

MARCH 2026

# Request for Proposals

By: EECA (Energy Efficiency and Conservation Authority)

For: Very high temperature heat pump activator initiative - energy efficiency demonstration projects utilising EECA co-funding support

Ref: VHTHP 2026 for project owners

RFP released: 19 March 2026

Deadline for applications: 20 April 2026

# Contents

|   |    |
|---|----|
| The opportunity.....                                | 3  |
| What we need .....                                  | 3  |
| What we don't want.....                             | 3  |
| What's important to us?.....                        | 3  |
| Why should you bid? .....                           | 4  |
| A bit about us.....                                 | 4  |
| 1. Key Information.....                             | 6  |
| 1.1 Context.....                                    | 6  |
| 1.2 Our timeline .....                              | 6  |
| 1.3 How to contact us .....                         | 6  |
| 1.4 Developing and submitting your Application..... | 6  |
| 1.5 Address for submitting your Application.....    | 7  |
| 1.6 Our RFP Terms .....                             | 7  |
| 1.7 Later changes to the RFP or RFP process .....   | 7  |
| 1.8 Defined terms.....                              | 7  |
| 2. Our Requirements .....                           | 8  |
| 2.1 Background .....                                | 8  |
| 2.2 Key outcomes.....                               | 9  |
| 2.3 What we require from Applicants.....            | 10 |
| 2.4 Other information .....                         | 11 |
| 2.5 Funding Agreement term.....                     | 11 |
| 2.6 Funding Agreement value.....                    | 11 |
| 2.7 Key deliverables .....                          | 11 |
| 2.8 Other tender documents .....                    | 12 |
| 3. Our Evaluation Approach .....                    | 13 |
| 3.1 Pre-conditions .....                            | 13 |
| 3.2 Eligibility conditions .....                    | 13 |
| 3.3 Evaluation model .....                          | 14 |
| 3.4 Evaluation criteria .....                       | 14 |
| 3.5 Scoring.....                                    | 16 |
| 3.6 Due diligence.....                              | 17 |
| 3.7 Proposed Funding Agreement .....                | 17 |
| 4. RFP Terms.....                                   | 18 |
| 5. Definitions .....                                | 19 |

## The opportunity

This RFP is issued by **Energy Efficiency and Conservation Authority (EECA)** referred to below as “the Buyer” or “we” or “us”.

### What we need

EECA’s Very High Temperature Heat Pump (VHTHP) Activator demonstration initiative aims to support energy affordability for New Zealand industry through increased energy productivity. This initiative focuses on HTHPs, which supply process heat very efficiently, with conversion efficiencies in the 300% to 500% range. HTHP technology is advancing rapidly, and commercially available units can supply process heat at 200°C or higher, including steam supply.

EECA seeks proposals from Project Owners to partner with EECA to develop their New Zealand-based VHTHP projects to supply their above 85°C heat needs instead of using less efficient heat generation methods. Supported VHTHP (including steam heat pump) projects must supply heat demands requiring a minimum of 85°C and are expected to deliver a minimum 150% increased energy efficiency (COP of 1.5). The value of developed projects will be at least \$250,000.

EECA has approved a budget of \$5 million for co-investment through this RFP to support Project Owners contracted by 30 June 2026 to develop and build their projects.

We are looking to support VHTHP projects implemented across a range of project sizes and different business sectors. The RFP will be open to receiving applications from Project Owners requesting funding for project development and implementation until the Deadline for Applications of 5pm 20 April 2026. EECA may choose to commit more funding if warranted.

EECA encourages questions through our Point of Contact until the Deadline for Questions.

### What we don’t want

EECA will not provide co-investment for:

- Proposals from Project Owners that are not prepared to develop Eligible Projects through to completion and reporting.
- Proposals that do not meet the minimum requirements.
- Proposals that do not align with EECA’s strategic objectives.

### What’s important to us?

EECA is looking for Project Owners to develop projects that will not only deliver increased energy productivity but also demonstrate the efficacy of commercially available efficiency technology to supply heat in various scenarios.

The capacity and capability of Applicants to undertake the project is critical and Applicants must have a successful track record of implementing Projects. Projects must be delivered within agreed timeframes and Applicants must be willing to share the outcomes of the project with other New Zealand businesses the technology may have relevance to.

Alongside energy productivity, EECA is interested in economic benefits of the developed projects, where economic benefits are the positive impacts on New Zealand's economy generated through the procurement of goods, services, or works. Through this tendered opportunity EECA will consider the following Economic Benefits:

- Making better use of New Zealand resource, such as increasing workforce participation, providing training or apprenticeships and improving pay conditions of New Zealand workers.
- Using New Zealand businesses, including SME's and regional businesses in delivering goods and services, either directly or through subcontracted arrangement in the supply chain.
- Any other valid economic benefit(s) to New Zealand that the respondent proposes to contribute to.

Applicants will be asked to only include economic benefits that they are sufficiently resourced to monitor and report against.

## **Why should you bid?**

This is an opportunity to develop a VHTHP Project to supply your business with heat and that demonstrates to other industrial and commercial businesses the use of VHTHP to deliver heat efficiently to improve the affordability of their energy needs. EECA co-funding is designed to share the development costs and technology risks, thus supporting the business case. By working together with EECA Applicants will be involved in ensuring EECA delivers public value by showcasing this opportunity and contributing to increased energy resilience for New Zealand.

## **A bit about us**

EECA is a Crown entity and our purpose is to mobilise New Zealanders to be world leaders in clean and clever energy use. Our desired outcome is a sustainable energy system that supports the prosperity and wellbeing of current and future generations.

Our objectives are:

- Energy efficiency first – efficient energy use is the first option users adopt; and proven energy efficient technologies are identified and widely available;
- Empower energy users – people and businesses actively manage their energy use;
- Accelerate renewable energy – users plan for and adopt low-emission energy and technology.

Our key levers are regulation, information and motivation, and targeted investment and support. EECA has designed this offer to support energy efficiency initiatives through adoption of proven technologies. The purpose of this offer is to reduce the technology risks associated with specific use cases by New Zealand businesses.

EECA's general business funding principles include:

- *Funding is targeted at opportunities in alignment with EECA's strategic focus areas.*
- *Funding is directed to areas with demonstrable market barriers preventing uptake.*
- *Funding levels and approaches are right sized to the barriers and generate the greatest value for Government investment.*
- *Government co-investment is creating an enabling environment for innovation while promoting market led solutions.*

# 1. Key Information

## 1.1 Context

- a. This Request for Proposals (RFP) is an invitation to submit a Proposal for a VHTHP project utilising proven energy efficient technologies.
- b. This RFP is a single-step procurement process.

## 1.2 Our timeline

Here is our timeline for this RFP (all are New Zealand times and dates):

| Step in the RFP process                               |                     |
|---|---------------------|
| RFP open for Applications                             | From 19 March 2026  |
| Deadline for questions                                | 12pm, 13 April 2026 |
| Briefing session (online)                             | 11am, 31 March 2026 |
| Deadline for Applications                             | 5pm, 20 April 2026  |
| Successful Applicant(s) notified (indicative)         | From 1 June 2026    |
| Expected start date of project Agreement (indicative) | By 30 June 2026     |

## 1.3 How to contact us

- a. Contact us through our Point of Contact via email or the Government Electronic Tenders System (GETS).
- b. Our Point of Contact:

**Name:** Yasmine Davies

**Title/role:** Procurement Coordinator

**Email address:** [applications@eeca.govt.nz](mailto:applications@eeca.govt.nz)

- c. To register for our Applicant briefing session contact our Point of Contact via GETS or email.

## 1.4 Developing and submitting your Application

- a. This is an open competitive tender process.
- b. Take time to read and understand the RFP.
- c. Take time to understand our Requirements. These are in SECTION 2 of this document.

- d. Take time to understand how your Application will be evaluated. See SECTION 3 of this document.
- e. For resources on tendering visit <https://www.procurement.govt.nz/suppliers-2/>
- f. If you have questions, ask our Point of Contact before the Deadline for Questions (see SECTION 1.2 above).
- g. Use the Application Form accompanying this RFP to submit your Application.
- h. Complete and sign the declaration at the end of the Application Form.
- i. Check you have provided all the necessary information in the correct format and order.
- j. Submit your Application before the Deadline for Applications.

## **1.5 Address for submitting your Application**

You must submit your Application via the Government Electronic Tender System (GETS).

Make sure you include all attachments and reference material.

**We will not accept Applications sent by post or delivered to our office or otherwise received outside of GETS.**

## **1.6 Our RFP Terms**

### **a. Offer Validity Period**

By submitting an Application, the Applicant agrees that its Application validity will remain open for six calendar months from the Deadline for Applications.

### **b. RFP Terms**

By submitting an Application, the Applicant agrees to the RFP-Terms described in SECTION 4 RFP Terms.

## **1.7 Later changes to the RFP or RFP process**

- a. After publishing the RFP, if we need to change anything or provide additional information, we will let all Applicants know by placing a notice on GETS.
- b. If you downloaded the RFP from GETS you will automatically receive notifications of any changes through GETS.

## **1.8 Defined terms**

These are shown using capitals. You can find all definitions at the back of the RFP Terms linked to in SECTION 4, with some additional RFP-specific terms in SECTION 5 of this RFP.

## 2. Our Requirements

### 2.1 Background

Energy efficiency technologies such as very high temperature heat pumps (VHTHP) reduce energy costs, improve supply resilience, improve energy productivity, and strengthen operational continuity across businesses. To accelerate increased energy productivity in heat using businesses EECA is launching this offer to support such businesses to adopt new and efficient technologies.

This offer is for Project Owners as defined in SECTION 5 to enter into a Funding Agreement that supports the development and implementation of a VHTHP project with EECA co-funding. The co-funding is to share the risk of new or underutilised technologies for industrial and commercial businesses and would contribute toward both the up-front project development costs, and the implementation costs.

We are looking for Projects that will demonstrate the use case of very high temperature heat pumps including steam heat pumps.

#### Eligible Projects

To be eligible for co-funding, Projects that are developed must be for implementation in New Zealand and:

- install a high temperature heat pump technology, which can also be a heat pump supplying steam or a mechanical vapour recompression (MVR) heat pump.
- supply end uses requiring 85°C or higher, or steam at a pressure of 0.5 bar (absolute) or higher.
- be able to supply at least 200 kW of heat at a high enough temperature so that the temperature required by the end use (of at least 85°C) can be met without any further heating.
- have a coefficient of performance (COP) of 1.5 or higher.

#### Eligible Project Costs

Eligible technologies include steam heat pumps, and technologies that are an integral part of the Project, including project related costs such as waste heat recovery and connectivity upgrades (if required).

These can include:

##### Project enablement costs

- Detailed feasibility study and technical design (for costs that EECA has not already co-funded)
- Business case development (for costs that EECA has not already co-funded).
- Project management (external resource).
- Measurement & Verification Plan (carried out by CMVP).
- Metering.

##### Capital costs

- High temperature heat pump technologies, including steam heat pumps, to supply end uses of 85°C or higher.
- Waste heat recovery technology e.g. heat exchangers, pumps and pipework.
- Pipework required for integrating high temperature heat pump to existing systems.
- Hot water tanks used for buffering the VHTHP's input (source) or output (sink).

- Electricity connectivity upgrades specifically due to the VHTHP project.

Mechanical vapour recompression (MVR) technologies are eligible.

The targeted technologies will deliver an input energy use reduction (efficiency gain) of at least 150%.

Minimum project value is \$250,000.

### **Applying to EECA for co-funding support**

Applicants must be Project Owners and:

- Supply a pre-feasibility study that shows they have researched the suitability of the technology for their processes and that identifies a potential project that would be an Eligible Project, and that they are able to fund, and will be willing to implement, the Eligible Project if the technical and commercial viability is confirmed.
- Have successfully undertaken projects of similar or larger scale and experienced personnel have been identified to undertake the detailed technical design and costings, and to project manage the delivery.
- Specify a technology that is commercially available and has been successfully installed and operated elsewhere in the world and that the technology supplier has, or will establish, a direct NZ presence or through NZ based agents or installers.
- Confirm their intention to enter into a collaborative partnership with EECA to develop the Project.
- Have a prepared a plan describing how they intend to develop and implement the Project.
- Be willing to share the outcomes and learnings of the Project that they develop.

### **What support Applicants can apply for**

Applicants can apply for up to \$5 million of total EECA co-funding to co-fund up to 50% of an Eligible Project's Eligible Project Costs. This includes co-funding feasibility studies and business cases to develop Eligible Projects up until the final investment decision (FID), and co-funding the project's implementation.

There will be limits by agreement with EECA on how much support is available for each stage up until the FID.

Applicants can apply for one Project per Application.

## **2.2 Key outcomes**

EECA is committed to mobilising New Zealanders to be world leaders in clean and clever energy use. Our strategy is to encourage energy efficiency first, and to empower energy users to better understand and manage their energy costs. Successful deployment of efficient technologies will increase energy affordability and improve supply resilience.

The successful development of these Projects requires collaboration and we are seeking Applications from Applicants that are willing to work with EECA and share the Project's outcomes and learnings with other

businesses for information and knowing sharing. This ensures that we are working together towards tangible outcomes that deliver real value to the industry and contribute to our broader energy efficiency and productivity goals. Applications should present strong public value for money and meet our investment principles.

## **2.3 What we require from Applicants**

Applicants must show they have researched the suitability of the technology for their processes and completed a pre-feasibility study, and that they are able to fund, and will be willing to implement, the Eligible Project if the technical and commercial viability is confirmed.

### **a. Knowledge sharing requirements**

As a condition of co-funding, EECA will be seeking data, information and lessons learned during the term of the Funding Agreement and the Applicant must be willing to share the outcomes and learnings of the Project after the monitoring period with other businesses through site visits, a case study and/or presentations at webinars and workshops.

Applicants must agree to knowledge, reporting and data deliverables, which will be set out in the Funding Agreement. The Funding Agreement will also set out what information and knowledge will be required, and how, when and with whom it will be shared.

These deliverables will include:

- Project-specific lessons and outcomes learned developing and implementing Eligible Projects.
- Project information, data, analysis and performance reporting to assess the overall effectiveness and performance of implemented Eligible Projects. EECA will collect data and may use it to share knowledge and learnings with the market (e.g. in publicly available case studies for replicable projects).

As required, EECA may specify additional reporting requirements to analyse a Project's performance, or to assess overall performance.

### **b. Track record**

We are seeking Applicants that have experience in successfully delivering projects of a similar scale, or larger, in a timely manner, or can demonstrate they are working with a supplier with experience in delivery of the technology. Applicants should provide details on their supplier's established track record and current customer applications.

### **c. Capability**

We are seeking Applicants that can demonstrate they will be utilising suitably qualified and experienced personnel, including to produce any feasibility studies, business cases and detailed technical design requirements, alongside project management and through to delivery. Applicants will need to demonstrate that the technology supplier, or their local agent, has the capability, experience and capacity to supply, install and provide ongoing support to users in New Zealand.

#### **d. Solutions**

We are looking for solutions that substantially reduce energy usage and improve energy productivity on an ongoing basis and that are replicable to other New Zealand process heat applications.

#### **e. Economic Benefits**

Alongside increasing efficiency, EECA is interested in projects that represent good value for Government money and leverage of public funds to deliver public benefits such as employment opportunities, upskilling and workforce development.

### **2.4 Other information**

Successful Applicants will be offered a Funding Agreement by EECA to develop and implement an Eligible Project.

Payments will be on successful delivery of milestones to develop and implement the Eligible Project.

### **2.5 Funding Agreement term**

We expect that the Funding Agreement will commence by May 2026, noting that any Funding Agreement must be signed by 30 June 2026. The anticipated term is:

| <b>Description</b>                                  | <b>Years</b>                                 |
|---|--|
| Project development up to final investment decision | Maximum two years                            |
| Project implementation and construction             | Two years from the final investment decision |
| Monitoring and verification period                  | Two years after commissioning                |
| Maximum term of the Contract                        | Six years                                    |

### **2.6 Funding Agreement value**

With an approved budget of up to \$5 million for co-funding and Monitoring & Verification costs, we expect to fund the development of several Eligible Projects. If EECA receives compelling Proposals totalling more than \$5 million in co-funding requests, we may extend the total funding available.

### **2.7 Key deliverables**

Develop and implement an Eligible Project that demonstrates the use of Very High Temperature Heat Pump technologies.

## **2.8 Other tender documents**

These documents have been uploaded on GETS and are available to Applicants – they form part of this RFP. These include:

- a. RFP Application form.
- b. Funding Agreement template.

## 3. Our Evaluation Approach

This section sets out the Evaluation Approach that will be used to assess Applications.

### 3.1 Pre-conditions

Each Application must meet the following pre-conditions. **EECA will not** consider Applications which fail to meet these conditions.

- Applicant is New Zealand-based and a New Zealand-registered legal entity including
  - NZBN registered private sector business
  - Registered legal entities such as Trusts, recognised iwi organisations, and entities that represent hapu or rohe
  - State-owned Enterprises
  - Local Councils
  - Regional Councils

Except for the following: Public Service Departments, Non-Public Service Departments (such as the New Zealand Defence Force), and Statutory Crown Entities such as District Health Boards.

- The Applicant has completed a completed and attached a pre-feasibility assessment for the Project they submit with their Application. The study should confirm that the potential Project could be a preferred option for the Project Owner's process heat requirements.
- The Application is for an Eligible Project.
- The Project will be delivered in New Zealand.
- The Applicant confirms their intention to enter into a collaborative partnership with EECA to develop a Project that demonstrates VHTHP in New Zealand.

### 3.2 Eligibility conditions

The support is to provide co-funding to Project Owners to develop and implement Eligible Projects.

Applicants must:

- Intend to further develop the potential Eligible Project through the staged process of completing a feasibility study and then Business Case to confirm viability, or otherwise.
- Identify who will be designing, developing and building the heat pump Project, and their qualifications, skills, and experience.
- Be committed to working safely, ensuring the health and safety of workers and others affected by the Project's work, and has appropriate systems and processes to undertake that work safely.
- Be committed to working in a manner that will not damage EECA's reputation with respect to, among other things, environmental impact, employment conditions, public announcements, and regulatory compliance.
- Have a plan to develop the Project if the Application is successful.

### 3.3 Evaluation model

The evaluation model is **weighted attribute**. Applicants must score at least 50% in every category and 65% overall. The recommendation will be by consensus of the evaluation panel following moderation of individual member scores.

#### Review and Approval Process

- Initial Review – EECA will review the submitted documents to confirm all required forms are included and correctly completed.
- Application Review – the Application is evaluated by a Panel that will make a recommendation to the delegated authority.
- Final Decision – An EECA delegated authority will determine whether the Application is Conditionally Approved, pending final approval of the Funding Agreement.
- Due Diligence – Legal and reputational due diligence of Applicants will be completed before contract signing.

The full process is expected to take approximately 12 weeks from submission to signing of contract (noting that contracts must be signed by 30 June 2026).

### 3.4 Evaluation criteria

We will evaluate Applications which meet all Pre-conditions according to the following criteria and weightings. A minimum 50% score is required for each criterion and an overall score of 65% is required.

| Criteria                        | Assessment criteria  | Weighting |
|---------------------------------|--|-----------|
| Project Demonstration Potential | <p>The demonstration potential of the Applicant’s potential Project, which is a balance between the technical ambition, integration complexity, Project risk, commercial attractiveness and replication potential.</p> <p>EECA will score this criterion based on:</p> <ul style="list-style-type: none"> <li>• <b>The Project’s technical ambition:</b> EECA will consider the trade-offs between the proposed VHTHP’s level of innovation i.e. output temperature, COP, capacity, and the equipment’s commercial track record so far (as known).</li> <li>• <b>The Project’s integration complexity</b> <ul style="list-style-type: none"> <li>○ All other things being equal, potential projects that are more straightforward to integrate are more favourable</li> </ul> </li> <li>• <b>The Project’s non-heat pump factors.</b> The complexity, risk and cost of the Project’s non-heat pump factors:           <ul style="list-style-type: none"> <li>○ All other things being equal, Projects with fewer complicating factors for the non-heat pump Project aspects are more favourable. Examples of complicating factors might include: requiring extensive building modifications or civil works, difficult access, electricity</li> </ul> </li> </ul> | 30%       |

|                               |   |     |
|-------------------------------|---|-----|
|                               | <p>network upgrades required, tight installation windows (e.g. in short annual shuts)</p> <ul style="list-style-type: none"> <li>○ Examples of risky Projects might be those that would involve significant process changes or be critical to the ongoing viability of the Project Owner i.e. unplanned downtime of the equipment would severely impact them. All other things being equal, projects that are less risky when considering the non-heat pump aspects are more favourable</li> <li>○ All other things being equal, a Project with lower costs for the non-heat pump aspects are more favourable.</li> </ul> <ul style="list-style-type: none"> <li>● <b>The Project’s expected commercial outcomes</b> <ul style="list-style-type: none"> <li>○ Projects with better expected commercial outcomes (after accounting for co-funding) are more desirable.<br/>* Note: The EECA co-investment compensates for the Project Owners’ risk in implementing new technology. Good expected commercial outcomes provide a buffer if the Project’s final capital cost is higher than expected, or performance is lower than expected.*</li> <li>○ A Project might achieve better commercial outcomes due to factors including the ease and cost of implementation, high utilisation, expensive alternatives.</li> </ul> </li> <li>● <b>The Project’s replication potential</b></li> </ul> <p>Projects with high potential to be replicated are more desirable.</p> |     |
| Project Technical Feasibility | <p>The Applicant must provide full details in their Application of the pre-feasibility investigation undertaken and the conclusions of this.</p> <p>EECA will score this criterion based on:</p> <ul style="list-style-type: none"> <li>● the depth of study undertaken</li> <li>● the level of expertise involved in the study</li> <li>● any involvement of the technology supplier in the study</li> <li>● experience of any external consultants used</li> <li>● submission of supporting information such as a business case or feasibility study report demonstrating the Project is sufficiently advanced and that relevant alternative options have been assessed.</li> </ul>   | 30% |
| Ability to Deliver            | <p>To maximise funding value EECA requires projects to be successfully delivered and operational in a timely manner. EECA will score this criterion based on the following factors:</p> <ul style="list-style-type: none"> <li>● The Applicant has successfully undertaken projects of similar or larger scale</li> <li>● Experienced personnel have been identified to undertake the detailed technical design and costings, and to project manage the delivery.</li> </ul>  | 30% |

|                   |  |     |
|-------------------|--|-----|
|                   | <ul style="list-style-type: none"> <li>• The Technology is commercially available and has been successfully installed and operated elsewhere in the world.</li> <li>• The Technology supplier has or will establish NZ presence directly or through NZ based agents/installers.</li> </ul>   |     |
| Economic Benefits | <p>EECA is seeking Projects that represent good value for Government money and leverage of public funds.</p> <p>Applicants should detail:</p> <ul style="list-style-type: none"> <li>• How the Project will lead to public benefits and how large those benefits are expected to be.</li> <li>• How co-funding will support the delivery, scale or speed with which these public benefits will be realised.</li> <li>• Whether the Project would be deferred or unable to proceed without co-funding support from EECA, and provide supporting details.</li> <li>• Any additional economic benefits the Project will deliver.</li> </ul> | 10% |

### 3.5 Scoring

| Description                 | Definition  | Rating |
|-----------------------------|---|--------|
| <b>Excellent</b>            | Exceeds the requirement. Exceptional demonstration by the Applicant of the relevant ability, understanding, experience, skills, resources and quality measures required to provide the goods / services. Application identifies factors that will offer potential added value, with supporting evidence.                                    | 9-10   |
| <b>Good</b>                 | Satisfies the requirement with minor additional benefits. Above average demonstration by the Applicant of the relevant ability, understanding, experience, skills, resources and quality measures required to provide the goods / services. Application identifies factors that will offer potential added value, with supporting evidence. | 7-8    |
| <b>Acceptable</b>           | Satisfies the requirement. Demonstration by the Applicant of the relevant ability, understanding, experience, skills, resources and quality measures required to provide the goods / services, with supporting evidence.  | 5-6    |
| <b>Minor reservations</b>   | Satisfies the requirement with minor reservations. Some minor reservations of the Applicant's relevant ability, understanding, experience, skills, resources and quality measures required to provide the goods / services, with little or no supporting evidence.  | 3-4    |
| <b>Serious reservations</b> | Satisfies the requirement with major reservations. Considerable reservations of the Applicant's relevant ability, understanding, experience, skills, resources and quality measures required to provide the goods / services, with little or no supporting evidence.  | 1-2    |

|                     |   |   |
|---------------------|---|---|
| <b>Unacceptable</b> | Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Applicant has the ability, understanding, experience, skills, resources and quality measures required to provide the goods / services, with little or no supporting evidence. | 0 |
|---------------------|---|---|

In forming its recommendation following the review process, the panel may exercise discretion to consider overall public value, including methodology, quality, capability, risk profile and alignment with EECA’s specific requirements rather than relying solely on numerical ranking.

### 3.6 Due diligence

EECA will undertake legal and reputational due diligence on shortlisted Applicants. EECA may (in its sole discretion) also instruct third party financial due diligence as a condition precedent under the Funding Agreement.

In addition, EECA may conduct or request any or all of the following:

- a reference check on the Applicant, any other organisation and named personnel in the response
- interview the Applicant or any other organisation they propose to use
- perform other checks on the Applicant or other organisation they propose to use e.g., Companies Office
- request the Applicant make a presentation
- inspect audited accounts for the last three financial years.

### 3.7 Proposed Funding Agreement

The Proposed Funding Agreement that we intend to use for this procurement will be released via GETS soon after the RFP opens.

# 4. RFP Terms

View the RFP Terms that accompany this RFP. [rfp-terms-conditions-government-model](#)



## 5. Definitions

Project Owner - the intended owner and operator of the equipment.

Consultant – supplies knowledge to design and develop projects.

Supplier or Service Provider – develops and implements projects.

VHTHP – a heat pump supplying heat to uses requiring temperatures above 85°C.

Pre-feasibility study - a high-level study investigating the technical feasibility, costs and benefits of a potential VHTHP project that informs the decision to initiate further work.

Feasibility study and draft business case – work that quantifies the technical and commercial feasibility of a potential VHTHP project option and informs the decision to initiate a FEED (or similar) and final business case.

Business case for final investment decision (FID)- informs the final investment decision to commit to implement the potential VHTHP project without requiring further work. May include a front-end engineering design (FEED), detailed design, or similar.

Project capital costs – the costs associated with purchasing and installing eligible equipment.

Stage-gate decisions – decisions to be made at set points of the journey and captured in the contract.

Final Investment Decision (FID) – decision point for project stakeholders, typically the board of directors or senior management, to formally commit to proceeding with implementing the Project.

## 6. Project Journey

EECA anticipates projects will be developed by four-stage “Project Journey” approach, as described below. This RFP details the support available at each stage, so Applicants wishing to propose a different approach must demonstrate similar requirements and outputs.

Stage 1: Options and pre-feasibility assessment (EECA VHTHP co-funding not available for this stage)

- Informs the decision to initiate further work.
- Is a high-level study to determine if there are potentially viable VHTHP options to consider developing further that are better than non-VHTHP options, and that there is a supplier willing to supply and support the heat pump technology in New Zealand.
- For a positive decision to initiate further work, the pre-feasibility study should identify potential VHTHP projects that the Project Owner confirms would present them a compelling case to implement instead of an alternative, if the technical viability and indicative costs (including co-investment) and benefits were confirmed.

A compelling case means the co-funded Project’s potential return on investment is high enough above the hurdle rate (and any other criteria the Project Owner typically applies to this type of Project) that they would want to do the Project if the costs and benefits were confirmed.

Stage 2: Feasibility study and draft business case

- Informs the decision to prepare a business case.
- A more detailed study to confirm the technical and commercial feasibility of the potential VHTHP Project which would be better than alternative non-VHTHP Projects.
- All project aspects are to be considered, including: the Project’s rationale, process needs (daily and season load profiles, amount, timing, location and quality of heat requirements), equipment selection,

layout and integration, consenting, energy supply and costs, operational impacts, expected performance and returns.

- EECA and the Project Owner will agree the scope of work and amount that EECA will co-fund.
- For a positive decision to initiate further work, the feasibility study should identify a VHTHP Project that the Project Owner confirms would present them with a compelling case to implement instead of a non-VHTHP alternative if the study's costs (including co-investment) and benefits were confirmed.

#### Stage 3: Business case for final investment decision (FID)

- Informs the final investment decision to commit to implementing the Project.
- It will include a sufficiently detailed front end engineering design (FEED), detailed design, or similar, and business case so that the decision to commit to implementing the potential VHTHP Project can be made without requiring further work.
- The design will be sufficiently detailed to allow accurate cost estimates. Contracts will have been agreed for equipment supply, installation works and services, energy supply and upgrades. The integration and operational costs and benefits of the project are well understood. Key processes have been metered if necessary.
- EECA and the Project Owner will agree the scope of work and amount that EECA will co-fund.
- The expectation is that if the business case confirms viability and shows project returns higher than the hurdle rate then the Project Owner will implement the Project.

Depending on project complexity it may be appropriate for Stages 2 and 3 to be combined.

#### Stage 4: Project Implementation

- The required work to install, commission and operate the Project is completed.
- Post-completion reporting of agreed data requirements.