

Request for Proposals:
RFP #: 42884



Super-Efficient Clothes Dryers Market Characterization Study

Proposals due: September 11, 2015

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1 Introduction

About the Northwest Energy Efficiency Alliance

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

Since 1997, NEEA and its partners have saved enough energy to power more than 700,000 homes each year. As the second-largest resource in the Northwest, energy efficiency can offset most of our new demand for energy, saving money and keeping the Northwest a healthy and vibrant place to live. www.neea.org

2 Background

Super-efficient clothes dryer technologies, including heat pump clothes dryers, have been commercially available (and a viable market has existed) outside the United States for over a decade. Several years ago, NEEA began work to bring highly efficient heat pump class clothes dryers to the US market as a market transformation opportunity. NEEA is a founding member of the Super-Efficient Dryer Initiative (SEDI), a national coalition of utilities and energy efficiency organizations whose mission is to help bring heat pump class clothes dryers to the US Market.

More than eighty percent of American homes have a clothes dryer. Of conventional gas and electric units – which comprise the vast majority of clothes dryers currently in use – between twenty and thirty percent are ENERGY STAR certified. (Hybrid technologies, combining heat pump and electric resistance, represent a tiny fraction of dryers in use – likely less than one-percent of the market.) ENERGY STAR units can reduce energy use by twenty percent over conventional units. A heat pump hybrid clothes dryer can reduce annual energy use attributable to clothes drying by forty percent or more. Field tests currently being conducted on pure heat pump technology show considerable energy savings beyond that estimate. According to the Department of Energy, clothes dryers are the second largest energy-consuming appliance in most American homes. A market shift to a more efficient class of dryers would generate significant energy savings.

To more accurately understand clothes dryer energy use and product performance, NEEA and Pacific Gas & Electric (PG&E) developed a supplemental test procedure that tests clothes dryers at four different operational settings and uses real clothing. In addition to this work, NEEA's initiative team has conducted several supportive research activities. Below is a summary of NEEA's research and implementation activities to date:

- Field data collection on real world energy use and consumer operation settings of dryers (100 metered homes in the Residential Building Stock Assessment: Metering Study, and 49 detailed operational data in a supplemental laundry study)
- Provided data and testimony used in updating the federal test procedure to incorporate auto termination considerations

- Provided data and testimony advocating for use of revised DOE test procedure in measuring ENERGY STAR products, advocating for the placement of a limit on drying time and disapproving the “credit” given to manufacturers who include smart grid connectivity in their products. The ENERGY STAR specification was revised to include a limit on drying time.
- Created a supplemental lab test procedure that uses real clothes and four operational settings to determine dryer energy use.
- Supported manufacturers with the market launch of heat pump products in the Northwest in 2014-2015. Awarded contractor will have access to demographic information of a sample of consumers who have purchased heat pump hybrid clothes dryers (e.g., household income).
- Established a regional market baseline for heat pump class clothes dryers, forecasted over a 20-year time horizon (See report linked in 4.2 Applicable Documents).

In addition to standard electric units, NEEA recently began a market transformation program on gas dryers. Minimal research has been done to date but this Market Characterization Study should include an in depth investigation of the market for gas (natural gas and propane) clothes dryers.

3 Objectives

NEEA would like to better understand the regional market for super-efficient dryers. To that end, this RFP seeks a contractor to conduct research that will drive the following outcomes:

3.1 Market Characterization

The Contractor should conduct a market characterization study that informs NEEA of recent trends and the future outlook of the regional market for heat pump class dryers. The Contractor should also provide a review of the overall dryers market, including the consumer profile and demand motivations that drive dryer purchases. The study should be regional in focus, including the states of Idaho, Montana, Oregon, and Washington.

The report should characterize, at a minimum:

- the supply side of the market for heat pump class dryers
- relationships between market supply actors (supply chain)
- retailer stocking practices
- supply chain actor profit motivations
- dryer pricing schemes
- dryer purchasing behavior and customer segmentation
- consumer awareness of heat pump class dryers
- consumer understanding of the differentiation between technologies
- consumer preference for “matched pair” washer/dryers
- a validation of NEEA’s current estimate of the market size for dryers (gas and electric)

A key component of this study will be a regional characterization across the US of the product mix between gas and electric dryers. This will be critical in guiding NEEA's efforts to establish strategic partnerships as we move toward transforming the market for super-efficient dryers. The study should address the market split between gas and electric dryers, from both the demand and supply sides, and implications this split has for heat pump dryer acceptance by the US market. How can we characterize the consumer profile as it relates to the purchasing split between gas and electric?

3.1.1 Assess Potential Market Barriers

NEEA's objective is to open the market up for increased sales of heat pump class clothes dryers to facilitate widespread adoption of the technology in the region. In order to achieve this outcome, certain barriers must be addressed. These barriers influence both the demand for heat pump dryers, as well as the supply chain. They include:

- High incremental cost compared to standard electric units
- Lack of product availability
- Lack of consumer awareness and demand

High Incremental Cost

Research questions of interest might include: what is threshold price differential (above that of standard electric dryers) at which the average consumer resists the purchase of a super-efficient dryer? For the average consumer, how influential is the role of energy efficiency in offsetting the incremental cost?

Product Availability

How does product availability and accessibility influence consumers' willingness to purchase a super-efficient dryer? Inherent in this is an assessment of the role that online availability of super-efficient dryers (in the absence of a retail floor presence) plays in consumer purchasing behavior?

Consumer Awareness

Heat pump technology is relatively new to the US market. Does the typical consumer have an aversion to the technology due to a lack of familiarity or understanding? If so, what are the implications for the heat pump dryers market? What will be the role of ENERGY STAR certified products in shaping the market for super-efficient dryers?

NEEA is also interested in better understanding the consumer demand for matched pair washer/dryers. To what degree will the "standalone" quality of super-efficient dryers present a market barrier?

3.1.2 Identify Market Opportunities

NEEA is also looking to identify characteristics of super-efficient dryers that might exceed consumer expectations. Are there opportunities to tap the inherent energy-savings and other non-energy benefits (such as less wear and tear on clothing) of heat pump class dryers that NEEA should strategically exploit? How do potential early adopters for heat pump class dryers make their purchasing decisions? What sources of information do they

rely upon to inform their decisions? What characterizes a potential early adopter for heat pump dryers?

NEEA is especially interested in better understanding the role of energy efficiency in influencing consumer purchasing behavior around clothes dryers. What messaging would be most compelling in terms of characterizing the energy savings benefits heat pump clothes dryers? Are there other product attributes that consumers perceive as benefits (or disadvantages) that would affect consumer acceptance?

The contractor shall provide a characterization of these market opportunities. A particularly compelling outcome would be to quantify the potential impact to market share of heat pump dryers (over an established time horizon) given variation in different market factors (price, energy savings, drying time, etc.)

4 Definitions and Applicable Documents

4.1 Definitions

Contractor = the firm which is awarded the project

EE = energy efficiency

Market Penetration = the adoption of a measure or a bundle of measures where the total market is the existing stock (e.g., total square foot of existing buildings showing evidence of the measure or bundles of measures of interest).

NEEA = Northwest Energy Efficiency Alliance

Proposer/s = those who respond to the RFP

RFP = Request for Proposals

SEDI = Super-Efficient Dryer Initiative

4.2 Applicable Documents

“Establishing the Market Baseline for Super-Efficient Clothes Dryers”, June 22, 2015.

<http://neea.org/docs/default-source/reports/neea-super-efficient-clothes-dryer-market-baseline.pdf?sfvrsn=8>

5 Scope of Work

NEEA expects proposers to recommend an evaluation approach that best meets the objectives defined in Section 3 above. For each proposed evaluation and market research activity, Proposer shall include:

- Objectives of that activity
- Methodology
- Target Audience, Sample Frame, Sample Size, justification for Sample Size, and Sample Source (where appropriate)
- Timing of the activity (i.e. where it will fall in the sequence of project events)
- Key personnel involved in the activity.

Any recommended approach must satisfy a high degree of rigor in terms of methodology, sampling and project implementation. Where applicable, a high level of statistical confidence is required.

Proposer may also include any other information that would enable NEEA to better understand the rationale behind the proposed approach.

6 Deliverables

At a minimum, NEEA expects the following deliverables for this evaluation.

6.1 Kickoff Meeting

The Contractor will participate in an inaugural meeting to discuss project administration and expectations, research plans, and high-level timelines. The meeting will be set for approximately two hours, and will take place at NEEA. Contractor should plan for all key members of the research team to attend on-site. A teleconferencing option can be made available to accommodate additional project personnel unable to attend in person.

6.2 Work Plan

During the kick-off meeting, the Contractor shall present a draft work plan for NEEA's review and approval. The Contractor shall submit a draft work plan by October 19, 2015. After the Kick Off meeting and consulting with the NEEA project manager, the Contractor shall submit a final work plan by November 2, 2015. The work plan shall describe the research, data collection, analysis, and other proposed activities, as well as the schedule for the planned activities.

6.3 Survey Instruments

The Contractor shall draft and submit all survey/data collection instruments to NEEA's project manager for review and final approval. NEEA's project manager must approve all final instruments prior to the Contractor commencing fieldwork.

The Contractor shall submit the final instruments to NEEA's project manager by a date to be agreed upon by NEEA and the Contractor upon finalizing the project work plan. Any subsequent changes to survey instruments after fielding has begun must also be approved by the NEEA project manager.

6.4 Memos

For each data collection activity, the Contractor shall submit a draft memo to NEEA's project manager for review and feedback. NEEA anticipates that Contractor shall complete all data collection activities by February 15, 2016. Contractor shall submit a draft of the last data collection activity memo by March 1, 2016.

6.5 Market Characterization Report, In-Person Presentation, and Datasets

The Contractor shall incorporate the findings of all primary and secondary research activities that were undertaken for this project, and incorporate them into a cohesive and compelling final report. The Contractor shall strictly adhere to NEEA's Style Guide (See Section 7. Product Quality) in drafting the Report. The Contractor shall submit an electronic copy of the draft final report in Word format to NEEA's Project Manager for review and feedback by April 11, 2016. The Contractor shall present the key findings in-person at NEEA's Portland, Oregon office during the week of April 25, 2016. The Contractor shall incorporate NEEA's feedback into the final Report, and submit an electronic copy of the final document in Word and PDF format to NEEA's Project Manager by May 31, 2016. More than one iteration of the draft may be required to achieve an acceptable final report.

The Contractor shall submit any raw datasets in Excel, Excel-readable format, and/or SAS/SPSS format, with all columns clearly labeled, for each evaluation and market research activity undertaken by March 1, 2016.

7 Product Quality

Proposers should be aware that NEEA will publish the final report on NEEA's website. Because of this, it is critical that both the presentation and the content of these reports be of the highest quality, in accordance with the NEEA Style Guide (go to: N:\06_MANAGEMENT\Evaluation Team\Resources-References\Style Guide & Related Docs\NEEA Style Guide 2012_FINAL.docx) for NEEA's Style Guide). Proposers should include ample time and resources in their proposal to deliver high quality written deliverables.

NEEA reserves the right to reject and withhold payment for any document that is not clearly written, grammatically correct, does not use Standard English or does not conform to the NEEA style guide. NEEA reserves the right to put aside a portion of the budget for the services of a professional editor who is familiar with NEEA's Style Guide, should the Contractor be unable to meet NEEA's report writing standards.

Contractor shall follow the American Evaluation Association's Guiding Principles for Evaluators (<http://www.eval.org/Publications/GuidingPrinciples.asp>) in all evaluation

activities and follow the code of standards and ethics set by the Council of American Survey Research Organizations (<http://www.casro.org/?page=TheCASROCode2014>) for all primary research activities.

8 Proposal Submission

Bidder shall submit as per the instructions below (1) hardcopy and (1) electronic copy of the proposal by the end of business day (5pm) listed in the RFP schedule

8.1 RFP Schedule

| | |
|---------------------------|--------------------------------------|
| July 27, 2015 | RFP Release |
| August 10, 2015 | Intent to respond due by |
| August 21, 2015 | Questions submitted by |
| September 4, 2015 | Answers to Questions emailed back by |
| September 11, 2015 | Written Proposals due by |
| September 23, 2015 | Selection of Finalists |
| September 28, 2015 | Contract Award Date |

8.2 RFP Point of Contact

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

Amy Webb, Market Research & Evaluation Project Manager
Northwest Energy Efficiency Alliance
421 SW 6th Avenue, Suite 600
Portland, OR 97204
Phone: 503-688-5400, ext 5448
Fax: 503-688-5447
E-mail: awebb@neea.org

8.3 Intent to Respond

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

8.4 Proposal Format

1. **Cover Letter** – Include an overview of your organization, rationale why you feel your organization is a good fit, and expected team composition including team member bio-data.
2. **Approach to Project** – Include at least three (3) case studies in your proposal, or links to at least three (3) case studies or other projects that demonstrate your capabilities related to this project.
3. **References** – Provide three (3) references for similar work conducted.
4. **In Good Standing** – Provide documentation reflecting your organization’s good financial standing, such as a Dun & Bradstreet report.
5. **Timeline** – Include a timeline that demonstrates how the project will be implemented over the allocated time frame.
6. **Cost** – Provide cost breakdown by task and rate sheet. See Table 1 below for guidance.

Table 1: Budget Table by Task and Rate

| Task | (Person) | (Person) | (Person) | (Person) | Total (\$) |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|------------|
| | \$ per hour | \$ per hour | \$ per hour | \$ per hour | |
| | No. of hours | No. of hours | No. of hours | No. of hours | |
| Task 1: This task should be kick-off meeting, work plan, and/or project management | | | | | |
| (List sub-tasks) | | | | | |
| Task 2: (title) | | | | | |
| (List sub-tasks) | | | | | |
| Task 3: (title) | | | | | |
| (List sub-tasks) | | | | | |
| Task 4: If this is the final task, it should be Final Report, Presentation of Findings and Final Deliverables (raw data) | | | | | |
| (List sub-tasks) | | | | | |
| PROJECT TOTAL COST | | | | | \$ |

9 Selection

9.1 Scoring

Bidding firms will be rated among others in terms of:

1. Responsiveness to the RFP and demonstrated understanding of the issues surrounding the project.
2. The thoughtfulness and appropriateness of the proposed methodology used to accomplish the desired results of the project.
3. The experience and qualifications of the individuals specifically proposed to execute and manage the project. (Note: Proposed staffing is a significant factor in bidder selection. As such, no changes in key staff / substitutions or changes in roles/responsibilities can be made without the written agreement of NEEA project manager).
4. The experience of the firm or team of firms making the proposal.
5. The capability to execute the plan, including past experience and aptitude for collaboration.
6. The cost of the contract should be bid as TIME & MATERIALS on a not to exceed basis. The level of effort and time devoted by key staffers will be a consideration.

NEEA is under no obligation to select any proposal that results from this solicitation, nor is there any obligation or intent implied to reimburse any party for the cost of preparing a proposal in response to this RFP. NEEA encourages bidders to submit proposals that include innovative methods or tasks in addition to or different from those listed in the RFP.

10 Insurance/Warranties

Without limiting any liabilities or any other obligations of Contractor, Contractor shall, prior to commencing work, secure and continuously carry with insurers having an A- rating (or better) from A.M. Best Company the following minimum insurance coverage:

10.1 Commercial General Liability Insurance

With a minimum single limit of \$1,000,000. The coverage shall include:

1. Bodily Injury and Property Damage Liability;
2. Contractual Liability;
3. Products and Completed Operations to protect against and from all loss by reason of injury to persons or damage to property, including all third persons, and property of NEEA and all third parties based upon or arising out of Contractor's operations hereunder, including the operations of its subcontractors of any tier.

10.2 Business Automobile Liability Insurance

With a minimum single limit of \$1,000,000 for bodily injury and property damage with respect to Contractor's vehicles, whether owned, hired or non-owned, assigned to, or used in the performance of the Tasks.

Appendix A - Intent to Respond Form

RFP #: **42884**

Project Title: Super-Efficient Clothes Dryers Market Characterization Study
NEEA Point of Contact: Amy Webb

Refer to section: Point of Contact for more details

PLEASE PRINT:

| | |
|-------------------------|--|
| Company | |
| Address | |
| City, State, Zip | |
| Contact Name | |
| Contact Title | |
| Phone # | |
| Fax # | |
| E-mail | |

The company named above intends to submit a proposal in response to NEEA’s request for proposal listed above.
Deadline for submitting the “Intent to Respond” form is end of business day of date listed in the RFP schedule.

Signature of authorized representative: _____

Print Name _____

Title _____

Date _____

Appendix B - Scoring Sheet Sample

This is an example only. NEEA reserves the right to change the scoring criteria anytime without notice.

| Proposal Scoring Sheet | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| RFP #: | |
| Title: | |
| Reviewer: | |
| Reviewers complete all sections in yellow. Rate each category 1-5 5 = Exceptional, 4 = Outstanding, 3 = Good, 2 = Needs Improvement, 1 = Weak | |
| Strength of the Proposal | |
| Responsiveness to the RFP | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Strength of the approach | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Creativity in leveraging resources | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Samples of work products | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Overall proposal (complete, clear, professional) | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| | 0 100% |
| Comments: | |
| Strength & Cohesiveness of the Project Team | |
| Overall ability to manage the project | Points: <input style="width: 50px;" type="text"/> Weight: 25% |
| Technical ability to execute tasks | Points: <input style="width: 50px;" type="text"/> Weight: 25% |
| Research/analysis ability | Points: <input style="width: 50px;" type="text"/> Weight: 25% |
| Overall team cohesiveness | Points: <input style="width: 50px;" type="text"/> Weight: 25% |
| | 0 100% |
| Comments: | |
| Qualifications & Experience | |
| Experience working with electric utilities | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Project management with multi-disciplined approaches | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Relationships with distribution equipment vendors/suppliers | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Implementation of sample design, load survey research, metering, etc. | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| Experience working with organizations in a team atmosphere | Points: <input style="width: 50px;" type="text"/> Weight: 20% |
| | 0 100% |
| Comments: | |