

60% of U.S. HVAC Demand Now Comes From Retrofits as Winter Exposes Aging Systems and Labor Gaps

U.S. HVAC demand has shifted, with over 60% now coming from retrofits as winter exposes aging systems, rising energy costs, and labor shortages nationwide.

FRESNO, CA, UNITED STATES, January 26, 2026 /EINPresswire.com/ -- The U.S. HVAC industry is undergoing a structural transformation, not because of seasonal extremes alone, but due to aging infrastructure, regulatory change, and workforce shortages that are accelerating retrofit and replacement demand nationwide. According to the U.S. Residential HVAC Industry Report 2025, retrofit and replacement work now accounts for more than 60% of HVAC activity, driven by older systems reaching end-of-life, rising energy costs, and stricter efficiency standards.

Market analysts estimate total U.S. HVAC revenue will exceed \$150 billion in 2025, with growth increasingly spread across all seasons rather than concentrated in summer peaks. Industry research from Business Research Insights notes that demand is no longer cyclical, but structural, as property owners move to address reliability, compliance, and long-term operating costs.



Nou Vang, owner of Mechanical Air, in Fresno, California



Mechanical Air – Trusted HVAC experts serving Fresno and the Central Valley.

Winter Performance Is Exposing System Vulnerabilities

Cold weather performance is emerging as a critical stress test for HVAC systems, particularly in regions with aging housing stock and commercial infrastructure. During winter months, system failures related to outdated [furnaces](#), inefficient [heat pumps](#), and deferred maintenance are driving a steady increase in emergency repairs and full system replacements.

According to industry studies, more than half of residential HVAC systems in the U.S. are over 10–15 years old, placing them beyond optimal efficiency ranges and increasing the likelihood of breakdowns during sustained winter operation. Analysts note that winter failures are often costlier than summer service issues due to higher parts demand and compressed service timelines.

In California's Central Valley, fluctuating winter temperatures place added strain on systems designed primarily for cooling, prompting many property owners to reevaluate system balance, efficiency, and year-round reliability.

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Winter demand is exposing aging HVAC systems. Efficiency rules and labor shortages are making upgrades essential for reliable, compliant, and cost-controlled operation in Fresno.”

Nou Vang

Energy Costs and Efficiency Mandates Are Driving Decisions

Beyond mechanical wear, rising energy costs are influencing replacement behavior. Federal and state efficiency standards are tightening, while energy providers continue to signal long-term cost volatility. According to market forecasts distributed via GlobeNewswire, the U.S. HVAC equipment market is projected to grow from approximately \$22 billion in 2024 to over \$40 billion by the early 2030s, largely due to compliance-driven replacements and efficiency upgrades.

Industry analysis from ScottMax and Business Research Insights indicates that newer systems can reduce operating costs significantly over time, making winter an increasingly common planning period for proactive upgrades rather than reactive summer replacements.



Mechanical Air technician cleaning an HVAC unit to improve efficiency and ensure reliable performance.

Labor Shortages Are Reshaping Service Timelines

Compounding these pressures is a nationwide labor shortage. Workforce studies compiled by ServiceTitan and ACHR News estimate a shortfall of more than 100,000 HVAC technicians, a gap expected to widen as retirements accelerate.

Unlike seasonal spikes, winter demand combined with workforce constraints is contributing to longer service timelines, higher labor costs, and increased prioritization of replacement projects over temporary repairs. Analysts note that this shift is changing how contractors allocate resources throughout the year.

Local Industry Perspective

Mechanical Air, a Fresno-based HVAC contractor, reports that winter service demand increasingly reflects these national trends.

“What we’re seeing during the winter months is the result of long-term underinvestment in aging systems,” said Nou Vang, CEO of Mechanical Air. “Energy efficiency requirements, labor shortages, and system age are converging. For many Fresno residents and businesses, upgrades are no longer about comfort; they’re about reliability, compliance, and controlling operating costs year-round.”

[About Mechanical Air](#)



The Mechanical Air team – providing trusted HVAC services to homes and businesses across Fresno and the Central Valley.



Mechanical Air technicians servicing an HVAC unit to ensure safe, efficient heating and cooling for Central Valley customers.

Mechanical Air provides HVAC installation, maintenance, repair, and energy-efficient retrofit services to residential and commercial clients throughout Fresno and California's Central Valley.

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