

# Support for Development of a Strategic, Policy-Centric Assessment of Industrial Heat Pumps as a Pathway for Industrial Electrification in India

CLASP seeks to undertake a strategic and policy-focused assessment of Industrial Heat Pumps (IHPs) to evaluate their role in accelerating industrial electrification and decarbonization in India.

**DUE: 29 May 2026 at 23:59 ET**    **QUESTIONS: [ppandey@clasp.ngo](mailto:ppandey@clasp.ngo)**

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## About CLASP

[CLASP](#) is the leading global authority on efficient appliances' role in fighting climate change and improving people's lives. With 25 years of expertise, CLASP collaborates with policymakers, industry leaders, and other experts to deliver clear pathways to a more sustainable world for people and the planet.

CLASP is a global non-profit with offices in Europe, India, Indonesia, Kenya, and the United States. We have worked in over 90 countries since our inception in 1999. We are mission-driven and committed to a culture of inclusion, transparency, collaboration, and impactful work. Find out more [about CLASP](#).

In India, CLASP collaborates with Bureau of Energy Efficiency (BEE) with technical assistance and capacity building support on appliance energy efficiency as required by BEE and in line with their priorities. CLASP's technical assistance has enabled BEE to expand the appliance energy efficiency policy framework to cover a wide range of residential, commercial, and industrial energy intensive products. This has resulted in reduced energy use, lowered peak electricity demand, reduced consumer energy costs, expanded access to high quality appliances, and resulted in avoided greenhouse gas emissions.

## Context and Background

India's power sector is expanding rapidly with growing renewable capacity and generation, while industrial process heat remains predominantly dependent on fossil fuels. Electricity accounts for around 17% of industrial energy use in India, which indicates significant potential to electrify manufacturing, especially thermal processes and utility applications.

Industrial electrification is emerging as a policy priority because it can improve competitiveness and energy security, increase efficiency, and support deep decarbonization as the grid becomes cleaner. Heat pumps are especially relevant because they transfer heat rather than generating it through combustion, allowing them to deliver multiple units of useful heat per unit of electricity input for low- and medium-temperature industrial applications.

CLASP's recent work on heat pumps in India has already shown that household water heating may face short term adoption constraints due to higher upfront costs compared to electric geysers; commercial, hospitality, and industrial heating applications offer much stronger potential. At the same time, awareness and confidence in industrial heat pumps remain limited,

and existing studies are often too narrow or sector-specific to build a strong cross-sector policy case.

There is a clear need for a broader assessment that positions industrial heat pumps as a cross-cutting decarbonization solution for Indian industry, estimates the overall potential, identifies the most promising use cases, and recommends practical policy and market actions to support large-scale adoption.

## Goal

The goal of this work is to provide Indian policymakers with a strong evidence base on the potential of Industrial Heat Pumps to electrify industrial heat, along with a practical policy roadmap to accelerate adoption.

The assessment will aim to:

- Quantify the potential for IHPs in the Indian context, including priority sectors and the most promising industrial heat applications.
- Assess indicative costs, savings, and emissions outcomes under plausible electricity tariff and fuel price scenarios.
- Identify awareness, policy, regulatory, financing, and market barriers affecting deployment.
- Develop a policy and market roadmap to encourage large-scale adoption.

## Timeline

**Contract Timeframe:** June 2026 – January 2027

**Deadline for Application:** 29 May 2026 at 23:59 ET

Application includes registering as a Consulting Partner and submitting the technical and financial proposals per the instructions below.

**Deadline for Questions:** 22 May 2026 at 23:59 ET

All questions must be addressed in English to Mr. Prasun Pandey at [ppandey@clasp.ngo](mailto:ppandey@clasp.ngo). We request all inquiries be made to this e-mail address and not by phone.

## Scope of Work

The consultant or project team will be expected to carry out the following tasks as part of the assessment.

### **Task 1: Strategic Market and Policy Landscape Assessment**

1. Summarize the global state of play on industrial heat pumps and other electric heat options, including policy and market lessons from international experience.

2. Map where industrial heat is used in India today, including applications such as hot water, steam, drying, washing, and cleaning, and assess how electricity tariffs, reliability, and renewable procurement conditions shape the business case for electrification.
3. Identify and prioritize high-impact sectors and representative facility profiles where industrial heat pumps are most likely to be technically and economically viable.
4. Assess awareness, confidence, and information gaps related to industrial heat pumps among industry stakeholders in India.

### **Task 2: Techno-Economic and Emissions Assessment**

1. Compare fossil-fuel-based systems and electric boiler systems with heat-pump-based alternatives using indicative techno-economic analysis.
2. Evaluate indicative total cost of ownership, energy savings, learning effects, energy import implications, and emissions avoidance potential across selected use cases.
3. Assess the role of renewable electricity procurement and grid decarbonization in improving emissions outcomes from industrial heat pump deployment.

### **Task 3: Policy, Finance, and Supply Chain Assessment**

1. Identify enabling policy and regulatory reforms that could accelerate adoption of industrial heat pumps in India.
2. Assess financing structures and market making mechanisms such as demand aggregation, assured off-take, performance guarantee models (ESCO, RESCO), blended finance, and carbon credit opportunities
3. Undertake a national scan of domestic manufacturing, supply chains, and workforce skills to assess existing capacities and identify future capability needs for industrial heat pumps and key components in India.

### **Task 4: Stakeholder Engagement and Roadmap Development**

1. Conduct structured stakeholder consultations with industry, OEMs, ESCOs, utilities, discoms, regulators, and financiers to validate assumptions and refine recommendations.
2. Organize a validation workshop or policy-finance roundtable to support uptake of the findings and recommendations.
3. Develop a roadmap identifying the priority industrial clusters suitable for piloting, along with key stakeholders and implementation roles.

Bidders are encouraged to propose potential additions to the Scope of Work based on their understanding of India's ecosystem, heat pump technologies, and market deployment conditions.

## Key Milestones and Deliverables

- Full report of approximately 50–60 pages that presents an action-oriented narrative to position industrial heat pumps as a strategic pathway for industrial electrification in India, identify priority actions, set out a clear call to action for policymakers, industry, and financiers, and catalyze policy and market uptake.
- Policy brief of approximately 2–3 pages summarizing key findings and priority actions for policymakers.

## Submittal

### Register as a Consulting Partner

Interested parties must [register as a CLASP Consulting Partner](#).

### Submit Technical and Financial Proposals

Interested parties should submit separate technical and financial proposals electronically, in English, via this [form link](#) (preferably in PDF format). The files should be named as per the following example:

[CONTRACTOR\_NAME] \_Technical Proposal\_ RFP 2026-05-07

[CONTRACTOR\_NAME] \_Financial Proposal\_ RFP 2026-05-07

The length of the technical proposal should not exceed 20 pages and should include:

- Detailed approach and methodology for the design, implementation, and management of the project
- Detailed timeline for all project activities, tasks, milestones, and deliverables for the project within the time frame indicated above
- Background and experience of conducting similar activities
- A summary of the qualifications and experience of key personnel that will execute the project
- Other relevant information

The financial proposal (in USD) should include a detailed budget with all direct and indirect cost estimates for executing the project, including a breakdown (in days) of the level of effort and costs associated with each team member that will be engaged in the project.

CVs and related summaries of experience and qualifications of proposed project team staff should be included in an Annexure and should not exceed 10 pages.

## Optional At This Stage – Fill Out Pre-Qualification Questionnaire (PQQ)

All contractors must complete the [Pre-Qualification Questionnaire \(PQQ\)](#) before they can begin work with CLASP. However, at the **RFP stage**, completing the PQQ is **optional** (i.e. you can decide to fill it out at a later stage, only if you are selected).

The PQQ is a comprehensive due diligence screening used to collect legal and financial information about potential partners or vendors. While **not required at the RFP stage**, it **must** be completed if a contract is awarded. Contracts are **contingent on successfully passing** this due diligence process.

If your organization has already completed the PQQ, you do not need to submit it again—unless there have been changes to your business structure and/or you submitted the PQQ more than two years ago. If you're unsure, please contact Andrea Testa at [atesta@clasp.ngo](mailto:atesta@clasp.ngo) for guidance.

## Evaluation Procedure

A committee appointed by CLASP will evaluate proposals received. Selection of qualified companies or organizations will be based upon the following criteria:

**Technical Approach (35 points):** The technical approach described in the proposals will be evaluated on:

- The demonstrated understanding of the overall project context (15).
- The detailed work plan and approach clearly defining the target objectives and the strategy to achieve the objectives as outlined in the scope of work (20).

**Management Structure and Staff Qualification (25 points):** The proposed management structure and staff will be evaluated on:

- The professional qualifications and the extent to which the requisite expertise and experience of the key personnel will directly contribute to the completion of the tasks (25).

**Past Performance and Corporate Experience (20 points):** The experience and capacities of the contractor will be evaluated based on:

- The past performance, familiarity, and experience of narrative defining work or studies (10).
- Extent of local expertise including experience, qualifications, and track record in implementation of similar programs (10).

**Cost Evaluation Factors (20 points):** While the overall Technical Evaluation is the key factor in reviewing the proposal, the Cost Evaluation is also an essential factor in determining the final contract award. The entire proposal will be evaluated for feasibility, completeness, and practicality.

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*As noted above, CLASP is a global nonprofit whose mission is to improve the energy and environmental performance of the appliances & equipment we use every day, accelerating our transition to a more sustainable world. CLASP's values and culture include transparency, collaboration, serving others, bringing positive impact to the world, providing equal opportunity, and fostering an inclusive environment without regard to individuals' background, identity or circumstances.*

*CLASP has found that partnering with entities with a demonstrated commitment to its values and mission leads to the best outcomes. Accordingly, we encourage you to include additional information you think shows why your organization would be a good partner for this project.*

CLASP looks forward to reviewing your responses and would like to thank you in advance for your participation in this Request for Proposals. CLASP will notify all respondents who submit proposals when a decision has been made.