

## Responses to questions for RFP OSE-20-001

**Q1.** Are you asking the Consultant to provide a pool of installers/contractors who will work for a fixed price, under this agreement or are you asking the Consultant to provide ductless min-splits and central air-sourced heat pump systems at a fixed price to a pool of installers/contractors established and take their direction from the City?

**Response:** The City is asking Consultant to identify and develop a pool of independent contractors/installers to participate in the City's oil conversion rebate program. Homeowners choose from the list of participating installers and work with them directly. The contractor/installer would then provide a pass-through rebate to the homeowner. The rebate program does not have a fixed price component. The consultant would manage the list of contractors, provide training on the rebate program and develop a marketing strategy to promote the program. The consultant is not being asked to pay installers for installation work performed. Approximately 200 households are expected to participate on an annual basis.

The second component of the RFP includes the Consultant providing a fixed price or unit price on qualified equipment for a small pool of installers that installs heat pumps for the City of Seattle's low-income program. These installers are contracted by the City to do the work. The Consultant would not pay the installers or manage them in any way. The City is requesting fixed price or unit pricing on equipment that would be picked up by these installers at the distributor. Approximately 100-125 low-income installations are expected per year.

**Q2.** Please explain in more detail what is included and excluded from the \$250,000 annual program budget. Is this amount to cover the cost of the equipment, the marketing strategy and all contractors related labor, parts and permits? If not, what portions of the above are covered within this \$250,000 amount?

**Response:** The \$250,000 budget includes incentives, marketing, program management, and any training on the program to the participating contractors. This RFP does not include any direct procurement of equipment, labor or permits.

**Q3.** Will the installing contractors be required to use the equipment provided by the Consultant or may they purchase other brands of equipment from non-Consultant distributors?

**Response:** The contractors participating in the rebate program will be required to use the equipment sold by the Consultant. The contractors who the City hires to install equipment for low-income households will be provided with the list of fixed cost/unit price equipment for purchase at the distributor.

**Q4.** What kind of data will the Consultant be required to collect from each installer on every project?

**Response:** At a minimum, the data required from the Consultant will include rebate participant name, address, equipment, installation date, HVAC installer, cost. This data is usually captured via a copy of the customer invoice. The City will also require the installer collect a signed Homeowner Participation form from the customer, agreeing to rebate terms and conditions. The City will supply this form.

**Q5.** HVAC contractors are not licensed to perform high voltage electrical work. When such electrical work is required, will it be outside of this agreement and paid for by the City?

**Response:** The RFP is not seeking any electrical work to be performed by Consultant.

**Q6.** How many homes are anticipated to be converted on an annual basis from using oil to this program?

**Response:** The anticipated annual number of homes converted: 200 homes/year for the rebate program where homeowners choose from a list of participating contractors; 100-125 homes for the low-income program using City contractors accessing equipment at a fixed or unit price directly from distributor.

**Q7.** Will this contract be for a length of five years? Will the Consultant be able to pass on to the City acceptable/documented annual increases of equipment cost?

**Response:** The contract length is 5 years. The fixed cost/Unit price shall be in place for the term of the contract unless otherwise negotiated.

**Q8.** Will this program be awarded exclusively to 1 "Consultant" (distributor)?

**Response:** It is possible that there are multiple distributors (Consultants) awarded. Please keep in mind that the distributor(s) should be located in the Greater Seattle area. The fixed pricing or "unit price" should be the same for each manufacturer, and available at all distributors (if applicable).

**Q9.** Is it possible to have more than 1 eligible HVAC brand from a participating distributor? (some distributors carry more than 1 HVAC brand)

**Response:** Yes, a distributor may propose to include more than one HVAC brand in the program.

**Q10.** Is the "fixed pricing" to vendor contractors for a range of heat pump options within the low-income program for HVAC equipment only?

**Response:** Yes, the fixed price or unit price is for HVAC equipment only.

**Q11.** Are there any pricing thresholds within the "fixed cost" pricing within the standard (not Low Income) Oil Conversion program?

**Response:** See response for Q1. The fixed price or unit price is only for the low-income program. The City wishes to have access to low-cost equipment for its contractors installing heat pumps in low-income homes. The standard oil conversion program will include rebates to homeowners.

**Q12.** Are the rebates/incentives completely funded by City of Seattle or co-funded with distributor and/or HVAC manufacturer partners?

**Response:** The City's goal is to increase reach of the rebate program through Consultant resources including marketing, rebates, financing, etc. Proposers to the RFP should include any of these resources that they would bring to the program.

**Q13.** Are residential VRF/VRV products eligible for this program?

**Response:** Multizone ductless heat pumps are eligible as long as they meet the equipment specifications listed in the RFP. However, most oil heated homes convert to a ducted heat pump and that should be considered when proposing.

**Q14.** Are Inverter Compressors a requirement for Equipment Qualifications? (Such as within BPA's Qualified Products List, other utility programs, etc.)

**Response:** Inverter driven is not a requirement listed on the RFP but is preferred given the efficiency.

**Q15.** Can a distributor submit more than one RFP?

**Response:** No, we would like one proposal per distributor. However, within the proposal you may wish to propose various approaches, options and partnerships for the City's consideration.

**Q16.** How will the City of Seattle prioritize the consumer benefits of this program, by "first cost" or "lifetime Costs"?

**Response:** The City is interested in both "first cost" and "lifetime costs" – we recognize that program participation can depend a lot on first cost and that is a factor that we don't want to ignore. While "lifetime costs" which include utility savings over time, are very important, we find the average consumer does not think in these terms.

**Q17.** Does the City of Seattle prefer a single incentive or tiered incentives?

**Response:** We don't have a preference; however, we would like to hear how the proposal can address communicating various tiers and the differences in product benefits to the public.

**Q18.** Within the minimum qualifications will systems be allowed to run on electric resistance heat to meet the noise ordinance?

**Response:** If the heat pump meets the HSPF efficiency requirement and the noise ordinance requirement, it may have electric resistance back up heat.