



SPECIAL REPORT #3

How to Identify A Good Heating And Cooling Contractor

17 Things NOT To Do When Choosing A Contractor To Replace Your Old Equipment

The most important part of shopping for a new indoor comfort system is to pick the right contractor. Choose the wrong one, and you risk getting a new system that won't keep you comfortable, won't save you much if anything on your monthly utility bills, and may even fail after only a few years of operation.

In order to get the efficiency and comfort you deserve, you must find a contractor who will:

- select the right size of equipment for your home,
- install it properly, and
- uncover - and solve - any pre-existing problems with your duct system or house insulation.

(Refer to Comfort Institute **Special Report #2** for a detailed discussion of these issues.)

Here's how to identify a contractor who will do the best job, be easiest to work with, and provide reliable service. More important, here's how to avoid picking one of the many contractors who might take shortcuts at your expense.

Don't Assume That All Contractors Are "Pretty Much The Same"

All contractors are certainly *not* the same. In over 20 years of researching and solving home comfort and indoor air quality problems, and working with contractors literally around the world, the researchers and trainers with Comfort Institute have witnessed an enormous variation in heating and air contractor competence and ethics.

Sad to say, a small minority are downright dishonest. Both NBC's Dateline and CBS's 48 Hours TV investigative news-magazines recently aired hidden camera sting operations exposing fraudulent heating-cooling contractors. A number of the companies they called out either bent the facts, or committed outright fraud on national television. The Better Business Bureau ranks heating and cooling as one of the highest complaint generating industries.

Fortunately, the great majority of contractors are honest. They work hard, and mean well. *Unfortunately*, most simply

don't have the business systems in place to properly serve the consumer.

Even though they are honest, most companies don't invest enough in initial and ongoing staff training. They are usually behind the times when it comes to diagnosing problems with today's more complicated furnaces and air conditioners. Most simply aren't aware of all the common defects with duct systems and house insulation that affect your comfort and indoor air quality. Many residential service companies don't pay high enough wages or offer sufficient benefits to attract the best people. Few have all the state of the art tools and diagnostic instruments needed to do the job right.

This run of the mill contractor can be expensive to use. You are certain to end up paying for excessive utility bills resulting from inefficient operation of your new system. Your new system may also not last as long as it could. And you run the risk of frequent call backs to try to get the system to deliver the comfort you had hoped for.

Fortunately, there *are* some contractors who are ethical, technically at the leading edge, and also have business and customer service systems in place that ensure high levels of client satisfaction. Invest the time to identify a good contractor. It will be time well spent.

Don't Choose A "Fly-By-Night" Contractor

Heating and air conditioning is without a doubt the most complex home service trade. You cannot risk having an amateur or a dishonest contractor install your new equipment. For your safety, choose a contractor that has some substance. Ask all prospective contractors:

- ✓ How many years has your company been in business?
- ✓ Are you registered or licensed by the state/province or city to do heating and air conditioning work?
- ✓ Do you carry both general liability and workers compensation insurance?

- ✓ Are your technicians certified to handle refrigerant gas?
- ✓ Are you a member of a national trade association?
- ✓ Do you have a permanent non-residence place of business, and what is the street address?
- ✓ Can you provide names of satisfied customers in my neighborhood?
- ✓ Do your service technicians wear uniforms & ID badges?
- ✓ Do you offer 24 hour emergency service?
- ✓ Do you have a refund policy if I am not satisfied?

Before signing an agreement, insist on seeing copies of all certificates and licenses, and check to ensure they have no unresolved complaints with the Better Business Bureau.

Don't Assume A "Name Brand" Dealer Is Automatically A Good Choice

Choosing a dealer for one of the best known national brands of equipment *does not* automatically guarantee you'll get a contractor who understands the critical issues we covered in Special Report #2. Look first for one who recommends the **Whole House Comfort Checkup** procedure. As described in Comfort Institute Special Report #2, this typically involves:

- a Computerized Equipment Sizing Calculation,
- an Infiltrometer blower door test, and
- duct system air flow and leakage diagnostics.

Remember: *a prescription, without an examination and diagnosis, is malpractice.*

Don't Choose A Contractor Who Quotes A Price Without Any Diagnostic Testing

Automatically reject any contractor who proceeds to quote a price for replacing equipment (or promises utility bill savings) without performing, or at least recommending, these important diagnostic steps. He either hasn't been trained about the problems that are likely lurking in your home and duct system and the importance of fixing them, or he doesn't care. He may only be interested in selling you a metal box rather than truly solving your problems and delivering results.

Although this doesn't make sense from a customer service standpoint, it's an all too common attitude.

Don't Ask If They Perform Diagnostics

When discussing your project with prospective contractors, *don't* ask if they will do or recommend the diagnostic steps described above. Wait and see if **they** bring up their importance. A good contractor will, a poor one won't. Keep looking until you find one who recommends, offers — or even better, **insists** — on doing it the right way.

Don't Be Misled By The Many Who Will Only Offer To Replace Equipment

Most contractors will only offer to replace your old equipment with the same size (or a bigger one), without performing any measurements, inspections or diagnostic tests. However, recent government and utility company research states that most new systems are the wrong size, installed improperly, and attached to an inadequate existing duct system. As a result, they **waste an average of one third** of the energy purchased to run them.

The majority of contractors in the industry are almost totally ignorant of these problems. This widespread ignorance is mostly because researchers have only come to understand their true impact over the last ten years. Although advanced industry training is now available, relatively few contractors take advantage of it. Even fewer invest in the advanced diagnostic instruments such as Infiltrometer blower doors, air flow capture hoods, refrigerant charging scales and hygrometers that are needed to do the job properly.

On the other hand, some contractors are aware of these problems, but simply don't want to pay attention. Because of the equipment profit markup, contractors make the most money per hour when they just cut out old equipment, connect the new equipment, start it up and move on.

Diagnosing and then fixing any pre-existing duct and insulation problems, installing the new equipment to industry and manufacturer guidelines, then testing the work, takes time to do right. An unscrupulous contractor won't take that time.

Most contractors will try to minimize the importance of a proper sizing calculation and diagnostic testing. They'll say *"I've done hundreds of houses just like this one. I don't need to go through all those measurements and tests."* Don't believe it. No two houses or duct systems are exactly the same: each has different characteristics and unique problems.

A quality contractor is more interested in *servicing* you than in selling you. He builds his business on long term service relationships and referrals from extremely happy clients, rather than making the quick buck. He believes in truly solving his clients' problems and only putting in systems that really work right, even if it may mean he initially sells new equipment to fewer homeowners.

Up-to-date, conscientious contractors are in the minority. But they are out there. You just have to invest some time to find one. **Don't be surprised if you have to speak with ten to twenty contractors** before you find one who has both the ability, and the willingness, to follow the consulting and diagnostic process recommended by Comfort Institute, the Department of Energy, the Environmental Protection Agency and many consumer protection groups.

Don't be misled by the many contractors who either don't know how to do it right, or just don't care.

Don't Choose A Contractor Who Doesn't Ask A Lot Of Questions

Many people mistakenly assume that pre-existing comfort, noise, dust or unhealthy air problems will be automatically solved by installing a new system. While these problems can be solved, just replacing the equipment won't do it.

A good contractor is committed to 100% customer satisfaction. But to achieve this, he needs information. He knows that you and your family are the best source of information about these problems. He will always start by meeting with you and asking many questions: about areas that have been hard to heat or cool, air that is either too dry or too humid, about how the old system worked (or didn't work!), and about what you are looking for in a new system.

He'll also ask if you are interested in reducing dust in the home, and if any family members suffer from respiratory allergies or asthma. A new system can often greatly improve the overall air quality in your home. This is especially so if duct and thermal envelope improvements are performed at the same time, and if the latest in air filtration and purification technology are built into your new system.

The typical contractor is only interested in swapping the metal boxes, and won't try to help you take full advantage of this unique opportunity.

Don't Put The Learning Burden All On One Spouse's Shoulders

Since everyone's perception of comfort and indoor air quality is different, it's very important that all the adults who live in your home participate in the initial interview and inspection. For one thing, the Whole House Comfort Checkup consultation, testing and inspection process is very visual. Everyone really needs to see it and have their questions answered.

Just as important, there's now a very wide range of new equipment options to choose from. There are different quality grades and brands, different efficiency levels, colors, air filtration and humidity control options, ventilation improvements, duct repairs, insulation upgrades and even payment options. The decisions require significant education and are best shared by all the adults of the household. It's not fair to one spouse to ask him or her to learn it all and then have to teach it to the other. A new system is a much bigger decision than most people realize.

Don't Try To Evaluate Your Options When You Are Tired Or Distracted

These days at least one and often both adults in many families have to work outside the home. It's tempting to ask if the contractors can come by after work, or on a weekend.

However, we recommend that all adults who will be involved in the decision invest the time to meet with your consultant **during the day**, when everyone is fresh and able to focus on the issues, and ideally while any children are at school or otherwise being cared for. A common compromise is to go into work a bit late or come home early.

Keep in mind that a good contractor will recommend a Whole House Comfort Checkup. This is an in-depth inspection and consultation, that typically requires about two hours. It is not just a quick visit to drop off a bid. A contractor who understands all these issues is really a Comfort and Indoor Air Quality *Consultant*.

Don't Choose A Contractor Who Doesn't Explain Your Options

A lot of contractors think that consumers are only interested in a low initial price, and so they quickly bid on the cheapest, least efficient product that will get the heating or cooling back on. Although they may not mean to, they usually end up shortchanging the customer. Monthly utility bills stay high, comfort is compromised and unhealthy indoor air problems remain unsolved.

A good contractor understands his professional responsibility to advise you of your options, and won't presume to make these important decisions for you. After going over what you want, and what has been learned about your home and duct system, a good contractor will use his professional judgment and experience to make a personalized proposal. He'll be able to explain his reasons for the recommendations. Together you'll come up with the right solution.

Don't Make A Rushed Decision

If your old equipment fails in the middle of summer or winter, you may be feeling pressed to make a quick decision, and just choose whoever could install a new unit fastest.

Many people have felt that way. But what they've often found is that the good companies are already booked right up serving their existing service agreement clients, and the only companies who can respond quickly are those that can't get work any other way. And you can end up wasting money for a system that just never will work right.

Buy yourself some time. Even though it may be stressful, invest the time to identify one of the few top notch contractors, and then ask if they can rent or loan you **Emergency Cooling/Heating Units** until they can put your new system in properly. It's a small inconvenience in order to get a system you'll be really happy with long term. Sometimes a good contractor can put your new equipment in right away, and come back within a few weeks to complete the more labor intensive parts of your project (such as repairs to the ductwork or house insulation).

Don't Focus Only On Initial Costs

Many people are concerned by the up front costs of doing the job right. Especially if it was an unplanned expense, it's tempting to spend as little as possible on new equipment.

Remember however that a good indoor comfort system, installed the way we recommend, really is an investment that will pay for itself through lower utility and repair bills. Properly installed new high efficiency systems, when combined with repairs to the ducts and thermal envelope, regularly do cut the heating and cooling portion of utility bills by 40% to 50%. It's usually worth investing more up front, in order to reduce the long term costs of ownership.

With the convenient financing plans that are now available, many people find their utility savings are often about

the same as their monthly investment, so it really doesn't cost you anything. It's really the utility company that ends up paying for your new system.

And just as important to many people is that a totally new system is far more reliable and less likely to break down at inconvenient times. In any case, even if you don't want it all done right now, you should at least find out what your options are. You'll have a Prioritized Improvement Plan that you can implement when it's right for you.

Don't Assume The Lowest Price Company Is The One You Should Hire

While price matters, don't let the initial price be the only consideration when choosing a heating and cooling contractor. As with most things in life, price is usually an indication of quality. And high quality is essential for a new heating and cooling system. The long term costs to **own** it usually far exceed the initial cost to **buy** it.

Another concern is that the low price you see advertised or are quoted may not be the price you end up paying. Some contractors offer an unrealistically low price to get the job and then pressure you into paying a lot more after starting.

It is our experience that the low priced contractor is rarely the best value. It usually ends up costing more, in terms of unreliable operation, an uncomfortable home, repeated visits to get problems resolved, higher utility bills, and even unsafe operation. For more information, refer to Comfort Institute **Special Report #4** *What's The Right Price For A New Heating & Cooling System?*

Don't Choose A Contractor Who Doesn't Have The Proper Instruments

A good contractor will not only recommend "testing before" during the initial diagnostic process, he will also recommend "testing after": quality control and commissioning inspections and tests to ensure that your new system will work properly. During negotiations, other contractors may claim to be able to do the same job as a good contractor, but for less money.

Be careful. Ask to see copies of their training certificates at a recognized duct system repair school. Ask what testing they will do to confirm things such as proper duct system air-tightness, system air flow, room by room air delivery, gas manifold pressure, combustion gas venting, and refrigerant gas charge. Ask what test instruments they own and will use on the job. Ask them to put everything in writing. A good contractor will have the answers.

Don't Put Up With High Pressure Salespeople

As with any home improvement, watch out for *high pressure salespeople*. Automatically reject any company that

tries to pressure you into signing a contract, or claims they are overstocked on equipment and can therefore give you some kind of special "free" equipment offer. If you do get pushed into signing a contract, remember that consumer protection laws enable you to cancel under certain circumstances. For assistance, ask your Comfort Institute member contractor for **Special Report #5** *How To Resolve Contractor Disputes and Exercise Your Consumers Rights*.

Don't Choose A Contractor Who Wants You To Pay Cash

Avoid any contractor who wants you to pay cash with no receipt. This is a sure sign of tax problems you want no part of. Also, with no proof of payment, you will likely be unable to get any warranty repairs performed.

Don't Try To Buy A New System Over The Phone

And finally, don't try to buy a new system by collecting bids over the telephone. In order to ensure 100% customer satisfaction, honest, reputable companies need to meet with you, and will want to perform the complete Whole House Comfort Checkup described in Special Report #2. So if a contractor won't give you a price for new equipment over the phone, don't dismiss them as if they don't know what they are doing. On the contrary, you should be extremely wary of any contractor that is willing to give you a price over the phone.

A Unique Opportunity

If you just want to get the heating or cooling back on, and don't really care how well your new system performs, or about how long it lasts, or whether you actually save any money on your utility bills, the Yellow Pages are full of contractors you can call. And in those cases, it is probably best to just go with the lowest bid.

However, if you want to get the best value for your money, solve existing discomfort or dust problems, and end up with a new comfort system you will be proud to own and enjoy for many years to come, take the time to identify one of the few contractors who can really put your new system in right. This is a unique opportunity. Don't waste it.

Your local independent Comfort Institute member contractor is:

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