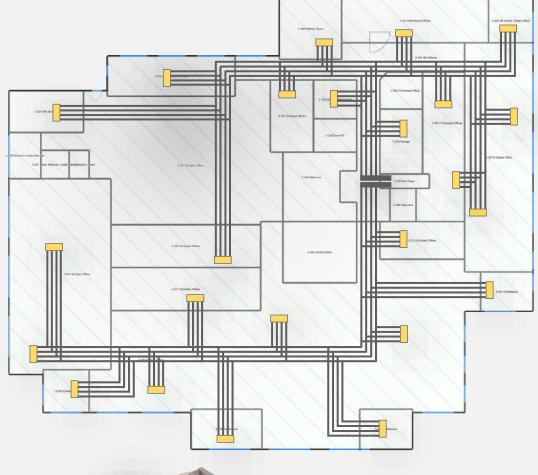
Distribution Area Director and switch over coils will significantly reduce building costs



4-Pipe Building Floor Piping – DAD



4-Pipe Building Floor Piping – Traditional

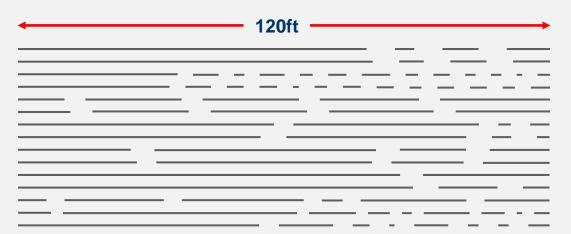


25 CoolSense Terminals with 2 Coils

Distribution Area Director and switch over coils will significantly reduce building costs



4-Pipe Building Floor Piping – DAD

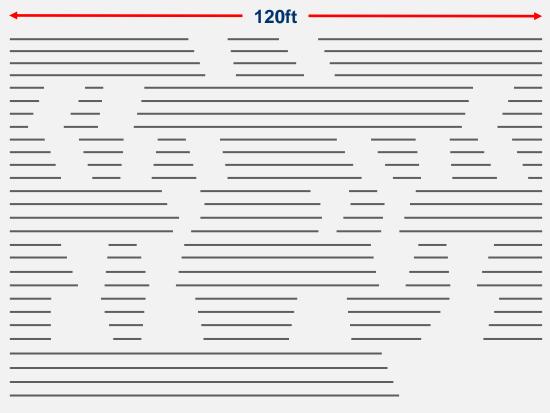


1660 ft Steel Pipe

Majority 1 1/2" DIA; Some 2" DIA

Minimum Est Fittings (Ts, Elbows, Etc) >176

4-Pipe Building Floor Piping – Traditional



2780 ft Steel Pipe

Majority 2" DIA; Some1 1/2" DIA

Minimum Est Fittings (Ts, Elbows, Etc) > 254



Distribution Area Director and switch over coils will significantly reduce building costs



4-Pipe Building Floor Piping – DAD



25 CoolSense Terminals with 1 Coil



1660 ft Steel Pipe

Majority 1 ½" DIA; Some 2" DIA

Minimum Est Fittings (Ts, Elbows, Etc) >174



Control Valves Qty = 25 2-Way



Distribution Area Director Qty = 4

Savings Est: \$1.30/sqft

4-Pipe Building Floor Piping – Traditional



25 CoolSense Terminals with 2 Coils



2780 ft Steel Pipe

Majority 2" DIA; Some1 1/2" DIA

Minimum Est Fittings (Ts, Elbows, Etc) >254



Control Valves Qty = **50** 2-Way



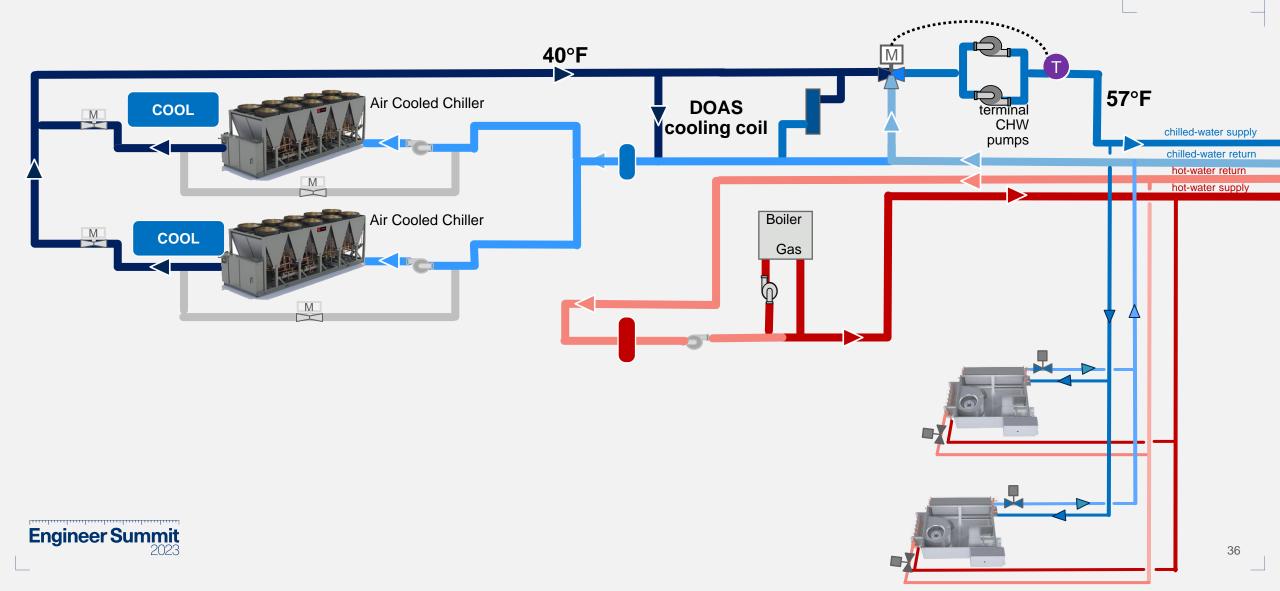


Annual Modeling of Three CoolSense Systems



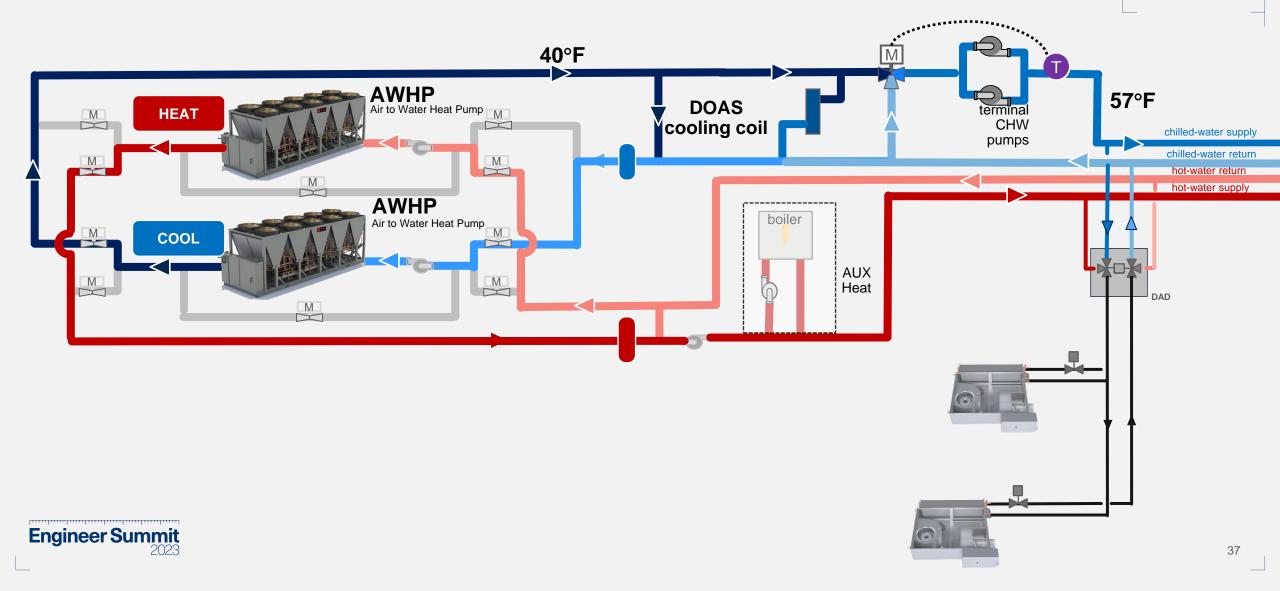
Baseline Fossil Fuel: CoolSense System Natural Gas Heating





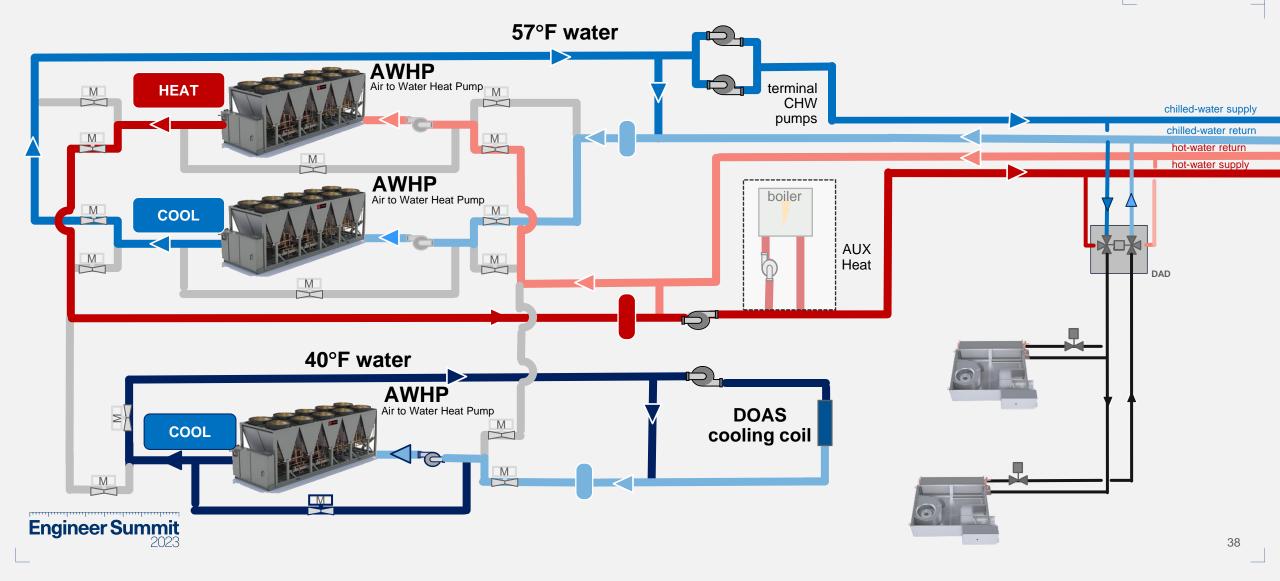
All-electric CoolSense System AWHP Heating





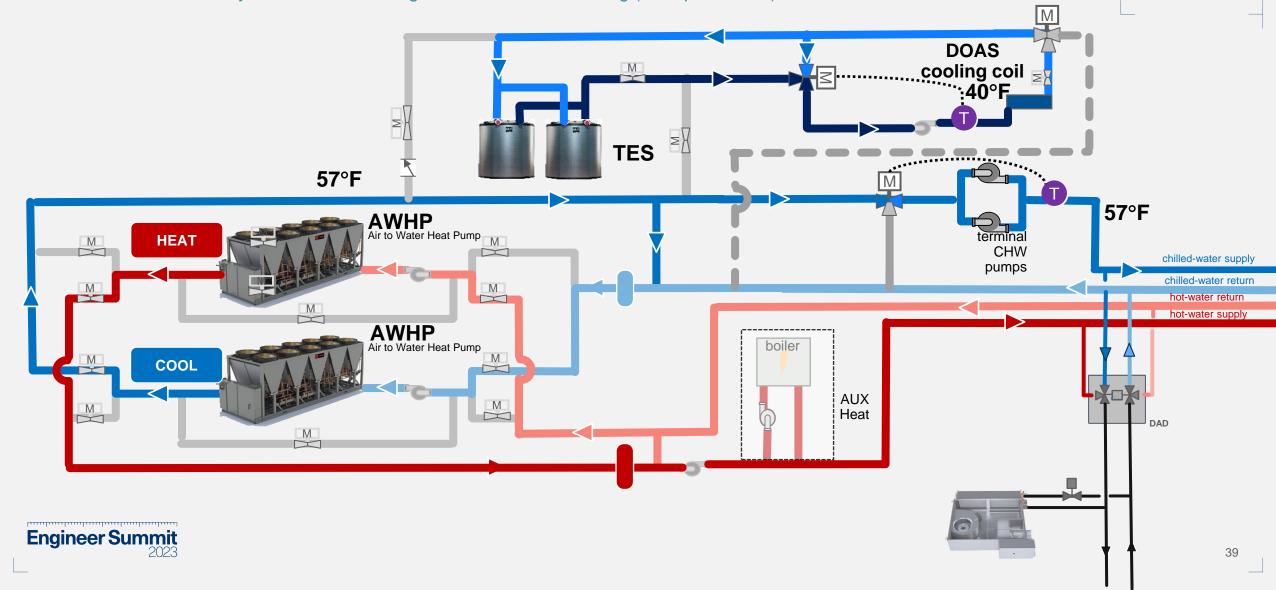
All-electric CoolSense System AWHP Heating – Dual Temperature Chilled Water Plant





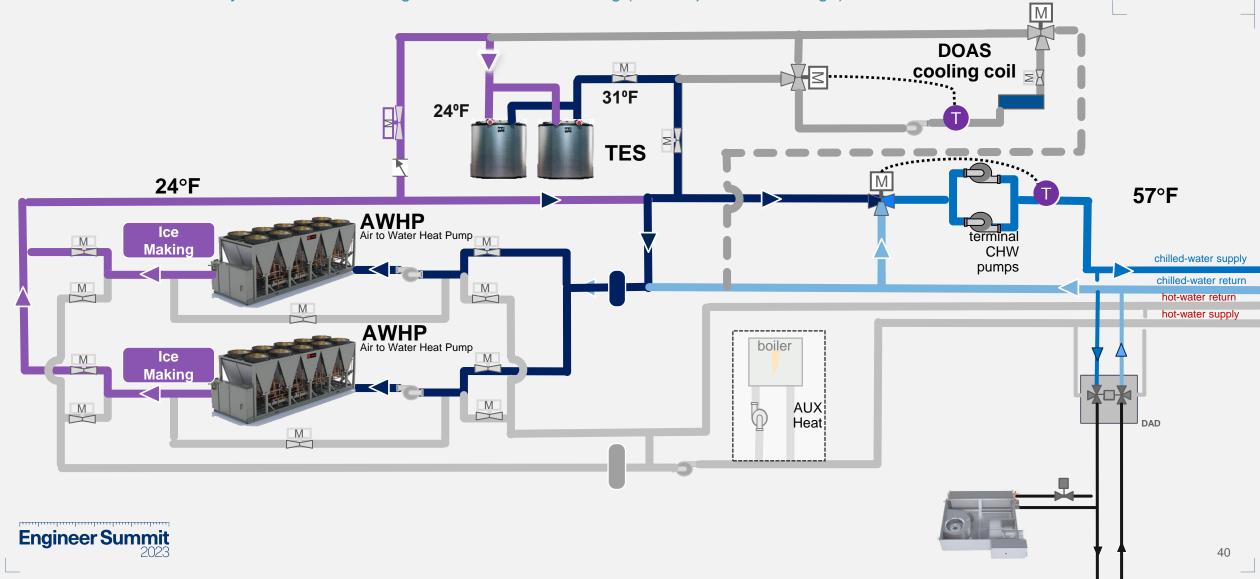


All-electric CoolSense System AWHP Heating – TES for DOAS Cooling (Occupied Mode)



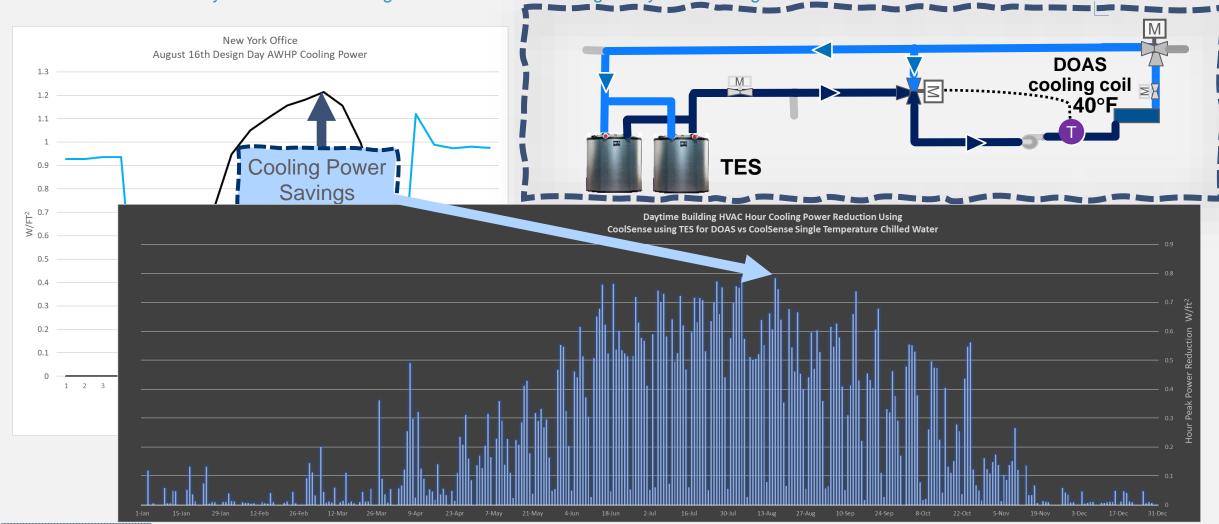


All-electric CoolSense System AWHP Heating – TES for DOAS Cooling (Unoccupied TES Charge)





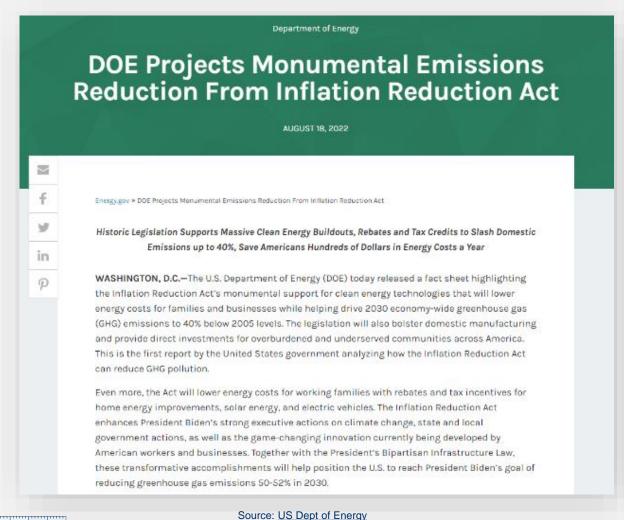
All-electric CoolSense System AWHP Heating – TES for DOAS Cooling – Daytime Cooling Power Reduction





All-electric CoolSense System AWHP Heating – TES Inflation Reduction Act Impact









IRA Incentives & Investments

Impacts on the Commercial Market



~\$216B*

In est. corporate tax incentives designed to catalyze private investment in clean energy, transport and manufacturing

\$3.42B

To decarbonize federal buildings through construction or retrofit

\$30.5B+

To boost U.S. production to support building electrification (incl. energy storage & heat pumps)

\$1B+

In grants for local governments to modernize commercial & residential buildings to meet energy codes \$30B

To transition states & electric utilities to clean electricity

\$50M+

To reduce air pollutants in schools

Updates to Tax Deduction

179D: Energy Efficient Commercial Buildings Tax Deduction

- Long-standing tax deduction for building owners
- Expanded for both private & tax-exempt entities
 *Added inclusion allows specified "tax-exempt entities" that own buildings to "allocate" 179D deduction amounts to "the person primarily responsible for designing the property in lieu of the owner of such property."
- Incentivizes commercial owners who retrofit or newly construct facilities to be energy efficient
- Increased deduction up to \$5/sq.ft.
- Reduced improved efficiency threshold to 25%
- Alternative deduction for energy efficient retrofit property allows comparison to baseline energy use intensity
- 3-year cap (vs. previous lifetime), allowing for multiple projects over time



Notable Criteria to Reach Maximum

- Qualifying property must:
 - ✓ Be within scope of ASHRAE 90.1
 - ✓ Be in service after 12/31/2022
- Qualifying improvements include: HVAC & hot water systems, building envelope, interior lighting and more
- Bonus deduction must meet prevailing wages and apprenticeship requirements*
- Retrofit buildings must be in service 5+ years to qualify for alt. deduction path

Efficiency Gain Over Baseline	Base Deduction Rate	Bonus Deduction Rate*
25% (min)	\$0.50 / sq.ft.	\$2.50 / sq.ft.
30%	\$0.60 / sq.ft.	\$3.00 / sq.ft.
35%	\$0.70 / sq.ft.	\$3.50 / sq.ft.
40%	\$0.80 / sq.ft.	\$4.00 / sq.ft.
50% (max)	\$1.00 / sq.ft.	\$5.00 / sq.ft.



Updates to Investment Tax Credit

48 ITC: Energy Investment Tax Credit



- Long-standing tax credit for private and non-taxable entities
- Historically for qualified "energy property"
 - -Includes: solar, fuel cells, microturbines, geothermal heat pumps and combined heat and power
- Expanded to include thermal energy storage property defined as: Property comprising a system which:
 - i. is directly connected to a heating, ventilation, or air conditioning system,
 - ii. removes heat from, or adds heat to, a storage medium for subsequent use, and
 - iii. provides energy for the heating/cooling of the interior of a residential or commercial building
- Increased credit value of up to 50% of the cost for energy property projects
- Timeframe base credit rates apply:
 - Thermal energy storage: 12/31/2022-12/31/2024
 - Geothermal heat pumps: phase out from 6%-4.4% from 12/31/2021 1/1/2035

Updated Investment Tax Credit		
Base Rate	6%	
Increased Credit Amount*	Up to 30%	
Meets Domestic Content Requirements**	2% or 10%	
Meets Energy Communities Requirements***	2% or 10%	
Total Potential Credit Value	Up to 6% Base + Up to 50% Bonus	



IRS Form 3468



2022

Instructions for Form 3468

Investment Credit

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 3468 and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form3468*.

What's New

New advanced manufacturing investment credit. The Creating Helpful Incentives To Produce Semiconductors (CHIPS) Act of 2022, P.L. 117-167, Div. A, sec. 107, added a new investment credit equal to 25% of the qualified investment in any advanced manufacturing facility for the primary purpose of manufacturing of semiconductors or semiconductor manufacturing equipment. This credit applies to property placed in service after 2022, and, for any property the construction of which begins prior to 2023, only to the extent of the basis thereof attributable to the construction, reconstruction, or erection after August 9, 2022. See <u>Advanced Manufacturing Investment Credit</u>, later.

If properly elected, an eligible taxpayer, can treat the amount of the credit attributable to any advanced manufacturing facility for the tax year as a payment against the tax. A partnership or S.

General Instructions

Purpose of Form

Use Form 3468 to claim the investment credit. The investment credit consists of the following credits.

Department of the Treasury Internal Revenue Service

- Rehabilitation.
- Energy.
- Qualifying advanced coal project.
- Qualifying gasification project.
- Qualifying advanced energy project.
- · Advanced manufacturing investment.

If you file electronically, you must send in a paper Form 8453, U.S. Individual Income Tax Transmittal for an IRS *e-file* Return, if attachments are required for Form 3468.

Investment Credit Property

Investment credit property is any depreciable or amortizable property that qualifies for the rehabilitation credit, energy credit, qualifying advanced coal project credit, qualifying gasification project credit, qualifying advanced energy project credit, or advanced manufacturing investment credit.

You can't claim a credit for property that is:

· Used mainly outside the United States (except for property



IRS Form 3468

TRANE

Thermal energy storage property. Thermal energy storage property is property comprising a system that:

 Is directly connected to a heating, ventilation, or air conditioning system;

- Removes heat from, or adds heat to, a storage medium for subsequent use; and
- Provides energy for the heating or cooling of the interior of a residential or commercial building.

Thermal energy storage property doesn't include:

- A swimming pool,
- Combined heat and power system property, or
- A building or its structural components.

Enter the basis on Line 12hh Worksheet, line 1, attributable to periods after 2022, of any energy storage technology property placed in service during the tax year, to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer after August 16, 2022. Attach to your return a statement with the description of how you calculated the credit. See *Additional information*, later, for more information.

Additional information. You must attach a statement to Form 3468 that includes the following information.

- Your name, address, taxpayer identification number, and telephone number.
- For each qualified investment credit facility property, include the following.
 - A detailed technical description of the facility, including generating capacity.
 - b. A detailed technical description of the energy property placed in service during the tax year as an integral part of the facility, including a statement that the property is an integral part of such facility.
 - The date that the energy property was placed in service.
 - d. An accounting of your basis in the energy property.
 - e. A depreciation schedule reflecting your remaining basis in the energy property after the energy credit is claimed.
- A statement that you haven't and won't claim a Section 1603 grant for new investment in the property for which you are claiming the energy credit.
- 4. A declaration, applicable to the statement and any accompanying documents, signed by you, or signed by a person currently authorized to bind you in such matters that state the following: "Under penalties of perjury, I declare that I have examined this statement, including accompanying documents, and to the best of my knowledge and belief, the facts presented in support of this statement are true, correct, and complete."

2022 Instructions for Form 3468 (irs.gov)

Thermal Energy Storage





Provides demand flexibility and can reduce reliance on grid (thus reducing costs)



Enables renewable energy and decarbonization



Offers reliable power redundancy and assurance

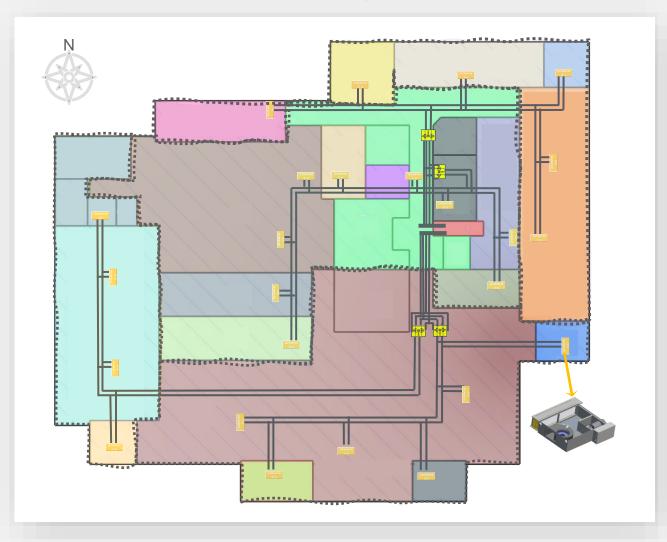


Incentivized by utility programs, federal tax incentives and local funding programs



All-electric CoolSense System AWHP Heating – CoolSense System Options Compared





DOAS with Terminals System Modeled

- Detailed Annual Model of Office Building
- Baseline: CoolSense System with Natural Gas
- Electrify Benefits of three CoolSense Systems
 - Site Source Energy Improvement
 - Source CO₂e Reduction
- All Electric Alternate System
 - DX DOAS and VRF Terminals

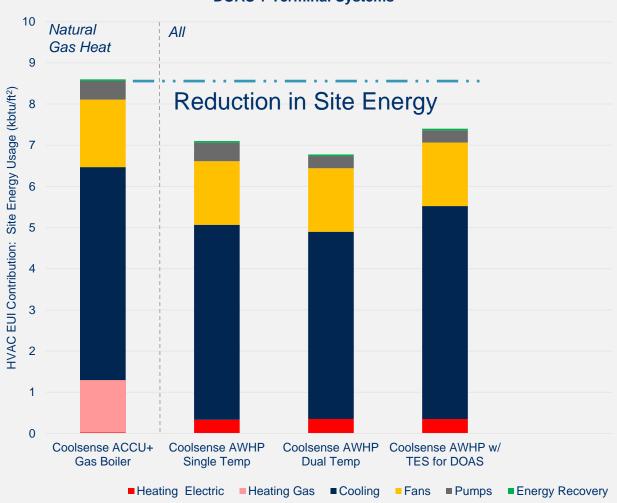
Models for 6 cities

- Different climate zones
- Different power grids (source emissions)

All-electric CoolSense System Input Energy Reduction – NYC



New York City Office Annual Building HVAC EUI Contribution DOAS + Terminal Systems

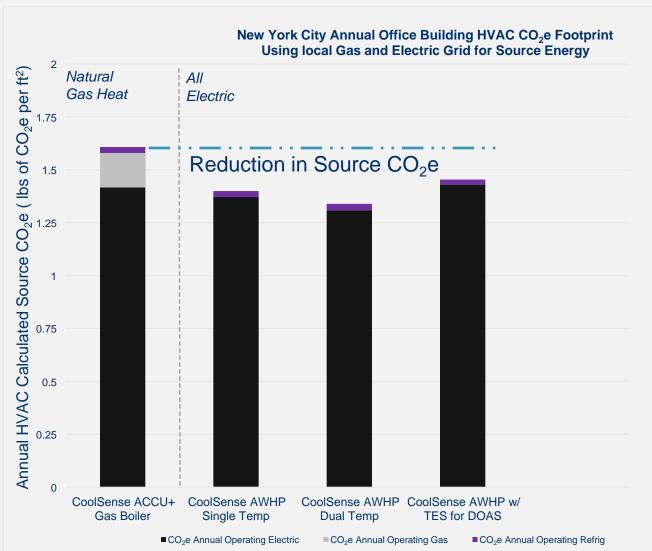


Similar energy as baseline, however, no fossil fuel use



All-electric CoolSense System Input Energy Reduction – NYC



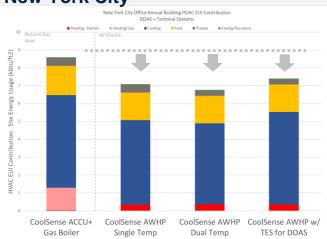


Significant Refrigerant Impact

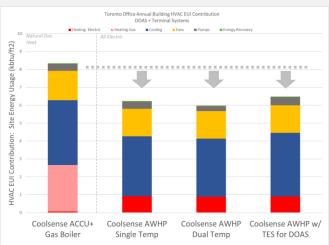


All Electric CoolSense System Input Energy Reduction -All Cities Modeled

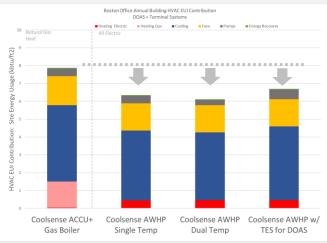




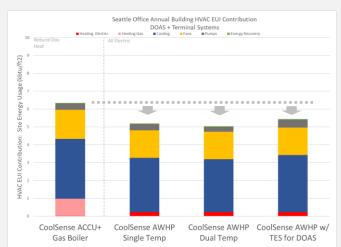
Toronto



Boston

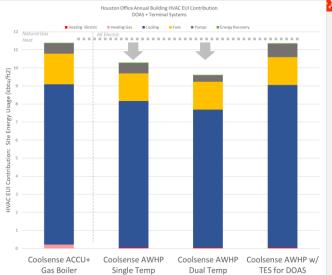


Seattle

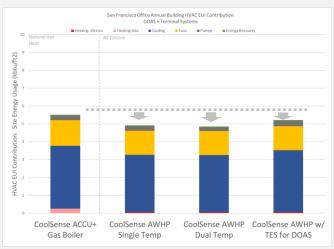


Houston





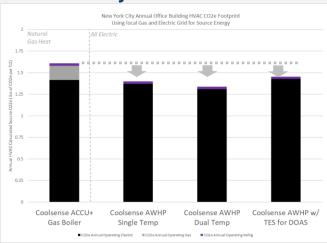
San Francisco



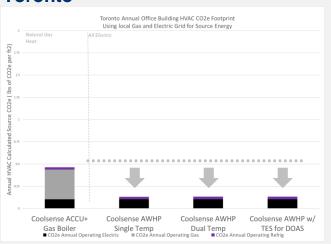


All-electric CoolSense System Source CO₂e – All Cities Modeled

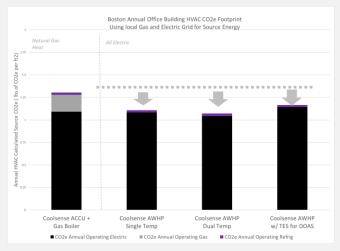
New York City



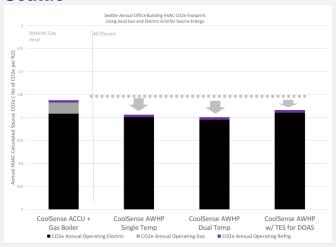
Toronto



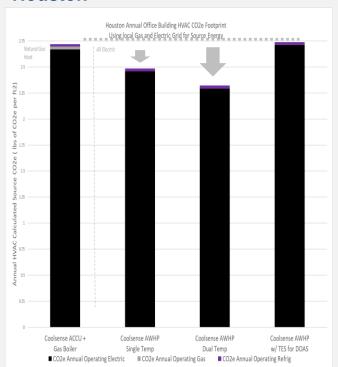
Boston



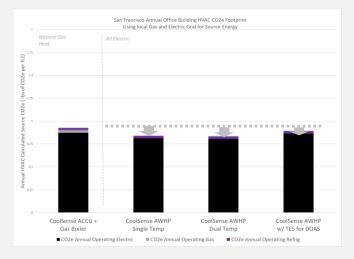
Seattle



Houston



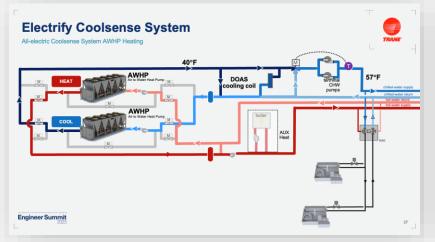
San Francisco





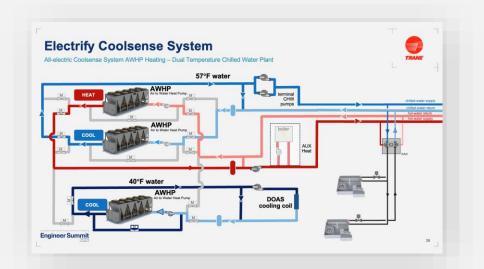
All-electric CoolSense System AWHP Heating Systems

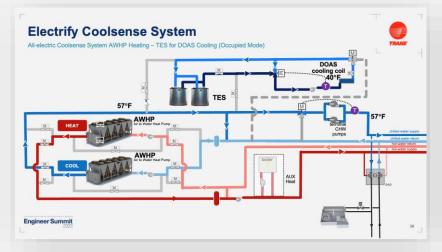




Reduce CO₂e Lowest Cost Smaller Systems

> Reduce CO₂e Lowest Energy Large Systems





Reduce CO₂e
Reduce Daytime Power Demand
Reduce Installed Capacity
I.R.A. incentives

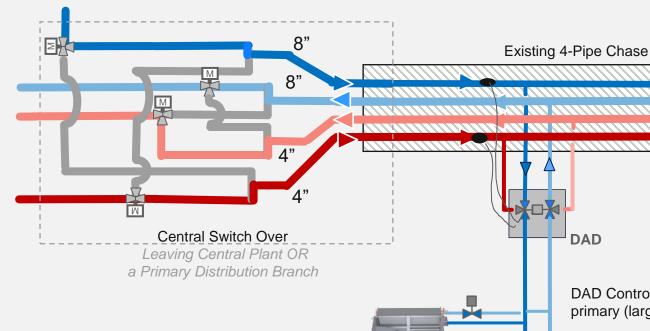




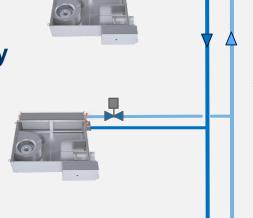
Using Distribution Area Directors to help with retrofits



Reusing Undersized Central Pipe Chase: Distribution Area Director Auto-Switch



NOT Peak Heating HWS/HWR to Secondary (Mar-Dec)



DAD Controller Continually Senses the primary (larger) and secondary (smaller) pipes

DAD

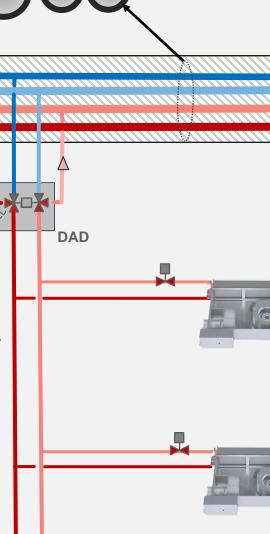
primary supply

Cooling Piping

DAD Valve Controller is independent, BAS does not need to tell which pipes have hot or cold

DAD auto-positions Branch Area 6-way Valve to position to meet the current thermal area request for hot or cold

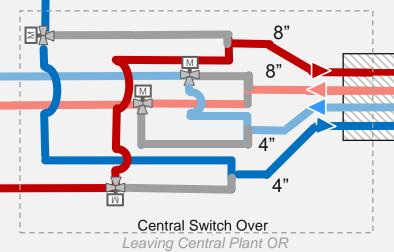




Heating Piping

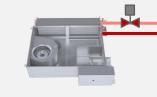


Reusing Undersized Central Pipe Chase: Distribution Area Director Auto-Switch



a Primary Distribution Branch

Peak Heating HWS/HWR to PRIMARY (Jan-Feb)





DAD Controller Continually Senses the primary (larger) and secondary (smaller) pipes

primary supply

Existing 4-Pipe Chase

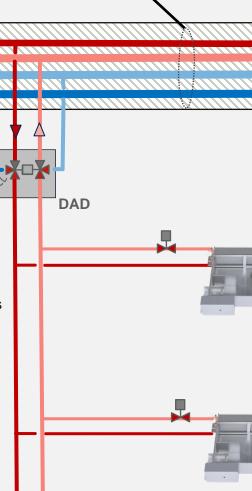
DAD

Cooling Piping

DAD Valve Controller is independent, BAS does not need to tell which pipes have hot or cold

DAD auto-positions Branch Area 6-way Valve to position to meet the current thermal area request for hot or cold





Heating Piping



Conclusions



- Building heating peak heat sizing and design practices need a closer look than the past when electrifying
- Designing for lower hot water temperature is the biggest impact for efficient operation when electrifying
- Distribution design using switch over terminal units with Distribution Area Directors can help in many ways
- All three electrified CoolSense Systems can reduce Annual CO₂e, what one to use depends on job goals
- These concepts using Air To Water Heat pumps to electrify can be applied to other systems beyond CoolSense



Thank you!

Any questions?





Engineer Summit 2023

