



Minnesota TRM 5.0 Update

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Developments since last TRM Advisory Committee meeting:

1. Central Air Conditioners – There was discussion concerning the discontinuation of Central AC as an ECO measure. At this time, the Department does not anticipate including any changes to Central AC measures in the proposed TRM 5.0.
2. Residential HVAC (Furnaces) – After further internal discussions, the Department will be proposing a change to the residential furnace baseline (replace-on-fail/early retirement).

MN TRM v5.0 Schedule (18-694)

Proposed Regulatory Schedule:

Date	Event	Description
10/9/2025	Redlined TRM v5.0 Issued	Redlined TRM v5.0 Issued for TRMAC Review
10/22/2025	Review Period Concludes	TRMAC Non-Regulatory Comments Due on TRM v5.0
10/27/2025	Meeting 6	Discussion on Measure: Residential HVAC – Furnaces and Boilers
10/29/2025	Letter + TRM v5.0 posted on eDockets	TRM v5.0 Regulatory Process
11/20/2025	Written Comments	
12/8/2025	Reply Comments	
1/9/2025	Assistant Commissioner Decision	

Measure: Residential HVAC – Furnaces and Boilers

Direction provided on this Measure to the MN TRMAC on July 25, 2025:

- *Stakeholder proposal to update the deemed efficiency baseline for replacement of gas furnaces in residential applications.*
- *The current deemed efficiency baseline for this measure in the MN TRM is an 80% AFUE furnace which is consistent with the current federal furnace standard.*
- *The suggested deemed efficiency baseline is based on results of a contractor survey recently completed in WI and would potentially split the baseline value for single family homes:*
 - *90.6% AFUE furnace for market rate applications*
 - *88.3% AFUE furnace for income eligible applications*
- ***This topic has been identified as a research need by Department Staff to be explored in the next few years.***

Measure: Residential HVAC – Furnaces and Boilers

Update to this direction:

Based off of the WI Focus on Energy Contractor Survey results, the Department of Commerce proposes updating the baseline for Residential Furnaces within this measure in existing applications from 80% AFUE to 90% AFUE in the MN TRM v5.0.

Reference documents for this decision can be found [here](#) (within the MN TRMAC SharePoint Site). These documents include:

- WI Focus on Energy Contractor Survey Results – PowerPoint
- WI Focus on Energy 2024 TRM Measure “Gas Furnaces” – Word Document
- Proposed MN TRM v5.0 edits to the Measure “Residential HVAC – Furnaces and Boilers” – Word Document and Excel Workbook with the above noted update.

Measure: Residential HVAC – Furnaces and Boilers

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Additional considerations:

- Other states implementing similar baseline increases – See Wisconsin. (Maine and Vermont have removed or do not have furnaces as a measure.)
- ECO new construction furnace baseline already at 90% AFUE
- Federal government (under Biden Administration) research showed increasing furnace baseline to be warranted at the national level
 - In 2023, US DOE issued amended standards with 95% AFUE baseline to take effect Dec. 2028

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Initial Comments/Questions

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Thank You



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