



CHANGES ARE COMING. AMERICAN HAS GOT YOUR BACK.

COMMERCIAL WATER HEATERS





New DOE Commercial Standards Take Effect October 2026

On October 6, 2026, the Department of Energy's (DOE) new minimum efficiency standards for commercial water heaters will go into effect. These new regulations are part of DOE's efforts to reduce overall energy consumption in the United States. These changes will present new complexities, but American is prepared, and we are here to support you through this transition.

Here's What You Need To Know

The DOE sets national minimum energy efficiency standards for commercial water heaters. DOE recently updated these requirements so that beginning on October 6, 2026, only high-efficiency (condensing) gas commercial water heaters can be manufactured or imported into the United States.



Commercial Product Type	New Standard - EFFECTIVE 10/6/2026
Gas-Fired Storage 	Minimum Thermal Efficiency ("TE") of 95% Only condensing WHs can achieve this level.
Gas-Fired Instantaneous 	Minimum TE of 96% Only condensing WHs can achieve this level.
Residential-Duty Commercial Gas-Fired Storage 	High Draw Pattern Uniform Energy Factor (UEF) of 0.9297-(0.0009xVr) Only condensing WHs can achieve this level.
Commercial Electric 	No changes. Not affected by new rule.

The Good News

American is the industry leader in commercial water heating and already offers a suite of commercial condensing gas technologies, including our high efficiency family of water heaters.

Scan the QR code for the latest information.



RESIDENTIAL WATER HEATERS

NAECA 4 Standards for Residential Take Effect May 2029

The Department of Energy's (DOE) new energy conservation standards for residential water heaters will go into effect on May 6, 2029. These new regulations are part of DOE's efforts to reduce overall energy consumption in the United States.

The standards will require minor updates to gas-fired storage water heaters. Electric storage water heaters >35 gallons will require heat pump technology. The gas instantaneous (gas tankless) product category has been excluded from this rule and will be addressed by the DOE in a subsequent rulemaking.

The new energy efficiency levels will be required for all residential water heaters produced on and after May 6, 2029.



Residential Product Type

New Standard - EFFECTIVE 5/6/2029

Gas-Fired Storage



- <20 gallon: new standard to add UEF to these models – no current American products impacted
- ≥20 and ≤55 gallon: incremental UEF increase – atmospheric gas units will require the addition of a damper
- >55 and ≤100 gallon: no change
- >100 gallon: new standard to add UEF to these models

Electric Storage



- <20 gallon: new standard to add UEF to these models – compact units <20 gallon will have a UEF and FHR value added by the implementation date
- ≥20 and ≤35 gallon: no UEF change but will be limited to a max FHR of 50 gallons and a max temperature setting of 135°F
- All nominal 40 gallon electrics are currently rated at 36 or 37 gallons and will have to be reduced to 35 gallons
- >35 and ≤120 gallon: require Heat Pump Water Heater
- >75-gallon grid-enabled: no change
- >120 gallon: new standard to add UEF to these models – no current American products impacted

Electric Instantaneous



- <2 gallon: no change
- ≥2 gallon: new standard to add UEF to these models – no current American products impacted

The Good News

American has a rich history of investing in the latest technologies. Much of our high efficiency line up including our Heat Pumps and High Efficiency Gas products are already compliant. We'll continue to prepare for these changes together. As we continue to navigate the standards, **scan the QR code for the latest information.**

