

Don't Get Caught Off Guard

Navigate the 2026 DOE Efficiency Mandate on Commercial Water Heaters with Our 7-Step Plan for Facility Managers and Building Owners



1. **Audit and document existing systems:** Catalog all gas-fired water heaters in your facility, including age, efficiency rating, and expected service life. Flag any non-condensing units for priority review.



2. **Plan and budget for replacement scenarios:** If a unit fails after the compliance deadline, it must be replaced with a condensing model, which may require system upgrades. Plan now for venting and condensate modifications.



3. **Upskill your maintenance team:** Condensing water heaters require different maintenance protocols. Ensure your team is trained to properly operate and maintain high-efficiency systems for optimal performance and longevity.



4. **Engage with manufacturers and reps:** Confirm which models meet the 2026 standards and are suitable for your facility layout and infrastructure. Request support for system design, venting compatibility, and installation planning.



5. **Anticipate downtime and disruption:** Retrofitting may require shutdowns, limited access, and contractor coordination. Without contingency planning, delays and lost revenue can follow. Proactive planning ensures a smoother transition later.



6. **Explore rebates and incentives:** Investigate state and federal programs that offer financial support for high-efficiency upgrades. Use available tools to identify rebates by product and location.



7. **Communicate across stakeholders:** Ensure engineers, contractors, and procurement teams are aware of the regulation and its implications. Align internal planning with external compliance requirements to avoid last-minute surprises.



What's Changing on October 6, 2026?

New DOE minimum efficiency standards for commercial water heaters take effect on October 6, 2026, reshaping how gas-fired units are designed and manufactured. After this date, most traditional non-condensing models will no longer be manufactured or imported, shifting the market toward high-efficiency condensing technology. While existing systems can still be serviced or repaired, and some inventory may remain available for a limited time, replacement options will increasingly favor compliant condensing models – making proactive planning essential.

What Are the New Efficiency Requirements by Product Type?

Gas-Fired Storage Water Heaters

Must meet $\geq 95\%$ thermal efficiency; only condensing models will comply.

Gas-Fired Instantaneous Water Heaters

Must meet $\geq 96\%$ thermal efficiency; only condensing tankless technology will comply.

Residential-Duty Commercial Water Heaters

Higher Uniform Energy Factor requirement will necessitate condensing design.

Commercial Electric Water Heaters

No change under the 2026 rule.

Built to Comply – and Perform

PVI's commercial water heating portfolio includes a broad lineup of DOE-compliant condensing gas water heaters and advanced high-efficiency systems designed to meet or exceed the new standards.

- Condensing gas instantaneous / tankless options
- Condensing gas storage solutions with high thermal efficiency
- Flexible venting and condensate handling support
- Support resources and design assistance from PVI's manufacturer reps and technicians

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