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1 Introduction

About the Northwest Energy Efficiency Alliance
The Northwest Energy Efficiency Alliance (NEEA) is an alliance of more than 140 utilities and energy efficiency organizations working on behalf of more than 13 million energy consumers. NEEA is dedicated to accelerating both electric and natural gas energy efficiency, leveraging its regional partnerships to advance the adoption of energy-efficient products, services and practices.

Since 1997, NEEA and its partners have saved enough energy to power more than 900,000 homes each year. As the second-largest resource in the Northwest, energy efficiency can offset most of our new demand for energy, saving money and keeping the Northwest a healthy and vibrant place to live. www.neea.org

The goal of NEEA’s Heat Pump Water Heater (HPWH) Program (the Program) is to influence a federal standard requiring HPWHs for all electric storage tanks greater than 45 gallons by 2028. NEEA’s most recent savings projection identifies 412 aMW of 20-year technical achievable savings potential for electric water heating. Realizing this significant savings opportunity relies on the adoption of heat pump water heaters (HPWH) for emergency and planned replacements in single family homes.

HPWHs make up approximately 9% of electric water heaters installed in the region and about 2% nationally. Sales data provided to the Program indicate over 60,000 HPWHs are installed in the region and the Program has trained hundreds of distributors and installers on HPWH technology and sales strategies. However, regional and national HPWH sales are not on track to achieve the market share needed to support the federal standard. As a region, it is imperative we radically shift activities and engagement, to triple sales over the next three years, or we will not achieve our regional savings targets or be on track to influence a federal standard.

About this Request for Proposal (RFP)
NEEA is seeking qualified contractors to provide implementation services for NEEA’s HPWH Program for an initial one-year term, with the ability to extend the term for up to two (2) additional years at NEEA’s sole discretion. The decision to extend the contract term after the first year will be strongly dependent on the awarded contractor’s ability to drive a minimum 20,000 units sold in the region through both wholesale and retail channels in 2021.

2 Background
In 2009, NEEA released the Northern Climate Specification, now the Advanced Water Heater Specification (AWHS), to influence water heater manufacturers’ product development and ensure HPWH products are suitable for end-use customers throughout the nation. The AWHS ranks product efficiency through a tiered rating system. Tier 1 products are the least efficient on the market and Tier 5 products will be the most efficient. Current products commercially available are primarily Tiers 3 and 4.

Over the past 11 years, NEEA managed the Program by driving supply chain acceptance and increasing consumer awareness, accelerating market adoption of HPWHs. Since 2015, the Program has been in the Program Development phase of NEEA’s Initiative Life Cycle (ILC) process, during which time NEEA established a foundation, in the region, for its long-term goal
of the adoption of a federal standard. To support NEEA’s market transformation efforts, the following objectives make up the Program’s overarching focus areas:

- Accelerate supply chain adoption of HPWHs through relationship building, training, and data collection and analysis
- Achieve target of 20,000 HPWH sales in 2021
- Accelerate customer awareness and adoption of HPWHs

In the next three years, the Program aims to build upon the progress made to date and tackle market barriers around high end cost to consumer, low supply chain adoption and low consumer awareness to ensure the NEEA’s savings projections are met and requirements are in place to achieve a federal standard.

3 Objectives

The following objectives support NEEA’s long-term Program goal of influencing the passage of a federal standard requiring HPWHs for all electric storage tanks greater than 45 gallons by 2028 through:

1. Supply Chain Adoption of HPWHs
   a. Support NEEA staff with manufacturer representative, distributor and installer engagement to change electric water heater recommendation habits, create champions for HPWHs in the market, and collect market data
   b. Increase HPWH sales significantly in planned and emergency installations in retrofit applications by developing strategies to drive supply chain promotion and installation

2. Technical Support and Training
   a. Educate water heater installers, distributors, and manufacturer representatives to bolster sales and marketing capabilities of HPWHs

3. Data Acquisition and Analysis
   a. Data collection and analysis activities to support advancement of national and regional sales and increased federal standard

4. Regional and National Market Engagement
   a. Work with NEEA to implement activities such as fixed price installation promotions, support of funder programs, national engagement, and other HPWH strategies. Work may include building tools, templates and best practice materials to be shared outside the region with national actors
   b. Collaborate with NEEA funder staff to coordinate HPWH programs, market engagement plans and training efforts

RFP Objectives

The purpose of this RFP is to solicit proposals from qualified contractor(s) to provide implementation services for NEEA’s HPWH Program. Marketing activities related to NEEA’s HPWH Program are outside the scope addressed in this RFP.

NEEA encourages bidders to explore creative partnerships with other contractors as needed to effectively and strategically execute on and bring specialized capabilities and subject matter expertise to the areas of work listed below and described in Section 7: Scope of Work &
Deliverables. NEEA requests bidders structure their proposal to balance program management efficiency and subject matter expertise.

Through this RFP, NEEA seeks to select a contractor or contractor team to support the following areas of work:

1. Program Management
2. Supply Chain Engagement
3. Training and Technical Support
4. Data Acquisition and Analysis
5. Regional and National Market Engagement

4 Definitions and Applicable Documents

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<thead>
<tr>
<th>Acronym / Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>AWHS</td>
<td>Advanced Water Heater Specification</td>
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<tr>
<td>Bidder(s)</td>
<td>Those who respond to this RFP</td>
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<tr>
<td>Distributors</td>
<td>Mid-stream actors who supply retailers and contractors with HPWHs</td>
</tr>
<tr>
<td>Funding Utilities (utilities)</td>
<td>Northwest utilities (in, Idaho, Montana, Oregon and Washington) funding NEEA to achieve energy savings targets in 5-year cycles</td>
</tr>
<tr>
<td>Hot Water Solutions</td>
<td>Market facing name of NEEA’s HPWH Program</td>
</tr>
<tr>
<td>HVAC Companies</td>
<td>Heating, ventilation and cooling contractors operating in the Northwest</td>
</tr>
<tr>
<td>Manufacturers</td>
<td>Producers of water heating technologies, including but not limited to HPWHs, standard electric water heaters, split system water heaters, etc.</td>
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<tr>
<td>NEEA</td>
<td>Northwest Energy Efficiency Alliance</td>
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<tr>
<td>Region</td>
<td>NEEA’s region includes Oregon, Washington, Idaho and Montana</td>
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<td>RFP</td>
<td>Request for Proposal</td>
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<tr>
<td>RTF</td>
<td>Regional Technical Forum. To learn more, visit the RTF’s website or review presentation here.</td>
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5 Approach and Methodology

NEEA values a collaborative environment and encourages bidders to incorporate their creativity and experience from other related work into their approach. NEEA is also interested in approaches which utilize market intelligence and segmentation to inform Program design and implementation.

NEEA encourages bidders to explore contractor partnerships which would enhance the strength of their approaches, e.g. bring specialized capabilities such as market, technology, data analysis and other skills to each area of work. Much of the requested work performed by the selected contractor will require collaboration with NEEA funders and other market actors.

NEEA’s market transformation efforts rely on development of strong relationships to support lasting change. Bidders should demonstrate capacity to approach the work in a way that supports strong relationship development and value over the long term. This includes the sensitive and secure handling of confidential information and data. Bidders should utilize a
holistic view of the market to inform their proposed implementation approach, including how the market is expected to evolve in the next three to five years.

Marketing services for this RFP will be managed by a separate marketing contractor(s). The contractor selected under this RFP will be expected to coordinate closely with the marketing contractor(s) on activities with marketing and communication components.

6 Contractor Qualifications
NEEA encourages individual proposals from all firms with relevant experience, as well as proposals from teams of experienced contractors. The following qualifications are preferred, however firms with equivalent experience in a related field are also encouraged to respond:

1. Demonstrated strong knowledge of the water heating market, understanding of working with building trades and distribution channel
2. Knowledge of the water heater market including barriers to energy efficient product adoption, potential leverage points, influencers and market trends
3. Subject matter expertise and strong strategic capabilities in supply and sales chain
4. Technical and training expertise to provide support and effective coordination of existing regional training efforts
5. Strong relationship management skills to develop and support strategic market partner engagement across the supply chain, both regionally and nationally
6. Demonstrated experience and/or capacity to work and collaborate with other individual contractors or other contractor teams
7. Excellent written and verbal communication skills, producing consistently professional deliverables
8. Technical and operational capabilities to meet NEEA data management requirements including the sensitive handling and analysis of confidential market data
9. Experience launching products into new or existing market segments

7 Scope of Work and Deliverables
The selected contractor(s) shall work with NEEA, on behalf of NEEA funders, to design and implement strategies to engage the market and accelerate the adoption of HPWHs. The selected contractor(s) will play a critical role in the collection, analysis and reporting of HPWH data in support of the Program goals. Activities are organized into the following areas of work, and proposals should be structured around the activities and deliverables below.

1. Program Management
Activities
1. Provide strategic guidance, design and coordination of NEEA’s HPWH Program.
2. Provide actionable insights into market conditions and dynamics to inform HPWH strategy and Program plans.
3. Collaborate with NEEA Program Manager to ensure high levels of coordination with NEEA funders to develop plans and deliver specific activities and communications to support program goals.
4. Coordinate and participate in various internal and external meetings, and other market partner meetings as requested.
5. Meet weekly with NEEA Program Manager to discuss progress, challenges, market insights and any adjustments needed to work plan.
7. Provide ad hoc support to NEEA’s Program Manager as requested.
8. Support expansion of current program into additional market segments.
9. Support AWHS updates by NEEA as needed.
10. Support planning for national and regional codes and standards efforts as requested by NEEA.

**Deliverables**

1. Detailed annual work plan and budget approved by NEEA Program Manager
2. Provide strategies and program design plans to NEEA’s existing Program, delivered within first quarter of contract term
3. Monthly Program activity report, to include stakeholder coordination summary, market partner engagement summary, key program activities, key learning and insights into the market and progress toward work plan objectives, and budget/financial reporting
4. Feedback and insights incorporated into NEEA’s strategic and operations plans
5. Financial forecast by task, broken out for each month of current year and each quarter for subsequent years, with explanations for forecast-to-actual variances of more than 5% at task level
6. Monthly incentive accrual estimates, by distributor (identified by distributor contract number), by the 10th of each month

**2. Supply Chain Engagement**

**Activities**

1. Drive engagement with the wholesale supply channel, including manufacturer representatives, distributor corporate and regional managers, distributor branch and sales staff, and installers.
2. Develop and execute distributor and installer engagement plans to cultivate champions for HPWHs in the market and to inform an understanding of sales in the region. Plans should:
   a. Leverage NEEA’s existing relationships with distributors and installers as well as incorporate development of new relationships with additional partners
   b. Aim to increase sales of HPWHs and gain market data and insights in the wholesale channel
   c. Include metrics to track progress
3. Develop and execute a HPWH retail engagement plan to drive more HPWH adoption through the retail channel. The plan should:
   a. Leverage NEEA’s existing relationships with retailers
   b. Aim to increase sales of HPWHs and gain market data and insights in the retail channel
   c. Include metrics to track progress
4. Leverage NEEA’s relationships with manufacturers to drive sales and participate in marketing, training and other opportunities. Coordinate with NEEA in ongoing manufacturer engagement.
5. Support implementation of a HPWH manufacturer engagement plan to bring promotion and sales focus to the Northwest. Coordinate related efforts with distributors and manufacturer representatives.
6. Manage and update the [hotwatersolutionsnw.org](http://hotwatersolutionsnw.org) communication channel.
7. Monitor and report relevant factors in the water heating market such as water heater stock, supply chain strategies and engagement models, market demand changes, competitive landscape, new market research availability, etc. Analyze such factors and work with NEEA to refine or develop new strategies to meet overall Program goals and remove market barriers.

8. Work with NEEA’s existing incentive design contractor to develop and execute distributor and installer incentive and sales strategies to encourage the adoption of HPWHs in the wholesale-channel.

9. Support NEEA in executing agreements with installer and distributor companies

10. Hold monthly, quarterly and/or semi-annual conference calls with participating distributor and installer companies to review Program engagement strategies and progress toward goals.

11. Support for promotional and training opportunities with distributor and contractor supply channel partners.

**Deliverables**

1. Comprehensive supply chain engagement plans which includes plans to engage distributors, installers and manufacturer representatives
2. Distributor, installer and manufacturer data management and reporting
3. Market engagement tracker, updated monthly, reporting meetings with market partners
4. Monthly report summarizing progress to engagement plan and results achieved in the market
5. Updates to hotwatersolutionsnw.org as needed

**3. Training and Technical Support**

**Activities**

1. Develop and deliver a comprehensive training plan to educate market actors about HPWHs.
2. Identify and develop training gaps and develop resources for market actors which complement existing trainings. Resources may include materials, videos and in-person or web-based training curriculum or scripts.
   a. Wherever possible, it is expected the Program will leverage existing training and educational resources
3. Coordinate with key supply chain partners and funders on training efforts to ensure NEEA investments in training and resources are complementary and support a holistic regional approach to HPWH advancement.

**Deliverables**

1. Training plan to educate market actors about HPWHs
2. Track and report Program trainings, including satisfaction and other metrics to be identified
3. Trainings that promote HPWHs, delivered online or in-person, throughout the region

**4. Data Acquisition and Analysis**

**Activities**

1. Design and implement engagement strategies to acquire HPWH sales and project data from installers and distributors.
2. Coordinate with NEEA on data collection activities with manufacturers.
3. Collect and process sales data from participating manufacturers, distributors and key installer accounts on an ongoing basis.
4. Coordinate with NEEA to support development and execution of agreements with distributors and installers for the collection of HPWH sales data, as defined in market engagement plans, including recruitment efforts of new distributor and installer partners.
5. Manage the collection, tracking, scrubbing, analysis, reporting and secure transfer and storage of sales data from multiple sources to inform Program energy savings reporting.
   a. If necessary, collaborate with NEEA’s current contractor(s) to transition and take over data collection activities by January 2021
   b. Identify and implement any needed improvements to current data collection processes, strategies, methodologies and tools
   c. Abide by NEEA data management requirements, confidentiality agreements and energy savings calculation and reporting protocols
6. Develop and provide templates and reports as needed to aid in data collecting, organizing and effectively reporting sales and project data.
7. Coordinate with the NEEA Planning Analyst to determine energy savings calculation and reporting protocols and support additional energy savings reporting as needed.

**Deliverables**

1. Database of all acquired historic and current sales data, updated on an agreed upon cadence.
2. Deliver monthly reports summarizing regional HPWH sales data as well as market trends and insights

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5. **Regional and National Market Engagement**

**Activities**

1. Increase national HPWH market growth by supporting NEEA’s engagement with regional and national audience of utilities, HPWH programs, and other national partners.
2. Coordinate with NEEA’s marketing contractor(s) to implement marketing plans.
3. Provide utility support and collaboration to build deeper engagement between utilities and the installers in service territories.
4. Utilize technical and market expertise to identify new marketing opportunities, inform and support implementation of marketing strategies.
5. Work with the NEEA Program Manager to ensure high levels of coordination with NEEA funders regarding specific activities and communications to support Program goals.
6. Support NEEA coordination efforts with national partners, including Department of Energy, ENERGY STAR®, American Council for an Energy-Efficient Economy, etc., paving the way for a federal standard.
7. Identify case studies for use in Program and marketing strategies.
8. Review and provide feedback on all marketing plans as requested.

**Deliverables**

1. Provide content for marketing collateral and review marketing deliverables as needed
2. Provide monthly summary reporting of coordination activities with NEEA national partners and funders.
7.1 **Timeline**

The anticipated award date for this work is by October 5, 2020, with a contract and work start date of January 1, 2021 commencing for an initial one year term.

8 **Proposal Submission**

Bidder shall submit (1) electronic copy of the proposal by the end of business day listed in the RFP schedule below.

8.1 **RFP Schedule**

- Intent to bid submission due by: August 20, 2020
- Questions submitted by: August 20, 2020
- Answers to Questions e-mailed back by: August 24, 2020
- Written Proposals due by: September 18, 2020
- Selection of Finalists by: September 23, 2020
- Finalists’ Presentations held on: September 30 – October 1, 2020
- Anticipated Contract Award Date by: October 5, 2020

8.2 **RFP Point of Contact**

All correspondence, included but not limited to, questions and submissions shall be directed to:

Jill Reynolds, Senior Program Manager  
E-mail: jreynolds@neea.org

8.3 **Intent to Respond**

All “Intent to Respond” forms (see Appendix A) must be received no later than by the end of business day listed in the RFP Schedule. Only those parties submitting the “Intent to Respond” form will be provided with updates to the RFP, have questions responded to and have their proposals considered.

8.4 **Proposal Format**

1. **Executive Summary** (1-page maximum): Include the key strategies and approach to completion of the scope of the work; proposed costs; and the reasons NEEA should select your team

2. **Approach to Project (Tasks and Deliverables)** (10-page maximum): Provide a detailed description of the specific methodologies and approach to be undertaken to complete the scope. Be sure to include project management activities in proposed implementation strategy as well. Identify all major phases and milestones for the project and the associated deliverables.

3. **Proposed Innovation Strategies** (5-page maximum): Provide creative solutions of moving the region, as well as other national markets, that may be prime candidates for significant numbers of HPWH installations (for example, the Southeast). Provide examples of how past innovations have been applied and what results occurred. Propose ways to leverage other programs and data from within your organization or with other organizations to improve the sales of HPWHs nationally.

4. **Project Timeline & Cost Estimate** (3-page maximum): Provide the proposed timeline for all major phases and milestones of the project broken out by proposed task and associated deliverables. Include the cost estimate for each task. A breakout of any direct costs and an hourly rate sheet for the project period may be included here or in the Proposal Appendix section.
8.4.1 Proposal Appendix Items

- Hourly Rate Sheet – Provide the hourly rate and estimated number of hours for each project team member, by task
- Company background & qualifications
- Project Team & Team Bios – Include information about the project team members and team structure, past team efforts on similar work, years of experience and other relevant qualifications.
- In Good Standing – Provide documentation reflecting your organization’s good financial standing, such a Dun & Bradstreet report (for new vendors only)

9 Selection & Preferred Insurance

9.1 Scoring

Bidding firms will be rated among others in terms of the overall responsiveness to the RFP – how well all RFP requests have been addressed including, but not limited to:

1. Responsiveness to the RFP and demonstrated understanding of the issues surrounding the project.
2. The thoughtfulness and appropriateness of the proposed methodology used to accomplish the desired results of the project.
3. The experience and qualifications of the individuals specifically proposed to execute and manage the project. (Note: Proposed staffing is a significant factor in bidder selection. As such, no changes in key staff / substitutions or changes in roles/responsibilities can be made without the written agreement of NEEA project manager.
4. The experience of the firm or team of firms making the proposal.
5. The capability to execute the plan, including past experience and aptitude for collaboration.
6. Overall value for expenditure

Proposals may be evaluated by the NEEA Project Manager and other NEEA staff that we believe have the perspective needed to make this important decision. NEEA is under no obligation to provide work to any vendors responding to this solicitation, nor is there any obligation or intent implied to reimburse any party for the cost of preparing a proposal in response to this RFP.

9.2 Preferred Insurance

Firms interested in working with NEEA should be aware of the following insurance requirements for all NEEA vendors.

Vendors must maintain adequate and reasonable insurance covering their performance under any offered contract, including, but not limited to Commercial General Liability insurance of at least $1,000,000/occurrence, Business Automobile Liability insurance, and any workers’ compensation and unemployment insurance required by law. Professional Liability and Cyber Liability insurance may also be required. NEEA may request a copy of such insurance policies prior to awarding work.

See sample terms and conditions for additional information about minimum insurance requirements: https://neea.org/img/documents/sample-neea-contract-terms-and-conditions.pdf.
Appendix A - Intent to Respond Form

RFP #: 51693

Project Title: HPWH Program Implementation
NEEA Point of Contact: Jill Reynolds (jreynolds@neea.org)

Refer to section: Point of Contact for more details

PLEASE PRINT:

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<th>Company</th>
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<td>Address</td>
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<td>Contact Name</td>
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The company named above intends to submit a proposal in response to NEEA’s request for proposal listed above. Deadline for submitting the “Intent to Respond” form is end of business day of date listed in the RFP schedule.

Signature of authorized representative: ________________________________

Print Name  ________________________________

Title  ________________________________

Date  __________