

BIDDER QUESTIONS FOR CEE'S HVAC MARKET RESEARCH RFP

Market Share & Sales Data (General)

1. *Could you share more about how complete or incomplete your sales data are for each of the market/product segments described, including:*
 - a. Who are the key residential ASHP and RTU manufacturers and distributors?
 - b. How many known distributors and manufacturers have been engaged so far for each of the market/product segments described?
 - c. How many additional known market actors (distributors and manufacturers) do you NOT have data for?
 - a. We are still working on getting data from distributors in each market. Our hope is to get at least three distributors in each market, and we anticipate generally 8-10 main distributors/manufacture reps (that don't overlap with product) for each market. We are engaged with most of these entities, but do not receive data from most of them.
 - i. **Additional question from bidders call:** Is the data you have from distributors a count of units?
 - ii. Data is a count of units and we are looking at market share based on units rather than dollar amount or size.
2. *Is sales data available for the product category or specific levels of efficiency within the category? What year(s) do they cover? Are they consistent across market actors or varied?*
 - a. We are anticipating data for 2020-2024 as a baseline for our energy savings calculations moving forward. We also are hoping for product information that will allow us to align with our Level 1 and Level 2 product definitions for ASHPs.
3. *What is the denominator you envision using to assess market share for each of the equipment types of interest? For example, for ASHPs, would the denominator in the market share calculation be all residential space heating and conditioning units sold (regardless of type), or just heat pumps?*
 - a. We are most interested in understanding the brand share with the equipment of focus (so the denominators would be ducted ASHPs, dual fuel heat pump RTUs, and ERVs bolted on or integrated into RTUs). This is the basis for energy savings and extrapolating our market share to the full state.
However, we are also interested in using those numbers to help us convert our sales estimates into market share for each of the target markets, so we will likely need some additional estimates of ACs and standard RTUs. Ultimately, we will be looking for:

1. Ducted ASHP market share = Ducted ASHPs/ (ducted ASHPs + central ACs)
2. Dual fuel hpRTU market share = Dual fuel hpRTUs/ (All RTUs: standard + hpRTUs)
3. For ERVs, there is not a technology being displaced or replaced; we are looking to add the technology, so market share of a broader market is not as appropriate.

Scope 3: Commercial HVAC Market Mapping

4. *What are the requirements of/what defines an HVAC “market actor” for the survey?*

- a. Does CEE have a list of HVAC contractors/distributors/market actors that you’d like us to use for that survey, or is it up to us to find a list?
 - i. We have good contacts with many distributors, but we would be interested in having the subcontractor develop a list for contractors. We have used the MN DLI list of those with a mechanical contractor bond to reach contractors in the past, however there is not a separation between residential and commercial contractors and we have found greater success with residential contractors from that list.
- b. **Additional question from bidders call:** What contact info do you have as part of the HVAC contractor list?
 - i. We have phone and email with email for about 1800 contacts.
- c. Does the ETA anticipate including manufacturers and customers?
 - i. Not at this time – we anticipate the main market actors for participation in this work will be contractors and distributors, but we would be open to other market actors as you see appropriate.

5. *What sample sizes have you used in the past when measuring the market progress indicators?*

- a. Do you have any minimum sample size requirements, minimum margin of error rates, or intended quotas (e.g. # of contractors vs # distributors vs # other market actors)?
 - i. This will be our first time measuring MPIs for this market, but we anticipate more of a qualitative approach rather than a large-scale survey-type effort with particular margins of error and quotas. Ideally for the market actor types where there is broader pool (e.g. contractors) we would have a minimum of 30 for a survey approach if that is proposed, but we anticipate for other actors where the population is much smaller that a smaller number of interviews or responses would be appropriate.

Budget

6. *Can you provide a budget target or range for each of the three study scopes?*
 - a. We would prefer not to provide a budget estimate, but rather see what methodologies and budgets firms propose, given that this is our first time conducting this type of research. If there are more or less expensive methodologies that you would feel comfortable proposing to accomplish the research goals, we would welcome a menu of options or budget ranges for different approaches.

Timeline

7. *Are there regulatory, fiscal, or other deadlines that dictate the proposed study schedule? If not, how much flexibility is there in the suggested study timeline?*
 - a. Yes, we will need to present market share findings to our utility stakeholders in September, so we will need preliminary numbers by August 31st. These numbers can be modified slightly through the end of 2025. The memo that goes with the market share estimates can also come after September, by the end of 2025 at the latest. The market share estimates, and associated memo will be cited in the annual report due April 1st, 2026, however, the values and memo will need to be shared with external stakeholders before the report is filed.
Scope three has more flexibility and we would be fine with an end of year deadline.
8. *Is there any flexibility in the RFP response deadline of March 28th? A week or two additional time would be appreciated and facilitate our ability to bid.*
 - a. Unfortunately, we are not able to provide an extension since we feel firms will need the full time to complete the work with an August 31st deadline.

Admin

9. *Do front/back covers, cover letters, tabs, and the optional appendix count towards the 15-page limit?*
 - a. No, those are fine to include separately.
10. *If a firm is proposing on more than one scope, is the 15-page limit for each scope or all three scopes?*
 - a. Ideally 15 pages still, though we would accept up to 20 pages to accommodate the additional work scope.

11. *Are we understanding correctly that you are open to single, integrated bids for all three scopes of work (rather than separate bids for each one)?*
- a. Yes – we would anticipate one submittal per firm, and that can be for one, two, or all three.
12. ***Additional question from bidders call: Do you have a program logic model or preliminary sketch of your hypothesis of the market supply chain?***
- a. Yes, we have a logic model available in our Evaluation Plans as well as additional information in our Market Characterization reports. All of these are available on our website:
 - [ASHP Evaluation Plan](#)
 - [ASHP Market Characterization](#)
 - [RTU Evaluation Plan](#)
 - [RTU Market Characterization](#)