Request for Information

and

Notice of Technical Conference

To Support Program Design of the
New England Heat Pump Accelerator Program

Technical Conference (virtual) on January 24, 2025 at 10:00 am, EST
Request for Information responses due by January 29, 2025 at 4:00 pm, EST

Purpose

The Connecticut Department of Energy and Environmental Protection (DEEP) is requesting feedback on the design of the New England Heat Pump Accelerator (Accelerator) program. Given the Accelerator's scale and goals, DEEP would like to offer interested parties and stakeholders an opportunity to provide information for consideration in determining the program's structure and role of the Accelerator's regional implementer. References to elements of the Workplan submitted to EPA, funding levels for Hubs, or other proposed details of the program stated herein are not necessarily final program parameters or components, and are subject to change prior to program implementation, the issuance of an RFP, or selection of any contractors or projects.

The Accelerator is a new program to increase adoption of residential cold-climate heat pumps and heat pump water heaters across New England. It is funded by the federal Environmental Protection Agency's (EPA') Climate Pollution Reduction Grant (CPRG) Implementation Grants.[1] While Connecticut is the lead state for the Accelerator, the program will also operate in Maine, Massachusetts, New Hampshire, and Rhode Island and will be implemented over 5 years across the region with activities in each of these states. The Accelerator will be implemented through a single regional implementer that will coordinate with existing programs and operate through three hubs: Market Hub, Innovation Hub, and Resource Hub, described below:

- The Market Hub will be a $270 million midstream heat pump and heat pump water heater incentive program implemented on a regional scale. It will seek to engage manufacturers and distributors through midstream incentives to drive the sales, stocking, and quality installation of residential heat pumps and heat pump water heaters suited to New England's climate and housing stock. The Market Hub will seek to improve cross-state alignment at the distributor level to ensure quality products are stocked and sold across the region. Program design will aim to ensure incentives flow down to the end-use customers. The Market Hub will also look to coordinate with and leverage existing heat

[1] CPRG aims to reduce greenhouse gas emissions, achieve community benefits such as reduced criteria air pollutants, complement other funding sources, and pursue innovative programs that are replicable and scalable. https://www.epa.gov/inflation-reduction-act/about-cprg-implementation-grants

pump and heat pump water heater programs. Because the landscape of heat pump and heat pump water heater programs is different across the states in the Accelerator, the regional implementer will need to be able to adapt to the current landscape of each state and work with the existing administrators. To the extent possible, it will also work with distributors and manufacturers to provide contractors with access to trainings and other resources on the installation and operation of heat pumps.

- The Innovation Hub will fund large-scale state-based initiatives and smaller-scale community-based projects that overcome technology and market barriers to heat pump adoption for Low-Income and Disadvantaged Communities (LIDACs).[2] Smaller scale community-level grants will be available yearly and distributed to community-based groups. Separately, states will determine which pilots and projects to implement for the state-level grants. The Innovation Hub will seek to share best practices and lessons learned from these pilots to scale successful strategies throughout the region.
- The Resource Hub will include a publicly accessible website that will share training resources and provide valuable data on the adoption of heat pumps throughout New England. The training resources will include information on installation, sizing, and operation of heat pumps for both contractors and customers. The data portal will provide aggregated information on heat pump and heat pump water heater adoption in all five states to inform implementation of the Accelerator and other decarbonization policies and programs across the region.

Please see Attachment A (updated portion of Workplan submitted to EPA) for additional information on the program.

This Request for Information (RFI) is seeking information on the program design for the Accelerator to ensure the program is successful. The RFI will inform and be followed by a Request for Proposals (RFP) for a Regional Implementer in late February 2025. A second RFP for an independent evaluator of the program will be issued later in 2025.

Eligible Respondents

Anyone can respond to this RFI. In particular, DEEP is interested in responses from current implementers of midstream programs, community-based organizations, and other market actors (including distributors, manufacturers, and contractors). Responses from organizations or individuals in any of the Accelerator states (Connecticut, Massachusetts, Rhode Island, Maine, and New Hampshire) are encouraged.

[2] For the purposes of the CPRG grant, LIDAC communities will follow the definition put out by the EPA for in the Notice of Funding for CPRG Implementation Grants. This includes: any census tract that is included as disadvantaged in the Climate and Economic Justice Screening Tool (CEJST); any census block group that is at or above the 90th percentile for any of EJScreen's Supplemental Indexes when compared to the nation or relevant state; or any geographic area within tribal lands as included in EJScreen.

Notice of Technical Conference

DEEP will host a virtual technical conference on the Zoom platform with an opportunity for public comment on Friday, **January 24, 2025 at 10 am ET**.

Register for the Technical Conference here.

The Technical Conference will provide an opportunity for brief technical presentations and public comments in response to this RFI. DEEP will issue a final meeting agenda by January 21st.

The meeting will include two tracks for offering comments:

- **Technical presentations:** DEEP invites stakeholders with midstream heat pump and/or heat pump water heater program expertise (e.g., current implementers of midstream heat pump programs; technical experts; manufacturers, distributors, contractors) to give technical presentations for up to 10 minutes, with or without slides. These presentations should identify and discuss any best practices in midstream programs for heat pumps and/or heat pump water heaters. Stakeholders seeking to give 10-minute technical presentations must email a request to present to cprg@neep.org[3] with the subject line "CPRG Technical Presentation" by January 17th at 5 pm. The email must identify who will be presenting and provide a summary of the information that will be presented. DEEP will notify all requesters of selection by January 21st. If using slides, presenters must also send slide decks in PowerPoint format to cprg@neep.org by January 21st at 5 pm. At its discretion, DEEP may not accept all submitted technical presentations for presentation during the technical portion of the meeting due to time constraints and/or topic relevance. However, all attendees will have the opportunity to participate in the public comment portion of the meeting, and all submissions will be considered as written responses to this RFI.
- **Public comments:** Members of the public and other interested stakeholders will be invited to offer general comments on the Accelerator at the end of the meeting, for no more than 2 minutes per person. Individuals interested in providing public comment may sign up while registering for the meeting or at the meeting through the chat or verbally at the beginning of the public comment period section of the meeting.

The Connecticut Department of Energy and Environmental Protection is an Affirmative Action/Equal Opportunity Employer that is committed to complying with the requirements of the Americans with Disabilities Act. Please contact us at (860) 418-5910 or deep.accommodations@ct.gov if you: have a disability and need a communication aid or

[3] DEEP, as the lead state for the New England Heat Pump Accelerator coalition, has partnered with the Northeast Energy Efficiency Partnerships (NEEP) to administer the Accelerator program. In this role, NEEP will be working on behalf of Connecticut DEEP to collect responses and organize the technical conference. NEEP is a non-profit whose mission is to accelerate regional collaboration to promote advanced energy efficiency and related solutions in homes, buildings, industry, and communities.

service; have limited proficiency in English and may need information in another language; or if you wish to file an ADA or Title VI discrimination complaint. Any person needing a hearing accommodation may call the State of Connecticut relay number - 711. Requests for accommodations must be made at least two weeks prior to any agency hearing, program, or event.

Instructions for Responding to this RFI

Responses are due by **January 29, 2025 at 4:00 PM EST, via email to cprg@neep.org. Please include "CPRG Accelerator RFI" in the subject line of the email.**

Responses may include answers to as many or as few questions as is relevant or practical. You do not need to respond to all questions or sub-questions to submit a response. **All comments related to the Accelerator are encouraged. Comments are not required to be in direct response to any questions listed below.**

CT DEEP has designated the individual below as the Official Contact for the purposes of this RFI. The Official Contact is the **only authorized contact** for this RFI, and, as such, handles all related communications on behalf of CT DEEP.

Name: Yiran He
Address: cprg@neep.org

Please ensure that email screening software (if used) recognizes and accepts emails from the Official Contact.

Please submit your response as either a Microsoft Word or PDF file to the official contact above by the deadline. ***Please label responses according to the question number, if applicable.***

If you have any questions regarding this RFI, they should be submitted to the Official Contact.

Disclosure & Waiver Authority

Neither the Connecticut nor DEEP shall assume any liability for expenses incurred by a respondent in preparing, submitting, or clarifying any response to this RFI.

Respondents are advised that all materials associated with this RFI are subject to the terms of the Freedom of Information Act (FOIA), the Privacy Act, and all applicable rules, regulations, and interpretations. If a respondent deems that certain information required by this RFI is confidential, the respondent must label such information as CONFIDENTIAL prior to submission. The respondent must provide a convincing explanation and rationale sufficient to justify an exemption of the information from release under the FOIA. The explanation and rationale must be stated in terms of (a) the prospective harm to the competitive position of the respondent that would result if the identified information were to be released and (b) the reasons why the information is legally exempt from release pursuant to C.G.S. § 1-210(b).

Questions

Reminder: Stakeholders should feel free to respond to as many or as few questions as is relevant or practical.

Overarching Program Design and Goals

This coalition of five states will launch the Accelerator to rapidly scale adoption of heat pump and heat pump water heater technologies suited to New England's cold climate and older housing stock by filling gaps in funding and program coverage that prevent the full activation of the supply chain of manufacturers, distributors, and contractors and by addressing barriers to access for LIDAC households (Attachment A, page 2).

1. ***What recommendations do you have for the New England Heat Pump Accelerator to encourage market transformation for heat pumps and heat pump water heaters across the region?***
2. ***The Accelerator will invest a portion of Market Hub funds and 100% of Innovation Hub funds in LIDACs. How can the Accelerator prioritize equitable outcomes? What recommendations or insights do you have for program design and implementation that can center equity?***
3. ***What resources and practices currently exist to promote heat pump and heat pump water heater workforce capacity, trainings, and certifications, and what more is needed at the state and regional level? What role should the Accelerator play in addressing these needs? How can the Accelerator help to align the region on heat pump and heat pump water heater workforce trainings and certifications?***
4. ***What other information would you desire that DEEP provide to assist you with your submittal of a proposal with the upcoming Regional Implementer RFP?***
5. ***What other recommendations do you have for the Accelerator? What have we not asked that is important to consider?***

Market Hub: Midstream Program, Design and Goals

The Market Hub will implement midstream incentives on a regional scale to improve cross-state alignment on heat pumps and heat pump water heaters at the distributor level. In coordination with existing energy efficiency program administrators, it will seek to engage manufacturers, distributors, contractors, and existing programs to drive the sales, stocking, and quality installation of heat pumps suited to New England's climate and housing stock. Because the landscape of programs is different across the states in the Accelerator, the regional implementer will need to be able to adapt to the current landscape of each state and work with the existing administrators. (Attachment A, page 4 – 5).

6. ***What are the best practices for midstream programs? What is most critical for success?***
7. ***What are best practices for monitoring equipment costs for potential inflation?***
8. ***Each state may choose to focus midstream incentives on different heat pump technologies (e.g., water heaters, geothermal, air source, etc.). How can the Accelerator best support differing state technology priorities while driving forward regional market transformation?***
9. ***What are lessons learned from previous midstream programs that can be applied to the Accelerator? What practices or policies should be avoided?***
10. ***What are the best opportunities to align heat pump and heat pump water heater programs standards in New England? What benefits and risks are there to aligning heat pump and heat pump water heater standards regionally in New England?***
11. ***What mechanisms could be employed at the midstream level to ensure proper equipment installation practices and sizing for New England? Are there examples of replicable models the program can learn from? Please include links to program information where possible.***
12. ***There are existing programs in Connecticut, New Hampshire, Rhode Island, Massachusetts, and Maine that the Accelerator will complement and interact with. How the regional implementer works with these programs will vary by state. What are some best practices and lessons learned from how other midstream programs have interacted with downstream programs? Please provide details on these programs and any information on how the Accelerator can best work with existing programs.***
13. ***How can the Market Hub prioritize equity with midstream rebates and meet its low-income and disadvantaged communities (LIDAC) investment goal, specifically:***
    a. ***What recommendations or strategies would increase adoption in LIDACs as defined by the EPA?[4]***
    b. ***Please share examples of successful workforce development programs, strategies or trainings that would promote job creation and entrepreneurship in LIDACs.***
14. ***Are there specific examples of successful midstream programs, particularly for residential heat pumps and heat pump water heaters? Please identify these programs and, for each program, provide information on key features, particularly:***
    a. ***How incentives and rebates are structured, including:***

[4] For the purposes of the CPRG grant, LIDAC communities will follow the definition put out by the EPA for in the Notice of Funding for CPRG Implementation Grants. This includes: any census tract that is included as disadvantaged in the Climate and Economic Justice Screening Tool (CEJST); any census block group that is at or above the 90th percentile for any of EJScreen's Supplemental Indexes when compared to the nation or relevant state; or any geographic area within tribal lands as included in EJScreen.

i. *Whether incentives are paid to the distributor, contractor, customer, or some combination.*

ii. *Whether the distributor, contractor, and/or customer share is set by the program or left to the discretion of the distributor or contractor.*

iii. *Any information on why the program chose this incentive structure.*

b. *What data is collected from distributors and/or contractors that participated in the program? Are there are any reporting procedures or structures set up to help collect data from distributors/contractors.*

c. *How are accounts managed with distributors? Specifically, is there a certain approach the program uses to engage distributors and/or contractors initially and throughout implementation of the program? Also, have any approaches appeared to be more or less successful?*

d. *Information on marketing strategies, including*

iv. *How the program is marketed or communicated to distributors and/or retailers.*

v. *How the program is marketed or communicated to contractors and installers.*

vi. *If the program is marketed to end-user customers, how, and how important this is in a midstream program relative to marketing and communications with distributors and contractors.*

vii. *If the program is marketed alongside other efficiency, electrification, decarbonization, or housing programs in the territory or state.*

viii. *Whether an incentive amount is communicated to the customer, and specifically if that includes the full incentive amount or only a portion of the incentive.*

e. *What results has the program achieved?*

15. *What tools or mechanisms can be used to ensure that distributors are paid in less than a month by the program? Are there any midstream programs where incentives are distributed in less than a month? How are those rebates distributed and what tools or mechanisms can the Accelerator adopt to achieve similar results?*

16. *Are certain contractual or payment structures (e.g., performance-based, milestone-based, time and materials) preferred by midstream program implementers? Are there any contractual or payment structures that should be avoided?*

17. ***In addition to greenhouse gas (GHG) impacts, how should the Market Hub determine and measure success?***

18. ***How could the Accelerator be visible to end-use customers while not adding additional complexity to a heat pump purchase process? What are best practices for ensuring midstream incentives reach end-use customers?***

<u>Innovation Hub: Community and State Grants, Design and Goals</u>

The Innovation Hub will fund large-scale initiatives and community-level projects that test and deploy strategies to overcome technology and market barriers to heat pump adoption for LIDACs.[5] Smaller scale community-level grants will be available yearly and distributed to community-based groups. Separately, states will determine which pilots and projects to complete for the larger-scale, state-level initiatives. Potential projects under the Innovation Hub might include: solutions for multifamily buildings and mobile homes, networked geothermal systems, heat pump technologies to address specific housing barriers (e.g., 120V HPWHs for housing with limited electric panel capacity), inclusive financing strategies, hydronic system replacement options, and interventions to make heat pumps standard practice within state low-income programs (Attachment A, page 5 – 6).

19. ***What are the key barriers to the adoption of heat pumps by low-income households and residents of LIDACs in New England? Please include any reports or additional resources that provide insight into these barriers.***

20. ***What criteria should states use when comparing projects for selection at the state-level? How should the selection criteria be weighted?***

21. ***What criteria should states use when comparing projects for selection at the community-level? How should the selection criteria be weighted?***

22. ***What kind of projects should the Innovation Hub prioritize at the state- and community-level?***

23. ***To the extent that LIDACs have launched similar or related pilots and projects targeting heat pump adoption, what best practices or lessons learned have been identified? How might these best practices or lessons learned inform the development of the New England Heat Pump Accelerator Innovation Hub? What considerations should there be for avoiding conflicts or confusion among multiple initiatives that are actively serving these targeted communities?***

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24. ***How can the Accelerator ensure that the community-level Quick Start Grants are accessible to CBOs and other groups with limited resources, specifically:***
    a. ***How can the Accelerator streamline the application process and make it more accessible for CBOs?***
    b. ***What kind of support will grantees need during project implementation?***
    c. ***What are examples of programs that have succeeded in distributing community-based grants for heat pump deployment and what were the lessons learned from those projects?***
25. ***Who are the key organizations (implementers of existing low-income heat pump programs, community-based organizations, etc.) that the Accelerator should coordinate with in each state (CT, MA, ME, NH, RI)?***
26. ***How should the Accelerator seek input and feedback from LIDAC stakeholders on the program design for the Innovation Hub Grants? What existing state- or community-level groups should the Accelerator coordinate with? Please provide any contact information.***
27. ***What best practices for designing and deploying stipends for stakeholder or community engagement should the Accelerator use? Please include any examples of past or current programs that used stipends.***
28. ***The community-level Quick Start Grants are intended to bolster existing efforts and fill in funding gaps or pilot new approaches to installation of heat pumps in communities. Will funding in the range of $100,000 to $300,000 per grant be sufficient to complement existing programs at the community level? Should there be a cap on the community-level grants?***
29. ***Grants from the Innovation Hub may be subject to Build America, Buy America (BABA)[6] and Davis-Bacon[7] requirements if they involve construction, such as substantial building upgrades. Are there other building efficiency or electrification pilots or projects that you know of that are complying or have complied with BABA and Davis-Bacon? What barriers have appeared when projects have been subject to BABA and/or Davis-Bacon? Please include any projects you are aware of.***

[6] For more information on BABA, please see: https://www.commerce.gov/oam/build-america-buy-america.
[7] For more information on Davis Bacon, please see: https://www.dol.gov/agencies/whd/government-contracts/construction.

Resource Hub, Design and Goals

The Resource Hub will be a public online platform to share resources for contractors and customers and to show regional data on heat pump sales to inform the implementation of the Accelerator and other efficiency policies across the region. The resources available will include:

- Contractor training resources covering topics such as: trainings on cold-climate heat pumps, quality installation practices, sizing tools and guidance, emerging heat pump technologies, whole-home installation, multifamily options, and customer sales and support techniques for heat pumps.
- Consumer resources covering topics such as: selecting a heat pump, assessing operating cost impacts, cold-climate tools, operating and maintaining a heat pump, and developing a plan to fully electrify homes.
- A data portal with aggregated information on heat pump and heat pump water heater adoption in all five states to inform implementation of the Accelerator and other decarbonization policies and programs across the region (Attachment A, page 6 – 7).

30. ***What are some best practices for identifying and publishing training and materials that will be available for contractors and customers on the Resource Hub? What are some examples of successful online resource centers that include training and materials for contractors and/or customers? Please provide any links where possible.***
31. ***What aspects of heat pump and/or heat pump water heater sales, installation, and operation would benefit from improved training for contractors? Examples might include sizing tools, educational materials on how to operate heat pumps, etc.***
32. ***What aspects of heat pump and/or heat pump water heater sales, installation, and operation would benefit from improved resources for customers?***
33. ***Are there best practices related to technology awareness campaigns that the Accelerator should look to emulate?***
34. ***Are there aspects of heat pump and/or heat pump water heater sales, installation, and operation that would benefit from regional alignment in New England? Are there any specific tools or resources that would provide value at the regional level, such as trainings, education materials, or sizing guidance? How might this information differ to account for regional or state-by-state differences?***
35. ***Are there any educational or training materials or programs specific to contractors in LIDACs that the Accelerator should provide? Please provide any links to example materials or programs where possible.***
36. ***What are some best practices for gathering and publishing data related to efficiency and electrification programs? What resources on efficiency and electrification data already exist in the region? Are there any examples of successful online resource***

centers that publish aggregated data that the Accelerator can look to replicate? Please provide links to websites where possible.

37. ***What data should the Accelerator prioritize gathering and publishing? Currently, the workplan outlines that the program will seek to collect: market data (ASHP, GSHP, and HPWH sales and full-category HVAC and water heater sales), wholesale and installation cost data (as available), and high-level program participation data. Are there other data points that would be helpful in transforming the market?***