

Original Article

# Detailed Cost-Benefit Analysis of Geothermal HVAC Systems for Residential Applications: Assessing Economic and Performance Factors

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**Abstract:** Geothermal HVAC systems provide the best solution to conventional HVAC systems since they are economical, environmentally friendly, and long-term cost-efficient. The following paper presents an analysis of the cost and benefits of geothermal HVAC systems in residential areas with respect to costs and performance. Typically, it looks at the purchase prices, the running costs, costs of repairs and maintenance and any environmental effects. Also, the study considers the life cycle costs of geothermal HVAC systems and traditional HVAC systems. This paper intends to present a comprehensive form of analysis on the possibility. It benefits accruable from using geothermal HVAC systems in the home setting after reviewing case-specific studies and also other literature. This proves that though the cost may be high in the beginning when it comes to installing geothermal systems for HVAC, it can, in the long run, be very economical and produce great benefits in the reduction of carbon footprint for residential homes.

**Keywords:** Geothermal Hvac, Cost-Benefit Analysis, Residential Applications, Energy Efficiency, Lifecycle Cost, Environmental Impact.

## I. INTRODUCTION

Heating, Ventilation, and Air conditioning systems are well-acknowledged tools in regulating air conditions and temperatures in dwellings and are significant in improving residential buildings' livability during different climatic conditions. Conventional HVAC systems, which were the most commonly used systems, mainly depended on fossil energy sources, including Natural gas, oil or propane. These systems produce heat from burning fuel or by running electricity-connected heating and cooling equipment. This aspect leads to the consumption of large amounts of energy and the release of enormous greenhouse gas emissions. [1-3] Currently, most of the energy is produced by burning fossil resources and therefore leads to higher energy bills and the following adverse effects; the depletion of scarce resources, pollution of the atmosphere and depletion of natural resources. In an effort to counter these problems, new solutions have been developed, with Geothermal HVAC Systems being one of the most convincing ones. Conventional systems, on the other hand, use the earth's underground temperatures for heating and cooling in geothermal HVAC systems. These systems use either buried ground loops or wells to transfer heat with the ground, which has a constant temperature throughout a year. This approach minimizes the energy needed for heating and cooling and hence brings about great progress in the efficiency of energy usage and the emission of carbon. Geothermal energy helps reduce the demand for fossil fuel while, at the same time, fitting in the current environmental and sustainability objectives. Therefore, geothermal HVAC systems are a great improvement for the residential climate that is economically and ecologically differentiated from the existing HVAC systems' shortcomings.

### A. Importance of Geothermal HVAC Systems:

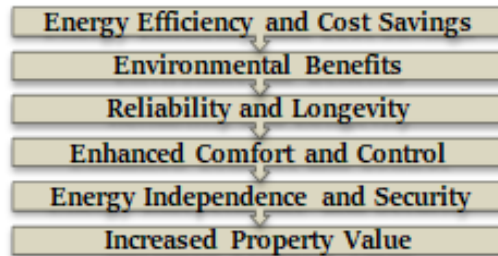
Geothermal HVAC systems are also acclaimed to be relevant beyond measure in expanding the horizons of climate control technology for homes. This is due to several factors that can be summed up under the environmental and economic aspects, which make them an important substitute for conventional HVAC systems.

#### a) Energy Efficiency and Cost Savings:

A geothermal HVAC system is very efficient since it can exploit stable sub-surface temperatures. In contrast, geothermal systems require much less input of energy to move heat from the ground to the building and vice versa, which is different from other conventional systems that have to produce heat through combustion or use large amounts of electricity. This leads to



minimum energy requirements for heating and cooling, meaning that Homes with Brick Exterior are very energy efficient. The U. S. Environmental Protection Agency EPA estimates that geothermal systems can attain an efficiency level of about 50% better than the normal heating system and 30% better than conventional cooling systems. These cost savings mean fewer electricity expenses, and that should help move the systems to be more financially effective in the long run. Although the initial costs of installation are high, the overall operation costs and maintenance costs are significantly low, thus making the investment quite profitable within the course of a few years.



**Figure 1: Importance of Geothermal HVAC Systems**

*b) Environmental Benefits:*

Geothermal HVAC systems are proven to be more environmentally friendly than most conventional heat systems. These systems are 100 % dependent on the earth's thermal energy, hence reducing the emission of greenhouse gases compared to fossil energy systems. This generates decreased carbon dioxide emissions in existing residential buildings, thus playing its part in reversing the effects of climate change that are realized at the global level. It is important to note that geothermal energy is naturally renewable because people can tap into an abundant source of heat beneath the earth's surface, which is recharged by the sun and the heat generated by the earth's interior. Geothermal systems, therefore, assist in decreasing the dependence on non-renewable resources and mitigating issues of air pollution that are inherent with such sources of energy, therefore playing a vital role in the process of moving towards greater sustainability in the way people live.

*c) Reliability and Longevity:*

Because system components are submerged in water, they are not subjected to wearing off, thereby making geothermal heating and cooling systems to be long-lasting and dependable. These systems normally use ground loops or wells, and since they are exposed to relatively high pressure, they are mostly buried and hence protected against physical degradation. This leads to lower failure rates and greater durability than conventional systems, which are more vulnerable to external and frictional forces. The maintenance of geothermal systems is usually minimal, with the average geothermal system able to deliver efficient services for approximately two to twenty-five years. This is valuable because the lifespan of the system makes it to be cost-efficient since it doesn't need repair or replacement as often as other systems.

*d) Enhanced Comfort and Control:*

With geothermal HVAC systems, homeowners can very easily regulate the indoor climate through almost equal temperatures across the year. Unlike other systems, which may have instabilities of temperature, rising or falling or lack of uniformity in heating or cooling, a geothermal system has a steady climate. They both offer relief from temperature and humidity control hence improving the Indoor Air Quality and comfort of the residential living spaces.

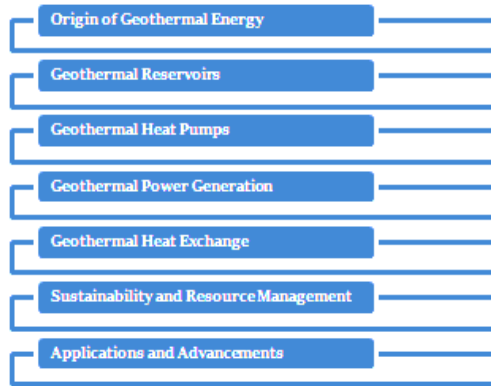
*e) Energy Independence and Security:*

They also help the country or region achieve energy independence and security since it no longer relies on fossil fuels and has easy access to a renewable energy source – geothermal energy. This is especially the case where energy prices are unpredictable or the supply chain of conventional energy sources is unreliable. Since hydrogen is derived from geothermal resources, it is more reliable than energy that is obtained from the highly volatile energy markets.

*f) Increased Property Value:*

When a home hosts a geothermal HVAC system, it is usually observed that the value of the property rises. In addition, more consumers have come to realize that geothermal technology offers both short-term cost savings and long-term reduced environmental impact; homes with such systems are looked upon as more flashy. This can be a great plus in any competitive housing market, affording the occupants both short-term and long-term gains.

## B. Principles of Geothermal Energy:



**Figure 2: Principles of Geothermal Energy**

### a) Origin of Geothermal Energy:

Geothermal energy is derived from the Earth's interior which chiefly consists mainly of iron and Nickel and generates heat through the radioactive decay of elements such as uranium and thorium. [4,5] Some of this heat comes from the still-cooling planet and the residual radioactive decay and is driven outward through the mantle and the crust to warm the interior of our planet. Such a geothermal gradient that is characterized by an increase in temperature with depth provokes a pool of thermal energy within the Earth's crust. The ways and types of heat transfer from the interior of the Earth to the exterior chiefly include conduction and convection. Conduction happens within the solid rocks and forwards the heat from the interior to some colder surfaces. Convection entails the process whereby the movement of fluids such as magma and groundwater from deeper parts of the earth to the crust transports heat. While convection and radiation also have a role to play in heat transfer, they are far less influential when compared to conduction in geothermal systems. The heat, consequently stored within the Earth's crust, is a huge and comparatively stable energy source that has the potential to express benefit in a range of uses.

### b) Geothermal Reservoirs:

A geothermal resource is a natural warm water source available below the Earth's surface and used in power generation. Such reservoirs are not only heterogeneous in their temperatures and pressures but also in their compositions. The arresting types include hydrothermal reservoirs, which are composed of hot water and steam confined in crack Tradable porous rocks. These are generally used for both electric power and direct utilization purposes because they are usually available and are at relatively high temperatures. Hot Dry Rock (HDR) reservoirs are characterized by dry, hot rock with little or no in situ fluid and permeability. These rocks are used in Enhanced Geothermal Systems (EGS) because it is necessary to stimulate and establish permeability in these rocks, mainly for the purpose of heat production. Geopressed reservoirs consist of high-intensity, high-temperature fluids that are suitable for geothermal applications and the production of natural gas. Many varieties of these reservoir types exist, and this implies that different kinds of technology are needed in order to explore and harness geothermal energy from the approved reservoirs, depending on the nature of the reservoir.

### c) Geothermal Heat Pumps:

Geothermal heat pumps (GHPs) take advantage of the earth's stable temperature below the surface to give efficient heating and cooling for use in homes and businesses. The types of these systems are those with a closed loop as well as an open loop that is used in transferring heat between the ground and the building. Again, in heating, the heat pump removes heat from the ground through a heat exchanger; this is normally in the form of pipes or loops buried in the ground. It is then circulated throughout the building using the building's air distribution system, such as ducts or radiators. In cooling mode, the process is reversed: you take the heat out of the air inside the building and move it to a cooler ground loop, which cools the inside of the building. One advantage of using geothermal heat pumps is that the ground temperature hardly changes with the weather conditions; hence, the system works at lower energy levels than the air conditioning systems.

### d) Geothermal Power Generation:

Geothermal electricity generation is the process of harnessing electricity from geothermal reservoirs that are sources of thermal energy. It begins with well drilling to access a geothermal reservoir to release steam or hot water, as the case may be. In the case of a geothermal power plant, steam or hot water is utilized to turn a turbine that is coupled to a generator. In steam

turbine systems, steam is the working fluid that directly strikes the turbine blades to produce electricity. In binary cycle power plants, hot geothermal water is then allowed to flow through a heat exchanger to heat another secondary fluid with a lesser boiling point. This secondary fluid vaporizes and powers the turbine and requires heat energy to make the change of state from liquid to vapor. The generated power is in the form of rotational energy, which is utilized by the generator to produce electricity that is channeled into the electric power system. The productivity and performance of geothermal power stations depend on the temperature and pressure of the geothermal fluids as well as the technology employed in the generation of power.

*e) Geothermal Heat Exchange:*

Direct utilization of geothermal resources includes direct-use applications and heat exchange systems based on stable ground thermal conductivity. Direct use of geothermal resources entails the use of natural sources of heat like hot springs or well water in, for instance, heating of buildings, heating greenhouses and some industrial processes. It does not involve conversion to electricity and, hence, is very efficient for some applications compared to conventional ones. Heat exchangers help move heat from one fluid or system to another, and they are, for instance, used in geothermal heat pumps, which transfer heat from the geothermal fluids and building systems. These heat exchangers may be of horizontal or vertical loops contingent on the site condition or the space provided for the heat exchangers. These kinds of systems enable the efficient transfer of heat to and from the ground in order to regulate energy and the effectiveness of heating or cooling.

*f) Sustainability and Resource Management:*

Thus, geothermal energy is regarded as a renewable energy source as heat is replenished through natural geologic activities. The utilization of geothermal resources requires extreme caution in controlling the rate of heat extraction from the geothermal reservoir so as not to exceed the recharge rate. This relates to the managing of the reservoir and balancing the conditions while pulling the resources out. The other environmental effects of geothermal energy are inconsequential relative to those of fossil fuels because they are comparatively free from greenhouse gas emissions and do not combust. However, there are other factors like the quality of water available for use by the inhabitants of the area, the use of land and possible future seismic activities that need to be governed in a way that does not cause a lot of havoc to the environment. Good management practices and practices that will ensure the sustainability of the geothermal resources are very crucial in ensuring that the resource being harnessed has a forward-looking span and a positive impact on the ecology of the earth.

*g) Applications and Advancements:*

Geothermal energy uses can be widely categorized into electric power and heat uses, including domestic and industrial uses. Current technology has added onto the development of new sophisticated geothermal systems to make them more efficient and opened up other opportunities for their use. Some of the technologies which have been applied to increase the usability of geothermal power are enhanced drilling techniques, better heat exchangers, and the EGS, which has now been developed for use in geothermal energy extraction. Current research is on improving the efficiency of geothermal systems and the reduction of costs, as well as on incorporating geothermal energy into other renewable resources. This means that with advancements in technology, the exploitation of geothermal energy to meet the increasing energy demands in the world and as a renewable energy resource for sustainable energy solutions is becoming more and more possible. It is for this reason that further investment and advancement of geothermal technologies need to be pursued.

## II. LITERATURE SURVEY

### A. Historical Development of Geothermal HVAC Systems:

The history of geothermal HVAC systems can be traced back to the mid-twentieth century when the first actual uses of geothermal energy for heating and cooling were implemented. [6-9] Originally, these systems were installed mainly in commercial and industrial complexes, where energy consumption calls for higher initial investments and complicated technical structures. The idea of using the earth as a heat sink was extraordinary, allowing efficient heating during winter and cooling during the summer owing to consistent ground temperature. As the technology advanced, two key types of geothermal loop systems were developed: Vertical starting loops or vertical rollover loops and horizontal re-entry loops or horizontal flip-flop loops. Vertical loops are made using large-diameter boreholes, whereas horizontal loops need a large ground surface area and involve shallow trenches. These innovations made it possible to work for versatility in geothermal systems and, therefore, to operate in different site conditions. Since its introduction, other factors such as enhanced efficiency in heat pumps, better materials, and better drilling methods have enhanced the geothermal HVAC systems. Technological advancements, rising concerns toward environmental conservation, and the rising costs of fossil energy have made geothermal systems applicable in residential uses as efficient and eco-friendly systems of heating and cooling.

### **B. Energy Efficiency and Environmental Impact:**

The issue of energy efficiency in geothermal HVAC systems has been of interest, especially when compared to conventional HVAC systems that use fossil energy or electrical energy. Geo-source heat pumps are finally more efficient and competitive since these systems move heat instead of producing it and utilize the relative stability of the lower temperature of the earth in winter and its relatively high temperature in summer as a heat sink. Concerning the usefulness of geothermal HVAC systems, the consumption of energy for heating can be reduced by 50 percent on average. In contrast, for cooling, it can be reduced by up to 30 percent as compared to the typical HVAC systems, according to the U. S. Environmental Protection Agency (EPA). This efficiency is not only seen in having low energy bills for homeowners but also in reducing greenhouse gases. Geothermal systems possess moderate efficiency, with a Coefficient of Performance (COP) ranging between 3 and 5, which implies that they produce three to five times the amount of heat energy than the amount of electrical energy that is used in the process. This efficiency significantly decreases the carbon aspect of residential buildings since less energy is used to achieve proper indoor temperatures. Additionally, geothermal systems bear no direct emissions through combustion, thus getting rid of the direct emissions of carbon dioxide, nitrogen oxides, and sulfur dioxide, thus improving the quality of indoor air and its effects on the environment.

### **C. Economic Perspective in Geothermal HVAC Systems:**

The economic viability of geothermal HVAC systems has also been researched, given the sizing of the initial capital investment and total cost implications in the long run, as well as cost-benefit analysis and return on investment (ROI). In comparison with classical HVAC systems, geothermal systems are higher in the first cost essentially because of the cost of drilling and setting the ground loops between the benefits of the geothermal systems and the initial cost, which is a basic economic advantage. According to the given literature, it has also been observed that the operation costs, such as energy expenditures and maintenance costs over a particular period, can indeed be easily recovered with the initial investment. According to the research conducted by the International Ground Source Heat Pump Association (IGSHPA), it is revealed that geothermal systems can be recovered during 5-10 years of operation with reference to the local price of energy, existing subsidies, and characteristics of the ground at the installation site. After the payback period, homeowners also get many benefits, such as saving on utility bills, and in some cases, little maintenance costs are incurred. Moreover, the longevity of geothermal systems, in which the life expectancy of the heat pump ranges from 20 to 25 years and the ground loop over fifty years, makes it more economical. It is projected that due to high energy costs coupled with increasing environmental laws, geothermal HVAC systems present the right proposition financially.

### **D. Lifecycle Cost Analysis:**

Life cycle costing is a means through which the total cost implications of the geothermal HVAC systems can be effectively assessed in their life cycle. LCCA involves incorporating all the costs within the system life cycle right from the conception to its disposal phase, comprising capital costs for installation, recurring operational costs, and disposal costs at the system's end-of-life cycle. Research has suggested that when all the above factors are taken into consideration, geothermal HVAC systems may cost less than conventional HVAC systems, especially when energy costs are high or there are incentives for the installation of renewable energy sources. For example, the initial cost of installing a geothermal system is more expensive. However, the annual cost of running is cheaper because of the system's high efficiency, hence giving cumulative cost advantages over the time it takes the system to be effective.

Further, geothermal systems are more long-lived and have fewer parts than conventional systems, so they incur less long-term cost. The LCCA approach also incorporates cost savings due to less emissions and energy consumed, which is possible to quantify in environments where there is trading of carbon credits or credits for sustainable structures. All in all, the paper shows that LCCA can be used as a universal measure for determining the actual economic benefits of geothermal HVAC systems and their ability to create long-term economic and environmental value.

### **E. Barriers to Adoption:**

Despite the numerous benefits associated with geothermal HVAC systems, the following factors have, however, limited their adoption mainly in residential applications. The main drawback of these systems is the comparatively high costs, specifically the cost of installation, which can discourage many homeowners from using them. Several of these costs arise from the fact that drill-and-install techniques of the ground loops require specialized equipments and skilled personnel. Also, the establishment of the system can be quite invasive since it needs a large space to be built, a factor that is hard to come across in urban areas due to high population density. The others are that technological advancement in geothermal systems and

information dissemination to the common people are still very limited. Most homeowners are not informed about geothermal systems and, therefore, may find it hard to trust their home's heating and cooling needs to a not-so-familiar technology. This lack of awareness is further enhanced by very few contractors with the skills in the design and installation of geothermal systems. However, the economic gains of geothermal systems, although in the long run, seem to be insufficient to support the initial installations. It has been found that government incentives such as tax credits, rebates and low-interest loans might go a long way in eradicating such hurdles since they ease the financial pressure on homeowners and increase the chances of opting for geothermal HVAC systems. Also, more promotional campaigns about the benefits of energy-efficient geothermal systems are required to increase the acceptance of the systems as a reasonable substitute for traditional heating and cooling systems.

### III. METHODOLOGY

#### A. Research Design:

This study, therefore, uses both quantitative and qualitative evaluation to assess the characteristics of cost and benefit in geothermal HVAC systems. [13-15] It consists of a literature survey, an analysis of case studies of installed residential systems and a detailed lifecycle cost assessment.

#### B. Data Collection:

The collection of data is important in this study as it allows for the collection and analysis of adequate information. The information used was collected from various sources to ensure that all the sides of the geothermal HVAC systems were captured. The main sources include:

##### a) Academic Journals:

In regards to data collection, for collecting information from academic journals, the process involves selecting published peer-reviewed articles and conference papers related to various aspects of geothermal HVAC technology. This source helps in the formulation of the theories and framework for the development of geothermal systems and new discoveries. They offer information about how effective geothermal systems are, what new technology is coming up and what a specific project economically looks like. Thus, by looking into such scholarly works, the study is able to obtain the empirical data and research findings that form the basis for the cost-benefit analysis of geothermal HVAC systems.

##### b) Industry Reports:

Data from various sources like IGSHPA and GEO are helpful in gathering operational details of the market and the heat pump Systems. These reports provide estimations of installation expenses and productivity rates alongside other benchmarks. It also encompasses guidelines that are useful in determining the suitability and efficiency of geothermal systems within the usage and implementation stages. Such information provides the necessary background for the given study and allows the identified analysis to be applied to the current state of the industry.

##### c) Government Publications:

The use of Government data involving DOE and EPA data to carry out an evaluation of the environmental effects of Geothermal HVAC systems. Government publications give accurate information on energy usage, emissions, and other milestones in the implementation of geothermal systems on the environment. They also sketch possible monetary rewards like tax credits and rebates that are involved with the financial viability of geothermal installations. Including this data, the study assesses the general environmental and economic impact of geothermal systems and further searches for possible governmental incentives.

##### d) Case Studies:

Information acquired from various case studies involving residential geothermal HVAC applications provided real-world observations of system efficiency and the people's first-hand experiences. These case studies contain information on the system design, cost of installation of the system, energy that has been conserved, the cost that has been spent on maintenance, and the views of the users. Real-life examples are more realistic in illustrating how geothermal systems work in different residences, with emphasis on practical problems and advantages. Such hands-on data polite theoretical and industry reports, as they provide findings that provide real-life proof of geothermal systems' potential and successful application across various use cases.

##### e) Conventional HVAC Data:

For comparison, statistical data on more traditional approaches to HVAC systems – costs, energy consumption, maintenance needs and the effects of conventional systems on the environment are gathered. This is data obtained from studies of similar publications and other industry reports of geothermal systems. The findings presented below enable a direct

comparison of the performance and economic merits of using waste heat to that of geothermal systems. It provides a starting point for comparing the benefits and drawbacks of geothermal systems. It can also be useful for beginning to discuss the possibility of using them instead of conventional HVAC technologies.

### C. Cost-Benefit Analysis Framework:

The cost-benefit analysis framework is as follows: it has been created so that the social, economic, and environmental benefits of geothermal HVAC systems can be evaluated over conventional systems systematically and comprehensively. The framework includes the following components: The framework includes the following components:

#### a) Initial Installation Costs:

The costs of initial installations of geothermal HVAC systems refer to four main areas, including the geothermal heat pumps, the ground loop that can be either vertical or horizontal, site preparations or the cost of labor. The cost of the heat pump itself, as well as the work needed for the installation of the ground loops in the way of drilling or excavating, represents a high initial cost. Also, site preparation may differ depending upon the region, subsoil and the size of the system and all these factors contribute to the total cost of installation. There are these variations that need to be considered in a thorough cost assessment relative to the cost differences between installing geothermal systems and traditional HVAC systems.



**Figure 3: Cost-Benefit Analysis Framework**

#### b) Operating Costs:

The total cost of running geothermal HVAC systems mainly comprises the electricity that is used to operate the heat pump. Non-ice storage geothermal systems are usually highly efficient; the COP is usually between 3 and 5; therefore, geothermal systems normally utilize less energy compared to conventional systems. This efficiency leads to a reduction in electricity tariffs. These factors include the cost of electricity in the region, local weather, energy requirements during certain seasons and the efficiency of the geothermal system that has been installed. Based on these, the study analyzes the comparison of the various factors against the practical operating costs of traditional HVAC systems to estimate the feasibility of the use of geothermal systems in lessening energy consumption and utility bills.

#### c) Maintenance Costs:

Maintenance costs of geothermal HVAC systems are usually less compared with the costs of maintenance of conventional HVAC systems. This type of equipment has fewer mechanical parts that require replacement because these parts are installed underground and, hence, do not wear out easily. It is not complicated and can be considered basic, where periodic examinations and slight realignment are conducted. Modern approaches are – while not perfect – the opposite of conventional HVAC, which more often call for acts like filter replacement, duct cleaning, and component replacement. These costs are then compared in order to underline the economic advantages of geothermal systems when it comes to maintenance requirements and costs over the course of time.

#### d) Environmental Impact:

The environmental effects aspect covers the main aspects, including greenhouse gas emissions, energy sources, and carbon footprint in relation to geothermal HVAC systems. Geothermal systems are considered to release minimal emissions into the environment compared to conventional systems, which use fossil fuels for heating and cooling. The comparison also embraces the reductions in emissions that are realized within the lifespan of geothermal systems, including construction,

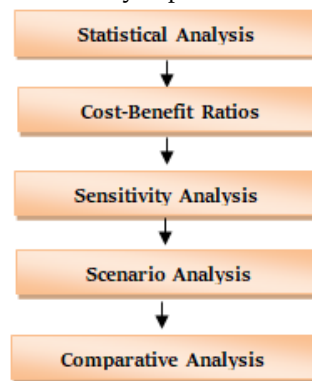
utilization, and dismantling. Through this evaluation, it is possible to establish the environmental gains of geothermal systems and consider them as a more appropriate solution to control indoor climates.

*e) Lifecycle Cost Analysis:*

By using LCCA, one can compare the total cost of ownership of geothermal HVAC systems throughout their service life span, which is usually between 20 and 25 years. These estimates comprise the initial investment costs, operating and maintenance expenses during the years the system operates, possible savings from energy consumption, as well as the costs that will occur if the system has to be sold at the end of its useful life at the facility. Using all these factors, LCCA gives complete details of the costs that can be incurred in the long run through geothermal systems. It is beneficial to compare the total cost-utility of geothermal systems to the conventional HVAC systems, as well as the benefits of geothermal systems in terms of cost of operations and maintenance expenses and their durability.

**D. Data Analysis:**

Cost Benefit Analysis and Evaluation entails using statistics/ Analysis to Compare between costs and benefits of Geothermal HVAC Systems with those of conventional Systems. The analysis process includes:



**Figure 4: Data Analysis**

*a) Statistical Analysis:*

The use of statistical methods enables the cost, energy use and maintenance costs of the geothermal system and the conventional HVAC to be analyzed. The measures of mean, median and standard deviations are applied so as to give a quantitative description of the center and spread of the obtained data sets. The comparison of different results from geothermal systems and conventional systems employs inferential statistics like t-tests or analyses of variance (ANOVA) in order to determine the significance of noticed differences. These statistical methods enable one to ascertain whether any observed differences are significant or just artifacts of random chance, hence enabling one to compare the efficacy and cost of the two systems on a sound statistical footing.

*b) Cost-Benefit Ratios:*

Cost/benefit ratios are determined to estimate the relative efficiency of geothermal systems compared to other conventional HVAC systems. These ratios give an exact quantitative appraisal of costs that are being embarked on and corresponding benefits accruing from them. This comprises the costs associated with the installation, use, and maintenance of the system, as well as the revenue in terms of energy used, occasional maintenance costs, and environmental impact. Using these ratios, this study can compare which one of the systems is more cost-effective than the other and conduct a quantitative comparison of the economic benefit per unit of use against the cost of using each system throughout its life cycle.

*c) Sensitivity Analysis:*

Sensitivity analysis deals with an impact assessment under the assumption of changes in the identified variables concerning the cost-benefit outcomes of geothermal HVAC systems. Some of the parameters, which include the energy prices, the maintenance costs, and the government incentives, are altered systematically in order to analyze their effect on the viability of the system. This evaluation assists in understanding which variables must be of primary importance when considering the cost-effectiveness of the plant and also reveals possible risks or uncertainties. Fundamental to this is the ability of the study to determine how much the results are likely to change with fluctuations in these parameters, thus allowing more precise recommendations that take into consideration market changes.

*d) Scenario Analysis:*

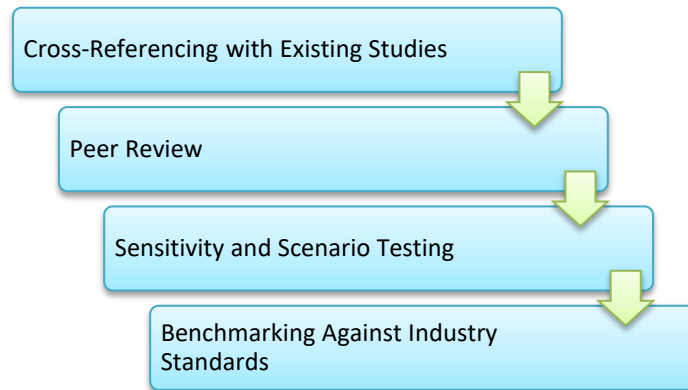
To identify possible shortcomings of the cost-benefit analysis, the process of the scenario analysis entails looking at several potential future states of affairs. They encompass the first case, which assumes favorable conditions for factors such as cost of energy and installation costs; the second case, which takes a pessimistic attitude toward the above factors; and last, the third case, which works on the assumptions that are likely to happen in future. It assists in knowing the range of outcomes that can be expected so as to prepare for various contingencies. In this way, the study can assess in which manner the geothermal systems might act in other circumstances and provide more accurate advice for their application and application.

*e) Comparative Analysis:*

Here, the geothermal HVAC systems are compared with the conventional systems where the various parameters such as cost, energy efficiency, maintenance and impact on the environment are taken into consideration for the comparison of the two systems. This analysis is important to make a relative comparison of the strengths and weaknesses of the three systems. With the comparison of these aspects, the study can give a fair and comparative understanding of how geothermal systems fare from conventional ones in terms of their pros and cons and thus aid in making systematic decisions in terms of performance and economic merits.

**E. Validation of Results:**

To ensure the accuracy and reliability of the findings, the results are validated through several methods: [17,18] This is the reason why it is crucial to guarantee the credibility of the results of research, and this is done in the following manner:



**Figure 5: Validation of Results**

*a) Cross-Referencing with Existing Studies:*

Thus, the results are compared with the prior research and statistical data of the industry with the intention of justifying the findings of the theoretical framework of this study. This cross-referencing involves going through similar studies and data with a view to reaffirming or elaborating some of the conclusions in consonance with the existing write-ups and techniques. Here, the research could compare the results obtained in the frame of the study with similar results from other reliable sources. The current study could, therefore, check the results in order to enhance the accuracy of the findings. This also enables one to look for any gap/anomaly that may exist in the research, and the process validates the research work by situating it within an existing body of knowledge.

*b) Peer Review:*

Peer review is, therefore, having the study worked over by other experts in the area of specialization of geothermal HVAC systems. In this process, the Other Researchers evaluate the method applied in the study, the technique employed in the data analysis and the outcomes of the findings in order to establish bias, failure in analysis or lack of research in the study. The strengths derived from the feedback of the peer reviewers assist in asserting the fact of the research in its bid for credibility and significance in order to give sound findings. Thus, these external reviews also act as quality assurance as the conduct and the fate of it highly embody the academic and professional tenets.

*c) Sensitivity and Scenario Testing:*

Therefore, sensitivity analysis and scenario testing are used to determine the stability of the study's findings in different circumstances. To bring certain modifiable factors into laboratory-like conditions and test how changes in the values of

fundamental variables like the price of energy, costs of maintenance and government incentives impact the results enables the study to gauge the robustness of the findings. This testing helps, in turn, to be confident in the results and avoid the fact that they heavily depend on some particular assumptions or conditions as far as possible future conditions for testing. It proves useful in determining those factors with the greatest effect on the cost-benefit multiples and strengthens and stabilizes conclusions.

*d) Benchmarking Against Industry Standards:*

To make the findings of the study relevant to the present-day technological advancement and economic feasibility, the results are compared to the current technological focus on geothermal HVAC systems. This benchmarking is done by comparing the results that have been obtained in the study with standard benchmarks and performance indicators in the industry. Thus, the study can state that employing the tools and methods used towards its analysis complies with modern technological accomplishments and standards. Because of this close correspondence, the findings are self-verified and practical for the industry since they reflect the current trends and practices in the market.

#### IV. RESULTS AND DISCUSSION

##### A. Economic Analysis:

If we compare the cost structures of geothermal HVAC systems versus other conventional types of systems, there is a significant difference here. It must also be noted that geothermal HVAC systems cost more at the instance of installation; nevertheless, the cost savings in the long run could offset the investment greatly.

**Table 1: Cost Comparison of Geothermal vs. Conventional HVAC Systems**

Cost Component	Geothermal HVAC	Conventional HVAC
Initial Installation Cost	High	Moderate
Operating Cost	Low	High
Maintenance Cost	Low	Moderate
Total Lifecycle Cost	Low	High

*a) Analysis:*

*i) Initial Installation Cost:*

This is especially true in the case of initial cost, where geothermal HVAC systems are undoubtedly more expensive than conventional systems. This increased expense stems from the fact that the equipment required, like in the geothermal heating pump or the laying of the ground loops, requires drilling or excavations. On the other hand, traditional HVAC systems entail other relatively cheaper installation procedures, mainly involving air conditioning inverters or furnaces. The initial costs are relatively high when it comes to geothermal systems, but the bells tend to outweigh the cost in the long run.

*ii) Operating Cost:*

Geothermal HVAC systems are also cost-effective since their operating cost is much lower than that of normal HVAC systems. Because these systems are very efficient, they utilize less energy to deliver the same heat or cool as conventional systems. This is exemplified by the fact that utility bills tend to drop since the COP ranges from 3-5, which means for each unit of electricity used in the system, 3 to 5 units of heating or cooling energy are produced. In contrast, conventional systems are known to establish relatively lower COP, and hence, they are characterized by higher energy demands and correspondingly higher operational costs.

*iii) Maintenance Cost:*

Another advantage of geothermal HVAC systems is that they usually have lower maintenance costs since these systems are designed and function in a specific way. These systems have fewer parts that are in motion and are exposed to environmental conditions as the ground loops are buried well in the ground and thus are not subjected to much wear out. Therefore, geothermal systems have low repair frequency and low routine servicing compared to conventional HVAC systems, which have more visible parts and are more prone to regular wear and tear. This means that the less frequent maintenance is required, the lower the expense will be throughout the life span of the mentioned system.

*iv) Total Lifecycle Cost:*

Although they may require initial investments that are higher than their conventional counterparts, there are good reasons why the total lifecycle cost of installation, operation and maintenance are taken into account and over the serviceable life of the system. Geothermal HVAC systems are sexy considered to be more economical. This makes them more effective when

used, and their low maintenance costs lower overall usage costs in the long run. Moreover, the energy savings realized through geothermal systems lower the total lifecycle cost below that of conventional systems. All in all, it can be ascertained that the advantages of geothermal systems in the long run outweigh the costs of installation, thus making them more financially sustainable.

### **B. Energy Efficiency:**

Research studies have also revealed that the energy efficiency of geothermal HVAC systems is far higher than that of conventional HVAC systems.

#### *a) Coefficient of Performance (COP):*

Some of the energy efficiency indices of HVAC systems include the Coefficient of Performance (COP), which is a ratio of useful heating and cooling input to electrical energy input to the device. Geothermal HVAC systems are considered to be more efficient than traditional HVAC systems, with COP being between 3-5. This implies that for every kWh of electricity used, the geothermal systems can provide 3-5 units of heating or cooling energy. This high efficiency is realized due in part to the fact that geothermal systems utilize the earth's stable temperatures to transfer heat instead of creating the heat through combustion or electric resistance. In contrast, conventional HVAC systems have a COP that varies from 1.5 to 3. The currently used methods, such as air source heat pumps and gas furnaces, depend on outside air or fuel, which is not always reliable. For instance, heat pump systems such as air-source ones are poor performers in cold climates because they have to struggle to source heat in cold climates. They, thereby, use far more energy to warm or cool freedom than is used by geothermal systems.

#### *b) Implications for Energy Consumption:*

This means that geothermal systems are far more efficient than other types of heating systems, which results in a considerable cut in energy use. Geothermal systems employ the earth's nearly stable sub-surface temperatures as the heat source or heat exchanger; thus, they have better efficiency and require less energy to acquire and sustain the building's preferred internal temperatures. This saved power, in a direct sense, translates to a reduction in the energy bills that the homeowners pay. The COP of geothermal systems is relatively high, such that the amount of energy used in heating or cooling is much less than that of other systems.

#### *c) Utility Cost Reduction:*

Another important aspect worth mentioning is that considerable cost savings determine the energy efficiency issues in geothermal systems. The high COP makes it easier for the geothermal systems to use little power to the power needed in heating or cooling a home hence low monthly utility costs. The cost savings over the years outweigh the initial costs of installation of the geothermal systems making the systems economically suitable. Since they use less electricity and therefore affect energy costs in the long run, geothermal HVAC systems can be said to offer a cost advantage that conventional HVAC systems cannot offer.

### **C. Environmental Impact:**

The environmental impact analysis of geothermal HVAC systems revealed that the systems have low greenhouse gas emissions. For the duration of the system's lifetime, one can save several tons of CO<sub>2</sub> or, in other words, save the equivalent of multiple cars.

**Table 2: Environmental Impact of Geothermal vs. Conventional HVAC Systems**

<b>Impact Component</b>	<b>Geothermal HVAC</b>	<b>Conventional HVAC</b>
CO <sub>2</sub> Emissions Reduction	High	Low
Energy Source	Renewable	Non-renewable
Carbon Footprint	Low	High

#### *a) CO<sub>2</sub> Emissions Reduction:*

Geothermal HVAC systems are efficient in minimizing CO<sub>2</sub> emission because geothermal energy, which is used, is a clean and renewable energy source. Geothermal systems are unique because they are not conventional HVAC systems that might burn fossil fuel or be obtained from grid electricity generated from non-renewable resources but rather the heat drawn from the earth's stable temperature. In the course of the useful life of a geothermal system, the savings on CO<sub>2</sub> emissions can be quite impressive. For instance, a conventional geothermal system is capable of lowering CO<sub>2</sub> emissions by several tons per year, roughly equal to removing that many automobiles from the streets. This decrease is substantial in helping to combat climate change and in enhancing air quality.

*b) Energy Source:*

Geothermal HVAC systems utilize energy derived from the earth's heat, which is recyclable in nature. This is unlike traditional heating, ventilation and air conditioning systems that often rely on energy sources such as natural gas or, coal or oil, amongst others. The problems with these conventional systems for transport include their impact on global depletion of resources and increased environmental pollution. Since geothermal energy is renewable and has little impact on the environment as compared to other energy sources, geothermal systems are more sustainable energy systems.

*c) Carbon Footprint:*

Geothermal HVAC systems have a lesser impact on the environment when one compares it with other traditional systems. Geothermal systems are environmentally friendly because they do not need to combust fuels, and the use of grid electricity in geothermal works is often associated with carbon emissions. Compared with conventional HVAC systems, there is a greater environmental impact because the air conditioning consumes energy from fossil resources and because of fuel burning or the generation of electricity. Geothermal systems have been found to have a smaller carbon imprint as compared to other systems, a factor that can be attributed to less air pollution and the effects of global warming.

**D. Case Studies:**

Several authors note that case studies provide useful information for understanding the real behavior of geothermal HVAC systems worldwide.

*a) Case Study Examples:*

*i) Cold Climates:*

Where geographical conditions prevail over cold climatic conditions, geothermal HVAC systems have been well noted to provide set indoor temperatures irrespective of the prevailing bad weather. For example, case studies that involve regions with cold winters in northern parts of the USA and Canada show that heat pumps used in geothermal systems can easily pump heat from the ground since it is relatively warmer as compared to the freezing air in the atmosphere. These systems still offer efficient heating compared to the major drop in efficiency in low temperatures, which is experienced with traditional air-source heat pumps. Residents of these states have testified to the increased effectiveness of the geothermal systems, especially in the wintertime, and reduced costs of heating.

*ii) Hot Climates:*

Geothermal HVAC systems can also be efficiently used in regions where cooling is most required, that is, the warm regions. Examples from the southern parts of the world, such as the southeastern United States or desert areas, explain how geothermal systems are able to provide comfortable climates in buildings, elaborating heat to the ground. In contrast to normal air conditioning systems, which have great challenges in throwing heat to the already hot outside air, geothermal systems benefit from cooler ground temperatures for enhanced cooling. These case studies reveal not only the availability of comfort in the offices with the usage of geothermal systems in summer months but also indicate the lowered energy consumption and cost implications that come with it.

*iii) System Design and Installation:*

Large-scale experience with geothermal HVAC systems is quite positive, especially when it comes to utilization in the cold as well as hot regions of the world; nonetheless, the efficiency is rather contingent upon the kind of design and installation done. Most of the case studies stress the notion that the system has to be designed according to the climatic conditions, type of soil, and size of the property to deliver the best results and functionality. For instance, a decision between the vertical and the horizontal ground loop resorts to the potential land space resources and soil type. Furthermore, due to potential difficulties with the air loop design, size, or insulation, the installation should be done by professional contractors with experience in the HVAC system design. These papers show that geothermal systems should be designed and installed properly in order to solve the heating and cooling needs of buildings regardless of the climate zones and ensure that geothermal systems are effective, renewable, and cost-saving solutions for residential uses.

**E. Sensitivity Analysis:**

The sensitivity analysis is part of the economic assessment of geothermal HVAC systems. It evaluates the impact of fluctuation of external parameters on the total economic advantage of the geothermal systems compared to conventional ones. Through this, the study avails an in-depth understanding of how much varies depending on the availability of certain factors – energy prices, for instance, or government incentives – to assess whether or not geothermal systems are more or less beneficial.

*a) Energy Prices:*

The results of sensitivity analysis show that energy prices can play a key role in determining the economic effectiveness of geothermal HVAC systems. Sound geothermal systems will ordinarily possess a COP of between 3 and 5 and thus will produce between three to five times heating or cooling as compared to the electricity consumed. As the cost of energy goes up, the cost benefits that come with the use of the geothermal system go up. Higher energy costs mean that the efficiency of geothermal systems is highly prized since these systems provide comfortable indoor temperatures using limited energy, unlike HVAC systems, which often boast of lower COPs and high energy consumption levels. In other words, it means that in high energy price situations, homeowners can achieve higher cost benefits since utility costs will be lower as a result of using geothermal systems. On the other hand, when energy costs are low, it becomes difficult to justify the initial cost of geothermal systems, even though they may be cheaper and eco-friendly in the long run. The assessment also shows how prospective trends in energy prices should be taken into account when assessing the prospective profitability potential of geothermal HVAC systems.

*b) Government Incentives:*

Another very important factor considered in the sensitivity assessment is the role of government incentives. These incentives are in the form of tax credits, rebates, grants, and low-interest loans with the aim of balancing the high costs of putting up geothermal systems. Sensitivity analysis reveals that these incentives play a crucial role in determining the economic viability of geothermal power systems. For instance, where significant incentives are present, the initial costs to be borne by the homeowners are comparatively low, which would make geothermal systems more affordable and likely to be deployed in a shorter period of time. They help to reduce the payback period, which is the period of time before the particular energy saved can repay the cost of the installation of geothermal heating and cooling systems and therefore make geothermal heating and cooling systems more enticing as compared to the traditional systems of HVAC. However, if government incentives are rather scarce or reduced, the respective comparative cost advantage of geothermal systems may dwindle, especially in those markets which face high installation costs upfront. This may dissuade possible adopters, especially those who are conscious of initial costs regardless of the intrinsic net benefits. Consequently, the evaluation underscores the importance of government policy in the utilization of renewable energy technologies, including geothermal HVAC systems.

**F. Barriers to Adoption:**

While having many long-term benefits and being environmentally friendly, geothermal HVAC systems also encounter a number of crucial challenges when it comes to adoption. The first common challenge is the capital cost, which is normally much higher than that of other systems like central HVAC systems. It costs the price of acquiring the heat pump and installing it and the ground loops through drilling or excavation. Such costs can be very discouraging to most homeowners, especially in areas that have few or no incentives or rebates offered to encourage the implementation of the best practices. Also, the acquisition of geographical expertise, particularly in systems design and installation, is another likely challenge. Using the idea of geothermal systems, it is important to understand that these systems need to be well-engineered and well-installed in order to be as efficient and effective as they possibly can be. Qualified professionals are often scarce, and this leads to the availability of such systems being restricted and their cost high, thus being unavailable for everybody.

However, all these barriers can be avoided using the following measures. Reimbursements, rebates, and subsidies, it was stated that each part of the cash incentives and low-interest loans would explain a large proportion of the total first cost for homeowners. Governments and utility companies particularly have this role to ensure that they come up with such incentives and make the ventures so as to increase the adoption of geothermal systems financially viable. There's also a need for public awareness of the societal, economic and environmental benefits of geothermal HVAC systems to overcome barriers caused by existing misconceptions about the technology. Similarly, the perceived value associated with the installation of such systems may also improve as more homeowners learn about the possible return on investment and the effect on the environment.

In the same way, technology is slowly improving the cost of installation and making it accessible so that geothermal systems are cheaper and easier to install. Advancements in drilling technology, loop configuration, and heat pump performance are enabling cost reduction and opening up possibilities for the utilization of geothermal systems for multiple types of residences. By combining all these efforts, it would then be possible to bring down the impediments to the adoption of geothermal HVAC systems, thereby expanding its acceptance as well as usage in the residential market.

## V. CONCLUSION

In this study, various costs involved in the use of geothermal HVAC in residential buildings have been evaluated together with the benefits, thus highlighting how the use of the systems leads to considerable economic and environmental gains over traditional HVAC systems used in homes. Although the initialization cost of geothermal systems is relatively high, it is important to note that this method is the most economical in the long term, first and foremost due to the low costs of operation and maintenance. The comparison of the lifecycle costs also suggests that geothermal HVAC systems can prove to be less costly than conventional ones when the cost of the system throughout its service life is taken into account.

Energy efficiency is one of the benefits of geothermal systems because they are rated higher in COP than conventional systems. This implies lower costs of energy consumption and utility bills, which makes geothermal systems one of the recommended systems for heating and cooling of homes. Also, environmental impact assessment indicates that geothermal HVAC systems have a positive effect on the emission of greenhouse gases since they help to reduce greenhouse gas emissions, thus playing a key role in the fight against global warming.

Nevertheless, the study also reveals some of the challenges that hinder the utilization of geothermal HVAC systems, such as the high costs of initial investment and professional services required for its installation. These barriers may be overcome through policies such as incentives from the government to use geothermal systems, improved technology, and awareness of the use of geothermal systems in residential buildings.

Overall, it can be seen that there is an initial capital intensive necessary to install geothermal HVAC systems. However, subsequently, this investment pays off because the systems are unique in such aspects as cost, efficiency, and environmental impact for residential use. Policymakers and industrial players should include geothermal systems within a larger strategy to pursue efficiency in the energy and environmental outcomes in residential homes.

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