



# Air Source Heat Pump Market Research RFP

April 2026

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# INTRODUCTION AND BACKGROUND

## CEE Background

For over 35 years, Center for Energy and Environment (CEE), a Minnesota-based nonprofit 501(c)(3) corporation, has worked to advance the public interest in cleaner energy and a healthier economy by ensuring businesses operate more efficiently; households and governments spend less on energy; homes and businesses are more comfortable and healthier places to live and work; and utilities achieve their clean energy goals cost-effectively. CEE staff conduct nation-leading technical research; implement award-winning clean energy programs for local governments, businesses, and utilities; advance state and local policy innovations; and run loan programs to finance upgrades for businesses and homeowners. CEE has served over 10,000 businesses and 100,000 homeowners and tenants in Minnesota through our programs.

## ETA Overview

In 2023, CEE launched Minnesota's Efficient Technology Accelerator (ETA), a statewide market transformation program. Market transformation is a program strategy that identifies emerging energy efficient technologies and accelerates their adoption by engaging in the market early, working with industry stakeholders to identify and overcome market barriers, and facilitating accelerated adoption of the technology to create lasting change in the market. The goal of this type of intervention is to shift a technology's market adoption curve to result in higher levels of adoption earlier.

The ETA portfolio includes the MN ASHP Collaborative, which centers on air source heat pumps (ASHPs) and is the focus of this proposal. Minnesota's Efficient Technology Accelerator is a partnership funded by the state's participating investor-owned utilities (IOUs) and consumer-owned utilities (COUs), administered by the Minnesota Department of Commerce, Division of Energy Resources (DER), and implemented by Center for Energy and Environment (CEE).

## MN Air Source Heat Pump Collaborative

The [MN Air Source Heat Pump \(ASHP\) Collaborative](#) was formed in 2019 by the nonprofit [Center for Energy and Environment \(CEE\)](#) and is a joint effort with utilities to promote heat pump adoption across Minnesota. It is currently operating as an initiative under Minnesota's ETA. The MN ASHP Collaborative aims to make heat pumps the first choice for contractors and homeowners when replacing their heating and cooling systems for efficient, climate-friendly heating and cooling.

## RFP Summary

CEE is seeking qualified contractors to provide market research services for CEE's MN ASHP Collaborative within Minnesota's ETA portfolio. Services will begin in June 2026 with a goal of completion by end of February 2027. The selected bidder will complete research activities, including primary data collection and reporting, as described in this RFP.

# RFP Schedule

Event	Date
RFP released	4/27
Bidder questions due*	5/4
Answers to questions emailed*	5/6
Written proposals due*	5/18
Finalist presentations/interviews if needed	Week of 5/18 or 5/25
Estimated contract award date	Week of 6/1

\*All due dates will occur on the specified date by end of day

## RESEARCH OBJECTIVES

This scope of work is meant to track market progress indicators (MPIs) and gain a better understanding of recent changes in the ASHP market in Minnesota. Although the Collaborative supports various heat pump applications, this work will primarily focus on centrally ducted dual fuel systems, also known as hybrid heat pump systems. To do this, we anticipate data collection with ASHP contractors, customers, homeowners (broadly), manufacturers, and distributors. The goal of this work is to leverage these findings to better influence and encourage market adoption of ASHP technologies.

Our high-level research objectives are to understand the following:

- New and ongoing market and supply chain barriers, opportunities, and general dynamics related to ASHPs
- New and ongoing perceptions, awareness, and attitudes about ASHPs
- Gaps in existing ASHP training and education

Research questions will be refined with the selected contractor. The result of this work will be a full State of the Market report, which will be publicly available on our website and will include key insights and MPI updates, and high-level reports of customer survey results for each of our utility partners.

## SCOPE OF WORK

The project shall include the following tasks:

### Task 1 – Project Kick-off and Document Review

The selected contractor will work with CEE to refine their understanding of the work and their workplan through a project kick-off meeting, document review, and related tasks. This will include revising the workplan and budget, if needed, from the proposed workplan to

accommodate changes in sample sizes and other deviations from the assumptions used in the contractor's proposal. Please include initial sample size estimates with your proposal.

For this initial stage, we anticipate the contractor will:

- Review ASHP logic model and additional initiative documents provided by CEE
- Review ASHP market characterization studies and research reports from internal and external organizations (e.g., Xcel Energy, Home Energy Squad, CERTS, etc.) provided by CEE
- Provide and discuss detailed workplan
- Revise detailed workplan and budget as needed

**Expected deliverable:**

- Detailed workplan

## Task 2 – Primary Data Collection

The selected contractor will use the knowledge gathered from Task 1 to inform and conduct primary data collection with key actors in the ASHP market. Each data collection method is broken out as a subtask. We have outlined market actors who must be a part of this research. As part of your proposal, please include:

- Your preferred methodological approach (or a menu of approaches with associated tradeoffs, e.g., cost, sample size, etc.) for soliciting the requested data from each market actor
- Anticipated sample sizes and/or participant assumptions
- Any ways in which your firm may be uniquely qualified to best engage each population
- Individual budget amounts for each subtask
  - **Please note: we are interested in understanding costs for full data collection by the responder, as well as a more minimal budget option where CEE coordinates surveys in-house or works directly with a survey vendor.**

**Expected deliverables:**

For each subtask, we expect the following deliverables:

- Draft data collection instruments for review and revision
- Final data collection instruments
- Clean data files
- Presentation and discussion of preliminary results
- Summary of results (included in Task 3)

### *Task 2A – Contractor survey*

Contractors are responsible for bidding, selling, and installing HVAC solutions, including ASHPs, to customers. CEE is interested in tracking some of our MPIs and other key information related to this population, including but not limited to:

- Contractor awareness and opinion of ASHPs, and shifts in opinions from prior years
- Willingness to promote, bid, and sell ASHPs

- Experiences and practices when installing ASHPs (e.g. switchover temperatures, heating fuels most often displaced, etc.)
- Training needs and barriers to recruitment

CEE recently surveyed this population and has a robust sample list from the MN Department of Labor and Industry who maintains a contact list of mechanically bonded contractors (~1800 contacts, which garnered 91 survey completes in 2024 survey efforts). This sample list, as well as CEE's previously developed survey instrument measuring baseline MPIs, will be made available to the selected vendor for their use. We anticipate only minimal adjustments to the survey, if any, to be consistent with MPI tracking. This data will need to be analyzed with various crosstabs.

Additionally, this survey will be launched as a joint survey with our Next Gen RTU initiative with bifurcated pathways for primarily commercial or residential contractors as our contractor list is broad. As such, we may choose to develop, launch, and analyze the survey in-house or with a survey specific vendor. We will, however, want the winner of this RFP to include the survey results in their reporting and recommendations. **In your budget, please include two budget options: one for conducting, managing, and analyzing the full survey, and one for solely reviewing the survey and incorporating the results, but not conducting the survey.**

## *Task 2B – Preferred Contractor Network interviews*

In addition to the broad contractor survey, we are interested in conducting interviews with contractors who are a part of our Preferred Contractor Network (PCN). We would like to better understand:

- How being a part of the PCN has impacted their business, if at all
- What types of interactions with the ASHP Collaborative have been or would be most valuable
- Their opinions and perspectives on market trends and other survey findings

We currently have about 75 contractors who are a part of the PCN. We would love to interview 15-20 of these participants to gain a sense of the Collaborative's influence.

## *Task 2C – Customer survey*

Customers who have recently purchased ASHPs are a great source of information for product satisfaction, challenges, and benefits. CEE is interested in tracking some of our MPIs and other key information related to this population, including but not limited to:

- Customers' awareness and opinion of ASHPs
- Satisfaction with their bids, contractor search, and installation process
- Home characteristics and motivations for considering and installing an ASHP
- Knowledge of ASHP incentives and rates
- Benefits, challenges, and surprises with their ASHP
- Willingness to recommend their contractor and ASHP to others

CEE recently surveyed customers who bought ASHPs between 2022 and 2024 with the support of our utility partners (~1,900 contacts, which garnered 721 survey completes in 2025 survey

efforts). We would look to survey customers who purchased heat pumps in 2025, and possibly the first half of 2026. Like the contractor survey, the previously developed survey instrument measuring baseline MPIs will be made available to the selected vendor with only minimal adjustments anticipated. This data will need to be analyzed with various crosstabs.

Given the sensitivity of customer information and our partner relationships, and knowing that some utility partners prefer to program and launch the survey themselves, this may also be an area where CEE would bring the survey coordination with our partners in house. **Again, please include two budget options: one for conducting, managing, and analyzing the full survey, and one for solely reviewing the survey and incorporating the results, but not conducting the survey.**

## *Task 2D – Homeowner survey (general)*

In addition to customers who have an ASHP, we are interested in tracking general awareness and motivations for those who do not have an ASHP. While we want to track general awareness as an MPI, we do not anticipate a big shift since our last homeowner study in 2024. Therefore, for this task, we would like a low-budget general population pulse survey. We anticipate this would be best accomplished through a panel survey but are open to other options.

Please include anticipated number of completes and budget for this task. **Again, please include two budget options: one for conducting, managing, and analyzing the full survey, and one for solely reviewing the survey and incorporating the results, but not conducting the survey.**

## *Task 2E – Manufacturer and distributor interviews*

Manufacturers and distributors create the product and help get it into the hands of contractors and customers, making them a crucial market lever. CEE is interested in tracking some of our MPIs and other key information related to these populations, including but not limited to:

- Manufacturer and distributor awareness and opinion of ASHPs
- Approaches to training and educational development
- Knowledge of ASHP product availability, incentives, and rates
- Narrative insight on ASHP recent sales trends, projected sales trajectories, and barriers and opportunities affecting these sales

In addition, CEE has worked closely with distributors in particular in recent years, and we are interested in learning more about how our interactions have or have not influenced or changed their business around ASHPs.

CEE has surveyed and interviewed manufacturers and distributors with varying levels of formality in recent years. Past data collection instruments will be made available to the selected contractor, however, we anticipate developing distinct guides for this process. We anticipate many questions with manufacturers and distributors to overlap, but they will at least need distinct sections or distinct interview guides. Ideally, we would interview 5-8 manufacturers, and 8-10 distributors.

## Task 3 – Analysis and Reporting

### *Task 3A – State of the Market report*

The selected contractor will analyze and synthesize the results from Tasks 1 & 2 to produce a final State of the Market report, which will be presented to key CEE staff. An example State of the Market report for our ASHP initiative can be found on our [website](#). **Please price Task 3A and 3B separately in your budget.**

This comprehensive report will entail at least two rounds of review and revision and should include the following sections.

- **Executive summary:** Summary of project, cross-cutting findings, and conclusions and recommendations.
- **Introduction:** Summarize the ASHP initiative, ASHP technology, current market conditions, research goals and scope, and methods.
- **Contractor insights:** Detail the results of the contractor primary data collection efforts.
- **Customer insights:** Detail the results of the customer primary data collection efforts.
- **Homeowner insights:** Detail the results of the homeowner primary data collection efforts.
- **Manufacturer/distributor insights:** Detail the results of the manufacturer/distributor primary data collection efforts.
- **Conclusions and recommendations:** Based on the findings presented, identify key market trends across audiences and propose opportunities to guide ongoing initiative development.
- **Appendices, including detailed methodology:** Detail the methodologies used for all primary data collection efforts and include final versions of all data collection instruments. Additionally, a table with MPI tracking should be included.

#### **Expected deliverables:**

- Draft State of the Market report (to undergo at least two rounds of review)
- Final presentation and discussion
- Final report

### *Task 3B – Utility breakdown reports of customer survey results*

In addition to reporting customer insights in the State of the Market report, we also provide each of our utility partners a high-level report with customer survey results from their service territory. Historically, this has resulted in three reports for individual utilities and one report compiling and comparing results between multiple utilities. All reports are shared directly with utility partners for internal use only; the selected contractor will receive past reports to guide their development. **Please price Task 3A and 3B separately in your budget.**

Each individualized report will entail at least one round of review and revision and should include the following sections:

- **Background:** Summarize ASHP technology, the initiative, broad customer survey goals, and purpose of utility-specific reports.
- **Key findings and data tables:** Detail the utility’s customer survey results, including their respondents’ distribution and system characteristics; heat pump installation decisions and processes; heat pump impacts; and satisfaction, benefits, and challenges.
- **Conclusion:** Based on the findings presented, identify key similarities and differences between the utility’s respondents and survey respondents overall.
- **Appendices, including detailed methodology:** Detail the methodologies used for the customer survey and a breakdown of survey respondents by utility.

**Expected deliverables:**

- Draft reports for each utility
- Final reports for each utility

## Task 4 – Project Management

We anticipate needing bi-weekly meetings throughout the project (roughly 9 months). We also anticipate additional coordination or adjustments as needed.

**Expected deliverable:**

- Bi-weekly meetings

## Timeline

We anticipate this effort to begin June 2026, with completion expected by end of February 2027. Based on anticipated market actor busy seasons and availability, we have drafted a preliminary timeline. This is flexible and offered as a guide, however, we believe it will likely garner the best results to do interactions with contractors in between cooling and heating season, and to give ourselves a runway for the customer survey to coordinate with utilities.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
1. Kick off and document review	Review	Review							
2a. Contractor survey	Prep	Prep	DC	DC	AN	AN			
2b. PCN interviews			Prep	DC	AN				
2c. Customer survey	Prep	Prep	Prep	DC	DC	AN	AN		
2d. Homeowner survey	Prep	DC	AN						
2e. Manufacturer/distributor interviews	Prep	DC	DC	AN					
3. Reporting					R	R	R	R	R

DC = Data collection, AN = Analysis, R = Reporting

## Budget

CEE does not have a strict budget for this work. Proposals will be evaluated based on a combination of factors, including efficient use of funds, value and fit of methods, and relevant project experience and staff expertise. Provide a cost estimate per individual task and subtask that includes rates and estimated hours for all personnel.

***For all survey-related tasks that you include, please propose a budget for full survey management, and one for solely instrument consultation and incorporating results into the final report. If you would prefer not to take on full survey work and solely include instrument consultation and reporting for surveys, that is also acceptable; please denote that in your proposal. All interviews will need to be conducted by the RFP responder.***

## CONTRACTOR QUALIFICATIONS

CEE encourages responses from all entities and teams of contractors with relevant experience. The ideal applicant will possess experience in the following areas:

- Qualitative market research
- Quantitative market research
- Market research design
- Sample design
- Research survey tool and interview guide development
- Data visualization
- Statistical analysis
- Subject matter expertise

## Diversity, Equity, and Inclusion

CEE strives to afford opportunity in its procurement practices to businesses that are small, disadvantaged, women-owned, veteran-owned, minority-owned, LGBTQ-owned service disabled, local, or rural. These include businesses who are certified through one of the following:

- [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
- [Metropolitan Council Underutilized Business Program \(MCUB\)](#)
- [Small Business Certification Program: Central Certification Program \(CERT\)](#)

Please include any DEI information with your proposal.

## PRODUCT QUALITY

The selected contractor is expected to provide a high-quality product. Services are expected to be efficient, factually accurate, tailored to appropriate audiences, and aligned with the agreed upon scope of work.

# Anticipated AI Use Disclosure

If anticipating using generative AI (e.g., ChatGPT, Claude, Google Gemini) during the execution of this work, please detail what tools may be used and in what ways. Please also note the Generative AI clause (12) outlined in the accompanying terms.

## PROPOSAL SUBMISSION

### Question and Proposal submission

Questions are due via email by 11:59 pm CT on May 4, 2026.

Final proposals are due via email by 11:59 pm CT on May 18, 2026. Please include the full proposal and all appendices as one PDF document, titled “[NAME OF FIRM] ASHP Market Research Proposal.”

Send all questions and proposals to Catherine Bruns at [cbruns@mncee.org](mailto:cbruns@mncee.org).

### Proposal Evaluation

Proposals will be evaluated out of 100 points based on the following weighted criteria:

- Proposed approach (40)
- Overall experience (30)
- Cost (25)
- Diversity (5)

### Proposal Format

The proposal should be limited to 15 pages or less in total length (not including the cost proposal or any appendices) and should contain the following components.

- **Executive Summary** – Summarize the proposed implementation strategies and reasons that CEE should select your team.
- **Proposed Implementation Strategy** – Provide a detailed description of your proposed strategies for completing the scope of work. Please include all assumptions, as appropriate (e.g., sample sizes, key stakeholder groups to participate, etc.).
- **Qualifications and Project Team** – List your proposed implementation team including key personnel and any subcontractors. Include roles, qualifications, years of experience, and efforts on similar work. Please only include project staff who have available hours for the project. If awarded the project, implementers will not be allowed to change out key staff included in the proposal without prior written approval from the Administrator.
- **Timeline** – Provide a timeline of the activities outlined in the proposed implementation strategy.
- **Cost Proposal** – Provide a cost estimate per task and subtask including rates and hours for all personnel and any non-labor expenses.

- **Optional Appendix** – If publicly available, please include 1–3 examples of related project work deliverables as appropriate.

## TERMS AND CONDITIONS

Below are our proposed terms and conditions. Contractors should review and note any issues with potential compliance. Contractors will have an opportunity to negotiate terms if they are selected to move forward.

## MASTER CONSULTING/SERVICES AGREEMENT

This MASTER **CONSULTING/SERVICES AGREEMENT** ("Agreement") is made by and between **CENTER FOR ENERGY AND ENVIRONMENT**, with offices at 212 Third Avenue North, Suite 560, Minneapolis, Minnesota 55401 ("CEE"), and **name of CONSULTANT**, with offices at **address of CONSULTANT**, ("**CONSULTANT**"). CEE and CONSULTANT may also be referred to as "Party" or collectively as "Parties" herein.

### RECITALS

- A. CEE has a need for certain professional services and desires to retain CONSULTANT to provide said services, all subject to the terms and conditions contained in this Agreement.
- B. CONSULTANT is qualified to provide the desired professional services and desires to provide said services for CEE, all subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained in this Agreement, the Parties agree as follows:

#### 1. Services/Scope of Work

**CONSULTANT shall provide technical assistance in support of the development and implementation of various CEE projects. (OR FOR XXXXX PROJECT)**

CONSULTANT shall provide professional services under this Agreement pursuant to written work orders signed by CEE and CONSULTANT detailing the specific project to be completed and Services to be provided (each a "Work Order"). Work Orders may also be in the form of a proposal by either CEE or CONSULTANT countersigned by the other Party. The services described in any Work Order may be modified from time to time upon the mutual written agreement of the parties.

CONSULTANT understands and agrees that this Master Agreement is not a guarantee of work, nor a guarantee of minimum compensation. CEE has determined that it may have a need for services under the Master Agreement, but does not commit to issuing Work Orders or spending any money for services provided by the CONSULTANT.

#### 2. Compensation

CEE shall compensate CONSULTANT for the Services as follows:

- 2.1 CONSULTANT shall be compensated based on terms specified in each Work Order.
- 2.2 CONSULTANT shall submit to CEE, on a monthly basis, invoices for services performed under this Agreement, including such supporting documentation (such as time sheets and receipts) as CEE may reasonably request from time to time. Invoices may be submitted by email with a PDF attachment to [ap.noreply@mncee.org](mailto:ap.noreply@mncee.org) or by regular mail. Invoices are due to CEE within 5 days from the end of the reporting month. Except as otherwise provided in paragraph 2.3 hereof, CEE shall pay each properly submitted invoice within thirty (30) days after submission of the invoice by CONSULTANT. **CONSULTANT acknowledges that CEE reserves the right to refuse payment on invoices not submitted within 45 days of the services being provided.**
- 2.3 **The foregoing provisions notwithstanding, CONSULTANT acknowledges that if CEE is relying on payment from a third party to compensate CONSULTANT, CONSULTANT shall be paid**

promptly after CEE is paid by said third party. CEE shall make reasonable and diligent efforts to collect prompt payment from said third party, but CEE shall not be liable to CONSULTANT if payment is not received from the third party, provided such failure to make payment is not caused in substantial part by any gross negligence or willful misconduct on the part of CEE.

- 2.4 Retainage: No more than 95 percent of the amount due under this Agreement may be paid until the final product of this Agreement has been reviewed by CEE's Project Manager. The balance due will be paid when CEE's Project Manager determines that CONSULTANT has satisfactorily fulfilled all terms of this Agreement.

### 3. CEE's Obligations

- 3.1 CEE shall make reasonable efforts to respond promptly to requests from CONSULTANT for information and approvals regarding the services to be provided under this Agreement.
- 3.2 If requested by CONSULTANT, CEE shall make reasonable efforts to obtain information and or permission for access from CEE's clients which may be necessary for CONSULTANT to provide the services under this Agreement.

### 4. CONSULTANT's Obligations

- 4.1 CONSULTANT shall use its best efforts to provide services under this Agreement in a professional manner consistent with the care and skill used by reputable members of CONSULTANT's profession.
- 4.2 CONSULTANT, and all of its employees or agents, shall comply with all statutes, ordinances, rules, regulations and other laws applicable to the provision of services under this Agreement.
- 4.3 CONSULTANT shall secure all permits and licenses required for performance of CONSULTANT services under this Agreement.
- 4.4 CONSULTANT shall not engage in discriminatory employment practices against any employee or applicant for employment and shall in all respects comply with all federal, state and local laws, regulations and orders, including without limitation, Chapter 363 of the Minnesota Statutes, as amended from time to time. Failure to comply with the provisions hereof shall be deemed a material default under this Agreement.
- 4.5 CONSULTANT shall comply with the following clauses of the State of Minnesota Grants Contract (Attachment A): Section 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; and 15. Data Disclosure.

### 5. Term and Termination

- 5.1 Unless earlier terminated as provided in the following paragraphs, this Agreement shall become effective on [date contract begins], and continue [until terminated by either party].
- 5.2 This Agreement may be terminated by either Party, for any reason or no reason, immediately upon written notice to the other Party. In the event this Agreement is terminated by CONSULTANT prior to the expiration of the term set forth in paragraph 5.1, CONSULTANT shall provide CEE with such information as CEE may request regarding the status of any ongoing project.

5.3 Any termination of this Agreement shall not release either Party from their respective obligations under sections 8 and 9 of this Agreement.

## 6. Ownership of Work Products

6.1 All memoranda, research, notes, drawings, designs, data, records and documents of every type, and all copies thereof, whether written or maintained in computer files (collectively, the "Documents"), developed or obtained by CONSULTANT in connection with providing services pursuant to this Agreement are the property of CEE and shall be transferred, assigned and delivered promptly by CONSULTANT to CEE upon any termination of this Agreement.

6.2 The foregoing notwithstanding, CONSULTANT shall be entitled to retain for its files a copy of all Documents, but CEE shall retain all rights of ownership in the Documents, all ideas contained therein and all information derived therefrom, including without limitation all rights to copyright the Documents and any and all information contained therein, all such property being deemed "works for hire" under applicable law.

6.3 CONSULTANT shall not, during the term of this Agreement or at any time following any termination of this Agreement, use any of the Documents or any information contained therein without the prior written consent of CEE.

6.4 CONSULTANT agrees to take such further action and execute such further documents as CEE may reasonably request from time to time in order to more effectively transfer and assign and deliver to CEE the Documents, to confirm the title of CEE to the Documents and to assist CEE in exercising its rights with respect to the Documents.

## 7. Insurance

7.1 During the term of this Agreement, CONSULTANT will obtain and maintain insurance of the types and in the amounts listed below:

General Liability	\$2,000,000	Aggregate Limit
Automobile Liability	\$1,000,000	Combined Single Limit
Umbrella/Excess Liability	\$1,000,000	Aggregate Limit
Workers Compensation		Statutory Requirements
Professional Liability	\$2,000,000	Aggregate Limit
Cyber Liability	\$2,000,000	Total Limit

7.2 CONSULTANT'S general liability policy or policies shall specifically include the interests of CEE by naming CEE as an additional insured (by way of an additional insured endorsement in such form as is acceptable to CEE) with respect to any claim arising out of CONSULTANT'S services under this Agreement. CONSULTANT agrees that CONSULTANT'S general liability insurance coverage shall be primary to the risk and respond before any of CEE's insurance. CONSULTANT also waives, on behalf of itself and its insurers, any and all right of subrogation against CEE.

7.3 CONSULTANT shall provide CEE with a certificate or certificates of insurance (signed by an agent of the insurance company with authority to bind the company) evidencing that the requirements of paragraph 7.1 have been met. CONSULTANT shall also provide a signed copy of the additional insured endorsement or endorsements as required by paragraph 7.2. In the event that the additional insured endorsement does not conform to the requirements of paragraph 7.2, CEE may require CONSULTANT to obtain an additional insured endorsement that does so conform. CONSULTANT shall immediately cause such form to be issued by the

insurance company and delivered to CEE. In addition, CONSULTANT shall submit adequate proof that the additional insured endorsement has been properly added to CONSULTANT's insurance policy or policies, including but not limited to, the declaration page for the applicable policy or policies reciting that the additional insured endorsement forms are attached and incorporated as part of the policy.

- 7.4 CONSULTANT certifies that the insurance policies obtained do provide coverage for the services provided by the CONSULTANT.
- 7.5 CONSULTANT shall give thirty (30) days written notice to CEE of any cancellation of coverage required in paragraph 7.1.
- 7.6 Failure of CEE to enforce the minimum insurance requirements listed above shall not relieve CONSULTANT of responsibility for maintaining these coverages.

## 8. Liability and Indemnification

- 8.1 CONSULTANT represents that the services to be provided under this Agreement are reasonable in scope and that CONSULTANT has the experience and ability to provide the services.
- 8.2 CONSULTANT acknowledges that CEE cannot control the conditions at any site where the services may be provided, and, accordingly, CEE is not liable for any claim, damage, loss, injury or expense of any type which CONSULTANT may suffer as a result of providing the services under this Agreement.
- 8.3 CONSULTANT warrants that any services provided hereunder shall be done in a professional and workmanlike manner, and CEE shall have the benefit of all warranties, expressed or implied, which may be applicable to the services provided by CONSULTANT hereunder.
- 8.4 CONSULTANT shall indemnify, defend and hold harmless CEE and its officers, directors, employees and agents from and against any and all claims, damages, losses, injuries and expenses (including attorneys' fees and damages for death, personal injury and property damage) which CEE may incur as a result of any act or omission by CONSULTANT in providing services under this Agreement.
- 8.5 CEE shall indemnify, defend and hold harmless CONSULTANT and its officers, directors, employees and agents from and against any and all claims, damages, losses, injuries and expenses (including attorneys' fees and damages for death, personal injury and property damage) which CONSULTANT may incur as a result of any act or omission by CEE in discharging its duties under this Agreement.

## 9. Confidentiality

- 9.1 CONSULTANT is seeking information from CEE in pursuit of an economic benefit to CONSULTANT, and in fulfilling its Work obligations to CEE hereunder. CONSULTANT agrees that it will not, without prior written authorization of CEE, during the period of Work for CEE and at all times thereafter, divulge, disclose, furnish, transfer, convey, communicate, make accessible to any person or use in any way, Confidential Information for any purpose whatsoever. No original records, photocopies or electronic versions thereof, or property of CEE will be forwarded or removed from CEE's premises without prior written permission of CEE, unless it is required and within the scope of CONSULTANT's Work, and then only after expressly advising the CONSULTANT's direct supervisor at CEE of the necessity for this action. CONSULTANT will

not contact directly or indirectly CEE's customers, vendors, licensors, or other contractors without prior written permission of CEE unless it is within the scope of CONSULTANT's Work.

- 9.2 Definition. "Confidential Information" means any information or compilation of information not generally known or not readily disclosed by inspection of CEE's products or services, which is proprietary to CEE and relates to CEE's existing or reasonably foreseeable business. Information shall be treated as confidential without regard to its source, including but not limited to all information identified or marked "confidential" or "trade secret" or marked with any similar reference. The failure by CEE to mark or otherwise identify any and all such material does not render void or otherwise eliminate the obligation of CONSULTANT to keep and maintain all such information and material confidential. All Confidential Information which is disclosed to CONSULTANT by CEE in connection with CONSULTANT's engagement and this Agreement, or is developed by CONSULTANT for the benefit of CEE, belongs to and is the property of CEE; provided, however, that Confidential Information does not include information that (i) is or becomes publicly available from a source other than the CONSULTANT; (ii) is obtained by the CONSULTANT from a third party not subject to confidentiality; (iii) was known by the CONSULTANT at the time of disclosure by CEE; (iv) is developed lawfully and independently by the CONSULTANT without reference to or use of information received from CEE; or (v) is expressly approved for release by CEE. Further, CONSULTANT may disclose Confidential Information pursuant to a valid order issued by a court or government agency, provided that prior to any such disclosure CONSULTANT provides CEE (i) written notice of such order; and (ii) the reasonable opportunity to oppose such disclosure or to obtain a protective order.
- 9.3 Essential Assets. The Parties hereto agree that given that a substantial portion of CEE's projects, facts, and undertakings are related to the products and services it provides to utilities, local governments and public clients, CONSULTANT specifically acknowledges that all of CEE's projects, facts, and undertakings must be rendered strictly and absolutely confidential for any and all purposes, and for any and all time.
- 9.4 Binding Agreement. CONSULTANT acknowledges that maintaining the confidentiality of the information disclosed to CONSULTANT hereafter shall survive the completion of the Work by CONSULTANT. CONSULTANT further acknowledges and agrees that (i) it has carefully considered the restrictions contained in this Agreement, (ii) has had an opportunity to ask questions about them, (iii) has determined that it understands them, and (iv) the restrictions are reasonable.
- 9.5 Acknowledgment. CONSULTANT specifically understands that the restrictions on the disclosure of Confidential Information applies to both intentional and unintentional disclosures of information, and agrees that it will diligently avoid discussing such information in all settings inside and outside of CEE. CONSULTANT further agrees that it may not utilize, directly or indirectly, any information disclosed to CONSULTANT as a result of the Work or this Agreement in the course of marketing, selling or directly or indirectly communicating with its customers, current or future, its competitors, or with the customers or competitors of CEE, without the prior, written consent of CEE.
- 9.6 Return of Materials. Upon termination of the Work being performed by CONSULTANT, or upon CEE's earlier request, CONSULTANT agrees to deliver promptly to CEE all of CEE's materials. CONSULTANT also agrees, upon request of CEE, to execute an attestation wherein it agrees that all of CEE's materials have been returned, and that any and all information of CEE in any CONSULTANT owned or controlled system, computer or other device has been destroyed or otherwise eliminated from such system, computer or other device. CONSULTANT further agrees that CEE has the right, at its sole discretion, to audit or otherwise review the systems,

computers or other devices owned or controlled by CONSULTANT to ensure compliance with this Section and with this Agreement, and that the failure of CONSULTANT to sign any such attestation or if such confidential information is otherwise found on any such CONSULTANT owned or controlled system, computer or other device as a result of such audit or review, that CONSULTANT shall pay all expenses incurred by CEE, including any attorneys' fees, in performing the audit and in eliminating or otherwise destroying any and all such Confidential Information found. CONSULTANT understands and agrees that the destruction of or any damage caused to any system, computer or other device owned or controlled by the CONSULTANT by CEE in its effort to remove its proprietary information from such system, computer or other device shall not be the responsibility of CEE for any reason, even willful negligence.

9.7 Violation of Confidentiality Provision. Any violation of this Section shall (i) immediately relieve CEE from all future promises, financial and non-financial, to CONSULTANT whether while performing the Work or thereafter; (ii) allow CEE the right to set-off against any earned compensation; (iii) be considered gross misconduct; and (iv) at the discretion of CEE, result in immediate termination of the Work, and a claim by CEE against the CONSULTANT seeking personal liability for such violation.

9.8 Remedies. The parties acknowledge and agree that any breach by CONSULTANT of the terms of this Section 9 may cause CEE irreparable harm and injury for which money damages would be inadequate. Accordingly, CEE, in addition to any other remedies detailed herein or otherwise available at law or in equity, shall be entitled, as a matter of right, to injunctive relief in any Court of competent jurisdiction. Further, if CEE prevails against Vendor in a legal action for violation of this Section, CEE shall be entitled to collect from CONSULTANT any attorneys' fees and costs incurred in seeking enforcement of or in bringing any action to enforce the terms of this Agreement, as well as any attorneys' fees and costs for the collection of any resulting judgments in CEE's favor arising out of CONSULTANT's violation.

## 10. Data Security

10.1 CONSULTANT shall maintain during the Term of this Agreement (and for as long as CONSULTANT is in possession of CEE's Confidential Information obtained under this Agreement) administrative, technical, and physical safeguards and controls sufficient to: (i) ensure the security and confidentiality of CEE's Confidential Information; (ii) protect against anticipated threats or hazards to the security or integrity of such information; and (iii) protect against unauthorized access to, or disclosure or use of, all CEE Confidential Information that CONSULTANT accesses, receives, stores, processes, transmit, maintains, or possesses (the "Security Measures"). CONSULTANT shall ensure Security Measures comply with applicable industry standards, techniques, and data protection and privacy laws. Security Measures shall include, but are not limited to, the following:

- a) Written information security and disaster recovery policies that are continuously updated in light of changes in relevant technology, including documentation of all safeguards, procedures, and controls taken by Contractor, to be provided to CEE upon request.
- b) Password-protected workstations at CONSULTANT's premises and at the premises of any person who has access to Confidential Information.
- c) Encryption of all Confidential Information and any portable laptop computing device or portable storage medium that contains or processes Confidential Information. Confidential Information must be stored, processed, maintained, and/or transmitted (i)

on designated target service residing physically within the boundaries of the United States, and (ii) physically secure premises.

- d) Maintaining network and electronic security perimeter controls, applying security patches in a timely manner, equipping all systems with anti-virus/anti-malware software, testing security of systems, and monitoring relevant key and critical systems for unauthorized use of or access to Confidential Information.
  - e) Taking responsibility for precautions with respect to the employment of, and whether access is given to, employees and persons who access to Confidential Information, including background check and security clearances that assign specific privileges to personnel, and training of personnel on proper data use, compute systems, and the importance of Information Security.
- 10.2 Notification. CONSULTANT shall notify CEE immediately if CONSULTANT discovers or becomes aware (i) that CONSULTANT is not in compliance with or has violated any of the requirements of this Section or (ii) of any unauthorized disclosure or use of or access to CEE Confidential Information or any unauthorized intrusion, penetration, or security breach involving CONSULTANT's systems that affects CEE Confidential Information.

## 11. Publicity and Communication

- 11.1 In accordance with its mission to further energy efficiency research and policies, CEE reserves the right to publish general information about the project, aligned with agreed upon confidentiality protections set forth elsewhere in this Agreement.
- 11.2 All marketing, communication, and publication will be coordinated by CEE's Director of Communications, Tim Hanrahan at thanrahan@mncee.org or 612.244.2419.
- 11.3 CONSULTANT's marketing, communication, and publication will be coordinated by **NAME and CONTACT INFORMATION**.
- 11.4 Publication Requirements. CONSULTANT shall give CEE a two-week notice to review and approve any public dissemination of materials, information, data, or results related to this Agreement. CONSULTANT shall include an acknowledgement in any publication item that it was supported, in whole or in part, by CEE, but that such support does not constitute an endorsement by CEE of the view expressed within.
- 11.5 Media. CONSULTANT shall not speak to the media on behalf of CEE, or regarding any CEE-funded project, without prior approval from CEE.

## 12. Generative AI.

For purposes of this Agreement, "Generative AI" means artificial intelligence systems, including, but not limited to, models, algorithms, and applications, that are capable of generating new content, such as text, code, audio, images, or videos, based on an initial prompt or dataset.

### 12.1 Definitions

- a) AI – large language model-based, generative AI applications. Examples of Generative AI include, but are not limited to, systems marketed or commonly known as DALL-E, GPT-3, Codex, among others as may exist now or from time to time in the future.

- b) CEE Data – all business-related information of the CEE, including proprietary information and intellectual property, that is accessed, processed, stored, or otherwise used by any of CEE’s systems.
- c) Personal Information – information that identifies, relates to, or could reasonably be linked to a particular individual or household, including as defined under applicable privacy laws.
- d) Sensitive Information – includes (i) Personal Information, (ii) non-public CEE Data, (iii) passwords, API keys, or any other secrets that allow unauthorized access to CEE systems or data, (iv) confidential business strategies, internal communications, intellectual property, trade secrets, and any data that a reasonable person would understand to be confidential.

## 12.2 Compliance with Legal Requirements

Consultant must comply with all applicable laws and regulations when using AI tools, including privacy, intellectual property, and anti-discrimination laws.

## 12.3 Information Security

AI tool use must comply with industry standard Information Security policies and practices, ensuring that CEE Data and Sensitive Information are protected.

## 12.4 Human Review

Consultant is responsible for reviewing AI-generated content for accuracy and ensuring it does not infringe on third-party rights. AI-generated content must not be misleading, harmful, or offensive. Consultant is responsible for the content they produce using AI, as if they were the original creators. Disclosure of AI-generated content sources is required when appropriate.

## 12.5 Requirements for the Use of AI

- a) If a new AI tool is necessary for work, it must be approved in accordance with CEE policies.
- b) Consultant must opt out of allowing AI tools to use any data provided for training AI models whenever possible.
- c) Sensitive Information must never be input into AI tools.
- d) Multi-factor authentication must be enabled for AI tools, if available.
- e) Partners must report any security incidents or suspected data breaches to CEE immediately.

12.6 Notwithstanding any other provision of this Agreement, neither Party shall upload, input, or otherwise provide, whether directly or indirectly, any Sensitive Information to any Generative AI system, model, algorithm, application, or related/derivative technology. This prohibition shall apply regardless of whether the Sensitive Information is used as training data, as an input prompt or seed, for tuning or refining a Generative AI system, or for any other purpose.

12.7 Each Party shall implement reasonable security measures to prevent the unauthorized uploading, inputting, or provision of Sensitive Information to any Generative AI system, model, algorithm, application, or related/derivative technology. Any violation of the Generative AI clause shall be considered a material breach of this Agreement, and the non-breaching Party may terminate this Agreement immediately upon notice without opportunity for cure.

**13. Relationship of Parties**

CONSULTANT will provide services as an independent contractor under this Agreement. Neither CONSULTANT, nor any of its employees or agents, shall be considered employees or agents of CEE for any purpose, and neither shall CONSULTANT be eligible for any compensation or benefits which CEE may provide to its employees from time to time. CONSULTANT shall be solely responsible for all employment and other taxes applicable to providing services hereunder, and CEE will not withhold any taxes or contributions from the compensation payable to CONSULTANT under this Agreement. If any governmental authority (federal, state or other) claims that CEE owes taxes or contributions which allegedly should have been withheld or made, then, to the extent permitted by law, CONSULTANT shall pay CEE the amounts claimed to be due, plus reasonable attorneys' fees and any other costs which CEE may incur in defending such claim, whether or not a lawsuit is commenced.

**14. Notices**

13.1 All notices, requests, demands and other communications required to be given in writing under this Agreement shall be given to the other Party in person, by mail or by email as provided in this section. If delivered personally, notice shall be deemed to have been duly given on the date of delivery. If delivered by mail, such notice shall be sent via first class U.S. mail, postage prepaid, to the address set forth at the beginning of this Agreement or such other address as a Party may otherwise request by written notice, and notice shall be deemed duly given three (3) business days after mailing. If delivered by email, such notice shall be sent to the email address set forth below and shall be sent with automatic email tracking (such as "read receipt") or with a request that the recipient confirm delivery in writing, and notice shall be deemed duly given on the date that receipt is confirmed.

14.1 If to CEE:

Center for Energy and Environment  
212 3<sup>rd</sup> Avenue North, Suite 560  
Minneapolis, MN 55401  
Attn: Ryan Ellis, General Counsel  
rellis@mncee.org

If to CONSULTANT:

CONSULTANT  
ADDRESS 1  
ADDRESS 2  
Attn:

**15. Assignment**

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns; provided, however, that neither Party shall assign or transfer in any manner, this Agreement or any portion hereof without the prior written consent of the other Party, and any attempt to assign or transfer without prior written consent shall be void and of no effect.

**16. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

**17. Miscellaneous**

- 17.1 Headings and captions used in this Agreement are for convenience only and shall not affect the meaning of this Agreement.
- 17.2 This Agreement contains the entire agreement of the parties and supersedes all prior agreements, discussions and representations, written or oral, concerning the subject matter hereof.
- 17.3 No waiver by CEE of any term or condition of this Agreement or any document referred to herein shall, whether by conduct or otherwise, be construed as a waiver or release of any other term or condition of this Agreement.
- 17.4 This Agreement may only be amended in a written agreement signed by both parties.
- 17.5 Except as expressly set forth in Section 8, the rights and benefits under this Agreement shall inure solely to the benefit of CEE and CONSULTANT, and this Agreement shall not be construed to give any rights, benefits or causes of action to any third party.
- 17.6 The invalidity or partial invalidity of any provision of this Agreement shall not invalidate the remaining provisions, and the remainder shall be construed as of the invalidated portion shall have never been a part of this Agreement.
- 17.7 This Agreement may be signed in any number of counterparts, each of which shall be deemed an original and one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written below.

CENTER FOR ENERGY AND ENVIRONMENT

By: \_\_\_\_\_ Its: \_\_\_\_\_

Date: \_\_\_\_\_

Name of CONSULTANT  
CONSULTANT

By: \_\_\_\_\_ Its: \_\_\_\_\_

Print Name \_\_\_\_\_

Date: \_\_\_\_\_ Tax ID # \_\_\_\_\_