



# Go Zero Pilot Incentive Program Q&A

Bidders' Conference  
August 28, 2024



# Background

2022 AQMP includes seven control measures to reduce emissions from building appliances

- Strong focus on zero-emission standards

Current rulemaking for zero-emission space and water heaters

- Amended Rule 1146.2 in June 2024, for zero-emission large water heaters and small boilers with future implementation dates starting 2026-2033
- Further proposed zero-emission standards for adoption in Q4 2024
  - Proposed Amended Rule 1111 for zero-emission residential and commercial spacing heating
  - Proposed Amended Rule 1121 for zero-emission residential water heating

# Go Zero Rebate Program

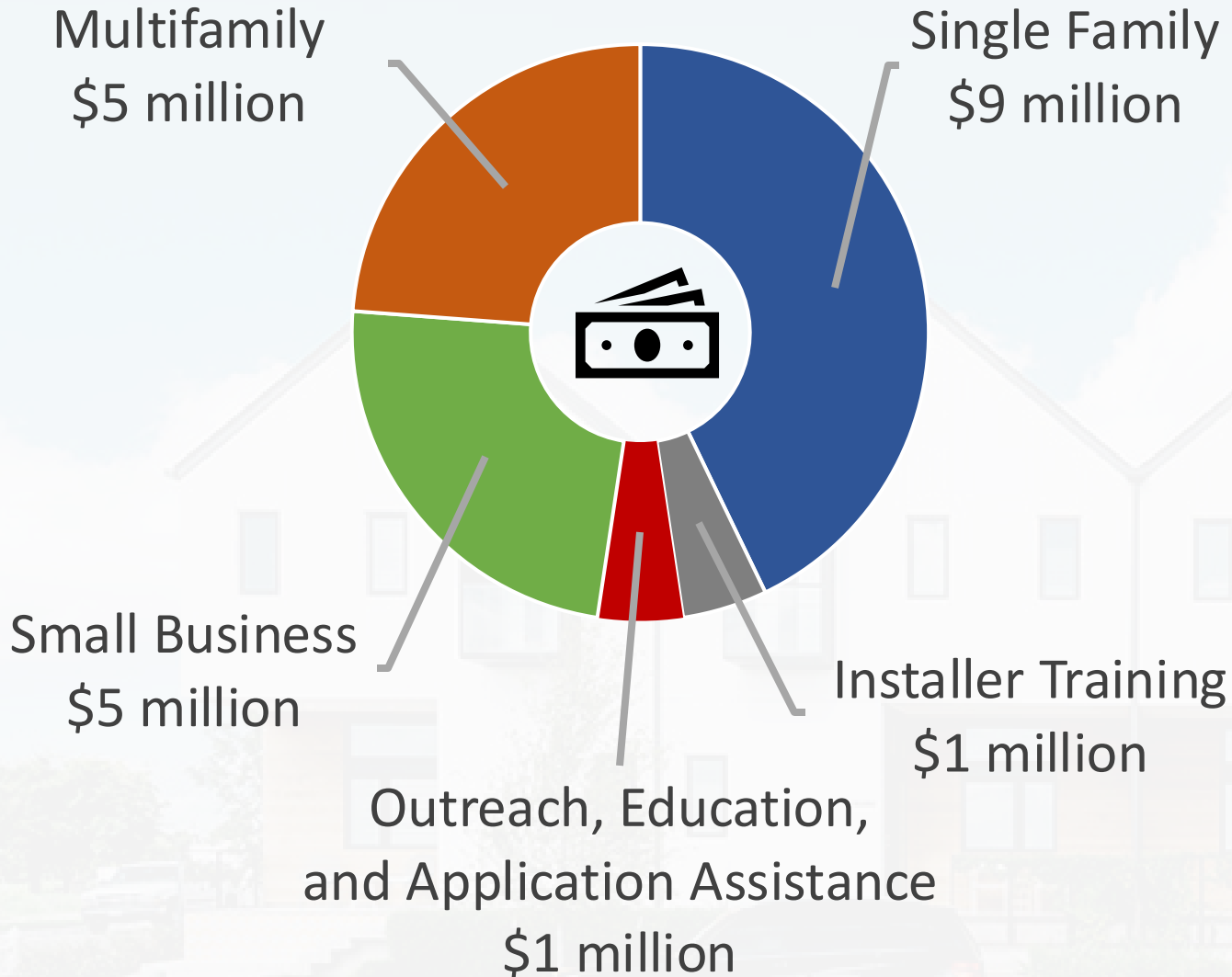
Pilot phase will incentivize zero-emission heat pumps for space and water heating

The objectives of the pilot program are divided into five sub-projects

- Emphasis on overburdened communities
- Incentive programs:
  - Single family
  - Multifamily
  - Small businesses
- Installer training program
- Education, outreach and application assistance

A third-party contractor can submit a bid to administrate any or all sub-projects

# Pilot Phase Funding



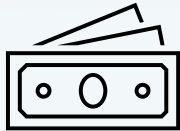
Initial proposal to fund program with \$21 million

- Funds from Rule 1111 and Rule 1121 mitigation fees in Fund 27

Funds to be distributed on a first-come, first-served basis

75 percent of rebate funding for overburdened communities (identified by CalEnviroScreen)

# Rebate Program Incentives



What is the rebate amount?

Single Family: \$1,000 - \$3,000 per unit

Multifamily: \$1,000 - \$4,000 per unit,  
up to \$300,000 cap per property

Small Business: \$4,000 per unit



How many units can be Incentivized?

Overburdened\*

Single Family:  
Up to 4,500 units

Multifamily: Up to 2,500  
units or 17 properties

Small Business:  
Up to 1,250 units

Non-Overburdened

Single Family:  
Up to 2,250 units

Multifamily: Up to 625  
units or 4 properties

Small Business:  
Up to 312 units

\*Note: Overburdened communities have access to all funding in each category, and 75 percent of rebate funds are allocated for use only by overburdened communities

# Training Program



One hurdle is having a trained workforce to install zero-emission technologies, e.g., heat pumps



Training will familiarize installers with plumbing, HVAC, and electrical work needed to install heat pumps



Training will also provide information on sizing and types of heat pumps for different applications



Selection of contractor will consider prior experience and cost to maximize installer training



# Outreach, Education, and Application Assistance Program Summary

## Provide further assistance to applicants

- Targeted outreach to overburdened communities, including residents in mobile home parks and residents in AB 617 communities
- Provide information on zero-emission options and other incentives and rebates that can be used
- Offer application assistance to apply for South Coast AQMD rebate and to stack other incentive programs
- More than one contractor may receive funding depending on the proposals
- Prefer disbursement of funding to reach the four-county jurisdiction

# Proposal Evaluation and Contractor(s) Selection

## Schedule:

Date	Event
September 13, 2024	Proposals Due
September 17– September 27, 2024	Proposal Evaluations
November 2024	Execute Contract(s) and Launch Go Zero

## Evaluation Criteria:

- Experience/Background (20 points)
- Administration Approach (20 points)
- Outreach (20 points)
- Accountability and Statistics of Similar Projects (10 points)
- Administration Fees (30 points)
- Additional points may apply (as specified)



# Key Tasks For Selected Bidders

- Rebates (Sub-Projects 1,2, and 3)
  - Design a rebate receiving and processing program
    - Online tool
    - Reservation system for multifamily rebates
    - Customer service resolving application issues
  - Rebate fund and administration fee invoicing
    - Design and use rebate funding forms for requesting rebate fund and administration fee payment
  - Reporting
    - Every three months
  - Data collection
    - Provided to South Coast AQMD in a processable format
    - Made available to the public

# Key Tasks For Selected Bidders (con't)

- Rebates

Task Number:	Task Name	Schedule/Deliverable
1	Program Promotion	Begin preparation of outreach material at the time of contract execution. Submit written outreach materials to South Coast AQMD for approval no later than 14 calendar days before distribution. Initial distribution of outreach materials shall occur within six weeks after contract execution.
2	Rebate Funding Forms Design	Submit project Rebate Funding forms to South Coast AQMD for approval no later than 14 days after contract execution.
3	Program Design and Implementation	Subsequent to successful completion of Task 2.
4	Application Monitoring	Provide updates within five days of a South Coast AQMD request.
5	Rebate Funding and Administration Fee	No sooner than the collection of at least 50 reimbursement forms and the accompanying sales receipts, or once a month.
6	Reporting	Every three months with the first report on February 1, 2025; The final report due no later than 45 days following notification by South Coast AQMD that all funding has been expended or the rebate end dates, whichever is earlier.

# Key Tasks For Selected Bidders (*con't*)

- Installer Training (Sub-Project 4)
  - Training program development
    - Hire at least one qualified trainer to teach the program
  - Program promotion
    - Develop a plan to promote the program with an emphasis on overburdened communities
  - Training class schedule
    - At least two classes within six months after contract execution
    - Classes continue at a cadence of at minimum one every three months
    - Held at the South Coast AQMD headquarters in Diamond Bar or at a location within the South Coast AQMD region provided by the contractor
  - Reporting and administration fee
    - Submit report after each class
    - Request for administration fee payment for the reported class(es)

# Key Tasks For Selected Bidders (con't)

- Installer Training

Task Number:	Task Name	Schedule/Deliverable
1	Training Program Development	Prepare outline of training program and submit program to the South Coast AQMD for approval within four weeks after contract execution.
2	Trainer Hiring	Provide qualifications of the trainer(s) hired subsequent to completion of Task 1.
3	Program Promotion	Begin preparation of outreach material at the time of contract execution. Submit written outreach materials to South Coast AQMD for approval no later than 14 calendar days before distribution. Initial distribution of outreach materials shall occur within six weeks after contract execution.
4	Hold Classes	Hold classes at minimum once every three months.
5	Reporting and Administration Fee	Within one week after each class.

# Key Tasks For Selected Bidders (*con't*)

- Outreach, Education, and Application Assistance (Sub-Project 5)
  - Program promotion
    - Thorough coverage of South Coast AQMD jurisdiction
    - Emphasis on overburdened communities
    - Outreach materials for South Coast AQMD approval
  - Coordinate with contractor(s) of other sub-projects for the outreach effort
  - Application assistance should include:
    - Individual sessions with the applicant(s) to resolve questions
    - Help with filling out rebate forms
    - Seeking out equipment that meets the needs of the applicant and fulfills the requirements of the rebate program
    - Informing applicants about other applicable rebates, refund, and/or programs
    - Monthly summary for the number of applicants assisted
  - Seeking out other rebates
    - Quarterly summary for upcoming applicable rebates, refunds, and/or programs that can be used in conjunction with the proposed Go Zero program

# Key Tasks For Selected Bidders (con't)

- Application Assistance

Task Number:	Task Name	Schedule/Deliverable
1 – Solicitation of Applicants	Program Promotion	Begin preparation of outreach material at the time of contract execution. Submit written outreach materials to South Coast AQMD for approval no later than 14 calendar days before distribution. Initial distribution of outreach materials shall occur within six weeks after contract execution.
1 – Application Assistance	Application Outreach and Assistance Development	Prepare outline of application outreach and assistance and submit outline to the South Coast AQMD for approval within four weeks after contract execution. Submit any written outreach materials to South Coast AQMD for approval no later than 14 calendar days before distribution. Initial distribution of outreach materials shall occur within six weeks after contract execution.
2 – Application Assistance	Application Outreach and Assistance Progress	Provide summary of number of applicants assisted each month.
3 – Seek Out Other Rebates	Summary	Provide summary each quarter of upcoming applicable rebates, refunds, and/or programs that may be used in conjunction with the proposed rebate program after deployment.



# FAQs

## Q **What is the expected future expansion of this program?**

- At the June 2024 Stationary Source Committee Meeting, the Executive Officer indicated potential expansion of the program up to fivefold for future phases
- Staff intends to take lessons learned from the pilot phase to inform and improve future phases of the program, which may include other types of appliances

## Q **Will a new Request for Proposal (RFP) be issued For future phase(s)?**

- Staff does not anticipate the need to issue a new RFP for future phase(s) of Go Zero
  - Instead, the contract(s) may be modified for any future phase adjustment of the program

# FAQs *(con't)*

## Q **How will the bidder(s) be notified of the selection and execution of the contracts?**

- The selected bidder(s) will be notified individually in early October and will start to work with staff on the details of the contracts
- A newsletter announcement will be sent to all bidders and interested parties about the selection after the individual notification to and confirmation from the selected bidder(s)
- The South Coast AQMD Governing Board has approved the Chair, or by the Chair's designation, the Executive Offer, to execute contracts
- The contracts are expected to be executed in November 2024 and the selected bidder(s) may start to prepare for program launch prior to contract execution



# FAQs

## Q **Does the RFP allow for midstream incentives (incentives to contractors)?**

- The Go Zero RFP allows bidders to propose their idea for midstream incentives or incentives to end user (resident, property owner, small business, etc.)
  - However, if the incentive goes to the contractor, the full incentive must be passed through to the end user

## Q **Will pre-funding be allowed?**

- The pre-funding rebate distribution structure will not be supported by this program.

## Q **What will the invoicing process look like?**

- The third-party administrator (the selected bidder(s)) will approve the application, invoice South Coast AQMD, and then issue the rebate to the consumer

# FAQs (con't)

## Q **What is the start date for rebate qualification?**

- Qualified applications are for units installed on and after the contract(s) execution date for the applicable single-family, multifamily, and small business incentive programs

## Q **Will end users be able to stack this program with other incentives?**

- Ideally, the Go Zero rebates would be able to be layered with other federal, state, and local incentive programs for space and water heating
- Ideally, the Go Zero webpage will provide links to other relevant incentive programs
- Staff is open to clearinghouse suggestions from bidders

## Q **Is it anticipated that installation costs will be the responsibility of the property owner?**

- The Go Zero rebate is intended to apply to the unit. We are hoping that end users will be able to stack our rebates with other incentives from federal, state, and local sources. Some of these programs may provide direct installation.



# FAQs *(con't)*

## Q **What data should be collected?**

- Staff would prefer data collection to include the line-item breakdown of unit cost and installation cost
- Other data collection would include the geographic location of installations, to ensure there is benefit to each of the counties in South Coast AQMD

# Q&A

Further questions?  
Contact Emily Yen at [eyen@aqmd.gov](mailto:eyen@aqmd.gov)

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