

5.6.2025

From: Amy DeVries Sequeira

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To: The Grand Rapids City Commission

300 Monroe Ave
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Dear Commission Members,

My name is Amy DeVries Sequeira. My family owns Hendricks Heating & Cooling. My cousin, Travis Faber and I have the pleasure of overseeing day to day operations. We are a family-owned business that has been serving Grand Rapids since 1930 and love taking care of people in the City of Grand Rapids. We are also an HVAC company that enjoys alternative energy options and creative solutions to ensure customers have access to high efficiency equipment while preserving historic homes and respecting city guidance for HVAC equipment.

Unfortunately, this is not the sentiment of the HVAC industry as a whole in our area. Some HVAC providers do not have as much enthusiasm for green energy solutions and / or have had difficulty working with the City of Grand Rapids and have elected to not perform work there. While it is regrettable to say so, it is important to consider this as partners in our industry are needed for the plan.

As our company supports the efforts and goals of the CAAP plan, I would like to offer my perspective on specific focus areas for a successful launch as HVAC improvement is a large part of the plan.

Some barriers to from the homeowner's perspective to switch to electric equipment:

- Homeowners do not understand how heat pumps work – this will require significant education and marketing to homeowners.
- The decision to go electric is somewhat tied to money as heat pumps are not the cheapest option to condition the air in homes. But there are programs in place to help.
 - Michigan Saves – existing program for all Michigan residents to utilize low interest financing on high efficiency improvements – can also include solar, energy star appliances, roofing, insulation
 - MIHER – a program released by the State of Michigan to reduce up front costs and sometimes entirely cover the cost of replacing equipment with green options.
- There is also a significant lack of awareness / public education as it relates to heat pumps or that they even exist and can keep up in Michigan, even in the winter.
- New dual fuel options are available that utilize the traditional gas furnace blower and duct system to move air which has been conditioned by an outdoor heat pump. Gas can be utilized as

a back up source of heat if needed or desired. There are mathematical calculations for the exact temperature to switch to gas fired heat that provide the best energy use and cost.

- Dual fuel options also allow the addition of indoor units tied to the exterior heat pump that create zoned / custom comfort for areas of homes that were built before modern duct and HVAC systems.
- Builders and homeowners constructing new homes do not traditionally connect with the cost benefit of building a new home with a heat pump.

Perspective as an HVAC provider:

- Heat pumps generally have less service and repair issues.
- There is also a significant increase safety without gas burning in a home (stoves, furnace, water heater – which all require extra ventilation)
- City Mechanical Inspectors will need education. They are currently holding heat pumps to the standard of gas fired mechanicals
 - We are asked for duct balancing reports for ductless systems.
 - We are asked for duct designs for ductless systems.
 - Load calculations are required but modulating equipment is specifically exempt in the code book.
 - Ventilation is not required for an electric stove, but we are being held to the gas standard of ventilation.
 - All of this requires many extra administrative hours as well as return trips by our technicians to make changes according to the discretion of how a mechanical inspector chooses to interpret the code. Therefore, we have experienced many jobs that are not profitable after all the extra work required.
- Concerns that we hear about other contractors in the HVAC industry
 - Perceived limitations for electric use on the grid. Is there enough power?
 - HVAC contractors that turn away clients within the city because of the extra work required to get the jobs done

In our opinion, it will likely take an entire generation to change from gas to electric. Similar to the reluctance of homeowners to move away from coal fired furnaces to gas. Even rebates and tax incentives will not push that change entirely but will incentivize early adopters to take advantage and influence others. We do believe that reasonable changes to new construction code requirements will be the only way to force a change and are happy to lend our support and expertise as needed for a successful transition to energy efficiency.

Respectfully submitted,

Amy DeVries Sequeira, Development Partner, Hendricks Heating & Cooling