Oncor Electric Delivery
2025 Multifamily HVAC Retrofit Program
Request for Proposals

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1 Background

Oncor Electric Delivery (Oncor) implements a range of standard-offer and market transformation programs that are designed in compliance with Public Utility Commission of Texas (PUCT) Substantive Rule §25.181. The primary purpose of these programs is to reduce peak demand and annual energy use.

EnerChoice LLC (EnerChoice) is a Texas-based company that assists utility companies in the design and implementation of energy efficiency programs.

2 Program Description

Within the Oncor service area, there are hundreds of thousands of all-electric multifamily dwellings with central AC systems and resistance heat. The primary goal of this program is to provide incentives for the replacement of these systems with heat pumps having a minimum 14.3 SEER2, 11.7 EER2, and 7.5 HSPF2.

Eligible properties include affordable and conventional multifamily properties, Oncor has separate budgets for affordable and conventional projects. Properties may be individually-metered by Oncor or master-metered.

Multifamily projects converting from central chillers to individual HVAC systems may also be eligible. These projects must meet specific criteria established by the Public Utility Commission and require pre-approval.

Participants in the Program may include: HVAC contractors; housing authorities; housing or community organizations, local governments; multifamily property owners, managers, or service providers. Joint proposals submitted by one or more of the above are permitted, but only one proposal should be submitted per property.

Unlike many other utility incentive programs, this Program allows bidders to propose their own incentive amounts for the HVAC installations. Oncor will evaluate all bids on the basis of the amount of requested incentive per unit of energy savings. Proposals that result in higher levels of energy savings per dollar of requested incentives will be ranked higher. For example, a proposal to install fifty 1.5-ton, 15 SEER2 / 7.8 HSPF2 units for a requested incentive of $1700 per unit will rank higher than a proposal to install fifty similar units for $1900 per unit. A proposal to install higher-efficiency units for the same incentive amount will result in a higher cost-effectiveness score and a higher ranking. The proposal submittal form calculates the cost-effectiveness score based on the unit sizes, SEER2, EER2, HSPF2 and requested incentive amounts, allowing bidders to optimize their proposals to produce the highest cost-effectiveness score. Since the savings calculations and efficiency standards have changed, project cost-effectiveness scores from previous years may not be comparable to this year's

Energy savings will be calculated using the Texas *Technical Reference Manual, Version 12.0* (TRM)[1].

In addition to multifamily HVAC projects that meet the requirements of this solicitation, Oncor provides incentives for other energy efficiency projects. These can include:

- Common-area lighting and HVAC improvements
- Envelope measures in dwelling units
- Smart thermostats. In 2025 Oncor also offers incentives for installations of ENERGY STAR-certified smart thermostats on existing AC/electric heat systems. For eligible installations, this incentive is $125 per thermostat.

Bidders who are interested in any of these other energy efficiency projects should contact:

Carl Brown
Oncor Electric Delivery

[1] Available at: https://texasefficiency.com/trm-docs/

214-486-3244
214-952-4718 mobile
carlton.brown@oncor.com

3 Goals and Objectives

The 2024 Multifamily HVAC Retrofit Program resulted in 4,200 apartment units being retrofitted with high-efficiency heat pumps. The number of projects implemented in 2025 will depend on the number and cost-effectiveness of the proposals submitted in response to this RFP.

4 Changes to the 2025 Program

The major changes to the 2025 program involve the revised DOE test procedure and efficiency standard, as well as revised savings calculations in the TRM.

- The program will utilize the new SEER2, EER2 and HSPF2 ratings to calculate energy savings. Any unit that meets these standards will be eligible for the program. The 2025 minimum efficiency standards are:
    - SEER2: 14.3
    - EER2: 11.7[2]
    - HSPF2: 7.5
- Revised savings calculation procedures from TRM 12 have been incorporated into the 2025 program application.
    - Oncor's minimum SEER2 and HSPF2 ratings are the same as the 2024 DOE standards. Any product that meets 2024 DOE standards may be installed. However, equipment that is rated at the minimum 2024 SEER2 and HSPF2 standards will have lower savings than higher-efficiency equipment.
    - Since the savings calculations and efficiency standards have changed, project cost-effectiveness scores from previous years may not be comparable to this year's.
- System downsizing will be allowed if recommended by the Manual J load calculation. These installations will result in higher estimated savings and cost-effectiveness scores.
- System upsizing by up to one ton will be allowed if recommended by the Manual J load calculation. For these installations, the savings will be based on the pre-existing system capacity. Upsizing will not increase the savings or cost-effectiveness score.

5 Program Eligibility and Participation Requirements

5.1 Multifamily Property Eligibility Requirements

To be eligible, the multifamily property must be within the Oncor electric delivery service area[3]. Since one of the primary objectives of the program is to encourage owners to upgrade from electric resistance heating systems to heat pumps, existing individual HVAC systems with gas furnaces are not eligible.

Incentives are available for both market-rate and affordable properties. Master-metered projects are also eligible for incentives under this program. These projects include chiller conversion projects in which a central chiller is replaced with individual heat pumps.

[2] Since there is no EER2 requirement specified in the current federal standard, systems that comply with SEER2 and HSPF2 requirements but do not comply with the 11.7 EER2 requirement may still be eligible. Systems with qualifying SEER2 and HSPF2 energy ratings are permitted to claim cooling energy savings, heating energy savings, and winter demand savings.

[3] A map of Oncor's service area is available at: https://www.oncor.com/us/en/home/about-us/electric-distribution-system.html

Chiller upgrades are also eligible for incentives under a different Oncor program. More information about eligibility requirements is available from Oncor (see Section 9 for contact information).

5.2 Eligibility Verification for Affordable Properties

The options for validating income eligibility for affordable properties include:

- **Eligibility through geographic location.** This is usually the easiest method for verifying eligibility as affordable. Any address located within a Qualified Census Tract (QCT) or Low-Moderate Income Census block (LMISD) automatically qualifies as affordable. Oncor has an online tool to allow anyone to check an address or identify areas in which all locations are automatically eligible.[4]
- **Eligibility through other programs or services**. Any multifamily property that participates in any of the following programs qualifies as affordable:
    - Affordable Housing Disposition Program
    - HOME Rental Housing Development
    - Low-Income Housing Tax Credit Program (with less than 25 percent of units at market rate)
    - Multifamily Bond Program (with less than 25 percent of units at market rate)
    - Public Housing Authority (Texas Housing Association)
    - Project-Based Section 8
    - Rural Rental Section 515 (FMHA)
    - Section 811 Project Rental Assistance Program
    - Texas Housing Trust Fund

  For projects in this category, proof of participation such as land use restriction agreement (LURA) is required to be submitted along with the Income Eligibility Form (Appendix A).
- **Eligibility via community action agency or social service agency**. One of these agencies may qualify a property as affordable via participation in or more of the above programs, or other low-income program, such as LIHEAP/CEAP or Weatherization Assistance Program.
- **Eligibility through income verification.** By definition, affordable properties are individually-metered or master-metered properties where 75% or more of the residents are at or below the following household incomes[5]:

Persons in Household	Maximum Household Income
1	$31,300
2	$42,300
3	$53,300
4	$64,300
5	$75,300
6	$86,300
7	$97,300
8	$108,300

[4] The Oncor online tool is called E4-TX (https://e4-tx.com/). Log in with username: oncorverify and password: oncorlowincomeverify. .

[5] Household income limits are based on 200% of 2025 Federal poverty guidelines (https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines).

Supporting documentation for determining household income for each apartment must be made available for Oncor audit. All parties recognize this information can be more sensitive for customers to provide and to store securely although all personal identifying information should be redacted, except name and address of the customer. Oncor is required to audit a sample of projects to ensure compliance with this requirement. Supporting documentation should be maintained for a minimum of 24 months.

Given concerns about income information as a participation barrier, validating eligibility via geographic location is the preferred method to verify property eligibility whenever possible.

5.3 Equipment Eligibility Requirements

5.3.1 Heat Pumps

Replacement systems must be heat pumps which meet the following requirements:

- Split system, minisplit or self-contained package-unit systems with a cooling capacity of less than or equal to 65,000 Btuh.
- Condensing units must be installed with a matched evaporator coil.
- Minimum SEER2 of 14.30.
- Minimum EER2 of 11.7 (minisplit heat pumps with EER2 values below this may be eligible)
- Minimum HSPF2 of 7.50.
- Equipment shall be properly sized to dwelling based on ASHRAE or ACCA Manual J standards.
- AHRI Reference numbers shall be used to verify system SEER2 and HSPF2.

5.3.2 Smart Thermostats

The installation of smart thermostats is optional. If a bidder wishes to include smart thermostats in the proposal, they should check the box(es) on the application form and include the additional cost in their requested incentive amounts. Additional savings will be calculated for smart thermostats.

Smart thermostats must be ENERGY STAR-certified.

The ENERGY STAR website maintains a list of certified thermostats (https://www.energystar.gov/productfinder/product/certified-connected-thermostats/results).

5.4 Participant Requirements

The requirements for program participants include:

- Entering into an installation agreement with a Texas-licensed HVAC contractor for the installation of qualifying equipment. Terms of this agreement do not have to be disclosed to Oncor or EnerChoice.
- Securing all necessary permits and complying with all state and local codes and regulations.
- Performing Manual J load calculations for each of the multifamily property's floor plans and elevations.
- Complying with all federal, state, and local guidelines for ensuring the health and safety of contractor personnel, management staff and residents. Prior to starting any installation activities, HVAC contractor staff and property management staff shall determine specific health and safety procedures to be followed during the installations.
- Providing residents with instructions for new thermostats. Simplified operating instructions for many different thermostat models may be downloaded from https://www.multifamilyhvacprogram.com/thermostats.html.

- Collecting the following data to be input into a spreadsheet template to be provided by EnerChoice:
    - Square footage, number of bedrooms
    - Existing space heating and cooling type
    - Condensing unit and indoor unit model and serial numbers
    - AHRI reference number(s)
    - Smart thermostat model number(s) (if installed).
- Working with EnerChoice to provide the following:
    - Responses to Customer Survey form
    - Access to units for pre- and post-installation inspections to be conducted by EnerChoice, Oncor, and / or the EM&V team
    - Assistance in completing required program documentation
        - If the project is affordable, the participant will be required to provide sufficient documentation to validate the project's eligibility, if the eligibility cannot be verified using Oncor's E4-TX tool.
- Executing Oncor's standard host customer agreement for energy-efficiency projects.

HVAC contractors should either verify that existing line sets, disconnects and electrical infrastructure meet manufacturer and code requirements, or include the cost of required upgrades in their bid prices. Installations shall also comply with state/local requirements regarding the installation of tamper-resistant service valves where applicable. Clearance around condensing units shall comply with manufacturer's recommendations.

Any modifications to existing cabinet or access doors must be performed to industry-standard construction practices, including sheetrock repair/replacement, trim carpentry, and texture/finishing.

6 Roles of Oncor and EnerChoice

EnerChoice is responsible for:

- Issuing the RFP and responding to any bidder inquiries
- Conducing outreach to property owners, managers, community organizations, and HVAC contractors
- Evaluating proposals
- Providing award letters to participants
- Conducting pre-installation meetings and customer surveys
- Conducting pre- and post-installation inspections
- Processing invoices and paying incentives to participants
- Collecting installation data and inputting data into Oncor's database

Oncor is responsible for:

- Selecting projects from submitted proposals
- Managing the program and its overall goals
- Attending pre-installation meetings and conducting pre- and post-installation inspections
- Performing other oversight functions as required

7 Invoicing and Payment

The following schedule will be used to issue incentive payments to program participants or assignee(s):

- 30% upon equipment order. If for any reason the project is stopped, cancelled, or not completed after the 30% advance payment is made, the bidder agrees to return the full amount of the advance payment to Oncor.
- 70% upon final inspection and approval by Oncor and EnerChoice
- Invoices may be submitted to EnerChoice after equipment order and upon completion of installations Participants with multiple projects will be required to submit separate invoices for each project. Terms are net 45 days.

8 Program Timeline

Oncor has specified the following key dates to ensure that funds are committed, and installations completed in accordance with milestones for Oncor's other programs:

Key Dates for Program

Activity/Submittal	Date
RFP Released	February 17
All Installations Completed	November 28, 2025

It is Oncor's intention to allocate much of its 2025 budget amounts to project applications submitted by March 3, but additional awards may be made throughout the year, so Oncor welcomes proposals submitted or re-submitted at any time.

9 Proposal Submittal and Evaluation

Bidders should use the Program's one-page application spreadsheet to input company information, proposed HVAC unit information, and requested incentive amounts. The application spreadsheet and other materials may be downloaded from https://www.multifamilyhvacprogram.com/oncor.html. The spreadsheet will calculate and display the proposed project's cost-effectiveness score in the lower right corner of the spreadsheet. Bidders may use this feature to optimize their proposals to achieve higher cost-effectiveness scores. In addition to cost-effectiveness, Oncor may identify other criteria, such as, but not limited to geographical location, timeline, and other project-related information to help determine project awards.

The proposed incentive should include all the costs associated with complying with the Program's requirements. Neither Oncor nor EnerChoice will be responsible for any other expenses related to the installation of the proposed HVAC systems. These other expenses may include but are not limited to incidental repairs, structural modifications, wiring, line sets, permit fees, disposal fees, sales taxes, administrative expenses, or any other expenses relating to complying with the Program's requirements.

All proposals should be emailed to:

Phil Audet
EnerChoice, LLC
512.461.4971
paudet@enerchoice.com

and:

Carl Brown
Oncor Electric Delivery
214.486.3244

214.952.4718 mobile
carlton.brown@oncor.com

The proposal should consist of the completed bidder spreadsheet. No other material or information is required or will be considered, unless requested by Oncor or EnerChoice. Bidders may submit multiple proposals but only one proposal per multifamily property shall be considered. A separate spreadsheet should be submitted for each project.

9.1 Additional Information

Requests for additional information and/or clarifications to the RFP should be directed to Phil Audet at the above email address or phone number.

9.2 RFP Terms and Conditions

- Company information submitted by the proposer as part of its application will be treated confidentially to the fullest extent possible. For purposes of program evaluation or review, information contained in program submittals may be presented to outside parties, including the PUCT.
- This RFP does not commit EnerChoice or Oncor to award a contract, issue a Purchase Order, or to pay any costs incurred in the preparation of a proposal in response to this RFP.
- Proposer(s) shall not offer any gratuities, favors, or anything of monetary value to any officer, agent, contractor, or employee of EnerChoice or Oncor for the purpose of influencing consideration of a proposal.
- Proposer(s) shall not collude in any manner, or engage in any practices, with any other Proposer(s) that may restrict or eliminate competition or otherwise restrain trade. This is not intended to preclude subcontracts and joint ventures for the purposes of: a) responding to this RFP; or b) establishing a project team with the required experience and/or capability to provide the goods or services specified herein.
- Oncor reserves the right to cancel this RFP or to reject any or all proposals received prior to contract award.
- EnerChoice and Oncor reserve the right to waive any formality connected with this RFP.

EnerChoice and Oncor reserve the right to request clarification of any proposal after all proposals have been received.

10 Appendix A: 2025 Multifamily Income Eligibility Form

Multifamily Apartment Complex (five or more units)
Income Eligibility for Full-Incentive Energy Efficiency Services

This form is to verify that at least 75 percent of the units are rented by income-eligible customers. The Public Utility Commission of Texas has authorized energy efficiency programs to reduce the utility bills of income-eligible tenant households. Contractors participating in the programs receive higher incentive payments when at least 75 percent of the tenants qualify as income-eligible. **One form must be filled out for each qualifying multifamily apartment complex.**

The information provided below will be used solely for the purpose of determining household eligibility and will be kept confidential by the investor-owned utility contractor or other representative and by the Public Utility Commission of Texas and their contractor. It will not be sold or provided to any other party.

Name of Applicant (Property Owner or Agent)	Name of Property Owner	
Name of Multifamily Apartment Complex		Number of Units in Complex
Name of Management Company		Name of On-Site Property Manager
Complex Street Address		Suite Number
City	State TX	Zip Code
Property Owner or Agent's Phone Number with Area Code ( ) -	Fax Number with Area Code ( ) -	
Management Company's Phone Number with Area Code ( ) -	Fax Number with Area Code ( ) -	

Category 1A: Eligible through other programs or services

The multifamily apartment complex qualifies in one or more of the programs listed below (☑ check all that apply, **digital or paper copy of proof of participation such as the land use restriction agreement required with this form**):

- Affordable Housing Disposition Program
- HOME Rental Housing Development
- Low-Income Housing Tax Credit Program
- Multifamily Bond Program
- Public Housing Authority (Texas Housing Association)
- Project-Based Section 8
- Rural Rental Section 515 (FMHA)
- Section 811 Project Rental Assistance Program
- Texas Housing Trust Fund
- Other income-qualifying housing program
  Program name: _____

Your signature is required on the last page of this form.

Category 1B: Eligible through community action or social service agency

(COMPLETED BY UTILITY, COMMUNITY ACTION, OR SOCIAL SERVICE AGENCY)

I certify the named multifamily complex or 75 percent or more of tenants participate in one of the programs in Category 1A or other low-income program service (such as LIHEAP/CEAP and Weatherization Assistance), which our agency qualifies participation.

Agency Name	Contact Name	Contact Phone Number with Area Code ( ) -

Category 1C: Eligible through geographic location

(COMPLETED BY UTILITY OR THEIR REPRESENTATIVE OR PROVIDER)

(☑ check box if applicable): Form is not required for geographical qualification as long as the relevant information is in the utility's tracking data (service address, geographic qualifier).

Housing and Urban Development (HUD) Low-Income Housing-Qualified Census Tract or Block—GEO ID: _____

Multifamily Apartment Complex (five or more units)
Income Eligibility for Full-Incentive Energy Efficiency Services

Category 2: Eligible through income verification
(DO NOT COMPLETE IF 1A, 1B, OR 1C COMPLETED ABOVE)

For an apartment complex to be eligible, at least 75 percent of the tenant household incomes before taxes are at or below 200 percent of the federal poverty guidelines.

STEP 1: Fill out the Apartment Complex Income Calculation Worksheet.
(Excel or hard copy must be included with this form)
*To accurately determine tenant **household income**, you may use the tenant rental application showing the number of individuals residing in the unit and the household income dated from within the past 18 months. If the rental application does not show the required information or the information is over 18 months old, then the tenant(s) must complete the **Single-Family Income Eligibility for Full-Incentive Energy Efficiency Services* form. Supporting documentation for each unit must be available for utility audit.

STEP 2: Compare the tenant's total household income per week, month, or year to the amount shown in the table below for the number of persons residing in the unit.
If the total household income is equal to or less than the amount shown in the table, the unit is income-eligible for the full incentive. If the unit is not income-eligible, the unit is eligible for the residential incentive level.

200 Percent of Health and Human Services (HHS) Poverty Guidelines

Size of family unit	Annual Income	Monthly Income	Weekly Income
1	$31,300	$2,608	$602
2	$42,300	$3,525	$814
3	$53,300	$4,442	$1,025
4	$64,300	$5,358	$1,237
5	$75,300	$6,275	$1,449
6	$86,300	$7,192	$1,660
7	$97,300	$8,108	$1,872
8	$108,300	$9,025	$2,083
Each additional person, add:	$11,000	$917	$212

* **Notice:** Income ceilings are for February 1, 2025—January 31, 2026.
Annual updates are posted on http://www.puc.texas.gov/industry/electric/forms/

STEP 3: Fill out the Apartment Complex Income Calculation Summary below.

Apartment Complex Income Calculation Summary

Apartment complex income calculation summary	Number of units
Number of income-eligible units	
Number of non-income-eligible units, including vacant units	
Total number of units	
Percentage of income-eligible units *(income-eligible units divided by the total number of units)*	

STEP 4: If "percentage of income-eligible units" is 75 percent or higher, please certify the eligibility of the apartment complex with your signature below.

(Electronic) By typing my name below, I certify the above statements to be true and correct to the best of my knowledge and that this information can be used for the purpose of processing my Multifamily Apartment Complex Income Eligibility for Full-Incentive Energy Efficiency Services Form.
(Non-Electronic) If filling out the delineation by hand, please provide your original signature and date.

I understand that the information is subject to audit and investigation by the investor-owned utility or representative providing the program services.

Applicant Signature (Property Owner or Agent)	Date
Contractor Signature	Date

Keep a copy of this form for your records.

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