



Home Electrification and Appliance Rebates (IRA Section 50122): Implementation RFP Guidance

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Background

The \$8.8 billion Home Energy Rebates (HER) program provides an unprecedented opportunity for states, territories, and Tribes to make American homes more comfortable while reducing energy costs and greenhouse gas emissions.

Given the complexity and expertise required to plan, design, and execute these programs, DOE expects that many states will contract with implementation companies to provide the services needed to deliver effective programs to both single-family homes and multifamily buildings. To contract with these companies, most states will need to go through a competitive solicitation process, which includes a Request for Proposals (RFP).

This document represents key recommended components of an RFP for states and territories¹ to conduct competitive solicitations for program implementation of the Inflation Reduction Act (IRA) section 50122 Home Electrification and Appliances Rebates (HEAR).

Please note that states must follow their own state policies and procurement practices when soliciting any sub-recipient or contractor that may receive federal funds. States can only contract for and fund tasks that have been approved under their existing DOE awards. States are also required to segregate and track costs by award.

This document assumes that states have their own specific requirements and internal procurement policies for many aspects of solicitation management, including the timeline, required RFP structure, budgeting, terms and conditions, scoring approach, etc.

This document focuses on key aspects of the Home Electrification and Appliances Rebates program solicitations that states should consider including in their RFPs to ensure that the bidders provide sufficient detail on how they intend to implement the programs. These sections include:

- **Program Design.** An overview of the state program including key goals and objectives that a bidder will need to know when developing responses.
- **Minimum Requirements.** In addition to the DOE program requirements,² additional key requirements developed by the state.
- **Proposal Response Questions.** Lists of recommended questions for inclusion in the RFP for bidders to respond to in their proposal. These sample questions are designed to help states request key information from potential bidders to both distinguish between contractors and ensure that the contractor can meet the requirements.
- **Other Proposal Requirements.** This provides brief recommendations for components of the RFP that states may or may not need, including bidder qualifications, proposal format, budget guidelines, timeline, and selection criteria.

¹ A separate RFP template will be provided for Tribes.

² Available at [Home Energy Rebate Programs Requirements & Application Instructions](#).

Program Design

In this RFP section, DOE recommends states provide key information to bidders about the intended design of their HEAR program. If states have submitted any applications or plans to DOE (e.g., ALRD #1 or initial ALRD #2 application), states should consider providing those applications to provide additional detail to the bidders on program design. Program design content should include but not be limited to:

- Vision, goals, and key metrics for the program, (e.g., building types included, number of homes participating by income category, expected low income and multi-family share within program).
- How the program will operate within the state including:
 - Program entities involved (e.g., contractors, retailers, auditors, installers) and their roles and responsibilities.
 - Expected partnerships or leveraging of existing program delivery channels (e.g., existing utility programs, retail outlets, online marketplaces, non-profits, community organizations).
- Overview of expected process for point-of-sale transactions, by product types, including:
 - Parties involved.
 - How the state will define and plan to execute 'point-of-sale' rebates consistent with program requirements.³
 - How rebates will be provided to eligible recipients.
 - The state's expectation for which party is carrying the cost between the point-of-sale transaction and reimbursement by the state.
 - Maximum time allowed for rebate reimbursement from the state and how the state will meet that time frame.
- Overall budget for the program including considerations or details of:
 - Years of expected program delivery.
 - Participant building type(s) (single-family, multifamily, manufactured homes).
 - Income levels (low income, moderate income).
 - General spending categories (e.g., marketing, systems, rebates, trainings) including expectations for the amount of funds allocated for administrative costs (up to 20% per statute).
- Expected portion of funding that will be reserved for low-income qualified households.

³ Program Requirements and Application Instructions Section 4.1.5.

- What residential sectors will be served and if any sectors will be targeted (e.g., single-family, multifamily, manufactured housing, etc.).
- Process for issuing rebates for central systems in multifamily buildings.
- Measures to be included in the program and rebate tables, including maximum rebate amounts by income category and other program characteristics.
- Expected allowable methods for income verification and income verification strategies.
- How the state will determine eligibility and verify household income level applicability for single-family applicants as well as for multifamily building owners planning for a whole-building project.
- Definition of a disadvantaged community if the state is proposing to use a definition different from DOE's program requirements.
- Expectations for the role the bidder will have in managing qualified trade partner lists (retailers, contractors, distributors) and managing qualified product lists.
- The list of Home Electrification and Appliances Rebates application-required plans the bidder is expected to support the state in developing (e.g., Community Benefits Plan, Market Transformation Plan).
- Expected contract terms (e.g., standard clauses, agreements, conditions).

Minimum Requirements

- The RFP should instruct the bidders to be aware of and adhere to all programmatic requirements in the IRA Home Electrification and Appliances Rebates (Sec. 50122) [Program Requirements and Application Instructions](#) and [Administrative and Legal Requirements Document \(ALRD\)](#).
- The RFP should instruct the bidders to review DOE's Home Energy Rebates [Frequency Asked Questions](#) and [Recommendations](#) pages.
- The RFP should instruct the bidders to review the State's Home Electrification and Appliances Rebates application narrative document (if approved by DOE).
- The RFP should include any additional requirements implemented by the state. These additional requirements may include, but are not limited to:
 - State-specific program requirements
 - Legal requirements
 - State policies
 - Partnerships with existing programs
 - Rebate dollar amounts
 - Qualified products

Proposal Response Questions

The following sections list sample questions bidders should be directed to answer in their proposals; states should customize these questions for their unique program design and needs. These questions are intended for states to understand how the bidders will fulfill the goals, design, and requirements of the program. These responses can be used to compare the approach and understanding of each bidder.

I. General Delivery Approach

The RFP should request the bidders provide the following information about how their proposed program will address the following:

- The overall program approach and how the homeowners, multifamily building owners, and tenants will interact with the program (i.e., customer journey).
- The structural barriers they expect to incur and how they will overcome these through the program delivery.
- The bidder's general approach and an overview of innovative ideas for achieving priority program objectives.
- The bidder's overall approach to providing point-of-sale rebates.

II. Education and Outreach

The RFP should request the bidders provide the following information about how their approach will target and conduct outreach, marketing, and education, including a timeline and budget for associated activities for both trade partners (retailers, contractors, and distributors), consumers, and multifamily building owners:

- Approaches and strategies for educating customers, retailers, contractors, and distributors about home electrification and appliance rebates; how consumers will access information and will be encouraged to participate in the program.
- How will the bidder promote other federal programs and encourage stacking and braiding with non-federal programs, including other incentives, and financing offerings?
- What partnerships and channels will the bidder utilize for outreach?
- How will the bidder contact and recruit retailers, contractors, and distributors?
- How will the bidder track effectiveness of outreach and education efforts and materials? What metrics does the bidder propose to develop and use to measure effectiveness of education and outreach efforts?
- How will the bidder ensure outreach, education, and marketing efforts are reaching the potential eligible program participants?
- How will the bidder support the state to facilitate at least one public input session and incorporate feedback into program design?

- If applicable, how will the bidder support the state in their development of the Education and Outreach strategy, including their proposed approach to developing the strategy, key content within it, and how the above activities will be incorporated into the strategy?
- How will the bidder develop tools to help eligible entities identify qualifying households?

III. Home Assessments

The RFP should request the bidders describe when home assessments will be used and the process, including:

- How will the bidder ensure the limited home assessment process is applied for qualified electrification projects (QEP)?
- How will the bidder review and validate home assessments to make sure that they meet all DOE requirements within Section 4.2.4?
- The process for and how the bidder will ensure all required information is collected during the home assessment.
- The process for and how the bidder will ensure all required information is collected for QEPs that do not require a home assessment.
- Describe how the bidder will alert customers that an electrification project may result in a higher utility bill and develop a threshold for when there is an unacceptable risk of a higher bill.
- How will the bidder review and validate home assessments for accuracy?

IV. Eligibility and Income Verification

The RFP should request the bidders describe their approach to eligibility and income verification for both single-family households and multifamily buildings, including:

- How will the bidder determine which upgrades and equipment are included in the qualified product list for the program and the process to update qualified products?
- How will the bidder ensure that the Energy Star certification requirement, if applicable, for heating, cooling, and water heating products is adhered to?
- Income verification:
 - How will the bidder verify the income levels of applicants and multifamily buildings?
 - What methods will the bidder implement to randomly sample applicants to confirm income level (especially if for self-attestation)?
 - What is the bidder's remediation process if the income level reported was deemed falsified?

- If using the DOE Rebate Reservation and Tracking application programming interface (DOE API), how the bidder will incorporate the API into their systems and the execution of the income verification systems?
- If not using the DOE API, describe the systems that will be used to verify income and describe the experience for the household.

V. Rebates

The RFP should request the bidders describe the following:

- Provide details on the point-of-sale rebate approach, including:
 - What is the process for ensuring that the appropriate rebate is paid based on product and income level?
 - How will the bidder ensure that eligible recipients will receive their rebate at the point of sale?
 - How will the bidder ensure that total household rebate limits are not exceeded?
- How will eligible entities be paid installation incentives in a timely fashion?
- What is the process for rebate reimbursement and how will the bidder ensure the maximum time allowed for rebate reimbursement will be met?
- What are the risks to meeting the rebate processing timeframe requirements and how will the bidder mitigate those risks?
- What systems will be used for processing rebates?
- How will the bidder work with retailers, distributors, contractors, and other eligible entities to provide rebates?
- How will the bidder manage receiving requests from and providing rebates to customers, contractors, distributors, and retailers?
- How will the bidder ensure rebates meet all program requirements and document those conditions?
- How will the bidder ensure that the household did not receive federal funds for the same equipment or upgrade?
- How will the bidder set up multiple pathways to provide rebates either through point of sale or submitted invoice?
- How will procedures differ for multifamily homes/buildings?

VI. Consumer Protection and Quality Assurance

If applicable, the RFP should request the bidders describe how they will ensure quality installations including:

- How will the bidder support the state in developing a consumer protection plan, or if already developed, how will the bidder develop the program consistent with the consumer protection plan?
- How will the bidder develop a system to collect and respond to consumer feedback?
- How will the bidder address dispute resolution? What is the bidder’s proposed approach for conflict resolution and remediation?
- What is the bidder’s proposed approach for onsite inspections to meet DOE requirements?
- How will the bidder qualify retailers, contractors, and distributors as eligible, identifying required qualifications and have a process for delisting if necessary?
- How will the bidder develop installation standards and a process to enforce those standards?
- How will the bidder incorporate continuous improvement, developing processes for identifying problem areas and fraud/waste?

VII. Community Benefits

If applicable, the RFP should request the bidders describe their approach for supporting the state in the development of the Community Benefits Plan which should include:

- **Community and Labor**
 - How will the bidder engage with community partners and community organizations?
 - What are the bidder’s community outreach and engagement strategies?
- **Skilled and Qualified Workforce**
 - How will the bidder incorporate workforce education and training into their plans for both the single-family and multifamily workforce?
 - How will the bidder support groups that organize and apply collective bargaining?
- **Incorporating Diversity Equity Inclusion and Accessibility (DEIA)**
 - How will the bidder incorporate the state’s DEI objectives? How will the objectives be met?
 - How will the bidder manage and track the portion of the budget with minority-owned businesses, women-owned businesses, and veteran-owned businesses?
 - What other DEI actions does the bidder propose?
- **Address [Justice40 Initiative](#)**
 - How will the bidder effectively identify and promote home electrification and appliance rebates to disadvantaged communities?

- How will the bidder work with the state to ensure that low-income and multi-family funding percentage minimums are met?
- What are the quantifiable benefits expected to accrue to disadvantaged communities?
 - Direct benefits from energy upgrade projects?
 - Economic benefits through jobs and contracts?

VIII. Data and Security Requirements

The RFP should request the bidders describe their approach to data tracking and data security and request the following:

- A description of cybersecurity protocols and how information will be stored securely.
- A description of risk-based security controls.
- Confirmation that the security and privacy controls have been reviewed by an independent party in the last 3 years.
- How will the bidder meet the data collection requirements in the [DOE Data & Tools Requirements Guide](#)?
- Will the bidder use the DOE/PNNL rebate reservation and tracking API or another system?
 - If using the DOE/PNNL system, how will the bidder incorporate these workflows and API into the program?
 - If using a different system, what is the system and how will the bidder ensure the system meets all DOE data and program requirements?
- Does the bidder have data transfer abilities and protocols should be in place to utilize APIs and HPXML?

IX. Program Evaluation

The RFP should describe the data that will be required for evaluation and must remain accessible for validation. The RFP should request the bidder describe how it will store and make available the following data and information:

- Auditing tools and software
- Home assessment data
- Income amounts
- Post-installation photos
- Incentives paid
- Project costs
- Quality assurance tracking and resolution

X. Market Transformation

The RFP should provide the bidder with a high-level vision of the state's market transformation goals. If the bidder will be supporting the state in developing the Market Transformation Plan, the RFP should request bidder describe the following:

- A general approach to developing market transformation plans and why they are qualified to support the state in developing the plan.
- Key components of a Market Transformation Plan and how the bidder will guide the state through addressing each of them.
- How will the bidder ensure that the Market Transformation Plan meets DOE program requirements?
- How the Market Transformation Plan will be implemented, tracked, measured, and reported on towards goals over time?
- Key market indicators that can quantify and measure market transformation goals and how that data will be collected?

XI. Reporting to State and DOE

The RFP should include the state's reporting requirements for the bidders and how those reports will flow into the overall award reporting that the state is required to provide to DOE. The RFP should request the bidder describe how they will track and report the following to the state while keeping each IRA provision tracked and managed separately, if applicable:

- Quarterly progress
- Quarterly budget vs. actual spending
- Projected progress
- Projected budget changes, if any
- Projected scope changes, if any
- Potential risks or realized issues on the project

Other Proposal Requirements

RFPs generally include additional components that provide the bidder guidance on any additional information to be submitted and how that information should be provided. This includes expectations for how bidders should provide company and staff qualifications, the structure of the proposal and templates, and formats for submitting key information including the proposed budget and timeline to launch. States should consider adding the following to their RFPs:

I. Bidder Qualifications, Experience, and Staff Plan

The RFP should request:

- A summary of related expertise and minimum qualifications that speak to both single-family and multifamily experience.
- A plan for staffing the project that includes an organization chart and bios/resumes of key personnel.

II. Proposal Format and Submission

The RFP should include instructions for proposal structure, length, format, due date, etc.

III. Budget Guidelines

The RFP should include:

- An optional template⁴ in an Excel spreadsheet or similar for completing the budget by category that allows for consistency among the different bidders and easy comparison by the state. Recommended categories include budget for:
 - Outreach and marketing
 - Home assessments
 - Contractor incentives
 - Customer incentives
 - Data tracking
 - Data security
 - Evaluation
- The overall level of effort expected (e.g., a range of hours, FTE, or % of budget), budget range, and cost proposal requirements (e.g., costs by category, number of hours, hourly rates, etc.).

IV. Proposal Timeline

The RFP should:

- Request a timeline for the bidder that includes the schedule for developing a detailed implementation plan and preparation activities required to launch the program.
- Include key dates for RFP process, decision, project commencement, etc.
- Include a Bidder Webinar to review RFP process and allow for questions.
- Include dates for submittal of additional questions and response date.
- Allow at least 4-6 weeks from the time it is released until proposals are due.

⁴ States should consider aligning cost categories with the [Home Rebates Budget Justification Workbook](#).

V. Selection Criteria

The RFP should describe the criteria that will be used to evaluate proposals and compare bidders' proposals. Recommended criteria include how well the bidder responded to each of the proposal requirements and addressed the topics in the RFP, budget, schedule, staff experience and expertise, and preference for disadvantaged businesses.

VI. Contracting

Consistent with the state's procurement rules, the RFP should describe the contracting process and provide a draft contract for the bidder to reference.