



REQUEST FOR PROPOSALS

CalMTA Room Heat Pump Market Transformation Initiative Implementation

Proposals due:

Friday, January 30, 2026 by 6:00 pm PST

Contents

Contents.....	2
Introduction	3
Supporting documentation	4
RFP schedule	5
Submittal instructions	5
MTI overview and product description	6
Logic model highlights linked to Implementation Areas	9
Overall program cost estimates	10
Implementation areas.....	10
Implementation Area 1: Engaging RHP manufacturers on product development improvements	10
Implementation Area 2: Engaging multifamily building owners to increase market demand	13
Implementation Area 3: Building consumer market awareness.....	15
Implementation Area 4: Engaging HVAC distributor and retail partners on RHP stocking and sales	16
Implementation Area 5: Coordinating with external California programs.....	18
Bidder eligibility	19
Pre-bid webinar.....	20
Submitting an intent to bid	20
NDA requirement	21
Bidding team & policies	21
Question & answer period	21
Cost proposal	21
Evaluation criteria	22
Bidder presentations/interviews	22
Contractual considerations.....	22
RFP attachments.....	22



Introduction

The California Market Transformation Administrator (CalMTA) is the statewide administrator that develops and manages market transformation initiatives (MTIs) to increase energy efficiency and support California's energy and climate goals. CalMTA was formed as a result of California Public Utilities Commission (CPUC) Decision 19-12-021, which authorized funding for and creation of a statewide Market Transformation Administrator. This Decision also adopted a framework for identifying and managing a portfolio of market-level initiatives for the State which work to deliver cost-effective energy efficiency and reduce greenhouse gas (GHG) emissions.

Market transformation (MT) is the strategic process of intervening in a market to create lasting change by removing market barriers or exploiting opportunities to accelerate the adoption of identified technologies or practices. While traditional energy efficiency programs focus on delivering cost-effective impacts in the short term, market transformation programs focus on effecting structural market changes that deliver large and lasting savings in the long term. When successful, the interventions implemented by CalMTA will phase out as other factors take over to sustain demand and the targeted technology or behavior becomes standard practice. CalMTA follows a [three-phase MTI development and deployment process](#) in alignment with D.19-12-021.

The Room Heat Pump (RHP) Market Transformation Initiative was approved to move into Phase III: Market Deployment by the CPUC in [D.25-11-023](#). The [RHP MTI Plan](#) developed by CalMTA is based on extensive research and analysis conducted in Phase II of CalMTA's MTI development process, including a product assessment, market characterization study, stakeholder and market actor engagement, and strategy pilot efforts. The plan describes in detail the market-level barriers, opportunities, and interventions seen as critical to success of this MTI, with a comprehensive [logic model](#) serving as a systematic and visual way of presenting CalMTA's understanding of the interventions necessary to remove barriers, expected outcomes of those interventions, and a pathway to the desired end state. Links to all components of the RHP MTI Plan can be found in the [Supporting Documentation](#) section of this RFP below, while key elements of the logic model are highlighted on [p. 8](#).

This Request for Proposals (RFP) seeks to identify qualified bidders or teams of bidders to implement activities associated with the strategic interventions identified in the RHP MTI Plan, with the goal of achieving outcomes defined as indicators of MT progress. The RFP includes five Implementation Areas to support the eight strategic interventions identified in the MTI Plan:

- Implementation Area 1: Engaging RHP manufacturers on product development improvements
- Implementation Area 2: Engaging multifamily building owners to increase market demand
- Implementation Area 3: Building consumer market awareness
- Implementation Area 4: Engaging HVAC distributor and retail partners on RHP stocking and sales



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

- Implementation Area 5: Coordinating with other California programs

More detailed information about each Implementation Area is provided in dedicated sections below. Bidders may submit responses to all or select areas as individual implementors or as part of a team. For any team response, the proposal must be submitted by the prime contractor.

The initial contract term for RHP MTI Implementation is three years with the potential for future contract extensions. Overall metrics used to track the success of this Implementation Area are detailed in [Appendix F of the RHP MTI Plan](#). Third-party evaluators will conduct annual market progress evaluations to track progress towards the market progress indicators and milestones described in this appendix.

Supporting documentation

The list below provides hyperlinks to relevant publicly posted documents related to the RHP MTI that contain critical information about the MT approach. Bidders should review all documents to ensure that proposals reflect an understanding of the market research and MTI development activities that inform the Implementation Areas included in this RFP.

- [Room Heat Pump MTI Plan](#)
- [Appendix A: Logic Model](#)
- [Appendix B: Market Forecasting and Cost-Effectiveness Modeling Approach](#)
- [Appendix C: Product Assessment Report](#)
- [Appendix D: Market Characterization Report](#)
- [Appendix E: External Program Alignment & Coordination](#)
- [Appendix F: Evaluation Plan](#)
- [Appendix G: Risk Management Plan](#)
- [Appendix H: Phase III Cost Estimate](#)
- [Appendix I: MTAB Feedback](#)
- [Room Heat Pump Self-Installation Practices Strategy Pilot](#)
- [FAQ: Market Transformation](#)



RFP schedule

Key milestones and events for the RFP process are listed below.

RFP release date	Thursday, December 4, 2025
Pre-bid webinar	Thursday, December 11, 2025
Intent to Bid form due	Prior to proposal submission
Question and answer period closes	Monday, December 22, 2025
RFP proposals due	Friday, January 30, 2026
Bidder presentations/interviews	Week of February 16, 2026
Bidder selection	February 2026
Contract negotiations.....	1 st quarter 2026
MTI launch	1 st - 2 nd quarter 2026

Submittal instructions

Bidders must submit all required RFP response documents via the CalMTA RFP Portal by the due dates specified in the RFP Schedule. Complete and compliant proposals will include the following documents:

1. Proposal Response document including:
 - a. **Company background and qualifications:** Bidders should describe their company's background and experience successfully delivering energy efficiency services like the Implementation Areas they are bidding on, particularly any experience implementing market transformation programs. This information should also be provided for each subcontractor. If the prime contractor has previously worked with subcontractors on their team, this should be described.
 - b. **Approach to Implementation Areas** (limited to six pages per Implementation Area): Bidders should provide a detailed description of the approach and methodologies they propose for each Implementation Area on which they are bidding and how they will manage these activities. We encourage bidders to propose innovative and creative solutions in each area to achieve the desired market impact. In addition, bidders are encouraged to identify potential market leverage opportunities that could amplify the impacts of the MTI. Whenever possible, bidders should describe examples of where they have deployed proposed approaches successfully.
 - c. **Project timeline:** Bidders should provide a Gantt chart, supplemented by any additional narrative information, with the proposed timeline for key milestones and deliverables associated with each Implementation Area.
 - d. **Work samples:** Bidders should provide examples of past work relevant to the Implementation Areas included in the proposal. Subcontractor work samples are also strongly encouraged.
 - e. **Project team:** Bidders should describe their team structure, including subcontractors, with roles, responsibilities, and past experience defined for key personnel who will



support each Implementation Area. For any team that includes subcontractors, bidders should describe how individual firms' contributions will be managed to ensure accountability. Resumes for all key personnel should be included. Proof of CPUC Supplier Clearinghouse certification should be provided for any diverse firms on the team.

2. Attachment 1: Completed Cost Proposal Sheet
3. Attachment 3: Completed RFP Supplier Questions
4. Attachment 4: Completed Conflict of Interest Certification
5. Exceptions to Program Services Agreement or a No Exceptions Statement. (The Program Services Agreement will be provided upon receipt of a signed non-disclosure agreement [NDA]).

MTI overview and product description

As developed by CalMTA, the Room Heat Pump MTI Plan aims to accelerate market adoption of RHPs to provide efficient heating and cooling in existing small single-family, and multifamily households. With a forecasted Total System Benefit (TSB) of \$480 million over 20 years for this MTI, RHPs offer a significant, cost-effective opportunity to reduce energy demand and associated infrastructure costs. Over time, the initiative will transform the market and lock in energy savings, grid benefits, and GHG reductions to help meet California's climate goals.

RHPs provide Californians with a more efficient option than single-function electric resistance heaters and window air conditioners. They can be self-installed and plugged into a standard 120V outlet without a panel or service upgrade. RHP technology provides an attractive option for the general population, and especially those who cannot afford the installation cost of other heat pump alternatives or are unable to install permanent equipment due to building owner restrictions.

The MTI Plan developed by CalMTA identifies market-level intervention strategies to increase commercial availability of affordable RHPs that consumers can own and take with them if they change residences, which will deliver comfort and climate resiliency benefits. As California moves toward its decarbonization goals, RHPs will be one critical solution for replacing zonal gas and electric resistance heating, which is particularly common in multifamily buildings. RHPs will also help offset the energy needs of central systems and provide air conditioning (AC) to those in need of cooling as extreme heat weather events increase.

Due to California's relatively mild climate, CalMTA is targeting products with a cooling and heating capacity of approximately 8,000 to 14,000 BTU/h, which are designed to condition approximately 400 to 1,000 ft². RHPs currently fall into two different categories according to federal appliance standards, both of which only have efficiency standards for the cooling cycle (portable AC starting in 2025) and not for heating. Portable heat pumps (PHPs), seen in Figure 1a below, fall under the category of Portable Air Conditioners, which describes moveable products



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

that sit on the floor and connect to outdoor air via ducts running to a window. Window heat pumps and through-the-wall heat pumps fall under the category of Room Air Conditioners with Reverse Cycle. In this category, there are three additional form factors included: saddlebag (Figure 1b), U-shape (Figure 1c), and traditional window units (Figure 1d). These products can be self-installed with outdoor and indoor components straddling the window sash. Through-the-wall heat pumps have a similar form factor to traditional window air conditioners (Figure 1d) but slide into a sleeve in an external building wall instead of a window.

Figure 1: Types of Heat Pumps



Currently, single-function heating or cooling products, like electric resistance heaters and window AC units dominate the market as the most common choice for consumers. In addition, we anticipate that demand for AC by those who do not currently have it will increase due to more frequent extreme heat events. As that demand increases, consumers must be motivated to select the most efficient cooling option while also improving the efficiency of their heating.

RHPs offer numerous advantages including increased efficiency, dual function, and multiple form factors, but they are a new class of products and consumers are unfamiliar with them. Other current market-level barriers further inhibit their adoption. As identified through CalMTA's Phase II research, the primary barriers include insufficient availability through the retail channel, limited consumer awareness, higher upfront costs, lack of suitable products for most California climate

zones, an ineffective product differentiation mechanism, and current product configurations that do not fit in casement or slider windows, which are dominant in California, particularly in multifamily housing.

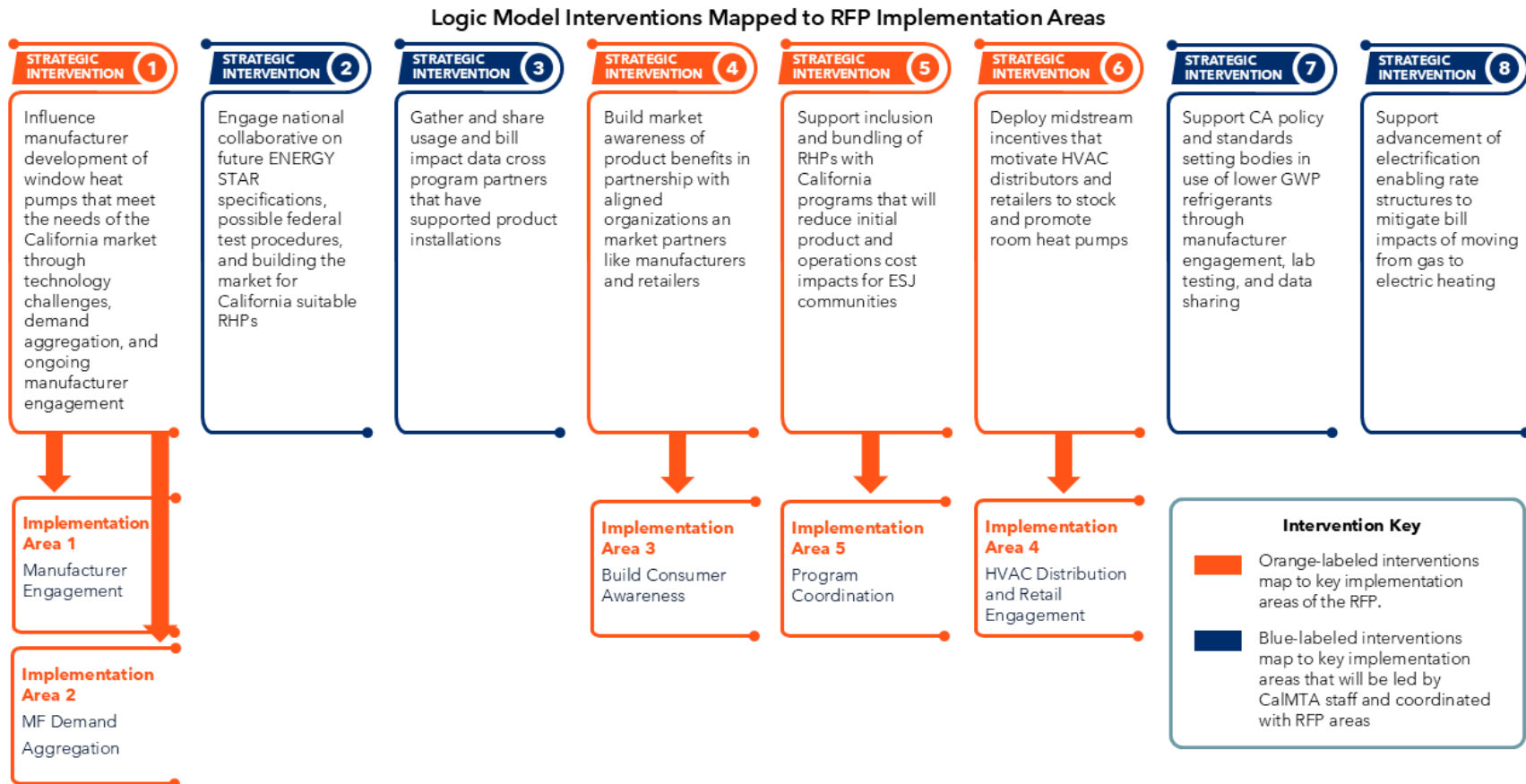
The vision for a transformed market includes an end state where RHPs are the norm over less efficient single-function heating and cooling units in California's multifamily and smaller single-family homes due to their superior efficiency, their ability to improve home comfort, and large market acceptance due to increased awareness of these benefits. Reaching this end state will require removing market barriers through the implementation of market-level interventions that include engaging with manufacturers for product improvements, aggregating demand among multifamily building owners/managers, increasing consumer awareness, engaging with HVAC distributors and big box retailers to modify stocking and sales practices, and inclusion of RHPs in local utility and climate resilience programs.

The goal is for this MTI to accelerate market activity to deliver affordable, climate-appropriate, and efficient RHPs that fit multiple window configurations, thus reducing California's reliance on inefficient systems or products. In addition, over time, we envision that these products will include air filtration options and use lower global warming potential (GWP) refrigerants to increase air quality and reduce climate impacts.



Logic model highlights linked to Implementation Areas

The five Implementation Areas included in this RFP are developed from a set of strategic interventions identified by CalMTA in the RHP MTI Plan Logic Model. They map directly to four key interventions proposed in the current logic model as detailed in the graphic below. [View the complete logic model on calmta.org](https://calmta.org).



CalMTA is a program of the California Public Utilities Commission (CPUC) and is administered by Resource Innovations

Select interventions identified in [the full logic model](#) will be primarily implemented by CalMTA staff and not the selected bidder, as identified in blue above. For example, Strategic Intervention 8 (Support advancement of electrification-enabling rate structures to mitigate bill impacts of moving from gas to electric heating) will contribute to increased adoption of other electrification measures in addition to RHPs. It also requires high-level engagement with policy-makers and other organizations directly leading rate optimization efforts in California. CalMTA will therefore manage this intervention across multiple MTIs. The interventions in orange are those identified as the primary responsibility of the chosen implementation contractor.

Market transformation programs inherently require coordination between all identified interventions, as outputs and outcomes linked to a specific intervention can often result in inputs or support for other interventions. For example, engagement with manufacturers on product development enhancements (Strategic Intervention 1) can inform both building consumer demand (Strategic Intervention 5) and work on future ENERGY STAR® specifications that can be addressed via the national collaborative (Strategic Intervention 2). This interconnected nature means that the teams deploying all Implementation Areas must collaborate closely with the CalMTA Program Manager, who will serve as the primary point of contact, as well as other CalMTA subject matter experts.

Overall program cost estimates

As shown in [Appendix H: Phase III Cost Estimate](#) linked above, cost estimates increase by ~30% in years 2 and 3 over year 1. Additionally, there are incentives available of \$1,500,000, \$2,750,000, and \$2,950,000 for years 1, 2, and 3 respectively. These incentive dollars are not included in the labor budget estimated in this RFP.

Bidders should be aware that they are bidding on the scopes outlined below but will be leveraging both the incentives mentioned above and CalMTA staff who have worked to develop this MTI.

Implementation areas

Implementation Area 1: Engaging RHP manufacturers on product development improvements

Anticipated 2026 Labor Budget: ~\$500,000/year

Implementation Area 1 focuses on activities and outputs related to influencing manufacturers to quickly develop and scale production of RHPs that meet the needs of the California market through a Technology Challenge or similar intervention. CalMTA's conversations with manufacturers indicate an interest in and willingness to develop appropriate products if manufacturers see a large enough demand signal from the market and there is support from energy programs like CalMTA. Successful implementation of these activities will therefore require



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

both technical expertise to effectively influence manufacturer product developers and business acumen to build a cogent and compelling manufacturer-centered business case. In Year 1, CalMTA has also allocated a budget to be used in tandem with the implementation of this task (\$500,000 detailed above) as “manufacturer incentives” to help offset research and development (R&D) costs for manufacturers to develop appropriate products for slider windows and milder climates. Activities conducted through this area will be bolstered by the demand aggregation generated through Implementation Area 2.

Bidders’ proposed approach to this Implementation Area should consider and address the market-level barriers and opportunities identified by CalMTA through Phase II research and market transformation experience. Technical and market barriers include the following:

- Because RHPs are a relatively new class of products, most commercially available models are not designed specifically for California’s climate or building stock. While Type 4¹ RHPs can be utilized in California, most California climate zones do not require a product capable of addressing such cold temperatures. Type 4 products were built for northern climates and offer heating capability at much lower temperatures, but this functionality drives increased product costs beyond what an average California consumer needs or is willing to pay. Type 4 products are also larger and heavier than a product designed for more moderate climates would be, resulting in more complex and challenging installation.
- California housing stock is dominated by horizontal, sliding windows, especially in multifamily housing. Horizontal sliding windows² cannot accommodate the current saddlebag or window box form factors. Working with manufacturers to influence the development of Type 2 and 3 RHPs that can be installed in slider windows will be critical to transforming this market in California.
- RHP product enhancements that yield additional consumer and climate benefits, thus strengthening the value proposition of RHP adoption, are not yet in place. CalMTA is particularly interested in expanding the number of available models offering optional air filtration capability as well as the introduction of models using lower GWP refrigerants, which are available now outside of the U.S. Because RHPs use a small amount of refrigerant and that refrigerant is hermetically sealed, they are well-suited to use lower GWP refrigerants.

¹ Based on the new ENERGY STAR test procedure: **Type 1 heat pump:** A RHP that does not have active defrost or for which the specified compressor cut-in and cut-out temperatures are not both less than 40°F. **Type 2 heat pump:** A RHP that has active defrost and for which the specified compressor cut-in and cut-out temperatures are both less than 40°F but not both less than 17°F. **Type 3 heat pump:** A RHP that has active defrost and for which the specified compressor cut-in and cut-out temperatures are both less than 17°F but not both less than 5°F. **Type 4 heat pump:** A RHP that has active defrost and for which the specified compressor cut-in and cut-out temperatures are both less than 5°F.

² CalMTA forecasts the release of a Horizontal Sliding Windows Research Report in December 2025.

The following opportunities can be leveraged to achieve the desired goals for this Implementation Area:

- Increased awareness of the need for scalable electrification options for multifamily properties, renters, and resource-constrained households has created market momentum and sparked manufacturer interest in developing energy-efficient 120V heating and cooling solutions.
- Significant progress has been made on an ENERGY STAR designation and a Department of Energy (DOE) test procedure that captures the heating functionality of these products in addition to cooling efficiency. Version 6.0 of the Room Air Conditioner (RAC) specification has yet to be formally adopted by the Environmental Protection Agency (EPA), but this is expected sometime in 2026.
- RHPs offer appealing consumer benefits beyond energy efficiency: their ability to be installed without a professional contractor, the fact that they can be independently owned by residents, and are portable, allowing residents to retain ownership of the product when they move.
- Future product improvements, like the successful integration of air filtration capability, will create an even more appealing value proposition for consumers.

The following activities are included in Implementation Area 1:

- Development of strategic engagement plans targeting key influential RHP manufacturers
- Support of CalMTA staff's individual manufacturer engagement on product roadmaps and development of products suitable for California window and climate needs
- Technical support for product specification development and future ENERGY STAR designations or DOE test procedures, as well as assessment of potential trade-offs on future product features
- Creation and ongoing refinement of a business case for manufacturers to invest in RHP development
- Development and administration of a CalMTA RHP Technology Challenge that will challenge manufacturers to bring to market a RHP that meets California's window and climate needs (see also: Implementation Area 2)
- Support of the [Room Heat Pump National Collaborative](#), a national group comprised of energy efficiency organizations, program implementers and manufacturer partners, that works to create market alignment and build greater market momentum through shared data, shared pilot experiences, and support for program measure development
- Documentation of all manufacturer engagements and product roadmaps to demonstrate market influence and expected market outcomes

While these activities should be components of bidders' proposed approach, as they are based on CalMTA's research and market transformation experience, we recognize that they may not be the only options for influencing manufacturers to achieve the MTI's desired outcomes. CalMTA



encourages bidders to bring their expertise, ideas, and possible leverage from other resources to propose additional strategies that could quickly transform the market for RHPs.

Implementation Area 2: Engaging multifamily building owners to increase market demand

Anticipated 2026 Labor Budget: ~\$480,000/year

Implementation Area 2 focuses on activities and outputs related to increasing RHP awareness and demand from multifamily building owners and occupants, which will be critical to sending a strong demand signal to manufacturers for the development and distribution of California-appropriate RHP products. Developing a clear value proposition, backed by the best RHP use-cases for multifamily building owners and property management staff who make equipment decisions, will be the primary focus of this area. Addressing barriers that are particularly pronounced with multifamily buildings that serve low-income or environmental and social justice (ESJ) communities and engaging the support of local community-based organizations (CBOs), will also be important to successful implementation. CalMTA has allocated a separate budget (outside of the labor budget for this Implementation Area) for multifamily building owner incentives that can be utilized to implement this task. In addition, activities conducted through this area will benefit from the manufacturer engagement activities included in Implementation Area 1 and will require close collaboration.

Bidders' proposed approach to this Implementation Area should consider and address the market-level barriers and opportunities identified by CalMTA through Phase II research and market transformation experience. Technical and market barriers include the following:

- Currently, no efficient RHP products are available on the market that fit into slider or casement windows, estimated to be over 70% of the California residential market. Most current products are designed for double hung windows.
- Building owners are not aware of RHPs and may be skeptical of the benefits they provide to their occupants, buildings and businesses.
- Upfront cost deters interest in adoption and may require a near-term mechanism for building owners to purchase RHP products at a discount, thus sending aggregated demand signals to manufacturers.

The following opportunities can be leveraged to achieve the desired goals for this Implementation Area:

- RHPs will be, in many cases, a more affordable efficient HVAC option than minisplits/ductless heat pumps, which will appeal to building owners/decision-makers who are already leading efforts to decarbonize their portfolios.
- California has set a widely publicized [commitment to rapid heat pump adoption](#), as well as ambitious decarbonization goals, which creates statewide momentum.



- RHPs can function as a climate resilience tool by providing efficient AC to Californians who would not otherwise have access to cooling during extreme heat events.
- RHPs can reduce households' energy burden in situations where zonal or forced air electric heating exists.

The following activities are included in Implementation Area 2:

- Coordination of product demonstrations for leading building owner properties to support their knowledge and comfort of RHPs as a solution for their buildings, potentially conducted in collaboration with other energy efficiency programs
- Identification and engagement of local CBO partners that are targeting affordable multifamily housing to provide the support needed for them to promote or, where applicable, include RHPs in their services
- Identification and engagement of leading multifamily building owners whose buildings primarily have sliding windows but would purchase RHPs for occupants if a suitable product existed
- Development of effective, innovative approaches to aggregate the demand of multifamily building owners and local programs and send a large demand signal to manufacturers to invest in RHPs innovation, such as a buydown approach where building owners and programs could bulk-purchase RHP units at a discount
- Identification and engagement of additional "early adopter" building owners for all form factors of RHPs, especially for those that still have inefficient electric heating
- Development and deployment of building owner and tenant education tools in partnership with manufacturers
- Development and deployment of a broader engagement plan, possibility through market aggregators, targeting a wider swath of building owners to continue to build demand for RHPs in the multifamily market
- Coordination with and leverage of other energy efficiency and decarbonization programs and partners targeting these building owners, in alignment with the activities described in Implementation Area 5.

While these activities should be components of bidders' proposed approach, as they are based on CalMTA's research and market transformation experience, we recognize that they may not be the only options for aggregating RHP demand among multifamily building owners. CalMTA encourages bidders to bring their expertise, ideas, and possible leverage from other resources to propose additional strategies that could quickly transform the market for RHPs.



Implementation Area 3: Building consumer market awareness

Anticipated 2026 Labor Budget: ~\$550,000/year

Implementation Area 3 addresses a critical early component of the marketing funnel. Building consumer awareness creates the market pull needed to elevate emerging technologies like RHPs and helps ensure consumers have visibility into all options when they begin researching heating and cooling products. Activities in this area will focus on developing marketing tools and resources, deploying these resources through targeted marketing partnerships, and increasing consumer familiarity with and understanding of RHPs to stimulate demand. It is anticipated that Year 1 for this task will focus on messaging development and testing, with broader consumer marketing taking place in Years 2 and 3 as more RHP products become available through retail and distributor channels.

Bidders' proposed approach to this Implementation Area should consider and address the market-level barriers and opportunities identified by CalMTA through Phase II research and market transformation experience. The barriers identified through CalMTA research include the following:

- Most consumers do not intuitively understand terms like "heat pump," "inverter," or "micro heat pump," resulting in market confusion about what these products are, the benefits they offer, and best use-cases.
- RHPs are a new product class with a range of form factors. Unconventional naming and labeling practices make it difficult for consumers to effectively understand the benefits and identify the right product for their home.
- Consumers lack knowledge about the energy savings and increased comfort these products can provide compared to other heating and cooling options.

The following opportunities can be leveraged to achieve the desired goals for this Implementation Area:

- Manufacturers are willing and eager to support market acceleration efforts. They are well-positioned to be partners in co-marketing campaigns when the appropriate products for California are developed.
- As more RHP products come to market, they will become available through HVAC distributors and retail channels, creating opportunities for co-marketing support.
- The introduction of a new ENERGY STAR label will increase consumer awareness and trust.
- Multiple utility programs exist that could support consumer awareness with both marketing and consumer incentives.

The following activities are included in Implementation Area 3:

- Market research on effective consumer messaging to promote and build awareness for RHPs,



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

with a focus on multifamily audiences and smaller single-family consumers as well as targeted audiences such as ESJ communities and renters

- Market research to identify community engagement channels and possible partnerships that offer increased leverage (e.g., CBOs or building associations) to best reach key audiences at scale
- Development of market-informed campaigns and metrics for regular reporting of the effectiveness in reaching target audiences and building awareness of RHPs
- Deployment of marketing strategies and tactics, including partnerships with local programs and possible strategic partners like CBOs
- Adaptive management of marketing campaigns based on identified metrics of success.

While these activities should be components of bidders' proposed approach, as they are based on CalMTA's research and market transformation experience, we recognize that they may not be the only options for increasing consumer awareness of RHPs. CalMTA encourages bidders to bring their expertise, ideas, and possible leverage from other resources to propose additional strategies that could quickly transform this market.

Implementation Area 4: Engaging HVAC distributor and retail partners on RHP stocking and sales

Anticipated 2026 Labor Budget: ~\$500,000/year

Implementation Area 4 focuses on activities that will mitigate a key obstacle to adoption: as a new class of heat pump products, RHP are largely unavailable through HVAC distributor and retail channels. Currently, most are only available directly through manufacturer websites. Because consumers typically purchase competing plug-in AC and portable space heating equipment in retail locations and larger building owners procure products through HVAC distributors, ensuring RHPs are available in these channels and encouraging beneficial stocking and sales practices will be an important intervention strategy. Accomplishing this involves identifying key distributors and retailers and working with them to stock products both online and in stores, training retail staff, and supporting their marketing strategies to build consumer awareness. Distribution stocking practices should also be equitable, with products available in all regions, including identified ESJ communities. CalMTA has allocated a separate budget (outside of the labor budget for this Implementation Area) for retailer and HVAC distributor stocking incentives that can be utilized to implement this task.

Currently, CalMTA is leveraging its sponsorship of the national ENERGY STAR Retail Products Platform/Program (ESRPP) by providing retailer incentives that encourage the stocking and promotion of the limited models of RHPs currently available in retail locations. This effort engages four leading retailers (The Home Depot, Lowe's, Best Buy, and Nationwide, an aggregator of independent appliances stores) and is a mechanism for collecting full category sales data across a



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

large swath of consumer product distribution. To date, CalMTA has seen very few RHPs sold through retail but expects this number to grow over time. CalMTA will continue to target these retailers during market deployment, with the implementation contractor supporting this effort through retailer coordination, data analysis, and development of special promotions as more product becomes available.

CalMTA also expects leading manufacturers to first target key HVAC distribution channels. This task will involve identifying key HVAC distributors in partnership with manufacturers and developing a strategy to build stocking and sales practices of RHPs. Other strategies may include using the incentives described above to engage key distributors to help aggregate demand and bring down costs for the building owners discussed in Implementation Area 2 and provide the team with access to sales data.

Bidders' proposed approach to this Implementation Area should consider and address the market-level barriers and opportunities identified by CalMTA through Phase II research and market transformation experience. Barriers that this task area should work to overcome include:

- Most RHP products are not currently in stock at HVAC distribution and retail locations and sales practices are not in place to promote this technology.
- Sales staff lack awareness of RHP technology and benefits, so they are not well-positioned to guide customers to these products once they are available via HVAC distribution and retail channels.
- Consumer awareness and demand remain low, which does not motivate distributor action.

The following opportunities can be leveraged to achieve the desired goals for this Implementation Area:

- CalMTA has established ESRPP retailer relationships, contracts, and data gathering systems.
- The ENERGY STAR label and federal test procedures for heating and cooling features of RHPs will serve as helpful product differentiators and sales tools.
- California has a few midstream retail and HVAC distribution energy efficiency programs that provide potential marketing/promotional support and incentives to help reduce upfront cost.
- Other distribution channels used by multifamily building owners to purchase products for their properties can offer promotional support or volume discounts.

The following activities are included in Implementation Area 4:

- Support of CalMTA staff in their ESRPP sponsorship, including engagement with key retailers, analysis of RHP sales data, and implementation of any layered promotions (e.g., AC turn-in events)
- Development and deployment of training for sales staff that will educate them on RHPs and



assist in their ability to effectively answer questions and educate customers, with potential reporting on the effectiveness of training efforts through surveys completed by sales staff or sales data

- Support to drive increased RHP sales in this channel through partnerships with retail and HVAC distribution and their manufacturer suppliers, including special promotions, encouraging inclusion of RHPs as part of install services, and working with “pro desks” to help them include and promote RHPs
- Analysis and application of full category data acquired through these channels to enhance engagement with retailers, HVAC distribution, and manufacturers.

While these activities should be components of bidders’ proposed approach, as they are based on CalMTA’s research and market transformation experience, we recognize that they may not be the only options for influencing RHP stocking and sales practices through the retail channel. CalMTA encourages bidders to bring their expertise, ideas, and possible leverage from other resources to propose additional strategies that could quickly transform this market.

Implementation Area 5: Coordinating with external California programs

Anticipated 2026 Labor Budget: ~\$100,000/year

Note: This task will be an integrated component of all other scopes of work and must be part of a prime bidder’s proposal.

Implementation Area 5 seeks to ensure successful deployment of the Room Heat Pumps MTI through close coordination with the many active programs in California working to promote efficient space conditioning, particularly heat pump technology. Coordination with and leverage of other programs is inherent to market transformation: The Market Transformation Framework attached to CPUC D.19-12-021 called out the need for coordination between the MTI team and overlapping resource acquisition (RA) and codes and standards (C&S) programs, noting that “each have a role in charting a course that enhances the efficiency outcomes [...] of the proposed MTI as well as of RA and C&S programs. Each may also have a role in eliminating or minimizing and mitigating any conflict between the MTIs and RA/C&S programs.” The CPUC’s November 20, 2025 decision on CalMTA’s application (A.24-12-009) reiterates this expectation of coordination: “CalMTA should coordinate closely with the other energy efficiency portfolio administrators running programs that are related to the approved MTIs. Other portfolio administrators should also closely coordinate their portfolios with CalMTA.”

Through collaboration, Implementation Area 5 will ensure that CalMTA’s market-level interventions support external programs’ goals. This alignment and coordination will also support progress towards the MTI’s desired outcomes, as external programs will help lower prices in the near-term, raise consumer awareness, and, in some cases, mitigate electric bill impacts – especially for ESJ communities. In addition to energy efficiency programs, coordination can also extend to leverage programs focused on public health, comfort (e.g., extreme heat responses),



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*

and climate resilience. Deployment of this intervention will require close coordination with external program administrators and other entities, delivering relevant services to minimize overlap and maximize beneficial cooperation. A list of external programs and alignment approaches identified by CalMTA in Phase II can be found in [Appendix E of the RHP MTI Plan](#).

While CalMTA will maintain an active role in coordinating with external program administrators, Implementation Area 5 activities will include:

- Data and analysis to support measure package development, which will be critical to the inclusion of RHPs in many incentive programs
- Implementation of coordination plans developed between CalMTA and program administrators to identify and document program components where potential for leverage, overlap or duplication of efforts could arise and where agreement on roles and responsibilities will likely be needed (e.g., supply chain engagement or market awareness-building)
- Development and deployment of data collection strategies for market activities identified in coordination plans to support third party evaluation
- Participation in regular meetings with key efficiency program teams to review coordination plan progress, recommend beneficial adjustments, and support collaboration on market interventions
- Ongoing market monitoring to ensure early identification of new potential areas of alignment with external programs and flag the need for cross-program coordination.

Respondents should propose their approach to complying with these plans with a focus on maximizing leverage, minimizing duplication of efforts, and enhancing results achieved by the RHP MTI as well as external programs.

Bidder eligibility

A firm is ineligible to participate in a CalMTA implementation solicitation if it, or any of its contractors, subcontractors, or consultants bidding with the firm, are performing energy efficiency program impact-related studies for the CPUC, including embedded measurement and verification work, that produce impact findings on program or portfolio accomplishments for programs that target the same markets.

One exception to the above is that bidders with such a conflict may be permitted to bid with submission of a mitigation plan, including but not limited to an appropriate internal firewall, subject to written approval of the CPUC Contract Manager.

A firm who is *implementing* other energy efficiency programs in the same markets as an MTI will not automatically be excluded from bidding on the RHP MTI since, in some cases, this could provide market leverage that would benefit both programs. Instead, bidders must identify such work in Attachment 4: Conflict of Interest Certification and address whether it presents a financial



interest or contractual relationship that may impair the bidder's ability to deliver impartial and unbiased work. The scoring team will take this information into account when scoring potential bidders.

Active members of the CalMTA team are ineligible to participate as bidders in CalMTA competitive solicitations. Former members of the CalMTA team are eligible to participate as bidders in CalMTA competitive solicitations for any MTIs they did not work on; however, if the former member worked on the development or implementation of the RHP MTI, they are ineligible to participate as a bidder on this solicitation unless the work they performed as a member of the CalMTA team ended at least two years prior to the potential effective date of services for the MTI they are bidding on. The work-ended date shall be determined by the most recent date of billable work performed.

Members of the CalMTA's Market Transformation Advisory Board (MTAB) are ineligible to receive funding from CalMTA, either directly or indirectly (e.g., as subcontractors). Direct or indirect funding means that a) the member; b) an immediate family member; c) the member's employer; d) a parent, affiliate, or subsidiary of the employer; or e) any business owned or operated wholly or in part by the member is in receipt of any CalMTA funding, outside of the stipend for MTAB service.

If an MTAB member participated in any MTAB discussions or provided any form of input to CalMTA about specific Market Transformation ideas after that idea advanced to Phase II Program Development, that member may not bid on any RFP related to that initiative.

Pre-bid webinar

CalMTA will conduct a virtual pre-bid webinar for interested parties to learn more about the opportunity on Thursday, December 11 at 12 pm PST. The webinar will provide an overview of the RFP, scope of work, and key dates, in addition to allowing participants to ask clarifying questions that may assist them in determining if they are interested in pursuing this opportunity. Video and audio will be disabled for all participants, and names will not be visible to other attendees. Written questions can be submitted anonymously via the Zoom Q&A function during the webinar. Zoom webinar registration information will be posted to CalMTA's website in advance. Following the webinar, CalMTA will post a summary of questions and answers on the RFP webpage.

Submitting an intent to bid

Each firm (team) that intends to submit a proposal must start the process by first submitting an intent to bid. Firms can submit their intent to bid on the CalMTA Solicitation Portal (which is also where bidders will submit proposal responses). To access the Solicitation Portal, visit the CalMTA Organizational Review RFP webpage at: <https://www.calmta.org/room-heat-pumps-rfp/>.



The intent to bid, while required, is non-binding. After submitting the intent to bid, bidders will:

1. Receive an NDA for DocuSign via email (see the next section for details).
2. Receive any communications sent to bidders.
3. Be able to view the Q&A response document (summarized responses to bidder questions).
4. Be able to Create, Edit, and Submit proposal response documents.

NDA requirement

Only bidders who sign an NDA, will have an opportunity to review the Program Services Agreement. Any proposed redlines to the Program Services Agreement terms must be submitted with your proposal documents. Bidders may also choose to submit a "Statement of No Exceptions" in lieu of redlines. Please note that bidders who heavily redline the Program Services Agreement terms may receive a lower Risk Management score.

While the NDA is included in the RFP documents package, it must be signed electronically via DocuSign. We will not consider exceptions to the NDA. After you submit your intent to bid, you will receive the NDA for DocuSign via email. The recipient may reassign the DocuSign to the desired signatory. Once the NDA has been signed, we will send the Program Services Agreement via email.

Bidding team & policies

Bidders may be comprised of an individual firm or a team of firms. When bidding as a team, there must be an identified prime contractor. Prime contractors must submit the intent to bid and required proposal response documents.

Bidders are not required to bid on all Implementation Areas included in this RFP. Bidders (both individual and team submissions) may submit a proposal for any combination of Implementation Areas 1-4. Please note that Implementation Area 5 (*Coordinating with external California programs*) is a required component of all proposals and cannot be submitted for standalone implementation, it is integrated into all other areas.

Question & answer period

All bidder questions or requests for clarifications must be submitted through the CalMTA RFP Portal. Questions can be submitted at any time before December 22, 2025 at 5 pm PST. CalMTA will seek to respond within 48 hours, with answers posted on the portal.

Cost proposal

The cost proposal spreadsheet for this RFP can be found in Attachment 1. Bidders must follow all instructions in that sheet. Any submission that does not include a completed Cost Proposal Sheet will be disqualified.



Evaluation criteria

Proposals will be evaluated based on overall responsiveness to the RFP and criteria that includes:

1. Overall program understanding and strategic approach
2. Design and implementation
3. Program schedules and timelines
4. Data management, reporting and evaluation support
5. Proposed budgets and financial management systems
6. Diverse partner inclusion (as certified by the [CPUC Supplier Clearinghouse](#))
7. Risk management (bidder financial/contractual stability; potential conflict of interest considerations)

Bidder presentations/interviews

CalMTA anticipates that in-person presentations with a short list of firms will be required. Those presentations will be held in the San Francisco Bay Area. Bidders invited to participate in the presentation will receive a minimum of two weeks' notice to prepare for the presentation.

Contractual considerations

CalMTA is a program of the CPUC and is administered by Resource Innovations under a contract with Pacific Gas & Electric Company (PG&E) with direct oversight by staff from the CPUC Energy Division. The selected bidder will be required to enter a formal subcontract with Resource Innovations governed by the provided terms and conditions and negotiated scope of work. The initial maximum contract term will be three years. Renewal and/or extension options may be included.

CalMTA has the right to accept or reject any proposals received and may negotiate with the selected consulting firm to finalize the terms of the engagement. Any proposed redlines to the contract terms and conditions must be included with proposal documents. The number of redlines included will be factored into the "risk management" evaluation criteria.

RFP attachments

The following attachments are included in CalMTA's Room Heat Pump Market Transformation Initiative Implementation RFP:

- Attachment 1: Cost Proposal Sheet
- Attachment 2: CalMTA NDA
- Attachment 3: RFP Supplier Questions
- Attachment 4: Conflict of Interest Certification



*CalMTA is a program of the California Public Utilities Commission (CPUC)
and is administered by Resource Innovations*