

16541 REDMOND WAY, # 341C  
 REDMOND, WA 98052  
 425-985-4534 • 425-558-5930 (FAX)  
[tpiscitelli@msn.com](mailto:tpiscitelli@msn.com)  
[www.alainc.com](http://www.alainc.com)

## *Applied Learning Associates, Inc.*

*Improved Performance Through Applied Learning*

To: HVAC Service Technicians and Salespersons  
 From: Tom Piscitelli  
 Re: Repair or Replace Analysis Worksheet

### INSTRUCTIONS AND COMMENTS

*This worksheet is intended to give you a sales tool to estimate the potential lifetime ownership cost savings that may occur when the homeowner replaces an old furnace or air conditioner with today's products versus repairing the old one and living with it for the remaining years of expected life of the equipment. As you will soon see, it nearly always makes financial sense, peace-of-mind sense, and comfort sense to Replace Today! After reviewing this, all the Technician needs to say is, "Would you like me to Repair it or have one of our Comfort Consultants come by to talk to you about Replacing it?"*

<b><u>REPAIR TODAY</u></b>	<b><u>Example: Compare a repair on a 10-year old "no heat" furnace by putting in a new blower motor vs. replacing the furnace with a new, high-efficiency model.</u></b>	<b><u>REPLACE TODAY</u></b>
What is the cost of today's repair, i.e., <b>\$350</b> for a replacement blower motor.	<i>TODAY'S COST</i>	Again, show the ballpark investment in a top-of-the-line model, i.e., <b>\$4,000</b>
What is your best "guesstimate" on repairs over the next few years...until the furnace <u>must</u> be replaced? I.E., <b>\$350</b>	<i>FUTURE REPAIRS</i>	NONE! Your 5 or 10 year bumper-to-bumper warranty covers all that risk.
ASHRAE data shows that the expected furnace life is 18 years...so we have 8 years to go at (your guess) \$1,000 per year. 8 x \$1,000 = <b>\$8,000</b>	<i>ENERGY COST TO OPERATE FOR <u>8</u> YEARS</i>	The new, high-efficiency model will save 30-40% of their <u>heating</u> cost, so figure \$600 per year. 8 x \$600 = <b>\$4,800</b>
At some point the furnace <u>must</u> be replaced so show them the ballpark investment for a top-of-the-line model, i.e., <b>\$4,000</b> .	<i>COST TO REPLACE THE UNIT IN <u>8</u> YEARS*</i>	NONE! It works great and the customers are happy!
NONE! Actually, they will also have the inconvenience of at least one more failure!	<i>ADDITIONAL COMFORT BENEFITS</i>	LOTS! More comfortable due to proper sizing, better technology, quieter...less worry...and more!
In this example, the numbers add up to: <b><u>\$12,700</u></b>	<i>TOTAL COST OF OWNERSHIP FOR <u>8</u> YEARS</i>	In this example, the numbers add up to: <b><u>\$8,800</u></b>

***AMOUNT SAVED BY REPLACING TODAY \$ 3,900***

CUSTOMER'S NAMES \_\_\_\_\_ DATE \_\_\_\_\_

***SHOULD I REPAIR OR REPLACE MY OLD:***

FURNACE       AIR CONDITIONER       HEAT PUMP

<u><i>REPAIR TODAY</i></u>		<u><i>REPLACE TODAY</i></u>
	<i>TODAY'S COST</i>	
	<i>FUTURE REPAIRS</i>	
	<i>ENERGY COST TO OPERATE FOR ___ YEARS</i>	
	<i>COST TO REPLACE THE UNIT IN ___ YEARS*</i>	
	<i>ADDITIONAL COMFORT BENEFITS</i>	
	<i>TOTAL COST OF OWNERSHIP FOR ___ YEARS</i>	

***AMOUNT SAVED BY REPLACING TODAY \$ \_\_\_\_\_***

*\*TO CALCULATE THE COST TO REPLACE THE UNIT IN THE FUTURE:*

(TODAY'S REPLACEMENT COST) + (INFLATION FOR \_\_\_\_\_ YEARS) = \$ FUTURE REPLACEMENT COST

( \_\_\_\_\_ ) + ( \_\_\_\_\_ ) = \$ \_\_\_\_\_