

COMMONWEALTH OF PENNSYLVANIA

**LOW-INCOME HOME ENERGY
ASSISTANCE PROGRAM**

FISCAL YEAR 2015

FINAL STATE PLAN

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GOVERNOR**

Commonwealth of Pennsylvania

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SECRETARY**

Department of Public Welfare

PUB 223

THE MISSION OF THE DEPARTMENT OF PUBLIC WELFARE

Our Mission is to improve the quality of life
for Pennsylvania's individuals and families.

We promote opportunities for independence
through services and supports while demonstrating
accountability for taxpayer resources.

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COMMONWEALTH OF PENNSYLVANIA
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
Fiscal Year 2015 Final State Plan

INTRODUCTION

The Department of Public Welfare (DPW) adopts the Commonwealth's Final State Plan for the Federal Fiscal Year 2015 (FY 2015) Low-Income Home Energy Assistance Program (LIHEAP), in accordance with the Low-Income Home Energy Assistance Act of 1981 (Title XXVI of Pub. L. 97-35, the Omnibus Budget Reconciliation Act of 1981, 42 U.S.C. Section 8621 et seq.) as amended by the Human Services Reauthorization Act of 1984 (Pub. L. 98-558), the Human Services Reauthorization Act of 1986 (Pub. L. 99-425), the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (Pub. L. 101-501), the National Institutes of Health Revitalization Act of 1993 (Pub. L. 103-43), the Low-Income Home Energy Amendments of 1994 (Pub. L. 103-552), the Coats Human Services Reauthorization Act of 1998 (Pub. L. 105-285), and the Energy Policy Act of 2005 (Pub. L. 109-58).

LIHEAP is a Federally-funded program which enables the State to help low-income households meet their home heating needs.

LIHEAP is administered by DPW and consists of three components: cash benefits to help eligible low-income households pay for their home-heating fuel; crisis payments, if needed, to resolve weather-related, supply shortage, and other household energy-related emergencies; and energy conservation and weatherization measures to address long-range solutions to the home-heating problems of low-income households. Energy conservation and weatherization services and certain related crisis payments are provided by the Department of Community and Economic Development (DCED), under its Weatherization Assistance Program in compliance with the Department of Energy and the Title XXVI requirements.

LIHEAP FEDERAL FUNDING

President Obama's FY 2015 budget request was released on March 3, 2014. The budget proposes to fund the FY 2015 LIHEAP at \$2.8 billion in block grant funds with \$200 million in emergency contingency funds. Pennsylvania's share of the block grant is estimated to be \$146.49 million. On January 17, 2014, the Consolidated Appropriations Act, 2014, became law, replacing the sequester and setting spending levels for FY 2014 and FY 2015. Pennsylvania's share of the block grant based on the 2013 Congressional budget is estimated to be \$203.07 million. Of these two estimates, DPW will be using the estimate based on the prior year's Congressional budget since the passage of the Appropriations bill offers security that funding will not decrease.

There are no State Energy Conservation Act funds (ECAAF) allocated for program year 2014-15. DPW anticipates carrying forward a balance of \$13 million. This results in a total budget of \$216.07 million. Fifteen percent of the block grant will be allocated

to DCED for the Weatherization Assistance Program and up to 10 percent of the block grant will be allocated for administrative costs, leaving an adjusted minimum total of \$165.3 million available for LIHEAP benefits.

PUBLIC COMMENT

In addition to soliciting advice from the LIHEAP Advisory Committee (LAC), DPW held public hearings on the LIHEAP proposed Plan for Fiscal Year (FY) 2015 in compliance with Federal LIHEAP requirements. This year, hearings were held in Philadelphia (July 7), Harrisburg (July 9), and Pittsburgh (July 16). A total of 52 persons attended the hearings: 20 in Philadelphia; 6 in Harrisburg; and 10 in Pittsburgh. A total of 16 individuals or organizations provided oral testimony at the hearings and 7 individuals or organizations presented written mail-in testimony. LAC recommendations and all other comments and testimony were taken into consideration in developing program parameters for the Final State Plan.

PROGRAM PARAMETERS

The FY 2015 LIHEAP parameters include:

- an opening date of November 3, 2014 and closing date of April 3, 2015 for the cash and crisis components;
- the income eligibility limit will be set at 150 percent of the Federal Poverty Income Guidelines (FPIGs);
- a minimum cash benefit of \$100;
- a maximum cash benefit of \$1,000;
- a minimum crisis benefit of \$25;
- a maximum crisis benefit of \$500.

Program Year

Based on anticipated available funding for benefits and administrative costs, DPW proposes to open the cash and crisis components on November 3, 2014 with a closing date of April 3, 2015. As in past years, DPW may extend or shorten the program year, depending on the availability of funds.

Prior to the cash program opening date, DPW will mail applications or a postcard directing people to apply online to persons who received LIHEAP benefits in the 2013-2014 program year.

Comment:

Public hearing testimony supported various recommendations for program extension. One testifier recommended a spring Crisis program to help with termination notices received from utilities and two testifiers recommended that funding be set aside for Crisis after the winter moratorium.

Sixteen testifiers (including PULP, CLS, utility companies, fuel vendors, and advocacy groups) supported eliminating the crisis exception program and supported operating the cash and the regular crisis component concurrently. Two testifiers requested an opening date in October for both components to allow for fuel delivery and reconnection of utility service going into the heating season.

Two testifiers supported an opening date for both components on November 3, 2014.

One testifier requested the program closing date for both components be moved to April 15. Seven testifiers requested the program closing date be moved to April 30, 2015.

Three testifiers requested that the program remain open until all funds are exhausted.

Six testifiers requested that Pennsylvania establish a contingency plan to reduce carryover funding.

Two testifiers requested that the program seek additional funding in the form of a state supplement to the federal funding.

One testifier expressed concerns that the mailing of postcards directing individuals to apply on COMPASS would be unnecessarily complicated or confusing for some applicants.

Five testifiers recommended that DPW do enhanced outreach to ensure that as many eligible individuals apply as possible. One testifier requested more intake sites for applications and integration with community service providers.

Response:

The proposed program dates were determined by expenditure projections, based on anticipated funding and traditional expenditure patterns, and represent the maximum length for which the program can be sustained. Therefore, the program dates will remain as proposed, with the FY 2015 cash and crisis components opening on November 3, 2014 with a closing date of April 3, 2015.

If the Federal appropriation changes significantly, DPW will adjust the program operating dates as necessary.

DPW will either mail applications or send postcards directing people to apply

online to all households who received LIHEAP last year.

Income Eligibility Guidelines

Based on anticipated funding, DPW proposed a maximum income eligibility limit of 150 percent of the FPIGs for the FY 2015 LIHEAP. The income limits for FY 2015 will be based on the FPIG levels published on January 22, 2014 by the Department of Health and Human Services in the Federal Register.

Comment:

Three testifiers supported maintaining the income limits at 150 percent of the FPIGs.

One testifier requested that DPW raise the eligibility limits to 200 percent of the FPIG.

One testifier requested DPW create an automatic enrollment program based on information already collected from other DPW programs.

Response:

The income limits for FY 2014 and FY 2015 are listed below:

| <u>Household Size</u> | <u>FY 2014 Income Limit</u> | <u>FY 2015 Income Limit</u> |
|---------------------------------|---------------------------------|---------------------------------|
| | <u>150%</u> | <u>150%</u> |
| 1 | \$17,235 | \$ 17,505 |
| 2 | 23,265 | 23,595 |
| 3 | 29,295 | 29,685 |
| 4 | 35,325 | 35,775 |
| 5 | 41,355 | 41,865 |
| 6 | 47,385 | 47,955 |
| 7 | 53,415 | 54,045 |
| 8 | 59,445 | 60,135 |
| 9 | 65,475 | 66,225 |
| 10 | 71,505 | 72,315 |
| For each additional person add: | | |
| | \$ 6,030 | \$ 6,090 |

Due to different criteria that are used to determine a “household” between all the different programs DPW administers, we are not offering an automatic enrollment program at this time.

Minimum Cash Benefit

DPW proposed to set the minimum cash component benefit at \$100.

Comment:

One testified supported the minimum cash grant benefit level of \$100.

Two testifiers recommended increasing the minimum cash grant, with one testifier requesting a minimum of \$300 and one requesting a minimum of \$400.

Response:

Based on anticipated Federal funding, DPW has made the decision to set the minimum cash benefit at \$100.

Maximum Cash Benefit

DPW proposed to set the maximum cash component benefit at \$1000.

Comment:

Two testifiers supported the cash maximum of \$1000.

One testifier recommended eliminating the maximum amount for a cash grant. The testifiers stated that only households with the greatest need for energy assistance qualify for the highest cash grant amounts.

One testifier recommended increasing the cash maximum to \$1500.

Response:

Based on anticipated Federal funding, DPW has made the decision to set the maximum cash benefit at \$1000.

Minimum Crisis Benefit

DPW proposed to set the minimum crisis component benefit at \$25.

Comment:

One testifier supported the minimum crisis component benefit of \$25.

Response:

DPW will set the minimum crisis component benefit at \$25.

Maximum Crisis Benefit

DPW proposed to increase the maximum crisis component benefit at \$500.

Comment:

Seven testifiers supported maintaining the amount of the maximum crisis grant at \$500.

Response:

Based on anticipated Federal funding, DPW has made the decision to set the maximum crisis component benefit at \$500.

Crisis Program

The Department will no longer operate a Crisis Exception Program. Instead, the regular crisis component will run concurrent with the LIHEAP cash season.

Households may apply for and, if eligible, receive regular crisis benefits regardless of whether they apply for or receive a LIHEAP cash benefit. To qualify for a crisis benefit, a household must be without heat or in imminent danger of being without heat because of a weather-related or energy-supply-shortage emergency.

Comment:

One testifier recommends that any applicant eligible for a crisis grant be considered automatically eligible for a cash grant.

Four testifiers recommended that Crisis policy be changed to state that a termination notice from a utility is always sufficient proof of a crisis. One testifier recommended that a termination notice should be acceptable verification of a crisis after February 1st.

One testifier recommended that DPW should require utilities to restore service when offered a LIHEAP crisis grant.

One testifier supported the change to the LIHEAP application to include the question inquiring if the applicant is in a crisis situation.

One testifier suggested the possibility of home visits for crisis applicants who are physically unable to leave their homes.

Response:

To qualify for Crisis, a household shall be without heat or in imminent danger of being without heat because of a weather-related or energy-supply-shortage emergency. Since utility companies cannot shut-off service until April 1st because of the moratorium, a termination notice during the winter moratorium is not considered proof the household is in imminent danger of being without heat.

Weatherization Transfer

The amount of funds allocated to DCED for the Weatherization Assistance Program will be 15 percent of Pennsylvania's Federal LIHEAP block grant allocation.

Comment:

Two testifiers supported transferring the full 15 percent of the LIHEAP block grant allocation to DCED.

Three testifiers objected to the transfer of funds to DCED for weatherization when there is little public funding for energy assistance.

Two testifiers stated that the Crisis Interface Project should allow applicants to have irreparable furnaces or boilers replaced by a natural gas heater.

Two testifiers stated that customers with furnaces considered inoperable for more than two years should be eligible for crisis interface to have their furnace replaced.

Response:

For FY 2015, DPW will transfer 15 percent of LIHEAP funds to DCED for the Weatherization Assistance Program as is mandated by state law.

Application of Cash Benefits

Public utilities that operate CAPs will apply the LIHEAP cash component benefits only to the customer's monthly 'Asked to Pay' amount. No LIHEAP funds may be applied to CAP customer's pre-program arrearages or actual usage amounts.

Comment:

Two testifiers support the policy of applying LIHEAP funds only to customers' 'Asked to Pay' amounts

Five testifiers stated their support for continued communication between DPW and concerned parties regarding any potential changes to this portion of the plan.

Two testifiers recommended that DPW share client information with utilities to help enroll LIHEAP clients in CAP programs.

Response:

The purpose of LIHEAP is to help low income households meet their home heating needs. The LIHEAP Federal statute, regulations and Pennsylvania's approved state plan require that LIHEAP funds be applied in full to the account of those households determined LIHEAP eligible. Utility companies must apply LIHEAP cash grants only to the "Asked to Pay" amount the CAP customer is required to pay. Further discussion with LIHEAP stakeholders will be forthcoming to look into the possibility of alternative models which would comply with federal standards.

Heat and Eat Initiative

To enhance participation and benefits for households enrolled in the Supplemental Nutrition Assistance Program (SNAP), DPW will continue to issue a heating assistance benefit to SNAP households that are responsible for heating costs and have not already been approved for LIHEAP during the current program year. SNAP applicants or recipients who are homeless or living in institutions are not eligible to receive the heating assistance benefit.

Per Federal SNAP regulation, receipt of a heating assistance benefit, regardless of the amount of the benefit, enables SNAP recipients to maximize the SNAP Standard Utility Allowance (SUA). Households receiving the heating assistance benefit that are recipients of SNAP will receive the highest SNAP SUA. Using the highest allowable SUA in the SNAP benefit calculation may significantly increase SNAP benefits for many households. The annual heating assistance benefit will qualify the household for the maximum SNAP SUA for the current federal fiscal year.

Comment:

No comments were made about the Heat and Eat Initiative.

DEPARTMENT OF PUBLIC WELFARE &
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
CRISIS INTERFACE PROJECT

The DPW/DCED Crisis Interface Project, implemented with the FY 1993 program year, will continue.

Under this LIHEAP crisis program integration, a portion of the LIHEAP funds allocated for weatherization will be used to alleviate specific LIHEAP crises. The following types of crises are included: furnace replacement; the repair of a heating system; the repair of gas or other fuel lines; the replacement of an unrepairable heating system; the repair of broken windows; and pipe-thawing services. Specific DCED responsibilities include addressing the crisis situation within 48 hours, or 18 hours if the situation is considered to be life-threatening or health-threatening.

LIHEAP households with weather-related emergencies will be eligible to receive more expensive types of services provided through the Crisis Interface Project. Specifically, an average of \$6,500 is available to a household for weatherization services.

Applicants must apply through their CAOs or crisis contractor, where applicable, who is then responsible for determining LIHEAP eligibility and for identification of the type of crisis and service needed. At this point, DPW will either take steps to directly alleviate the crisis, or will refer the crisis to the local weatherization office for resolution. This will include a home visit for an evaluation as to the service needed to resolve the crisis and an assessment for weatherization services, if not previously provided.

THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

FY 2015 PROPOSED STATE PLAN

ASSURANCES

The Governor of Pennsylvania has authorized the Secretary of Public Welfare to apply and reapply for Federal funds under the Low-Income Home Energy Assistance Program (42 U.S.C. Section 8621 et seq.), and to develop, approve and submit to the Federal government all State Plans and other related documents as may be necessary for the Commonwealth to obtain available funds to administer the program.

In accordance with the Low-Income Home Energy Assistance Act of 1981 (the Act) (Pub. L. 97-35), as amended by the Human Services Reauthorization Act of 1984 (Pub. L. 98-558), the Human Services Reauthorization Act of 1986 (Pub. L. 99-425), the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (Pub. L. 101-501), the National Institutes of Health Revitalization Act of 1993 (Pub. L. 103-43), the Low-Income Home Energy Assistance Amendments of 1994 (Pub. L. 103-252), the Coats Human Services Reauthorization Act of 1998 (Pub. L. 105-285), and the Energy Policy Act of 2005 (Pub. L. 109-58), the Commonwealth of Pennsylvania, through its Department of Public Welfare (DPW), submits this State Plan for operating the cash and crisis components of LIHEAP and will carry out the Federal requirements contained in Section 2605(b) of the Act as amended.

1. Allotment of Funds

In accordance with Pub. L. 97-35, Section 2605(c)(1)(C), as amended, Pennsylvania will use the available funds to assist eligible households to meet the costs of home heating energy and will make payments only as specified.

The projected budget, based on percentages, is:

| | |
|--------------------------------------|-------------------------------------|
| Cash benefits | up to 65 percent of available funds |
| Crisis benefits | up to 10 percent of available funds |
| Weatherization | 15 percent of available funds |
| Administrative and planning costs | up to 10 percent of available funds |

Adjustments within the maximums will be made as needed, but will not exceed 100 percent of available funds.

2. Eligible Households

In accordance with Pub. L. 97-35, Section 2605(b)(2), as amended, Pennsylvania will make payments to, or on behalf of, households whose gross annual incomes are equal or less than the established percentage of the poverty level for the FY 2015 program, based on the Federal Poverty Income Guidelines published on January 22, 2014 by the U. S. Department of Health and Human Services (DHHS).

Income limits for households to qualify for LIHEAP cash, crisis, and weatherization benefits are as follows:

| <u>Household Size</u> | <u>Cash & Crisis 150 Percent of FPIG</u> | <u>Weatherization 200 Percent of FPIG</u> |
|---------------------------|--|---|
| 1 | \$ 17,505 | \$23,340 |
| 2 | 23,595 | 31,460 |
| 3 | 29,685 | 39,580 |
| 4 | 35,775 | 47,700 |
| 5 | 41,865 | 55,820 |
| 6 | 47,955 | 63,940 |
| 7 | 54,045 | 72,060 |
| 8 | 60,135 | 80,180 |
| 9 | 66,225 | 88,300 |
| 10 | 72,315 | 96,420 |

For each additional person add:

| | |
|----------|----------|
| \$ 6,090 | \$ 8,120 |
|----------|----------|

3. Public Education

In accordance with Pub. L. 97-35, Section 2605(b)(3), as amended, Pennsylvania will conduct public education activities to assure that eligible households, especially the elderly and disabled, and households with high home energy burdens are aware of assistance available under this Plan and that all applicant households have geographic access to application sites. Funds will be designated for public education activities as determined appropriate by the Secretary of DPW.

Pennsylvania will inform individuals, groups, and families about LIHEAP through mass mailings, notices to the media, brochures, posters, and through voluntary and religious organizations.

Additional public education activities will include the following:

- Provision of reproducible public education materials to utility companies and fuel vendors, upon request, for use in such ways as bill messages.
- Applications with return, pre-stamped envelopes mailed to homebound individuals who need help in applying for benefits.
- Provision of applications for LIHEAP benefits to utility companies, fuel vendors, and community-based agencies, such as Area Agencies on Aging and Community Action Agencies, for distribution to prospective LIHEAP applicants.
- Provision of publicity materials to the Area Agencies on Aging directly and through the Department of Aging to inform the elderly population of LIHEAP benefits and requirements.
- Provision of information to persons with disabilities about the availability of energy-related assistance from advocacy groups working on their behalf.
- Provision of public education materials in Spanish. Translation services are available in Chinese, Vietnamese, Russian, Cambodian and other languages.
- Provision of brochures, which describe LIHEAP benefits and requirements to County Assistance Offices (CAOs) for distribution to public assistance applicants and recipients.
- Provision of publicity materials to other State and local government offices.
- Provision for the most effective use of Statewide and local resources in the public education effort through maximum use of appropriate agencies and networks.

4. Coordination with Other Energy-Related Programs

In accordance with Pub. L. 97-35, Section 2605(b)(4), as amended, Pennsylvania has coordinated the planning process for the development of the State Plan with the following agencies:

- The Department of Community and Economic Development (DCED), which is the designated agency for weatherization programs under Title IV of the Energy Conservation and Production Act;
- The Department of Aging;
- Agencies represented on the LIHEAP Advisory Committee (LAC), including the American Association of Retired Persons, Pennsylvania Council on Aging,

Community Legal Services, DCED, Pennsylvania Utility Law Project, Utility Emergency Services Fund, \$1 Energy Fund, Energy Coordinating Agency, Community Action Association of Pennsylvania, County Welfare Rights Representatives, Office of Consumer Advocate, Pennsylvania Petroleum Marketers & Convenience Store Association, Energy Association of Pennsylvania, Pennsylvania Rural Electric Association, Public Utility Commission (PUC), and the Allegheny County Department of Human Services.

5. Highest Benefits to Neediest Households

In accordance with Pub. L. 97-35, Section 2605(b)(5), as amended, Pennsylvania will provide, in a timely manner, that the highest level of assistance will be furnished to those households that have the lowest income and the highest energy costs in relation to income, taking into account household size, fuel type, and heating region. For weatherization services and the resolution of crises, the specific needs and the cost of such needs are considered in determining the level of assistance. Pennsylvania will not differentiate between households with incomes that do not exceed the established percent of the poverty level for the FY 2015 program and households in which one or more individuals are receiving Temporary Assistance for Needy Families, Supplemental Security Income, Supplemental Nutrition Assistance Program, or payments under Section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978.

6. Participation of Local Administering Agencies

In accordance with Pub. L. 97-35, Section 2605(b)(6), Pennsylvania has designated local administrative agencies to carry out the provisions of this Plan and has given special consideration to local agencies that were receiving Federal funds under any low-income energy assistance or weatherization program. Pennsylvania has determined that the designated agencies meet program and fiscal requirements established by the State.

DPW administers the provision of cash benefits and its outreach efforts, with the exception of specialized outreach to the elderly to be performed by the Department of Aging.

DPW administers its energy crisis component; utilizing CAOs, Community Action Agencies, and other local agencies with experience in managing energy crisis programs under the Low-Income Home Energy Assistance Act of 1981, or with experience in assisting low-income individuals and the capacity to undertake a timely and effective energy crisis intervention program.

7. Home Energy Suppliers' Requirements

In accordance with Pub. L. 97-35, Section 2605(b)(7), as amended, Pennsylvania will pay LIHEAP benefits for eligible households directly to home energy

suppliers, except when a supplier refuses to participate or a supplier has been removed from the list of participating vendors.

Pennsylvania will make payments only to those home energy suppliers who sign a standard vendor agreement. **EXCEPTION:** Occasionally a vendor will provide service one time only. In these instances, DPW will attempt to secure a signed agreement. However, payment will not be made until after crisis service has been rendered.

8. Equitable Treatment of Renters and Owners

In accordance with Pub. L. 97-35, Section 2605(b)(8), as amended, Pennsylvania will treat owners and renters equitably. The application requirements for cash, crisis and weatherization benefits apply equally to both owners and renters and will not be limited to the categorically eligible.

9. Administrative and Planning Costs

In accordance with Pub. L. 97-35, Section 2605(b)(9), as amended, Pennsylvania's total estimated planning and administrative costs will not exceed 10 percent of the total LIHEAP funding appropriated, of which none will be transferred to any other block grant. Any administrative and planning costs in excess of 10 percent of Pennsylvania's total allocation, should they be incurred, would be paid from non-Federal sources.

Pennsylvania is defining any costs associated with system-related upgrades and enhancements as programs costs and not administrative costs. Therefore, any system-related expenditures would not be counted toward the ten percent allotted for administrative costs. Pennsylvania will not spend more than two percent of the total LIHEAP funding appropriated for system upgrades and enhancements.

10. Monitoring and Audit

In accordance with Pub. L. 97-35, Section 2605(b)(10), as amended, Pennsylvania will provide fiscal control and fund accounting procedures as necessary to assure the proper disbursement of funds, which includes monitoring payments and an annual audit of Pennsylvania's expenditures.

- Application Monitoring Procedures: All applications approved at the local agency level and forwarded for payment will be submitted for all computerized eligibility checks before payment is made.

The computerized checking process includes:

- a. Check for duplicate Social Security Numbers in existing DPW systems;

- b. Verify Social Security Numbers, Social Security benefit amounts, and death information through data exchange with the Social Security Administration;
- c. Verify Supplemental Security Income payments through the State Data Exchange (SDX);
- d. Check for criminal information on all household members through data exchange with the Commonwealth Judicial Information System
- e. Check tax information concerning earned or unearned income through data exchange with the Internal Revenue Service;
- f. Check on family size and income;
- g. Check for cash payment above \$1,000;
- h. Check for crisis payment below \$25;
- i. Check for total crisis payment above \$500;
- j. Determination of payment;
- k. All fields must contain acceptable established elements (characters or numbers);
- l. All required fields must be completed.

Agency Monitoring Procedures: The first step of the agency's monitoring strategy begins at the County Assistance Office (CAO).

- CAO staff members, involved in processing LIHEAP applications, participate in weekly knowledge reinforcement sessions. Each LIHEAP Knowledge Reinforcement Session (LKRS) is formatted as an e-learning module to be completed during the week that the session is posted. Acknowledgement for each session is given to the staff member when all five questions are correctly answered. An absent worker is given one week to complete a missed session upon their return. Staff is able to access each session posted on the Staff Development Website as a reference available throughout the LIHEAP Season.
- CAO supervisors, involved in LIHEAP eligibility, complete a mandatory number of reviews. The number of reviews to be completed is no less than 50 and determined by the proportion of LIHEAP applications received

statewide for the previous energy season. As all review data is captured in the state's Rushmore Review system, reports that facilitate trend identification can be generated which help the commonwealth to accumulate meaningful and detailed statewide results. Both CAOs and the Bureau of Program Evaluation monitor the results of the supervisor reviews to implement corrective actions based on the identified trends.

- Headquarter and CAO staff involved with LIHEAP participate in Friday Calls. The Friday Calls are weekly telephone conferences that provide the counties with real-time system, policy and operational updates that affect the LIHEAP workflow. The calls also provide a means for CAOs to get answers to questions or solutions to issues encountered. The frequency of the calls became bi-weekly as of January 31, 2014.

The second step of the agency's monitoring strategy is the Bureau of Program Evaluation's coordination of the annual LIHEAP monitoring reviews of the Philadelphia and Allegheny CAOs, the LIHEAP Processing Centers, the Crisis Contractors and the CAOs selected for review based on the two-year schedule. Additional CAOs are reviewed, as needed, based on extenuating circumstances such as a change in processing style or prior year results. LIHEAP reviews are completed by a field-based monitoring team.

- The team monitors CAO and Crisis Contractor administration of LIHEAP activities including eligibility, benefit determination and corrective action through LIHEAP application reviews and on-site visits.
- Annually, the monitoring team reviews over 2,600 LIHEAP applications that are selected through data mining techniques and random samples.
- The independent auditing agency assists in review development and modification and participates in on-site reviews to ensure objectivity in the monitoring process.
- If information is received which suggests the possibility of misuse, misrepresentation, fraud, or any abuse, the monitoring team will investigate the allegation and appropriately escalate to address any pertinent issue.
- Preliminary results are made available through the Rushmore Case Review system and finalized performance reports are issued to the counties in order to provide relevant information about the accuracy and composition of findings at both the county level and at the state level.

- Corrective action plans are developed and based on the findings from the monitoring team, implemented by OIM and monitored for compliance by the Bureau of Program Evaluation.
- Between LIHEAP seasons, the monitoring team is actively involved with implementing necessary program changes that will impact program accuracy and integrity; for example, working with Staff Development in the development of LIHEAP training for the next LIHEAP season that focuses on situations found to be prone to error.

The third step in the agency's monitoring strategy involves the Bureau of Financial Operations, who provides OIM with technical assistance and conducts performance audits of specific CAOs and crisis contractors, as needed, to resolve systemic problems.

- Audit Procedures: Pennsylvania agrees, in accordance with Pub. L. 97-35, Section 2605(e), as amended, to a financial and compliance audit by an independent agent annually, according to the Comptroller General's standards.

A copy of the audit will be submitted within 30 days after completion of the audit to the Governor, the General Assembly, and the Secretary of DHHS. The audit report will also be made available to the public on a timely basis.

11. Federal Investigation

In accordance with Pub. L. 97-35, Section 2605(b)(11), Pennsylvania will permit and cooperate with Federal investigations undertaken in accordance with Pub. L. 97-35, Section 2608.

12. Public Participation

In accordance with Pub. L. 97-35, Section 2605(b)(12), as amended, Pennsylvania provided for timely and meaningful public participation in the development of the Plan as follows:

- A notice was published in several Pennsylvania newspapers announcing the public hearings schedule and the availability of the proposed Plan for public comment. This information was also posted on the DPW website.

- The LAC advised the Secretary of DPW on the administration of the LIHEAP block grant, including a review of the proposed Plan and recommendations on the final Plan. Members of the Advisory Committee are appointed by the Secretary of DPW and represent consumer and advocacy interests, service providers, fuel associations, and other concerned citizens of the Commonwealth.

- Area Agencies on Aging, legal services groups, fuel and utility associations, community action agencies, and members of the LAC are made aware of the availability of the proposed and final Plans on the DPW website. In addition, copies of the Plan are available upon written request to Director, Division of Federal Programs and Program Management, Department of Public Welfare, DGS Annex, Room 224, Willow Oak Building, 1006 Hemlock Drive, Harrisburg, PA 17110.

- In accordance with Pub. L. 97-35, Section 2605(a)(2), public hearings on the FY 2015 LIHEAP proposed State Plan were held as follows:

Date: July 07, 2014
Time: 10:00 A.M. – 1:00 P.M.
Place: Philadelphia County Assistance Office Headquarters
 Betsy Ross Conference Room, 6069, 6th Floor
 801 Market Street
 Philadelphia, PA

Date: July 9, 2014
Time: 9:30 A.M. – 12:00 Noon
Place: Health & Welfare Building
 Room 129, 1st Floor
 Commonwealth & Forster Streets
 Harrisburg, PA

Date: July 16, 2014
Time: 9:00 A.M. – 12:00 Noon.
Place: Allegheny County Courthouse
 Gold Room, 4th Floor
 436 Grant Street
 Pittsburgh, PA

- In addition to the opportunity for the public to comment on the LIHEAP weatherization component through DPW's LIHEAP public hearings, The DCED public hearing on the FY 2014-15 Department of Energy State Plan provided an opportunity for the public to participate in a timely and meaningful manner. It was held at 1:30 P.M. on May 14, 2014, in PUC Hearing Room 5, Commonwealth Keystone Building, Harrisburg, PA.

In developing the proposed and final Plans, DPW considers all public comments, both written and oral, on the program.

13. Fair Hearing

In accordance with Pub. L. 97-35, Section 2605(b)(13), Pennsylvania will provide an opportunity for an administrative fair hearing for applicants who believe that

decisions regarding their eligibility for LIHEAP benefits are either inaccurate or unreasonably delayed.

The fair hearing process is more fully described under Appendix B, Determination of Eligibility for LIHEAP Cash and Crisis Benefits.

The fair hearing requirements for weatherization benefits are found in Appendix C.

14. Data Collection and Reporting

In accordance with Pub. L. 97-35, Section 2605(b)(14), Pennsylvania will cooperate with the Secretary of the Department of Health and Human Services with respect to data collection and reporting under Section 2610.

15. Additional Outreach and Intake Sites

In accordance with Pub. L. 97-35, Section 2605(b)(15), as amended, Pennsylvania will provide outreach and intake for heating and crisis assistance through additional State and local governmental entities, and through community-based organizations such as not-for-profit neighborhood-based organizations, Area Agencies on Aging, and community action agencies.

16. Reduction of Home Energy Needs/Need for Energy Assistance

In accordance with Pub. L. 97-35, Section 2605(b) as amended by Title III of the Health and Human Services Amendments of 1994, Pub. L. 103-252, Pennsylvania chooses not to exercise its option to use up to five percent of its allotment to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance. The funds will be used for LIHEAP benefits to families.

17. Energy Crisis Assistance

In accordance with Pub. L. 97-35, Section 2604(c), as amended, based on previous years' experience, Pennsylvania will reserve a reasonable amount of available LIHEAP funds until March 15, 2015 for energy crisis assistance.

Any unused balance of reserved crisis funds will be used to provide LIHEAP benefits for clients, except that a small amount may be reserved for start-up of the next year's program.

A household may receive more than one crisis payment during the program year, subject to the maximum and minimum amounts for FY 2015 and the availability of federal funds.

18. Nondiscrimination

In accordance with Pub. L. 97-35, Section 2606(a), Pennsylvania will:

- Not exclude from LIHEAP participation, deny LIHEAP benefits to, nor discriminate in any aspect of LIHEAP administration against any person on the basis of age, sex, race, color, religion, national ancestry or origin, handicap, or political belief.
- Comply with the provisions of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, and the Pennsylvania Human Relations Act of 1955, as amended.

19. Confidentiality

All information about a LIHEAP applicant or recipient is confidential and may be disclosed only for purposes of investigating or prosecuting suspected fraud or abuse, or cooperating with authorities regarding LIHEAP audits or investigations, or, with the consent of the applicant, for purposes of providing assistance related to home heating.

20. Program Year

The opening date of the program establishes the official start date for accepting walk-in or new applications. However, program activities occur both before and after the dates for accepting applications. These include start-up activities, the processing of mail-out applications, and activities to close out the prior year's program. Expenditures for these activities are charged to the program year to which the costs relate. DPW may anticipate receipt of Federal funds by advancing State funds for program operation, which will be reimbursed once Federal funds are received.

21. Emergency Contingency Allocation

Utility companies regulated by the PUC may not terminate service to low-income households from December 1 through March 31 without the approval of the PUC.

22. Leveraged Resources

Pennsylvania will apply for leveraging incentive funds for resources leveraged in FY 2014 - in accordance with Pub. L. 97-35, Section 2607 (a), 42 U.S.C. §8626, as amended - under the leveraging incentive program. Any leveraging incentive grant award will be used to maintain or increase benefits to low-income households as part of the Commonwealth's LIHEAP. Pennsylvania's LIHEAP is based on the availability of the various benefits provided with leveraged resources. Pennsylvania's LIHEAP and the benefits provided with leveraged resources are coordinated and provided in cooperation and conjunction with each other. The following leveraged resources are used to provide the described benefits to households with incomes that do not exceed 150 percent of

the Federal Poverty Income Guidelines. They are categorized by the criterion, as defined by DHHS, under which eligibility was established.

To be counted under the leveraging incentive program, resources and benefits must meet at least one of the following three conditions which state, in part:

- i. LIHEAP had an active substantive role in developing the process.
- ii. Resources are mandated for distribution through LIHEAP.
- iii. Resources are appropriated or mandated for distribution under the LIHEAP State Plan to low-income households. They are not provided to low-income households as a part of (through or within) LIHEAP, but are a supplement and/or alternative to the LIHEAP.

To facilitate comprehension, specificity regarding individual resources, sources, etc., is provided in the chart following the narrative description. Note that Pennsylvania's leveraging resources meet criteria conditions ii & iii.

CRITERION ii

Resources appropriated or mandated through the LIHEAP State Plan

The benefit from the resource is a part of a household's LIHEAP benefit, not an additional benefit that is not part of the LIHEAP program.

CRITERION iii

Resources appropriated or mandated under the LIHEAP State Plan

Resources are appropriated or mandated for distribution under the LIHEAP State Plan to low-income households. They are not provided to low-income households as a part of (through or within) LIHEAP, but are a supplement and/or alternative to the LIHEAP.

They are coordinated and integrated with LIHEAP.

CRITERION iii A

For all households served by the resource, the assistance provided by the resource depends on, and is determined by, the household's receipt of LIHEAP benefits. The resource supplements LIHEAP benefits that were not sufficient to meet the household's home energy needs and the amount of assistance provided by the resource is directly affected by the LIHEAP benefits received by the household.

CRITERION iii B

Receipt of LIHEAP assistance in the base period is necessary to receive assistance from the resource.

CRITERION iii D

Discount/credit for monthly billing and arrearage forgiveness

Various utilities provide customer assistance plans (CAPs) that offer reduced customer billing and/or arrearage forgiveness to LIHEAP-eligible households, those who have received LIHEAP benefits and those who meet Federal eligibility standards according to Pub. L. 97-35, Section 2605(b)(2), 42 U.S.C. §8624 (b) (2). The Pennsylvania PUC and the LAC have been and continue to be significantly involved in the development of CAPs. For most CAPs, application for LIHEAP benefits is required to participate. Sources include residential tariff rates, ratepayers, utility operating funds, and rate-based revenues.

Waived late payment charges, security deposit fees, and reconnection fees

The contract entered into by all vendors mandates the suspension of late payment charges for LIHEAP recipients. Although the waiver of late payment charges, security deposits or reconnection fees is not required, payment of security deposits or late payment charges with LIHEAP funds is prohibited. As a result of this policy and LAC involvement, some utilities waive such fees for LIHEAP recipients.

CRITERION iii E

Cash grants/utility credits for LIHEAP recipients to assist in the payment of: home heating costs; the repair of home heating equipment and/or excavation costs to repair gas lines; and home weatherization materials and installation

Resources include private and utility fuel funds, social service agencies, and utility companies. Funding sources include: various utility funds such as utility shareholder funds, contributions from churches, individuals, corporations, private organizations, and Department of Aging/Human Services Development Funds (non-Federal). Payments supplement LIHEAP benefits, providing assistance for home heating expenses that are not covered under LIHEAP or in excess of the LIHEAP grant amounts. The Energy Association of Pennsylvania, PUC, client advocacy representatives, and representatives from major private fuel funds serve as members of the LAC, which works closely with DPW in the development and implementation of the LIHEAP. LIHEAP administrators at the local level interact with administrators of area utilities, social service agencies, and private fuel funds to coordinate and consolidate efforts, including reciprocal identification/referral of eligible applicants and confirmation of eligibility, for distribution of funds.

Income-in-kind for donated supplies

Heating-system materials and supplies donated by building and supply companies are provided to LIHEAP recipients. The agency administering the resource operates the LIHEAP crisis component, under contract with DPW, in the region.

CRITERION iii G

The resource accepts referrals from the grantee's LIHEAP program and, as long as the resource has benefits available, it provides assistance to all households that are referred by the LIHEAP program and that meet the resource's eligibility requirements.

Some rural electric cooperatives and social service agencies, upon referral from LIHEAP program staff, issue cash payments on LIHEAP recipients' home heating bills as long as funds are available. The source of funds includes cooperative member and director contributions, utility matching funds, and United Way funds.

LEVERAGING RESOURCES

| Resource # | Name | Criterion | Resource(s) | Source(s) |
|------------|--|-----------|--|--|
| 1 | West Penn Power - Customer Assistance Program (CAP) | iiiD | Arrearage forgiveness and reduced monthly payment | West Penn Power funds |
| 2 | West Penn Power - Waived Late Payment Charges | iiiD | Waiver of late payment charges | West Penn Power funds |
| 3 | West Penn Power - Waived Security Deposits | iiiD | Waiver of security deposits | West Penn Power funds |
| 4 | Columbia Gas – CAP | iiiD | Reduced billing and arrearage forgiveness | Rate based revenues |
| 5 | Columbia Gas - Waived Security Deposits | iiiD | Waiver of security deposits | Rate based revenues |
| 6 | Columbia Gas - Waived Reconnect Fees | iiiD | Waiver of reconnection fees | Rate based revenues |
| 7 | Dollar Energy Fund, Inc. | iiiE | Cash payments to utility companies | Utility company shareholder funds and utility customer contributions |
| 8 | Peoples Natural Gas – CAP | iiiD | Reduced monthly payment | Utility base rate |
| 9 | Peoples Natural Gas - Waived Late Payment Charges | iiiD | Waiver of late payment charges | Peoples Natural Gas rate payers |
| 10 | Peoples Natural Gas - Waived Security Deposits | iiiD | Waiver of security deposits | Peoples Natural Gas rate payers |
| 11 | Duquesne Light – CAP | iiiD | Reduced payments and arrearage forgiveness | Duquesne Light revenues |
| 12 | Duquesne Light - Dollar Energy Fund Match | iiiE | Cash payments toward energy bills | Duquesne Light revenues and fundraising efforts |
| 13 | Duquesne Light - Waived Late Payment Charges | iiiD | Waiver of late payment charges | Duquesne Light funds |
| 14 | Duquesne Light - Waived Security Deposits | iiiD | Waiver of security deposits | Duquesne Light funds |
| 15 | Peoples Natural Gas Equitable Division - Energy Assistance Program (EAP) | iiiD | Reduced billing and arrearage forgiveness | Residential tariff rates |
| 16 | Peoples Natural Gas Equitable Division - Furnace & Energy-Related Home Repairs | iiiE | Supplemental payments for repair/replacement of defective heating equipment or gas lines | Peoples Natural Gas Equitable Division residential hardship fund |
| 17 | Low-Income Usage Reduction Programs (LIURP) | iiiE | Cash payments for acquisition & installation of weatherization materials | Utility company rates |
| 18 | Metropolitan Edison – CAP | iiiD | Arrearage forgiveness and reduced billing | Rate based revenues |
| 19 | Metropolitan Edison - Hardship Fund | iiiE | Cash payments toward energy bills | Metropolitan Edison, customer, and employee donations |

LEVERAGING RESOURCES

| Resource # | Name | Criterion | Resource(s) | Source(s) |
|------------|---|-----------|--|---|
| 20 | Metropolitan Edison - Waived Late Payment Charges | iiiD | Waiver of late payment charges | Metropolitan Edison funds |
| 21 | National Fuel - Low-Income Residential Assistance Rate | iiiD | Arrearage forgiveness and reduced billing | National Fuel funds |
| 22 | National Fuel - Neighbor for Neighbor Heat Fund | iiiE | Cash payments on home heating bills | National Fuel customers, stockholders, and employees |
| 23 | National Fuel - Waived Late Payment Charges | iiiD | Waiver of late payment charges | National Fuel funds |
| 24 | National Fuel - Waived Security Deposits | iiiD | Waiver of security deposits | National Fuel funds |
| 25 | PECO – CAP | iiiD | Arrearage forgiveness and reduced monthly payment | Utility rate base |
| 26 | PECO - Matching Energy Assistance Fund (MEAF) | iiiE | Cash payment on delinquent accounts to avoid termination | Customer contributions, agency funds, and shareholder match |
| 27 | PECO - Waived Late Payment Charges | iiiD | Waiver of late payment charges | PECO funds |
| 28 | PECO - Waived Deposit Charges | iiiD | Waiver of deposit charges | PECO funds |
| 29 | Pennsylvania Electric Co. (PENELEC) – CAP | iiiD | Arrearage forgiveness and reduced monthly payment | PENELEC rate base |
| 30 | Pennsylvania Electric Co. (PENELEC) - Hardship Fund | iiiE | Cash payments toward energy bills | PENELEC, customer, and employee donations |
| 31 | Pennsylvania Electric Co. (PENELEC) - Waived Late Payment Charges | iiiD | Waiver of late payment charges | PENELEC funds |
| 32 | Penn Power – CAP | iiiD | Reduced monthly payment | Penn Power rate base |
| 33 | Penn Power - REACH Hardship Fund | iiiE | Payments on past due bills | Penn Power, customer, and employee donations |
| 34 | Penn Power - Waived Late Payment Charges | iiiD | Waiver of late payment charges | Penn Power funds |
| 35 | UGI Penn Natural Gas – CAP | iiiD | Arrearage forgiveness and affordable payments for low-income customers based on percentage of income | UGI Penn Natural Gas revenues |
| 36 | UGI Penn Natural Gas - Waived Late Payment Charges | iiiD | Waiver of late payment charges | UGI Penn Natural Gas revenues |
| 37 | Philadelphia Gas Works (PGW) - Conservation Works | iiiE | Cash payment for acquisition and installation of weatherization materials | PGW rate payers |

LEVERAGING RESOURCES

| Resource # | Name | Criterion | Resource(s) | Source(s) |
|------------|--|-----------|--|---|
| 38 | Philadelphia Gas Works (PGW) - Customer Responsibility Program | iiiD | Reduced monthly billing | PGW rate payers |
| 39 | Philadelphia Gas Works (PGW) - CRP Arrearage Forgiveness | iiiD | Arrearage Forgiveness | PGW rate payers |
| 40 | Philadelphia Gas Works (PGW) -Waived Late Payment Charges | iiiD | Waiver of late payment charges | PGW rate payers |
| 41 | PPL Electric Utilities - OnTrack Payment Program | iiiD | Reduced electric bill payments | PPL operating funds |
| 42 | PPL Electric Utilities - Operation HELP | iiiE | Cash payment for home energy bills | PPL, customer, and employee donations |
| 43 | Peoples TWP - Energy Help Fund Program | iiiD | Reduced rate and/or arrearage forgiveness | Peoples TWP rates |
| 44 | UGI Utilities - Electric Division - Low-Income Self Help Program | iiiD | Arrearage forgiveness and reduced monthly payment | UGI residential rates |
| 45 | UGI Utilities - Electric Division - Operation SHARE | iiiE | Cash payment to reduce bill arrearage or for emergency fuel, heating repair or replacement | UGI, customer, and employee donations |
| 46 | UGI Utilities - Electric Division - Waived Late Payment Charges | iiiD | Waiver of late payment charges for LIHEAP customers | UGI funds |
| 47 | UGI Utilities - Gas Division - Low-Income Self Help Program | iiiE | Billing shortfall and pre-program arrearage forgiveness | UGI residential rates |
| 48 | UGI Utilities - Gas Division - Operation SHARE | iiiE | Voluntary contributions on behalf of payment-troubled customers | UGI customers, employees, and company donations |
| 49 | UGI Utilities - Gas Division - Waived Late Payment Charges | iiiD | Waiver of late payment charges | UGI funds |
| 50 | Utility Emergency Services Fund (UESF) | iiiE | Cash payments toward energy bills and in-kind contributions | Utilities match contributions from individuals, United Way, special events, foundations, and fund raisers |
| 51 | Adams Electric Cooperative - Project Helping Hand | iiiA | Payments on past due bills | Member donations |
| 52 | Central Electric Cooperative - Family Fund | iiiA | Payments on past due bills | Cooperative members, employees, and company donations |
| 53 | Northwestern Rural Electric Cooperative - Member to Member Program | iiiG | Payments on past due bills | Cooperative members, employees, and company donations |

LEVERAGING RESOURCES

| Resource # | Name | Criterion | Resource(s) | Source(s) |
|------------|--|-----------|---|---|
| 54 | Commonwealth of Pennsylvania | ii | State supplemental appropriation to augment LIHEAP benefits | PA gross receipts tax |
| 55 | Energy Conservation Act Funds (ECAAF) | ii | Supplemental funding to augment LIHEAP benefits | Oil overcharge escrow funds and accrued interest |
| 56 | CITGO Petroleum - Low Cost Heating Oil Program | iiiB | Discounted fuel oil for customer purchase | CITGO fuel oil discount administered by Citizens Energy |
| 57 | SUNOCO Free Oil Program | iiiD | Filling heating oil tanks at no cost | SUNOCO fuel oil |
| 58 | Philadelphia Board of City Trust | iiiD | Natural gas payments and fuel oil deliveries | Trust funds and accrued interest |
| 59 | UGI Central Penn – CAP | iiiD | Reduced rates and arrearage forgiveness | UGI natural gas funds |
| 60 | UGI Central Penn – Operation SHARE | iiiE | Cash payments for home energy bills | UGI, customer, and employee donations |
| 61 | Peoples Natural Gas - Waived CAP Customer Connection & Transfer Fees | iiiD | Waiver of connection and transfer fees for CAP customers | Peoples Natural Gas rate payers |
| 62 | Peoples Natural Gas - Waived Connection & Transfer Fees | iiiD | Waiver of connection and transfer fees | Peoples Natural Gas rate payers |

APPENDIX A

HEATING REGIONS

State
Heating
Region

Counties

1

Bradford, Cameron, Clearfield, Elk,
Forest, Lackawanna, Luzerne, McKean,
Potter, Sullivan, Susquehanna, Tioga,
Wayne, Wyoming

2

Blair, Cambria, Carbon, Centre, Clarion,
Clinton, Columbia, Crawford, Erie,
Jefferson, Lycoming, Monroe, Pike,
Schuylkill, Somerset, Venango, Warren

3

Armstrong, Beaver, Bedford, Butler,
Huntingdon, Indiana, Lawrence, Mercer,
Montour, Northumberland, Westmoreland

4

Adams, Allegheny, Berks, Bucks, Dauphin,
Fayette, Franklin, Fulton, Greene,
Juniata, Lebanon, Lehigh, Mifflin,
Northampton, Perry, Snyder, Union,
Washington

5

Chester, Cumberland, Delaware,
Lancaster, Montgomery, Philadelphia,
York

APPENDIX B

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

GENERAL

§601.1. Legislative base.

The Low-Income Home Energy Assistance Program (LIHEAP) is a Federal block grant program authorized by the Low-Income Home Energy Assistance Act (Pub. L. 97-35, 42 U.S.C.A. §§8621-8629) as amended by the Human Services Reauthorization Act (Pub. L. 98-558, 98 Stat. 2878), the Human Services Reauthorization Act of 1986 (Pub. L. 99-425, 100 Stat. 966), the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (Pub. L. 101-501), the National Institutes of Health Revitalization Act of 1993 (Pub. L. 103-43), the Low-Income Home Energy Assistance Amendments of 1994 (Pub. L. 103-252), the Coats Human Services Reauthorization Act of 1998 (Pub. L. 105-285), and the Energy Policy Act of 2005 (Pub. L. 109-58).

§601.2. Purpose.

The purpose of LIHEAP is to help eligible low-income households meet home-heating needs.

§601.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Budget Plan – An optional billing procedure which averages estimated service costs over a 10-month, 11-month or 12-month period to eliminate, to the extent possible, seasonal fluctuations in bills.

CAO – County Assistance Office.

Customer Assistance Plan – Regular monthly payments, which may be for an amount that is less than the current bill for utility service, in exchange for continued provision of service.

Date of Application – The date that a completed application is received by the LIHEAP administering agency in the county where the applicant household lives.

DCED – The Department of Community and Economic Development of the Commonwealth.

DPW – The Department of Public Welfare of the Commonwealth.

Household – An individual or group of individuals, including related roomers, who are living together as one economic unit that customarily pays for its home-heating energy either directly to a vendor or indirectly as an undesignated part of rent. **Note:** households renting with heat included that have a specific portion of their rent used for their heating costs are considered to have a heating responsibility and are therefore eligible for benefits.

LIHEAP – The Low-Income Home Energy Assistance Program.

Main Fuel Type – The source of energy for the central heating system of the residence used by the household or, if the residence is not centrally heated or the central heating system is inoperable, the source of energy used most by the household.

Resident – A person whose permanent home is in this Commonwealth and who lives there voluntarily and not temporarily for a reason such as vacation, a visit or education.

Residence – The dwelling where the household is actually living. Under Section 601.105, the household must document if the household's residence is temporarily vacant for reasons beyond the household's control, such as health problems, plumbing and/or heating problems.

Roomer – An individual whose payment for lodging in a room includes heat and may include a private bathroom or one of the following:

- (i) Board.
- (ii) Kitchen or bathroom privileges on a shared basis.
- (iii) Light housekeeping facilities.

Secondary Fuel Type – The source of energy that is necessary to operate the main heating source.

Vendor – An agent or company that directly distributes home-heating energy or service in exchange for payment. The term does not include landlords, housing authorities, hotel managers or proprietors, rental agents, energy suppliers or generators, and other parties who are not direct distributors of home-heating energy or service.

Under the restructuring statute, the distribution companies are the suppliers of last resort; they remain regulated, and must comply with the State's winter termination rules. The interests of the Commonwealth's low-income customers are best served and protected by sending the LIHEAP payment to the distribution companies.

Vulnerable Household – A household containing at least one member who is elderly (age 60 or over), disabled, or age five and under. The age of the household

members is determined by their age at the time their LIHEAP application is submitted.

§601.4. Components.

LIHEAP is comprised of the following components:

(1) Cash component. The cash component provides cash payments to help eligible low-income households pay the costs of home heating.

(2) Crisis component. The crisis component provides some form of assistance that will resolve an energy crisis:

- within 48 hours after application to resolve weather-related, supply-shortage and other household-home-heating emergencies
- within 18 hours after application if a life-threatening situation exists. This must be a documented medical emergency.
- within 15 days of a complete depletion of a deliverable fuel supply

(3) Weatherization. The weatherization component provides energy conservation and weatherization measures to help low-income households reduce the costs of home heating.

§601.5. Administration.

DPW will administer the cash and crisis components through its CAOs and other contracted agencies as appropriate. DCED will administer the weatherization component.

§601.6. Program year.

(a) DPW will announce the schedule for the current LIHEAP year in the State Plan for that year.

(b) DPW may extend or shorten the closing date of the cash or crisis components, depending upon the availability of Federal funds and other factors.

(c) During the periods before and after the official open and close dates, expenditures are made and are charged to the program year in which the costs relate.

(d) DPW may anticipate receipt of Federal funds by advancing State funds for program operation; the State will be reimbursed once Federal funds are received.

APPLICATION PROCESS

§601.21. Application completion.

A member of the applicant household shall complete an application within the established time frames for the program year. To complete an application for a LIHEAP benefit, the LIHEAP applicant, on behalf of the household, shall meet the following conditions. The applicant shall:

- (1) Answer all questions on DPW's LIHEAP application form.
- (2) Sign and date the application form.

(3) File the application form with the LIHEAP administering agency or any other agency designated by the LIHEAP administering agency to accept applications in the county where the applicant lives.

NOTE: Agencies other than the LIHEAP administering agency that are designated by the LIHEAP administering agency to accept applications are responsible for submitting such filed applications to the appropriate LIHEAP administering agency within three workdays after the applicant files the application. The date of application is the date the application is received by the LIHEAP administering agency.

- (4) Provide income documentation.
- (5) Provide documentation of responsibility for the payment of home heat.
- (6) Provide additional verification, as needed and requested by the LIHEAP administering agency, to determine eligibility for LIHEAP and the amount of the benefit.

If it has been brought to the attention of DPW that there has been a change in the material information on the application, workers must act on known changes that occur after the application is received, but before it is processed, and use the new information in determining eligibility for LIHEAP.

If the household reports no new household members and no change of residence, the original approved LIHEAP application and supporting documentation will be valid for eligibility and benefit determination for both components during the duration of the program year. Updated supporting documentation may be required if a household changes vendors.

§601.22. Written notice.

Beginning from the program start date, the LIHEAP administering agency will send the applicant a written notice of the decision on eligibility within 30 days of the date of application.

- (1) The written notice will include an explanation of fair hearing rights and

procedures.

(2) The written notice will include the following:

(i) If eligible. If the household is eligible, the written notice will include the type and amount of the benefit and the names of the payee.

(ii) If ineligible. If the household is ineligible, the written notice will indicate the reason for the decision of ineligibility and provide a reference to the regulatory basis for the decision of ineligibility.

DPW will give households that register for or access their "MyCOMPASSAccount" online the option to receive notices electronically instead of through traditional paper mail. Households that opt to receive electronic notices will be required to electronically sign a disclosure statement in which they agree to receive and read the electronic notices sent by the State agency. Users who opt to receive electronic notices must provide a valid email address, and the State agency will verify the email address provided by the user. Once the user is registered to receive electronic notices, he or she will receive a confirmation e-mail and a hard copy paper notice with instructions on how to login to their account to view notices.

When a notice is available electronically, the household will receive an e-mail notification with a link to the client's "MyCOMPASSAccount," where the household can login to view the notice. MyCOMPASSAccount is on a secure website that will protect the household's information through browser encryption, user name and password, time-out feature, and security questions.

§601.23. Incomplete applications.

If an application is not complete, the LIHEAP administering agency will, within 10 workdays after receiving the application, provide a written notice to the client indicating what information is missing and will allow 15 days after the date of the notice for the client to provide the information to avoid rejection of the application. If the written notice indicating what information is missing is sent later than 10 workdays after receipt of the application, the notice must nevertheless allow 15 days for submission of the missing information. If the missing information is not received on or before the date specified by the written notice, the LIHEAP administering agency will reject the application on the basis that an eligibility decision cannot be made because the applicant has failed or refused to provide sufficient information needed to determine eligibility.

§601.24. Application assistance.

Upon request, LIHEAP staff will mail an application form or take other steps, which may include referral to other agencies that make home visits, to help a homebound person apply for LIHEAP benefits.

ELIGIBILITY REQUIREMENTS

§601.31. General eligibility requirements.

To qualify for LIHEAP cash or crisis benefits, a household shall meet the following requirements at the time of application:

(1) Income Limit. Federal law requires states to establish eligibility for LIHEAP based on an income limit that is no more than 60 percent of the state median income and no less than 110 percent of the poverty level issued by the United States Department of Health and Human Services (HHS). The limits, which are subject to change annually, are published in each year's LIHEAP State Plan. For the 2014-15 program, Pennsylvania will use 150 percent of the poverty level.

(2) Responsibility for heating costs. For a cash benefit, the household shall be responsible for paying for its main source of heat either directly to a vendor or indirectly as an undesignated part of rent. For a crisis benefit, the household shall be responsible for paying for either its main or secondary source of heat either directly to a vendor or indirectly as an undesignated part of rent.

(i) The following persons and members of their households are considered to have a home heating responsibility:

(A) Home owners or renters, including subsidized housing tenants, who pay for home heating fuel or utility service for their residence directly to a vendor. Persons who are responsible for paying their main source of heat directly to a vendor, but have the bill paid by someone outside of the household because the household has zero/minimal income, are considered to have a heating responsibility and are therefore eligible for LIHEAP benefits. **NOTE:** A household is not considered to have a heating responsibility if it is agreed upon that an agency is always responsible for the heating bill (such as people in subsidized housing who have the bill paid by the housing agency, even though it is in the client's name; or a student who has someone outside the household always paying their bill, regardless of the student's income).

(B) Renters who pay for heat indirectly for their residence as an undesignated part of rent. Renters, including subsidized-housing tenants, are ineligible if their rental charge includes an undesignated amount for heat and is based on a fixed percentage of their income or on their source of income. **NOTE:** If a household in subsidized housing, which pays for rent and utilities as a fixed portion of its income, becomes responsible for payment to a vendor, either in full or in part, for its primary heating costs, that household then becomes eligible for a cash benefit, if otherwise eligible. If a household in subsidized housing, which pays for rent and utilities as a fixed portion of its income, becomes responsible for payment to a vendor, either in full or in part, for its primary or secondary heating costs, that household then becomes eligible for a crisis benefit, if otherwise eligible.

(C) Roomers who pay for their lodging in either a commercial establishment or in a private home which is their permanent and primary home. Roomers are ineligible if their charge for room or room and board includes an undesignated amount for their main fuel and is based on a fixed percentage of their income or on their source of income.

(ii) Persons are ineligible if they are in a temporary living arrangement for a reason such as a visit, vacation or education. Residents in institutions, dormitories, fraternity or sorority houses and boarding homes are ineligible.

(iii) Persons living in recreational vehicles (Campers and RVs) are ineligible for LIHEAP unless they provide verification that they reside in a campground or other licensed facility year-round and are responsible for heating costs.

(iv) Persons that are operating a licensed business out of the LIHEAP household's residence will be ineligible for LIHEAP if they are using the home's utilities as a deduction on their business' tax return.

(v) Persons who are currently incarcerated or are fleeing to avoid prosecution, custody or confinement after a felony conviction (or high misdemeanor in New Jersey) are ineligible to receive LIHEAP benefits.

(vi) A household will be ineligible for a LIHEAP grant, Cash or Crisis, if the heating appliance isn't installed and operating based on the manufacturer's specifications or current code requirements, whichever is more stringent, and isn't following all applicable building and fire codes.

(vii) For customers whose service has been disconnected at their previous address and need services to be connected at their new address, DPW will allow a regulated utility to request 50 percent of the customer's back balance from the previous address and a reconnection fee in order to restore service. If a LIHEAP Cash grant is over 50 percent of the customer's back balance and reconnection fee, the regulated utility must apply the remainder of the Cash grant to a household's future bills. Utilities must also agree to keep service on through the moratorium and enroll the client in a CAP or budget program if the customer is eligible.

(3) Residency. Household members must permanently reside in Pennsylvania.

(4) Citizenship. As per federal law, United States citizenship or lawfully admitted non-citizen status is a requirement to receive LIHEAP. All lawfully admitted non-citizens, regardless of when they entered the United States, are eligible to receive LIHEAP if they meet other eligibility requirements. A qualified lawfully admitted non-citizen is:

(i) A non-citizen lawfully admitted for permanent residence as an immigrant under the Immigration and Nationality Act (the "Act"), as defined in

PRWORA.

- (ii) An asylee granted asylum under section 208 of the Act.
- (iii) A refugee admitted to the United States under section 207 of the Act.
- (iv) A non-citizen paroled into the United States under section 212(d)(5) of the Act for a period of at least one year.
- (v) A non-citizen whose deportation is being withheld under section 243(h) of the Act as in effect prior to April 1 1997, or whose removal is being withheld under section 241(b)(3) of the Act.
- (vi) A non-citizen granted conditional entry under section 203(a)(7) of the Act as in effect prior to April 1, 1980.
- (vii) A non-citizen who is a Cuban or Haitian entrant; or
- (viii) A non-citizen who (or whose child or parent) has been battered or subjected to extreme cruelty in the United States and otherwise satisfies the requirements of 8 U.S.C. §1641(c).

§601.32. Eligibility requirements for crisis benefits.

Crisis Benefits

Households may apply for and, if eligible, receive regular crisis benefits regardless of whether they apply for or receive a LIHEAP cash benefit. To qualify for a crisis benefit, a household shall meet the following requirements:

- (1) The household shall meet the general eligibility requirements under §601.31 (relating to general eligibility requirements), income limit, responsibility for heating costs, Pennsylvania residency and lawfully admitted non-citizen status.
- (2) The household shall be without heat or in imminent danger of being without heat because of a weather-related or energy-supply-shortage emergency.
- (3) The household shall be eligible for a crisis benefit that, alone or combined with other resources available to the applicant household, will resolve the home-heating emergency. Any credit balance with the vendor, including but not limited to LIHEAP cash benefits, is deemed an available resource.
- (4) The applicant must provide proof of the home-heating emergency.

PROVISION OF CASH BENEFITS

§601.41. Benefit amounts.

(a) The amount of a LIHEAP cash benefit is based on the following household factors at the time of application:

(1) Household size. The members of the applicant household, regardless of relationship, including a roomer who is a relative of a household member, shall be counted when determining household size.

The following persons are not counted as household members when determining household size:

(i) Persons who are living with the applicant household but previously received a LIHEAP benefit as a member of another household during the program year.

(ii) Persons who are maintaining their living arrangement temporarily for a reason such as a visit, vacation or education.

(iii) Residents in institutions, dormitories, or fraternity or sorority houses, and boarding homes.

(iv) Non-citizens who are not lawfully admitted non-citizens as specified in §601.31(4) (relating to general eligibility requirements).

(v) Persons who are currently incarcerated or are fleeing to avoid prosecution, custody or confinement after a felony conviction (or high misdemeanor in New Jersey) are ineligible to receive LIHEAP benefits.

(2) Household income. Household income is determined as specified in §§601.81 through 601.84 (relating to income determination for cash and crisis benefits). For eligible households that have income from employment, household income for the purpose of benefit determination is derived by deducting 20 percent from the gross wages.

(3) Heating region. The heating region in which the household lives affects the benefit amount. The composition, by counties, of each of the five heating regions in this Commonwealth is tabulated in Appendix A.

(4) Fuel type. A cash benefit will be issued to an eligible household's main source of home heating fuel. The household can choose to have the cash grant issued to a secondary heating source only in instances where the secondary fuel is needed to run the main source of heat (e.g., electricity to run an oil furnace) or when the main source of heat is inoperable. If the payment is issued to the secondary source, the amount of the cash payment will be based on the amount of the main source of home heating fuel.

(b) The county-by-county benefit table for the cash component, which is subject to change annually, is available at the local CAO and on-line at the following DPW website: www.dpw.state.pa.us/foradults/heatingassistanceliheap/, under “LIHEAP Benefit Amount Table.”

The amount of the LIHEAP cash grant cannot exceed the maximum amount allowed under the current LIHEAP State Plan.

§601.42. Roomers and renters with heat included in rent.

Eligible roomers and renters who pay for heat indirectly for their residence as an undesignated part of the rent will receive 50 percent of the LIHEAP cash benefit for which they would otherwise qualify.

§601.43. Number of payments.

An eligible household receives only one LIHEAP cash benefit during a program year subject to the minimum and maximum benefit amount allowed under the current LIHEAP State Plan. If additional LIHEAP funds are available, DPW may issue a supplemental LIHEAP cash benefit.

§601.44. Payees.

(a) If the household pays for fuel directly, DPW pays the vendor on behalf of the eligible household.

(b) DPW pays the benefit to the applicant for the household in the following situations: if the household pays for heat as an undesignated part of rent, the fuel vendor refuses to participate in the program or has been removed from the list of participating vendors, the heating bill is in the name of a non-household member, the bill is paid to a third party such as in a master-metering situation, or the applicant is a roomer.

(c) Landlords, housing authorities, rental agents, hotel and rooming house proprietors and managers, and other parties who are not direct distributors of home heating, energy or service are ineligible for a vendor payment on behalf of an eligible household.

§601.45. Application of Benefits.

Public utilities that operate CAPs will apply the LIHEAP cash component benefits only to the customer’s monthly ‘Asked to Pay’ amount. No LIHEAP funds may be applied to CAP customer’s pre-program arrearages or actual usage amounts.

The vendor shall retain unused LIHEAP funds as a credit balance in the customer's account until the client changes vendors, leaves the area served by the vendor, or dies, but no longer than the end of the State fiscal year, June 30,

immediately following the State fiscal year in which payment was authorized.

LIHEAP funds are available for use during a two-year period that includes the LIHEAP program year of receipt and through June 30th of the LIHEAP program year immediately following. For example: LIHEAP benefits authorized on November 28, 2013 are available for use through June 30, 2015.

Up to 10% of the LIHEAP block grant received during the fiscal year may be carried forward to the following fiscal year. Funds that are carried over must be obligated by the end of the fiscal year following the year in which they were appropriated.

Cash component payments received on behalf of a LIHEAP customer, and designated for payment for deliverable fuels, will be used to cover fuel customer purchases for the program year in which they are authorized.

LIHEAP benefits may not be used for security deposits or late payment charges.

§601.46. Refunds.

LIHEAP funds are available for use during a two-year period that includes the year of receipt and the year immediately following. All LIHEAP funds that have not been expended on or before June 30 of the year following the LIHEAP program year in which benefits were authorized must be refunded.

Refunds and reissuances of LIHEAP benefits are treated as follows:

(1) Refunds from the vendor. If the LIHEAP client changes vendors, leaves the area served by the vendor, or dies, the vendor shall refund the unexpended portion of the LIHEAP benefit to DPW's Comptroller's Office. Any unexpended LIHEAP benefits remaining in the customer's account as of June 30th of the year immediately following the State fiscal year in which payment was authorized shall be refunded to DPW's Comptroller's Office. If a security deposit that had been paid with LIHEAP funds is to be returned, the vendor shall refund the security deposit to DPW's Comptroller's Office.

(2) Reissuances to or on behalf of the client. DPW will reissue a vendor refund, as applicable, for the current or previous program year if the following conditions are met:

- (i) The whereabouts of the household are known.
- (ii) The household continues to reside in the Commonwealth.
- (iii) The household continues to have a home-heating responsibility.

PROVISION OF CRISIS BENEFITS

§601.61. Benefit amounts.

The amount of a crisis benefit is the amount needed to resolve the home-heating emergency; subject to the minimum and maximum LIHEAP crisis benefits allowed. The household is ineligible for a crisis benefit which, alone or combined with other resources available to the household, will not resolve the crisis. Any credit balance with the vendor, including but not limited to LIHEAP cash benefits, is deemed available to resolve the crisis.

The household can have the crisis grant issued to a secondary heating source only in instances where the secondary fuel is needed to run the main source of heat (e.g., electricity to run an oil furnace).

When the main or secondary fuel type is a deliverable fuel type, such as oil, kerosene, propane, wood or coal, the amount needed to resolve the crisis is based on whether the fuel is delivered by the vendor or transported by the applicant. If delivered, the amount needed to resolve the crisis is the amount needed to resolve the home-heating emergency, subject to the minimum and the maximum LIHEAP crisis benefits allowed under the current LIHEAP State Plan. Crisis benefits may be used for off-hour delivery charges. If not delivered by the vendor, the amount needed to resolve the crisis is the amount that can be transported by the household in one trip. A statement from the vendor verifying the cost the applicant will incur when transported by a non-vendor is required prior to authorization of payment; a receipt verifying payment was made is not required prior to authorization of payment.

Vendors that accept crisis payments based on utility termination notices or based on reconnection of utility service must agree to maintain ongoing utility service to such households for no less than 30 calendar days from the date of the resolution of the crisis. The amount of a crisis grant cannot exceed the amount listed on a utility termination notice, subject to the minimum and maximum LIHEAP crisis benefits allowed. Crisis benefits may be used for reconnect fees. With regard to crisis payments made pursuant to any grants approved during the Public Utility Commission winter termination procedure referred to in §601.62(2)(ii)(A), the earliest allowable termination date is considered to be 30 days following the resolution of the crisis, or May 1, whichever is later.

All participating energy vendors shall enroll a crisis recipient in a CAP or establish a budget plan, if the monthly CAP, or budget plan amount is the most advantageous rate for the household.

§601.62. Types of crisis benefits.

An eligible household may receive crisis benefits for weather-related or energy-supply-shortage emergencies.

(1) Benefits for weather-related emergencies. Crisis benefits for weather-related emergencies may include the following types of assistance:

(i) The purchase of a new heating system if documentation is provided that the heating system cannot be repaired or repairs will correct the problem only temporarily.

(ii) Pipe thawing services if the household has a consistent problem with freezing pipes that cannot be repaired by a plumber and is related to heating the house.

(iii) The repair of a broken furnace, which may include filter replacement and chimney cleaning or repair.

(iv) The repair of a water-heating system, including repair of water pumps and accessories, if the system is essential for producing home heat.

(v) The repair of gas or other fuel lines when the lines feed the main heating source.

(vi) The repair of broken windows.

(2) Benefits for energy-supply-shortage emergencies. Crisis benefits for energy-supply-shortage emergencies include payment for the following:

(i) Home-heating fuel for a household that is out of fuel or if the heating fuel supply will last less than 15 calendar days. The payment may be for either the main or secondary fuel type and may include the cost of an added charge for off-hours delivery service. The payment amount will not exceed the cost of the delivery; including any necessary reconnect fees and/or minor furnace start-up costs. Any credit balance with the household's vendor, including LIHEAP funds issued, will be deemed available to resolve the crisis and will be deducted from the household's benefit amount.

(ii) Utility bills to restore or continue home-heating service if the household is without heat or in imminent danger of being without heat because of actual or scheduled termination of the main or secondary source of heat by a utility company. The payment may include the charge, if required, for a service reconnection.

NOTE: Crisis benefits may be approved in this instance based on issuance of a termination notice. The following applies:

(A) For utilities regulated by a governing body such as the Public Utility Commission (PUC), winter termination procedures prevent the termination of service without the governing body's approval from December 1 through March 31. Regulated utilities may still issue termination notices from December 1 through March 31. They cannot, however, act on these notices to terminate service without having been granted permission to terminate service by the governing body. In these

situations, contact must be made with the utility to determine if the governing body has granted the utility permission to terminate service for the applicant household before crisis benefits may be authorized to relieve the emergency. The household is ineligible for crisis benefits if the utility has not been granted approval to terminate service.

(B) For utilities not regulated by a governing body, a termination notice means that the utility has established a date when service will actually terminate, in accordance with the utility's current termination procedures. Documentation of the termination notice must be provided before crisis benefits may be authorized to relieve the emergency.

§601.63. Number of payments.

A household may receive more than one crisis benefit during the program year, subject to the minimum and maximum amounts allowed under the current LIHEAP State Plan and the amount of available federal funding.

§601.64. Payees.

DPW pays crisis benefits directly to the vendor, unless direct payment to a vendor cannot be made. If DPW determines that crisis benefits cannot be paid directly to the vendor, DPW pays the crisis benefit to the applicant.

§601.65. Refunds.

Refunds and reissuances of LIHEAP benefits are treated as follows:

(1) Refunds from the vendor. If the LIHEAP client changes vendors, leaves the area served by the vendor, or dies, the vendor shall refund any unused LIHEAP funds to DPW's Comptroller's Office within 48 hours after the basis for the return is known. If, for any reason, the amount of the crisis benefits authorized is in excess of the amount needed to resolve the crisis, the excess must be returned to DPW's Comptroller's Office within 48 hours. Any unexpended LIHEAP benefits erroneously retained in the customer's account as of June 30 of the state fiscal year in which payment was authorized shall be refunded to DPW's Comptroller's Office within 48 hours of discovery.

(2) Reissuances to or on behalf of the client. DPW will reissue a vendor refund, as applicable, for the current program year if the following conditions are met:

- (i) The whereabouts of the household are known.
- (ii) The household continues to reside in the Commonwealth.
- (iii) The crisis for which benefits were authorized continues to exist.

INCOME DETERMINATION FOR CASH AND CRISIS BENEFITS

§601.81. Income counted.

To determine the income level of an applicant household for cash and crisis benefits, the LIHEAP administering agency counts the gross annual income of the following persons:

- (1) The household members, regardless of relationship.
- (2) A roomer who is related by blood, marriage or adoption to a household member.
- (3) A person living with the applicant who, as a member of another household, has already received a LIHEAP cash or crisis benefit during the program year.

§601.82. Gross income defined.

Gross income is the total earned and nonearned income of the household and includes the following:

(1) Employee earnings. Employee earnings are money, including wages, salaries, bonuses, commissions and tips, before taxes or other deductions, that a person receives for providing services on behalf of an employer.

(2) Profit from self-employment. Profit of a self-employed person is gross receipts minus costs of operating a business or farm, practicing a profession, providing day-care for children in an approved family day-care facility, or renting nonresident real property.

(i) The following expenses are among those that are not deductible from gross receipts:

- (A) Depreciation.
- (B) Personal business and entertainment expenses.
- (C) Personal transportation.
- (D) Purchase of capital equipment.
- (E) Payment on the principal of loans for capital assets or durable goods.

(ii) A loss from one source of income cannot be used to offset another source of income.

(3) Income from roomers, boarders or apartment renters. Gross income from providing room or board, or both, or from apartment rentals paid directly to a household member is computed under 55 Pa. Code §183.65 (relating to profit).

(4) Unearned income. Unearned income includes, but is not limited to, the following:

- (i) Public assistance grants.
- (ii) Social Security benefits.
- (iii) Workers' compensation.
- (iv) Supplemental Security Income.
- (v) Unemployment compensation.
- (vi) Support payments.
- (vii) Cash gifts and contributions.
- (viii) Pensions.
- (ix) Interest and/or dividends from investments or bank accounts.
- (x) Veterans' benefits.
- (xi) Funds withdrawn from Individual Retirement Accounts, Certificates of Deposit and proceeds from the sale of stock certificates.

§601.83. Treatment of income.

(a) The applicant may choose whether the time period to be used in determining gross annual income shall be for the 12 months or the calendar month prior to the month of application. Regardless of the selected time period, income shall be converted to a yearly figure. Income for household members who are receiving Supplemental Nutrition Assistance Program (SNAP), Cash or Medical benefits from DPW will be annualized based on the gross amount documented on DPW's Client Information System.

(b) If the total gross annual income of the household exceeds the established percentage of the poverty level for the current year, after all allowable exclusions, the household is ineligible.

§601.84. Income exclusions.

The following income will not be considered when determining gross yearly income for the purpose of establishing LIHEAP eligibility:

(1) Educational assistance from scholarships, grants, and loans to a student unless it is solely for basic living needs such as housing and food and the amount of income from other sources used to pay out-of-pocket expenses for books and other required educational fees.

(2) All student financial assistance received from a program funded in whole or in part under Title IV of the Higher Education Assistance Act Amendments of 1992 (P.L. 102-325), or under the Bureau of Indian Affairs student assistance programs.

(3) Payments for services or out-of-pocket expenses to volunteers serving as foster grandparents, senior health aids or senior companions, and to persons serving in other programs under Title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C.A. §§5001-5024).

(4) Payments to volunteers for VISTA, Service Learning Programs and Volunteer Programs under Title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C.A. §§4951-4994).

(5) Benefits received by a participant in the SNAP Program.

(6) The value of donated foods -- surplus commodities -- from the United States Department of Agriculture.

(7) The value of home produce of clients for household consumption.

(8) Money received under the Senior Citizen Rebate and Assistance Act (72 P.S. §§4751-1 through 4751-12).

(9) Money received as incentive or training-related expenses provided to persons involved in a work/training program sponsored by a Federal, State or local government agency.

(10) Deductions for Medicare premiums deducted from Social Security benefit payments.

(11) Amounts received as reimbursement for medical costs, medical transportation and special allowance items as defined under Chapter 138 (relating to allowances and benefits).

(12) Cash or in-kind assistance with heating costs provided by private or public agencies or utility companies.

(13) Personal loans, bank loans, other non-educational loans designated for a specific purpose from an established financial institution.

(14) The portion of a Social Security lump sum death benefit designated for funeral expenses.

(15) For actual child support received, whether court-ordered support or voluntary support from a legally responsible relative, up to the first \$100 will be excluded in determining household income if there is one child under age 18 in the household. If there are two or more children in the household, up to \$200 will be excluded. Also, up to the first \$50 of actual spousal support received in a given month will be excluded. If a household receives both child support and spousal support, only the amount which is the greatest will be excluded for that month; the household will not receive both a child support and spousal support deduction in the same month. All support refunded by DPW during the month is excluded.

(16) Agent Orange Settlement payments.

(17) Earned Income Tax Credits (EITC) including anticipated monthly payments as well as year-end payments.

(18) Income tax refunds.

(19) Restitution payments made to individuals because of their status as victims of Nazi persecution.

(20) Non-recurring lump sum payments.

(21) Wage earnings of a dependent child under 18.

(22) Utility allowances for residents of subsidized and public housing, unless the household receives the payment directly from the landlord or public housing authority to cover utility bills. If the utility allowance is paid directly to the household, the amount of the payment is counted as unearned income in the month during which it is received.

(23) A person who has unearned income may get a deduction for expenses that he or she has to pay to get the income. These expenses include, but are not limited to, the following:

- Attorney fees;
- Court costs;
- Transportation costs;
- The amount paid to a rental agency to handle rental property;
- Court-ordered fees paid to a guardian who controls the person's income.

NOTE: The CAO must make sure to subtract expenses to determine the unearned income used for the gross income test.

VERIFICATION AND DOCUMENTATION

§601.101. Verification and documentation defined.

The applicant shall provide sufficient information regarding the household's circumstances to enable the LIHEAP administering agency to determine LIHEAP eligibility and the amount of a LIHEAP benefit.

(1) Verification. The term refers to any form of convincing information, including oral statements or documentation. Types of documentation may not be limited to any specific type and may include: written evidence, public records, automated sources, electronic evidence and websites.

(2) Documentation. The term refers to written or printed evidence, such as fuel bills, rent receipts, or pay stubs, that is needed to determine LIHEAP eligibility and the type and amount of the LIHEAP benefit.

§601.102. Income.

(a) The applicant shall provide documentation of the amounts and sources of income of household members, including related roomers, as well as that of anyone in the household who received LIHEAP benefits during the current program year as a member of another household.

(b) The applicant shall report but is not required to document income of persons in the household who are currently receiving SNAP, Cash or Medical benefits from DPW and whose income has already been documented and is available in a case record on file with the local CAO.

§601.103. Minimal or no income.

If the applicant states that the household has minimal or no income, the applicant shall be required, as a condition of eligibility, to produce evidence that will satisfactorily explain how the household members are meeting their financial obligations and basic living needs.

§601.104. Responsibility for home-heating costs.

(a) The applicant for a cash benefit must provide either a recent fuel bill or receipt for the main fuel type of the household or the CAO can verify a household's heating responsibility through collateral contact with the vendor. A recent bill or receipt is one that was issued within two months of the date before application. Receipts from vendors for fuel purchased since January of the previous LIHEAP season may be

acceptable. CAOs can use websites, hotlines and other collateral contacts to verify a household's heating responsibility or that a vendor has provided or will provide service to a household. If the household chooses to have the benefit paid to the vendor of its secondary fuel type, the applicant for a cash benefit shall provide documentation of a financial responsibility for both the main and secondary fuel types.

(b) The applicant for a crisis benefit shall prove payment responsibility for either the main or secondary fuel type of the household. In the absence of a recent bill or receipt due to prior termination of service, the applicant must provide documentation from the vendor that service will be activated pursuant to a determination of eligibility for LIHEAP is required from the vendor.

(c) If the household pays for heat indirectly, a written or oral statement from the landlord or rental agent may be acceptable verification of a home-heating responsibility. The statement shall specify the main type of fuel used to heat the home of the applicant household.

(d) Proof of payment responsibility for either a cash or crisis benefit may be in a name other than the applicant's name in certain reasonable situations, such as the death of the person billed or credit problems of the applicant. The applicant must provide written or printed information that identifies that the household lives at the residence address, such as a bill from the vendor, driver's license, lease, mail sent to the household at the residence, etc. **EXAMPLE:** For security reasons, the LIHEAP applicant continues to have the utility bill in the name of her deceased spouse. She provides a driver's license documenting that she resides at the residence.

§601.105. Proof of residence.

In situations where the household is not living at its actual residence, in order to qualify for LIHEAP benefits, the household must provide documentation of the emergency or situation beyond the household's control that requires that the household live elsewhere. Appropriate documentation may include some type of written or printed information, such as a doctor's statement or letter from the Board of Health, substantiating why the household is not residing at its residence.

Upon request, the CAO will assist the applicant in providing proof of residence.

§601.106. Social Security numbers.

Applicants shall provide social security numbers for all members of their household. This requirement is consistent with the May 5, 2010 HHS Information Memorandum LIHEAP-IM-2010-6, which allows states to require social security numbers from applicant households as a condition of LIHEAP eligibility. A household member who does not have a social security number or is unable to provide one shall complete an energy assistance affidavit. An energy assistance affidavit is not required for a child under the age of one.

§601.107. Questionable information.

The LIHEAP administering agency may require the applicant to verify information affecting eligibility that appears to be incomplete, unreasonable, or inconsistent with known facts.

§601.108. Proof of energy crisis.

The applicant for a crisis benefit must provide proof that the household is experiencing a home-heating emergency. Acceptable forms of proof include:

- a utility termination notice or verification of a scheduled termination;
- verification that utility service has already been terminated; or
- a statement from the applicant that the household's deliverable fuel supply will last less than 15 days.

Termination notices issued by regulated utility companies from December 1 through March 31 are not proof of a home heating emergency. These companies cannot terminate services during this period without permission from the PUC.

§601.109. Lawfully admitted non-citizen status.

The applicant must provide proof of lawfully admitted non-citizen status for each non-citizen who resides in the household. Documentation consists of a document issued by U.S. Citizenship and Immigration Services (USCIS). Refer to the Chart at end of Appendix B for examples of acceptable documentation.

CLIENT RIGHTS

§601.121. Confidentiality.

(a) Information about a LIHEAP applicant or recipient is confidential and may be disclosed for only the following purposes.

(1) To aid in the investigation or prosecution of suspected fraud in connection with LIHEAP; or

(2) To cooperate with Federal or State authorities regarding LIHEAP audits, reviews, and investigations.

(b) If the client concurs, the LIHEAP administering agency may disclose only that information about the applicant or recipient household that is needed to help the household apply for or obtain other forms of home energy assistance.

§601.122. Nondiscrimination.

DPW assures that no person on the basis of race, color, sex, age, handicap, religion, national origin or ancestry, sexual orientation, or political belief will be excluded from participation in LIHEAP, denied LIHEAP benefits or be subject to discrimination in an activity or project receiving LIHEAP funds.

§601.123. Appeals and fair hearings.

(a) Applicants may appeal and receive a fair hearing of their claim for LIHEAP if the applicant believes that benefits are unjustly denied or unreasonably delayed or may appeal and receive a fair hearing of a decision regarding overpayments.

EXCEPTION: Applicants do not have the right to a fair hearing if the program closes prior to authorization of benefits due to lack of funds, or if application is submitted after the close of the program.

(b) Client rights and procedures for appeals and fair hearings appear in Chapter 870 of the Supplemental Handbook (relating to appeal and fair hearing).

(c) Upon request, LIHEAP staff will help the client with any aspect of the appeal and fair hearing process.

OVERPAYMENTS

§601.141. Overpayment defined.

An overpayment is the payment of LIHEAP funds or provision of LIHEAP benefits for which the agency or person is either fully or partially ineligible.

§601.142. Liability.

A person or agency that receives LIHEAP funds or benefits for which it is ineligible shall repay DPW for the overpayment.

§601.143. Fraud.

A person who knowingly misrepresents or withholds information in order to qualify anyone for a LIHEAP benefit is guilty of fraud and subject to a penalty of a fine or imprisonment, or both.

§601.144. Treatment of overpayments.

(a) If an overpayment occurs because of suspected fraud, client error, or client misrepresentation, DPW will refer the overpayment for collection or prosecution to the Office of Inspector General, P.O. Box 8016, Harrisburg, Pennsylvania 17105-8016,

under Supplemental Handbook Chapter 910 (relating to overpayment recovery).

(b) If an overpayment of \$25 or greater occurs because of vendor error, misrepresentation, or fraud, DPW will take progressive steps, if necessary, to seek restitution of the overpayment. If an overpayment is less than \$25, DPW will not seek restitution of the overpayment, but a referral will still be made to the Office of Inspector General. In instances where vendor error has caused the overpayment, any calls or notices to the vendor regarding repayment must include a statement that repayment must be made from vendor funds, not client funds. Progressive steps are:

(1) DPW will notify the vendor of the overpayment by telephone to request repayment within 10 days of the telephone call.

(2) If, after 10 days of the telephone call, the vendor fails or refuses to repay DPW for the overpayment, DPW will send a written notice to the vendor requesting restitution.

(3) If, after 10 days from the date of the written notice, DPW has still not received restitution from the vendor, DPW will send the vendor a notice by certified mail. This notice will inform the vendor that unless restitution is paid within 10 days, DPW will remove the vendor from the list of participating LIHEAP vendors and will refer the overpayment for investigation and collection.

(4) If, after 10 days from the date of the notice by certified mail, the vendor fails to return the funds, DPW will remove the vendor from the list of participating vendors and refer the overpayment to DPW's Office of General Counsel for investigation and collection.

(c) If an overpayment occurs that was not caused by fraud, error or misrepresentation, by either the client or the vendor, the overpayment will be considered an administrative error. No restitution is required by the client or the vendor and no referral will be made to the Office of Inspector General.

§601.145. Accounts Receivable

DPW is authorized to recoup past due LIHEAP balances from vendors by debiting any current or future LIHEAP payment to the vendor for an amount equal to the outstanding unrefunded balance that is due to DPW from the vendor. A record of the balance of funds owed is established by DPW when a vendor error has occurred or a vendor has received a payment on behalf of a client who has subsequently moved to another county and is no longer a customer of the vendor. The vendor must return these funds to DPW.

DPW will send the vendor up to three notices requesting payment of the funds. If the vendor has failed to respond after the third notice, the amount of the balance of funds owed to DPW will be deducted from the vendor's next payment(s) until the funds are repaid.

The vendor acknowledges that DPW will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts. The vendor agrees to apply the full payment amount of each LIHEAP benefit approved by DPW to the respective account of each LIHEAP recipient whom the vendor serves.

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| U.S. CITIZENSHIP AND IMMIGRATION SERVICES (USCIS) ELIGIBLE NON-CITIZEN STATUS CHART |
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| Non-citizen | USCIS Document |
|--|--|
| Lawfully admitted for permanent residence as an immigrant | -I-551 (Non-citizen Registration Receipt card-Green card) -I-551 (Unexpired Temporary I-551 stamp in foreign passport) -I-94 (Arrival - Departure Record) |
| Asylee (USCIS Section 208) | -I-94 annotated with stamp showing grant of asylum under Section 208 -I-688B (Employment Authorization Card) annotated "274a.12(a)(5)" -I-766 (Employment Authorization -Document) annotated "A5" -Grant letter from the Asylum Office of USCIS -Order of an immigration Judge granting asylum |
| Refugee (USCIS Section 207) | -I-94 annotated with stamp showing admission under Section 207 -I-688B (Employment Authorization Card) annotated "274a12(a)(3)" -I-766 (Employment Authorization Document) annotated "A3" -I-571 (Refugee Travel Document) |
| Non-citizen Paroled Into U.S. for at Least One Year (USCIS Section 212(d)(5)) | -I-94 with stamp showing admission for at least one year under Section 212(d)(5) Periods of admission for less than one year cannot be added to meet the one year requirement |
| Non-citizen whose Deportation or Removal was Withheld (USCIS Section 243(h)) (USCIS Section 241(b)(3)) | -I-688B (Employment Authorization Card) annotated "274a.12(a)(10)" -I-766 (Employment Authorization Document) annotated "A10" -Order from an immigration judge showing deportation withheld under 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under 241(b)(3) |
| Non-citizen Granted Conditional Entry (USCIS Section 203(a)(7)) | -I-94 with stamp showing admission under 203(a)(7) -I-688B (Employment Authorization Card) annotated "274a.12(a)(3)" -I-766 (Employment Authorization Document) annotated "A3" |
| Cuban/Haitian Entrant (USCIS Section 212(d)(5)) | -I-551 coded CU6, CU7, CH6 -I-551 Unexpired temporary I-551 stamp in foreign passport -I-94 with code CU6 or CU7 -I-94 with stamp showing parole as "Cuban Haitian Entrant" under Section 212(d)(5) |
| Non-citizen who has been battered or subjected to extreme cruelty in the United States | -Collateral contacts with school counselors, health professionals, social service agency personnel, police or courts -Affidavit from person -Eye witness accounts |

APPENDIX C**CRISIS INTERFACE AND WEATHERIZATION ASSISTANCE PROGRAM**

The mission of the Pennsylvania Department of Community and Economic Development's (DCED) Office of Energy Conservation and Weatherization is to reduce energy consumption and cost in low-income households throughout Pennsylvania. This attachment constitutes the DCED portion of the Department of Public Welfare (DPW) State Plan specifically applicable to LIHEAP for the Federal Fiscal Year (FY) 2015 program year. The Pennsylvania Weatherization Assistance Program (WAP) State Plan, as developed by DCED and submitted to the Department of Energy (DOE), is hereby incorporated for reference.

For FY2013, DCED received \$28,621,497 of the federal Department of Health and Human Services LIHEAP allocation from DPW for use in its Crisis Interface and Weatherization Assistance Programs. For FY2014, DCED has received \$30,460,708.

For both fiscal years, DCED-allocated LIHEAP funds not expended on Crisis are used to weatherize homes. Statistics regarding the last two years' LIHEAP funding are as follows:

- Crisis expenditures for FY2013 totaled over \$13 million, the remaining funds were used to provide standard weatherization services.
- Crisis expenditures for FY2014 data is not yet complete since Crisis season has been extended until April 18, 2014. Therefore, at the writing of this plan, preliminary data suggests that the Weatherization Agencies will spend over \$11 million. Note: The federal government shutdown in the fall of 2013 delayed the allocation of Crisis funds to DPW and thus DCED. To ensure the safety of Crisis clients, DCED used \$2.5 million from the prior year's allocation to cover expenses incurred from November and December of the FY2014 Crisis season.
- We expect the leftover funds at the end of the Crisis season to be spent on providing standard weatherization services.
- DCED and Weatherization Agencies expect to expend the full allocation of \$30,460,708 million.

Expenditure levels and other aspects of this plan are based on current growth and demand for both Crisis Interface and Weatherization Services. In the event that additional funding becomes available, or the total allocation is decreased, DCED reserves the right to modify this Plan in accordance with all applicable regulations and procedures. DCED understands that any changes not in accordance with the initial formula may necessitate a public hearing.

What follows is a description of the two components of weatherization accomplished and anticipated via LIHEAP funding: Crisis Interface and the Weatherization Assistance Program.

CRISIS INTERFACE COMPONENT

I. Introduction

The DCED has, since 1993, operated the Crisis Interface Program with LIHEAP funds for heating-related emergencies that are referred to the Weatherization Agencies by the local County Assistance Offices (CAOs) or by a local community-based organization (Crisis Contractor). This program has been labeled “Crisis Interface” because it describes the relationship between DPW and DCED, which administers the Weatherization Assistance Program statewide. The DPW Crisis program is administered through the local CAOs or by a Crisis Contractor. Crisis Interface involves two distinct services: supply shortages and weather-related emergencies (which include repair/replacement of heating systems or fuel lines, broken windows and pipe-thawing). Most supply shortages are resolved with vendor payments by DPW while weather-related emergencies are referred to local Weatherization Agencies to find resolution. Eligibility for Crisis services is determined by the local CAO or Crisis Contractor.

II. Eligibility Determination

LIHEAP eligibility for the Crisis component of the program is determined by the local CAO or the local LIHEAP Crisis Contractor based on income levels determined by DPW. Although no additional income eligibility determination is required to be performed by the Weatherization Agency, it is possible for the Weatherization Agency to discover income or household information discrepancies at the time of visit.

In such cases, when the Weatherization Agency personnel find that an applicant’s situation does may not meet Crisis eligibility criteria or conflicts materially with the referral provided by the CAO, the CAO will be notified immediately of the finding. All client appeals will go through the CAO or local LIHEAP Crisis Contractor.

A housing unit will not be eligible for Crisis if it was purchased or rented without a heating system, was purchased or rented with an inoperable heating system, is unoccupied, is not a primary residence or is condemned or otherwise deemed uninhabitable by federal, state or local authorities. If the furnace has not been operating within past two heating seasons from the date of application, the unit may be ineligible for Crisis services. A furnace that has not been working for that long of a period of time cannot be considered to be a weather-related emergency. The applicant must provide proof of the home heating **emergency**. Exceptions will be considered on a case-by-case basis.

As stated previously in the LIHEAP State Plan, a household could be ineligible for Crisis services if the heating appliance isn’t installed and operating based on manufacturer’s specifications or current code requirements, whichever is more stringent and isn’t following all applicable building and fire codes. A manufactured home moved to a

location that does not allow its heating system's current fuel type will also not be eligible for Crisis.

III. Referral Procedures

Within 24 hours of determination of eligibility, the CAO or Crisis Contractor will send a referral to the local Weatherization Agency via fax or email. The Weatherization Agency then will evaluate the situation and may require an on-site visit to ascertain the needs of the household. Weatherization Agency staff will discuss the time-lines of the Crisis resolution with the household and offer the use of an electric auxiliary heater. The results of that discussion will be documented. Weatherization Agency staff will notify the CAO or Crisis Contractor after the course of action has been determined.

IV. Weatherization Program Responsibilities

It is the responsibility of the Weatherization Agency to address the crisis within 48 hours or, if the client is in a life-threatening situation, within 18 hours. This does not mean that the repair must be made within 48 (or 18) hours. Instead, the Weatherization Agency is responsible to document that Weatherization Agency staff have discussed with the household time-frames needed to complete the necessary repairs or replacement of the heating system. The staff must also resolve that the household has a safe place to go until the immediate crisis is over or was provided an electric auxiliary heater for use until the crisis has been resolved. These actions do not absolve the Weatherization Agency's responsibility to resolve the actual crisis at the earliest possible date, although resolution to the crisis may, in some circumstances, be confined to providing a warm room within the home.

The measures for which Weatherization Agencies will be responsible under the LIHEAP Crisis program are as follows:

- Repair of heating system
- Loan of auxiliary heater
- Repair of gas or other fuel lines
- Replacement of un-repairable heating systems
- Repair of hot water heating system
- Heating system pipe thawing service
- Repair of broken windows
- Provide blankets

The purchase of a new heating system is only allowable if documentation is provided that the heating system cannot be repaired or repairs will correct the problem only temporarily. The repair of a water heating system, including repair of water pumps and accessories, is only allowable if the system is essential for producing home heat. The repair of broken windows is only allowable if the heating system is also being repaired or replaced.

Weatherization Agencies will provide client education regarding all weatherization and conservation measures completed. Weatherization Agencies will also provide a client complaint procedure for Crisis Interface clients.

V. Allowable Expenditures

A portion of the LIHEAP funds allocated for weatherization will be used to alleviate specific LIHEAP crises. All expenditures for allowable Crisis measures are to be paid from LIHEAP funds allocated to the WAP. There is no reimbursement required from the CAO or for any Crisis work performed by the Weatherization Agency.

VI. Rental Dwellings

Department of Health and Human Services' regulations require that owners and renters receive equitable treatment under the LIHEAP program. Therefore tenants, when referred, are considered eligible for Crisis services. However, on the basis of an implied warranty of habitability assumed by the landlord, prior to referral, appropriate action should be taken by the CAO to have furnace repair/replacement completed by the landlord. In all cases, prior written permission must be granted by the landlord to enter the premises to provide Crisis or Weatherization Services.

Department of Health and Human Services regulations allow LIHEAP benefits to only those households eligible under LIHEAP income guidelines; therefore, a heating system that supplies heat to those other than LIHEAP eligible clients (e.g., in a multi-unit dwelling) is not eligible for service under the LIHEAP Crisis component.

VII. Subcontracting for Crisis Services

In order to maintain the greatest consistency with WAP guidelines, contractors under current subcontract agreement with the Weatherization Agency should be utilized to provide Crisis services.

However, due to the demand and emergency requirements of the Crisis program, it may be necessary to secure services from contractors not normally utilized and/or not currently under a subcontract with the Weatherization Agency. In this case, Weatherization Agencies are authorized to procure services from contractors on a temporary basis without entering into a formal subcontract agreement, provided that their qualifications have been reviewed and approved, a cost/price analysis is performed to determine the reasonableness of compensation requested by the contractor, and that all DCED procurement procedures are followed.

A client may request that a contractor of his/her choice provide Crisis services (e.g., those who have a service contract or a current fuel vendor). If, after review, the Weatherization Agency determines through its experience that a bid received in this manner is questionable, an additional bid must be secured and documented prior to approval.

All Crisis heating system installations performed by a contractor that is not normally affiliated with the WAP must be inspected prior to payment.

WEATHERIZATION ASSISTANCE PROGRAM COMPONENT

I. Introduction

The Energy Conservation in Existing Buildings Act of 1976, Title IV of the Energy Conservation and Production Act (referred to as "the Act"), authorized the Federal Energy Administration, now part of DOE, to establish a Weatherization Assistance Program to increase the energy efficiency of dwellings owned or occupied by low-income persons, reduce their total residential energy expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children.

The program is intended to reduce national energy consumption and to reduce the impact of higher fuel costs on low-income families. Funds are provided to install a number of energy conservation measures such as building shell air-sealing, hot water conservation measures, attic and foundation insulation and oil and gas furnace modifications.

Funds are allocated by DOE, typically on a formula basis, determined by the relative need for weatherization assistance among the states. The formula takes into account the number of low-income households, the percentage of total residential energy used for space heating and cooling and the number of heating and cooling degree days in each state.

In the Commonwealth of Pennsylvania, the Secretary of DCED, as the designee of the governor, applies for, receives, and administers these funds. The funds are distributed by DCED to local governments and nonprofit organizations such as community action agencies.

It is the mission of the Weatherization Assistance Program of the Commonwealth of Pennsylvania to reduce energy consumption and cost in low-income households throughout Pennsylvania. PA WAP accomplishes this mission in thousands of homes throughout the commonwealth every year.

PA WAP accomplishes its mission by training and certifying weatherization workers at local subgrantees to take a scientific approach to reducing energy usage in the home. These workers achieve this in two ways: First, workers perform an energy audit to determine which energy efficiency measures should be performed. The energy audit guides workers toward specific tasks like caulking around cracks, insulating the attic, or installing energy-efficient light bulbs. Second, workers provide client education to the home's residents. They show residents how to use the newly installed features, and more importantly, they teach them simple life-changing skills to save energy and money.

PA WAP weatherization workers install energy efficiency measures and provide client education to help Pennsylvania avoid the adverse effects of high energy costs on low-income citizens. Such adverse effects include a diminished ability to maintain utility services, including oil and coal deliveries, and a decreased capability to keep residences at temperatures necessary for health and comfort. As PA WAP continues to

realize its mission, it is helping Pennsylvanians stay warm through the winter, save money on their energy bills, and take responsibility for living an energy-efficient lifestyle.

Each Federal fiscal year, a State Plan is required for continued participation in the program. As such, the State Plan establishes the number of homes to be weatherized within the limits of available resources, the specific energy conservation measures to be undertaken, eligibility requirements, projected energy savings, program implementation strategies and other program requirements. These requirements will apply to the LIHEAP portion of the Weatherization Assistance Program. The organization and content of the proposed plan are derived directly from DOE regulations as contained in the Federal Register, 10 CFR Part 440 Final Rule, published February 1, 2002, and subsequent DOE instructions.

Guidelines provided in the Weatherization Work Plan outline allowable costs for standard weatherization activities and health and safety abatement and provide a subgrantee budget format to appropriately allocate costs for these measures.

II. Production and Expenditure Schedule

DCED proposes to provide weatherization services to eligible households according to existing prioritization procedures but when utilizing LIHEAP funds, may first give consideration to current LIHEAP or LIHEAP Crisis clients. Efforts to provide services to LIHEAP Clients may eventually alleviate their need to access LIHEAP funds and services. Societal benefits of Weatherization include reduction of energy costs for LIHEAP clients, improved bill payment, and enhanced health and safety of clients by encouraging Healthy Homes coordination and integration.

III. Average Cost Per Dwelling Unit

Weatherization costs are established at an average statewide expenditure that will not exceed \$6,987 per unit; which includes cost for material, program support, and labor.

IV. Types of Weatherization Work to be Performed

The Weatherization Assistance Program is designed to reduce energy consumption of dwellings through the installation of energy conservation measures approved by DCED, based on their savings-to-investment ratio or cost-effectiveness. Additional measures are approved and selected as incidental repairs necessary for the safe and effective installation of the energy conservation measures, to correct an existing health or safety problem or to assure health and safety in conjunction with the installation of the energy conservation measures.

The specific methodologies to accomplish the program measures are based, to an extent, on the condition and design of the dwelling. These methodologies are further directed on individual dwelling units through blower door guided analysis and air-sealing and inspection of the heating system.

Household treatment measures are to be selected for installation based on the priority of their savings-to-investment ratio, taking into account:

- The structural, occupant or other considerations particular to the dwelling;
- The need and associated costs for installation of additional required measures as defined under item C, of this section;
- The contractual per-unit cost limits of the program.

The DOE approved Weatherization Priority List in conjunction with the PA Weatherization Field Standards will be used to determine the most cost effective or appropriate health and safety measures for a particular dwelling unit. The candidate measures are stipulated by the priority list specified in the PA Weatherization Standards and Field Guide, updated as necessary.

V. Minimum Program Requirements

Minimum program requirements as outlined under 10 CFR 440.16 include the following subsections. Where noted, these requirements remain unchanged from the previous year's State Plan. Eligibility is also based on the DCED Eligibility Directive 2012-05.

Eligibility Criteria for Weatherization Services

A dwelling unit shall be eligible for Weatherization assistance if a family unit occupies the unit as their primary residence:

has an income that is at or below 200 percent of the poverty level in accordance with criteria established by the Office of Management and Budget;

contains a member who has received cash assistance payments under Title IV (AFDC) or Title XVI (SSI) of the Social Security Act or applicable state or local law at anytime during the twelve (12)-month period preceding the determination of eligibility.

In accordance with DOE program regulations, 200 percent of the Federal Poverty Income Guidelines is the determinant for income eligibility for all services provided under the Weatherization Assistance Program.

The eligible income level for Crisis services is determined annually by DPW, which may be lower than the Weatherization Assistance Program income eligibility levels.

Weatherization Agencies may weatherize a building containing multiple rental dwelling units wherein occupants meet the income eligibility requirements and where:

- written permission of the owner or authorized agent is obtained; and
- not less than 66 percent (50 percent for duplexes and four-unit buildings) of the dwelling units in a multi-family building are eligible dwelling units, or will become eligible dwelling units within 180 days under a Federal, State or local government program for rehabilitating the building;

Except that only those households determined income eligible may be weatherized with LIHEAP funds and in the case of vacant dwelling units, only if the specific households intended to occupy the unit have been identified and certified as eligible prior to work being done; and

- an agreement is signed by both the owner/agent and tenant and witnessed by the Weatherization Agency to insure that for a reasonable period of time (not less than 18 months), the tenant(s) will not be subject to rent increases or eviction unless it can be demonstrated that it is related to matters other than the weatherization work performed; and
- no undue or excessive enhancement shall occur to the value of the dwelling units.

DCED will continue to weatherize rental dwelling units in accordance with DOE regulations as identified in this Plan and the DCED Weatherization Assistance Program Directives and Guidelines.

Re-weatherization of a dwelling unit is not allowable except:

- If the unit has been damaged by fire, flood, or act of God and repair of the damage to weatherization materials is not paid for by insurance; or
- That dwelling units partially weatherized during the period September 30, 1975 through September 30, 1994, may receive further weatherization assistance. These units may be counted as completions for compliance with the per-home expenditure limit. Each dwelling unit must receive a new energy audit, which takes into account any previous energy conservation improvements.

VI. Resolution of Client Complaints

Client complaints are to be dealt with in a timely manner, and any action taken toward resolution is to be adequately documented.

Procedure

The sub-grantee is required to develop and provide to the client a form that identifies three points of contact for the resolution of a Weatherization complaint.

The document provided should indicate that these are progressive steps of notification and appeal and that they must first attempt to resolve the issue at the local level prior to involvement by the State.

Further, the information to be provided should be left with the client at the time of application. In this way, a problem that may arise at any point during the weatherization process, including income verification, may be dealt with through the complaint procedure.

- The first point of contact is the weatherization program coordinator. He or she should document the contact and take necessary action to correct the problem if it is legitimate, or to inform the client of the Weatherization Agency's position on the issue.
- The second is the coordinator's supervisor or the executive director who will be responsible to assure that the appropriate follow-up action was taken, or if further action is required.
- The third is the field monitor assigned to the Weatherization Agency. Prior to any action by DCED, the field monitors will confirm that contact was made with the local Weatherization Agency in the manner described. This is not meant to imply that a local Weatherization Agency may not contact their field monitor or monitoring supervisor for technical assistance to resolve a client complaint.

If a complaint is resolved by the local Weatherization Agency, the nature of the complaint and the action taken to resolve the problem must be documented and maintained in the client file.

- If the complaint reaches DCED, the monitoring supervisor and/or field monitor will make direct contact with both the client and the Weatherization Agency to assess the nature of the problem, establish responsibility and recommend corrective action in writing to the Weatherization Agency. Upon completion of the corrective action, the Weatherization Agency must provide written documentation to DCED. A copy of both documents will be forwarded to the regional monitor and to DCED and maintained in the contract file.
- If the complaint involves work quality, the field monitor will inspect the unit prior to recommending corrective action.
- When the complaint involves an interpretation of program policy (e.g., income verification, liability, etc.) DCED will make a final determination and provide its decision to the local Weatherization Agency. In some cases this could require involvement, consultation or a referral to DOE or the DCED's Legal Office.

DETAILED MODEL PLAN (LIHEAP)

Mandatory Grant Application SF-424

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

August 1987, revised 05/92,02/95,03/96,12/98,11/01
OMB Clearance No.: 0970-0075
Expiration Date: 06/30/2017

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

| | | | |
|---|------------------------------------|---|--|
| * 1.a. Type of Submission: Plan | * 1.b. Frequency: Annual | * 1.c. Consolidated Application/Plan/Funding Request? Explanation: 3. Applicant Identifier: 4a. Federal Entity Identifier: | * 1.d. Version: Initial State Use Only: 5. Date Received By State: |
|---|------------------------------------|---|--|

7. APPLICANT INFORMATION

| | | | |
|---|----------------|--|-------|
| * a. Legal Name: Commonwealth of Pennsylvania | | | |
| * b. Employer/Taxpayer Identification Number (EIN/TIN): 1-236003113-A1 | | * c. Organizational DUNS: 796567790 | |
| * d. Address: | | | |
| * Street 1: | 625 Forster St | Street 2: | |
| * City: | HARRISBURG | County: | |
| * State: | PA | Province: | |
| * Country: | United States | * Zip / Postal Code: | 17120 |

e. Organizational Unit:

f. Name and contact information of person to be contacted on matters involving this application:

| | | | |
|----------------|-----------------------------------|------------------------------------|-------------------------------|
| Prefix: | * First Name: Catherine | Middle Name: | * Last Name: Buhrig |
| Suffix: | Title: Director | Organizational Affiliation: | |

* 8a. TYPE OF APPLICANT: A: State Government

b. Additional Description:

| | | |
|--|---|--------------------|
| | Catalog of Federal Domestic Assistance Number: | CFDA Title: |
|--|---|--------------------|

11. Descriptive Title of Applicant's Project

12. Areas Affected by Funding:

13. CONGRESSIONAL DISTRICTS OF:

| | |
|----------------------------|---|
| * a. Applicant 4 | b. Program/Project: Statewide |
|----------------------------|---|

Attach an additional list of Program/Project Congressional Districts if needed.

| | | | |
|---|-----------------------------------|--|------------------------------|
| 14. FUNDING PERIOD: | | 15. ESTIMATED FUNDING: | |
| a. Start Date: 10/01/2014 | b. End Date: 09/30/2015 | * a. Federal (\$): \$0 | b. Match (\$): \$0 |
| * 16. IS SUBMISSION SUBJECT TO REVIEW BY STATE UNDER EXECUTIVE ORDER 12372 PROCESS? | | | |
| a. This submission was made available to the State under the Executive Order 12372 | | | |
| Process for Review on : | | | |
| b. Program is subject to E.O. 12372 but has not been selected by State for review. | | | |
| * 17. Is The Applicant Delinquent On Any Federal Debt? | | | |
| NO | | | |
| Explanation: | | | |
| 18. By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001) | | | |
| **I Agree ✓ | | | |
| 18a. Typed or Printed Name and Title of Authorized Certifying Official Catherine Buhrig | | 18c. Telephone (area code, number and extension) (717) 772- 7906 Ext. | |
| | | 18d. Email Address cbuhrig@pa.gov | |
| 18b. Signature of Authorized Certifying Official  | | 18e. Date Report Submitted (Month, Day, Year) 09/23/2014 | |
| Attach supporting documents as specified in agency instructions. | | | |

Section 1 - Program Components

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

August 1987, revised 05/92,02/95,03/96,12/98,11/01
OMB Clearance No.: 0970-0075
Expiration Date: 06/30/2017

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 1 Program Components

Program Components, 2605(a), 2605(b)(1) - Assurance 1, 2605(c)(1)(C)

| 1.1 Check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.) | | Dates of Operation | |
|---|---------------------------|--------------------|------------|
| | | Start Date | End Date |
| ✓ | Heating assistance | 11/03/2014 | 04/03/2015 |
| | Cooling assistance | | |
| ✓ | Crisis assistance | | 04/03/2015 |
| ✓ | Weatherization assistance | 10/01/2014 | 09/30/2015 |

Provide further explanation for the dates of operation, if necessary

| 1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: The total of all percentages must add up to 100%. | Percentage (%) |
|---|------------------|
| Heating assistance | 65.00% |
| Cooling assistance | 0.00% |
| Crisis assistance | 10.00% |
| Weatherization assistance | 15.00% |
| Carryover to the following federal fiscal year | 0.00% |
| Administrative and planning costs | 10.00% |
| Services to reduce home energy needs including needs assessment (Assurance 16) | 0.00% |
| Used to develop and implement leveraging activities | 0.00% |

Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)

1.3 The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

| | | | |
|-------------------------------------|--------------------|--------------------------|--------------------|
| <input checked="" type="checkbox"/> | Heating assistance | <input type="checkbox"/> | Cooling assistance |
|-------------------------------------|--------------------|--------------------------|--------------------|

Categorical Eligibility, 2605(b)(2)(A) - Assurance 2, 2605(c)(1)(A), 2605(b)(8A) - Assurance 8

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below? Yes

| | Heating | Cooling | Crisis | Weatherization |
|------|---------|---------|--------|----------------|
| TANF | | | | |
| SSI | | | | |
| SNAP | Yes | | | |

| Program Name | Heating | Cooling | Crisis | Weatherization |
|--------------|---------|---------|--------|----------------|
|--------------|---------|---------|--------|----------------|

1.5 Do you automatically enroll households without a direct annual application? Yes

SNAP Nominal Payments

1.7a Do you allocate LIHEAP funds toward a nominal payment for SNAP households? Yes

If you answered "Yes" to question 1.7a, you must provide a response to questions 1.7b, 1.7c, and 1.7d.

1.7b Amount of Nominal Assistance: \$21

1.7c Frequency of Assistance

| | |
|-------------------------------------|-----------------------|
| <input checked="" type="checkbox"/> | Once Per Year |
| <input type="checkbox"/> | Once every five years |
| <input type="checkbox"/> | Other - Describe: |

Determination of Eligibility - Countable Income

1.8. In determining a household's income eligibility for LIHEAP, do you use gross income or net income ?

| | |
|-------------------------------------|--------------|
| <input checked="" type="checkbox"/> | Gross Income |
| <input type="checkbox"/> | Net Income |

1.9. Select all the applicable forms of countable income used to determine a household's income eligibility for LIHEAP

| | | | | |
|---|--|---|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Wages | | | |
| <input checked="" type="checkbox"/> | Self - Employment Income | | | |
| <input checked="" type="checkbox"/> | Contract Income | | | |
| <input checked="" type="checkbox"/> | Payments from mortgage or Sales Contracts | | | |
| <input checked="" type="checkbox"/> | Unemployment insurance | | | |
| <input checked="" type="checkbox"/> | Strike Pay | | | |
| <input checked="" type="checkbox"/> | Social Security Administration (SSA) benefits | | | |
| | <table border="1" style="width: 100%;"> <tr> <td style="width: 30%;"><input type="checkbox"/> Including MediCare deduction</td> <td style="width: 10%; text-align: center;"><input checked="" type="checkbox"/></td> <td style="width: 60%;"><input type="checkbox"/> Excluding MediCare deduction</td> </tr> </table> | <input type="checkbox"/> Including MediCare deduction | <input checked="" type="checkbox"/> | <input type="checkbox"/> Excluding MediCare deduction |
| <input type="checkbox"/> Including MediCare deduction | <input checked="" type="checkbox"/> | <input type="checkbox"/> Excluding MediCare deduction | | |
| <input checked="" type="checkbox"/> | Supplemental Security Income (SSI) | | | |
| <input checked="" type="checkbox"/> | Retirement / pension benefits | | | |
| <input checked="" type="checkbox"/> | General Assistance benefits | | | |
| <input checked="" type="checkbox"/> | Temporary Assistance for Needy Families (TANF) benefits | | | |
| | Supplemental Nutrition Assistance Program (SNAP) benefits | | | |
| | Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits | | | |
| | Loans that need to be repaid | | | |
| | Cash gifts | | | |
| | Savings account balance | | | |
| | One-time lump-sum payments, such as rebates/credits, winnings from lotteries, refund deposits, etc. | | | |
| | Jury duty compensation | | | |
| <input checked="" type="checkbox"/> | Rental income | | | |
| | Income from employment through Workforce Investment Act (WIA) | | | |
| <input checked="" type="checkbox"/> | Income from work study programs | | | |
| <input checked="" type="checkbox"/> | Alimony | | | |
| <input checked="" type="checkbox"/> | Child support | | | |
| <input checked="" type="checkbox"/> | Interest, dividends, or royalties | | | |
| <input checked="" type="checkbox"/> | Commissions | | | |
| <input checked="" type="checkbox"/> | Legal settlements | | | |
| <input checked="" type="checkbox"/> | Insurance payments made directly to the insured | | | |

| | |
|---|--|
| ✓ | Insurance payments made specifically for the repayment of a bill, debt, or estimate |
| | Veterans Administration (VA) benefits |
| | Earned income of a child under the age of 18 |
| | Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty. |
| | Income tax refunds |
| | Stipends from senior companion programs, such as VISTA |
| | Funds received by household for the care of a foster child |
| | Ameri-Corp Program payments for living allowances, earnings, and in-kind aid |
| | Reimbursements (for mileage, gas, lodging, meals, etc.) |
| | Other |

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 2 - HEATING ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP)
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Section 2 - Heating Assistance

Eligibility, 2605(b)(2) - Assurance 2

| Add | Household size | Eligibility Guideline | Eligibility Threshold |
|---|----------------|-----------------------|-----------------------|
| 2.2 Do you have additional eligibility requirements for HEATING ASSISTANCE? | | Yes | |
| 2.3 Check the appropriate boxes below and describe the policies for each. | | | |
| Do you require an Assets test ? | | No | |
| Do you have additional/differing eligibility policies for: | | | |
| Renters? | | No | |
| Renters Living in subsidized housing ? | | Yes | |
| Renters with utilities included in the rent ? | | No | |
| Do you give priority in eligibility to: | | | |
| Elderly? | | No | |
| Disabled? | | No | |
| Young children? | | No | |
| Households with high energy burdens ? | | No | |
| Other? | | No | |

Determination of Benefits 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

2.5 Check the variables you use to determine your benefit levels. (Check all that apply):

- Income
- Family (household) size
- Home energy cost or need:
 - Fuel type
 - Climate/region
- Individual bill
- Dwelling type

Energy burden (% of income spent on home energy)

Energy need

✓ Other - Describe:

Benefit Levels, 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

2.6 Describe estimated benefit levels for FY 2015:

| | | | |
|-----------------|-------|-----------------|---------|
| Minimum Benefit | \$100 | Maximum Benefit | \$1,000 |
|-----------------|-------|-----------------|---------|

2.7 Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits? No

If yes, describe.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 3 - COOLING ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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Section 3 - Cooling Assistance

Eligibility, 2605(c)(1)(A), 2605 (b)(2) - Assurance 2

| Add | Household size | Eligibility Guideline | Eligibility Threshold |
|-----|----------------|-----------------------|-----------------------|
|-----|----------------|-----------------------|-----------------------|

3.2 Do you have additional eligibility requirements for COOLING ASSISTANCE?

3.3 Check the appropriate boxes below and describe the policies for each.

Do you require an Assets test ?

Do you have additional/differing eligibility policies for:

Renters?

Renters Living in subsidized housing ?

Renters with utilities included in the rent ?

Do you give priority in eligibility to:

Elderly?

Disabled?

Young children?

Households with high energy burdens ?

Other?

Explanations of policies for each "yes" checked above:

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable populations, e.g., benefit amounts, early application periods, etc.

3.5 Check the variables you use to determine your benefit levels. (Check all that apply):

Income

Family (household) size

Home energy cost or need:

Fuel type

Climate/region

Individual bill

Dwelling type

Energy burden (% of income spent on home energy)

Energy need

Benefit Levels, 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

3.6 Describe estimated benefit levels for FY 2015:

| | | | |
|------------------------|-----|------------------------|-----|
| Minimum Benefit | \$0 | Maximum Benefit | \$0 |
|------------------------|-----|------------------------|-----|

3.7 Do you provide in-kind (e.g., fans, air conditioners) and/or other forms of benefits?

If yes, describe.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 4 - CRISIS ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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Section 4: CRISIS ASSISTANCE

Eligibility - 2604(c), 2605(c)(1)(A)

| Add | Household size | Eligibility Guideline | Eligibility Threshold |
|-----|----------------|-----------------------|-----------------------|
|-----|----------------|-----------------------|-----------------------|

4.2 Provide your LIHEAP program's definition for determining a crisis.

- (1) The household shall meet the general eligibility requirements under §601.31 (relating to general eligibility requirements), income limit, responsibility for heating costs, Pennsylvania residency and lawfully admitted non-citizen status.
- (2) The household shall be without heat or in imminent danger of being without heat because of a weather-related or energy-supply-shortage emergency.
- (3) The household shall be eligible for a crisis benefit that, alone or combined with other resources available to the applicant household, will resolve the home-heating emergency. Any credit balance with the vendor, including but not limited to LIHEAP cash benefits, is deemed an available resource.
- (4) The applicant must provide proof of the home-heating emergency

Crisis benefits for energy-supply-shortage emergencies include payment for the following:

1. Home-heating fuel for a household that is out of fuel or if the heating fuel supply will last less than 15 calendar days. The payment may be for either the main or secondary fuel type and may include the cost of an added charge for off-hours delivery service. The payment amount will not exceed the cost of the delivery; including any necessary reconnect fees and/or minor furnace start-up costs. Any credit balance with the household's vendor, including LIHEAP funds issued, will be deemed available to resolve the crisis and will be deducted from the household's benefit amount.
2. Utility bills to restore or continue home-heating service if the household is without heat or in imminent danger of being without heat because of actual or scheduled termination of the main or secondary source of heat by a utility company. The payment may include the charge, if required, for a service reconnection. NOTE: Crisis benefits may be approved in this instance based on issuance of a termination notice.

4.3 What constitutes a life-threatening crisis?

Crisis Requirement, 2604(c)

4.4 Within how many hours do you provide an intervention that will resolve the energy crisis for eligible households? 48 Hours

Crisis Eligibility, 2605(c)(1)(A)

4.6 Do you have additional eligibility requirements for CRISIS ASSISTANCE? Yes

4.7 Check the appropriate boxes below and describe the policies for each

Do you require an Assets test ? No

Do you give priority in eligibility to :

Elderly? No

Disabled? No

| | |
|--|-------------------------------|
| Young Children? | No |
| Households with high energy burdens? | No |
| Other? | No |
| In Order to receive crisis assistance: | |
| Must the household have received a shut-off notice or have a near empty tank? | Yes |
| Must the household have been shut off or have an empty tank? | Yes |
| Must renters with heating costs included in their rent have received an eviction notice ? | No |
| Must heating/cooling be medically necessary? | No |
| Must the household have non-working heating or cooling equipment? | No |
| Other? | No |
| Do you have additional / differing eligibility policies for: | |
| Renters? | No |
| Renters living in subsidized housing? | Yes |
| Renters with utilities included in the rent? | No |
| Explanations of policies for each "yes" checked above: | |
| | |
| Determination of Benefits | |
| 4.8 How do you handle crisis situations? | |
| <input checked="" type="checkbox"/> | Separate component |
| <input type="checkbox"/> | Fast Track |
| <input type="checkbox"/> | Other - Describe: |
| 4.9 If you have a separate component, how do you determine crisis assistance benefits? | |
| <input type="checkbox"/> | Amount to resolve the crisis. |
| | |
| Crisis Requirements, 2604(c) | |
| 4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? | |
| Yes Explain. | |
| There is an assistance office in every county in Pennsylvania. Some of the counties with a larger population have more than one office. Applicants can always apply online at the COMPASS website, or if they have already received LIHEAP cash they can apply by phone as well. | |
| 4.11 Do you provide individuals who are physically disabled the means to: | |
| Submit applications for crisis benefits without leaving their homes? | |
| Yes If No, explain. | |

Travel to the sites at which applications for crisis assistance are accepted?

No If No, explain.

Benefit Levels, 2605(c)(1)(B)

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis \$500 maximum benefit

Summer Crisis \$0 maximum benefit

Year-round Crisis \$0 maximum benefit

4.13 Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

Yes If yes, Describe

Crisis weatherization can provide these types of benefits, and if they run out of funding Crisis will provide in-kind benefits.

4.14 Do you provide for equipment repair or replacement using crisis funds?

Yes

| | Winter Crisis | Summer Crisis | Year-round Crisis |
|-----------------------------------|---------------|---------------|-------------------|
| Heating system repair | ✓ | | |
| Heating system replacement | ✓ | | |
| Cooling system repair | | | |
| Cooling system replacement | | | |
| Wood stove purchase | | | |
| Pellet stove purchase | | | |
| Solar panel(s) | | | |
| Utility poles / gas line hook-ups | | | |

4.16 Do any of the utility vendors you work with enforce a moratorium on shut offs?

Yes

If you responded "Yes" to question 4.16, you must respond to question 4.17.

4.17 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

For utilities regulated by a governing body such as the Public Utility Commission (PUC), winter termination procedures prevent the termination of service without the governing body's approval from December 1 through March 31. Regulated utilities may still issue termination notices from December 1 through March 31. They cannot, however, act on these notices to terminate service without having been granted permission to terminate service by the governing body. In these situations, contact must be made with the utility to determine if the governing body has granted the utility permission to terminate service for the applicant household before crisis benefits may be authorized to relieve the emergency. The household is ineligible for crisis benefits if the utility has not been granted approval to terminate service.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 5 - WEATHERIZATION ASSISTANCE

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Section 5: WEATHERIZATION ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) - Assurance 2

| Add | Household Size | Eligibility Guideline | Eligibility Threshold |
|-----|----------------|-----------------------|-----------------------|
|-----|----------------|-----------------------|-----------------------|

5.2 Do you enter into an interagency agreement to have another government agency administer a WEATHERIZATION component? Yes

5.3 If yes, name the agency. PA Department of Community and Economic Development

WEATHERIZATION - Types of Rules

5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)

Entirely under LIHEAP (not DOE) rules

Entirely under DOE WAP (not LIHEAP) rules

Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ (Check all that apply):

Income Threshold

Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days

Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).

Other - Describe:

Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ (Check all that apply.)

Income Threshold

Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.

Weatherization measures are not subject to DOE Savings to Investment Ration (SIR) standards.

Eligibility, 2605(b)(5) - Assurance 5

5.6 Do you require an assets test? No

5.7 Do you have additional/differing eligibility policies for :

Renters No

Renters living in subsidized housing? No

5.8 Do you give priority in eligibility to:

Elderly? No

Disabled? No

Young Children? No

House holds with high energy burdens? No

Other? No

Benefit Levels

5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household? Yes

Types of Assistance, 2605(c)(1), (B) & (D)

5.11 What LIHEAP weatherization measures do you provide ? (Check all categories that apply.)

| | |
|---|---|
| <input checked="" type="checkbox"/> Weatherization needs assessments/audits | Energy related roof repair |
| <input checked="" type="checkbox"/> Caulking and insulation | Major appliance Repairs |
| <input checked="" type="checkbox"/> Storm windows | <input checked="" type="checkbox"/> Major appliance replacement |
| <input checked="" type="checkbox"/> Furnace/heating system modifications/ repairs | <input checked="" type="checkbox"/> Windows/sliding glass doors |
| <input checked="" type="checkbox"/> Furnace replacement | <input checked="" type="checkbox"/> Doors |
| Cooling system modifications/ repairs | <input checked="" type="checkbox"/> Water Heater |
| <input checked="" type="checkbox"/> Water conservation measures | Cooling system replacement |
| <input checked="" type="checkbox"/> Compact florescent light bulbs | Other - Describe: |

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 6 - Outreach, 2605(b)(3) - Assurance 3, 2605(c)(3)(A)

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Section 6: Outreach, 2605(b)(3) - Assurance 3, 2605(c)(3)(A)

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

Publish articles in local newspapers or broadcast media announcements.

Include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

Mass mailing(s) to prior-year LIHEAP recipients.

Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

Execute interagency agreements with other low-income program offices to perform outreach to target groups.

Other (specify):

Our application and flyers are available in Spanish and translation services for other languages are available upon request. We also provide reproducible public education materials to utility companies and fuel vendors, upon request, for use in such ways as bill messages.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 7 - Coordination, 2605(b)(4) - Assurance 4

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Section 7: Coordination, 2605(b)(4) - Assurance 4

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.).

| | |
|---|---|
| | Joint application for multiple programs |
| ✓ | Intake referrals to/from other programs |
| ✓ | One - stop intake centers |
| | Other - Describe: |

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 8 - Agency Designation,, 2605(b)(6) - Assurance 6

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Section 8: Agency Designation, 2605(b)(6) - Assurance 6 (Required for state grantees and the Commonwealth of Puerto Rico)

8.1 How would you categorize the primary responsibility of your State agency?

| | |
|-------------------------------------|-----------------------------|
| <input type="checkbox"/> | Administration Agency |
| <input type="checkbox"/> | Commerce Agency |
| <input type="checkbox"/> | Community Services Agency |
| <input type="checkbox"/> | Energy / Environment Agency |
| <input type="checkbox"/> | Housing Agency |
| <input checked="" type="checkbox"/> | Welfare Agency |
| <input type="checkbox"/> | Other - Describe: |

Alternate Outreach and Intake, 2605(b)(15) - Assurance 15

If you selected "Welfare Agency" in question 8.1, you must complete questions 8.2, 8.3, and 8.4, as applicable.

8.2 How do you provide alternate outreach and intake for HEATING ASSISTANCE?

Applications are mailed to households that received assistance the previous year. Clients who have applied previously through the COMPASS website will receive a postcard through the mail directing them to apply online. Applicants in select counties who have previously received LIHEAP will also receive COMPASS postcards. Paper applications are always available upon request.

8.3 How do you provide alternate outreach and intake for COOLING ASSISTANCE?

8.4 How do you provide alternate outreach and intake for CRISIS ASSISTANCE?

Applications are mailed to households that received assistance the previous year. Clients who have applied previously through the COMPASS website will receive a postcard through the mail directing them to apply online. Applicants in select counties who have previously received LIHEAP will also receive COMPASS postcards. Paper applications are always available upon request.

| 8.5 LIHEAP Component Administration. | Heating | Cooling | Crisis | Weatherization |
|--|----------------------|---------|----------------------|---------------------------------|
| 8.5a Who determines client eligibility? | State Welfare Agency | | State Welfare Agency | State Energy/Environment Agency |
| 8.5b Who processes benefit payments to gas and electric vendors? | State Welfare Agency | | State Welfare Agency | |
| 8.5c who processes benefit payments to bulk fuel vendors? | State Welfare Agency | | State Welfare Agency | |
| 8.5d Who performs installation of weatherization measures? | | | | State Energy/Environment Agency |

If any of your LIHEAP components are not centrally-administered by a state agency, you must complete questions 8.6, 8.7, 8.8, and, if applicable, 8.9.

8.6 What is your process for selecting local administering agencies?

8.7 How many local administering agencies do you use?

8.9 If so, why?

Agency was in noncompliance with grantee requirements for LIHEAP -

Agency is under criminal investigation

Added agency

Agency closed

Other - describe

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 9 - Energy Suppliers,, 2605(b)(7) - Assurance 7

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Section 9: Energy Suppliers, 2605(b)(7) - Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating Yes

Cooling No

Crisis Yes

Are there exceptions? Yes

If yes, Describe.

Pay client directly in the following situations:

- Vendor refuses to participate in the LIHEAP program or has been removed from the list of participating vendors
- The household pays for heat as an undesignated part of rent
- The heating bill is in the name of a non-household member
- Third-party billing
- Applicant is a roomer. A roomer is defined as an individual whose payment for lodging in a room includes heat and may include a private bathroom or one of the following: board, kitchen or bathroom privileges on a shared basis, or light housekeeping duties.

9.2 How do you notify the client of the amount of assistance paid?

Beginning from the program start date, the LIHEAP administering agency will send the applicant a written notice of the decision on eligibility within 30 days of the date of application.

(1) The written notice will include an explanation of fair hearing rights and procedures.

(2) The written notice will include the following:

(i) If eligible. If the household is eligible, the written notice will include the type and amount of the benefit and the names of the payee.

(ii) If ineligible. If the household is ineligible, the written notice will indicate the reason for the decision of ineligibility and provide a reference to the regulatory basis for the decision of ineligibility.

DPW will give households that register for or access their "MyCOMPASSAccount" online the option to receive notices electronically instead of through traditional paper mail. Households that opt to receive electronic notices will be required to electronically sign a disclosure statement in which they agree to receive and read the electronic notices sent by the State agency. Users who opt to receive electronic notices must provide a valid email address, and the State agency will verify the email address provided by the user. Once the user is registered to receive electronic notices, he or she will receive a confirmation e-mail and a hard copy paper notice with instructions on how to login to their account to view notices.

When a notice is available electronically, the household will receive an e-mail notification with a link to the client's "MyCOMPASSAccount," where the household can login to view the notice. MyCOMPASSAccount is on a secure website that will protect the household's information through browser encryption, user name and password, time-out feature, and security questions.

9.3 How do you assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment?

Home energy suppliers must sign a Vendor Agreement with the Department agreeing to this condition.

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

Home energy suppliers must sign a Vendor Agreement with the Department agreeing to this condition.

9.5. Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households?

No

If so, describe the measures unregulated vendors may take.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 10 - Program, Fiscal Monitoring, and Audit, 2605(b)(10) - Assurance 10

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Section 10: Program, Fiscal Monitoring, and Audit, 2605(b)(10)

10.1. How do you ensure good fiscal accounting and tracking of LIHEAP funds?

The Agency monitors and tracks LIHEAP funds in several different ways to ensure fiscal accounting and tracking of LIHEAP funds. The following is an overview of our procedures.

Application Monitoring Procedures: All applications approved at the local agency level and forwarded for payment will be submitted for all computerized eligibility checks before payment is made.

The computerized checking process includes:

- a. Check for duplicate Social Security Numbers in existing DPW systems;
 - b. Verify Social Security Numbers, Social Security benefit amounts, and death information through data exchange with the Social Security Administration;
 - c. Verify Supplemental Security Income payments through the State Data Exchange (SDX);
 - d. Check for criminal information on all household members through data exchange with the Commonwealth Judicial Information System;
 - e. Check on family size and income;
 - f. Check for cash payment above \$1,000;
 - g. Check for crisis payment below \$25;
 - h. Check for total crisis payment above \$500; and
 - i. Determination of payment;
- All fields must contain acceptable established elements (characters or numbers);
 - All required fields must be completed.

Agency Monitoring Procedures:

1. The first step of the agency's monitoring strategy begins at the County Assistance Office (CAO).
 - CAO staff members involved in determining LIHEAP eligibility are mandated to participate in weekly Knowledge Reinforcement Sessions. Each Knowledge Reinforcement Session is 30 minutes in length. Based on the information from the Knowledge Reinforcement Sessions both Headquarters staff and CAO Supervisors are able to identify areas where further clarification and training are needed.
 - Another key component to LIHEAP Monitoring is the completion of weekly CAO supervisory reviews of LIHEAP applications. CAO supervisors use a review tool designed to guide the reviewer and accumulate meaningful statewide results. CAO Supervisors and Managers as well as staff in the Bureau of Program Evaluation monitor the results of the supervisor reviews to identify trends and implement corrective action activities.
 - A third component of LIHEAP monitoring is the Friday calls. The Friday calls are weekly telephone conversations that provide the counties with real-time system, policy and operational updates that affect the LIHEAP workflow. The calls also provide a means for CAOs to get answers to questions or solutions to issues encountered.
2. The second step of the agency's monitoring strategy is the Bureau of Program Evaluation's coordination of the annual LIHEAP monitoring reviews of the Philadelphia and Allegheny CAOs, as well as all the Crisis Contractors, and the CAOs selected for review based on a two-year schedule. Additional CAOs are reviewed as needed based on extenuating circumstances such as a change in processing style or prior year results. LIHEAP reviews are completed by a field-based monitoring team.
 - The team monitors CAO and Crisis Contractor administration of LIHEAP activities including eligibility, benefit determination and corrective action through LIHEAP application reviews and on-site visits.
 - Annually, the monitoring team reviews over 2,600 LIHEAP applications that are randomly selected through data mining techniques and random samples.
 - An independent auditing agency assists in review development and modification and participates in on-site reviews to ensure objectivity in the monitoring process.

- If information is received which suggests the possibility of misuse, misrepresentation, or any abuse, the monitoring team will investigate the allegation and appropriately escalate to address any pertinent issue.
- Preliminary and updated performance reports are issued to the counties in order to provide relevant information about the accuracy and composition of findings at both the county level and at the state level.
- Corrective action plans are developed and based on the findings from the monitoring team, implemented by OIM and monitored for compliance by the Bureau of Program Evaluation.
- Between LIHEAP seasons, the monitoring team is actively involved with implementing necessary program changes that will impact program accuracy and integrity; for example, working with Staff Development in the development of LIHEAP training for the next LIHEAP season that focuses on situations found to be prone to error. The Bureau of Financial Operations will provide OIM with technical assistance and conduct performance audits of specific CAOs and crisis contractors as needed to resolve systemic problems.

In addition to the above:

- Controls are built into the PROMISE™ system which the vendors use to bill for LIHEAP Crisis claims to ensure they are billing for valid Crisis requests and are paid for only what they are entitled to receive. The vendor unit assists heating vendors by answering questions, helping them file their Crisis claims in PROMISE™ and reviewing vendor transactions.
- Executive Staff from the Bureau of Policy, Operations, Program Support and Program Evaluation meet on a weekly basis to discuss LIHEAP and any issues and topics that are pertinent to the program.
- Every Friday, Bureau of Policy staff review a list of cases that were processed throughout the week in which a direct payment was approved for LIHEAP benefits to ensure that they are being authorized correctly and accurately.
- The Comptroller's Office reviews the weekly LIHEAP vouchers for any questionable payments and works with OIM to make sure all payments that are made to households are correct.

Audit Process

10.2. Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A - 133?

Yes

10.3. Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited fiscal year.

| Finding | Type | Brief Summary | Resolved? | Action Taken |
|---------|------------|--|-------------|--------------------------|
| 1 | monitoring | Insufficient program oversight | In Progress | training changes |
| 2 | other | Prior year deficiency in internal controls for prevention and detection of fraud | In Progress | procedure/policy changes |

10.4. Audits of Local Administering Agencies

What types of annual audit requirements do you have in place for local administering agencies/district offices?
Select all that apply.

Local agencies/district offices are required to have an annual audit in compliance with Single Audit Act and OMB Circular A-133

Local agencies/district offices are required to have an annual audit (other than A-133)

Local agencies/district offices' A-133 or other independent audits are reviewed by Grantee as part of compliance process.

Grantee conducts fiscal and program monitoring of local agencies/district offices

Compliance Monitoring

10.5. Describe the Grantee's strategies for monitoring compliance with the Grantee's and Federal LIHEAP policies and procedures: Select all that apply

Grantee employees:

Internal program review

Departmental oversight

Secondary review of invoices and payments

Other program review mechanisms are in place. Describe:

Application Monitoring Procedures: All applications approved at the local agency level and forwarded for payment will be submitted for all computerized eligibility checks before payment is made.

The computerized checking process includes:

- a. Check for duplicate Social Security Numbers in existing DPW systems;
 - b. Verify Social Security Numbers, Social Security benefit amounts, and death information through data exchange with the Social Security Administration;
 - c. Verify Supplemental Security Income payments through the State Data Exchange (SDX);
 - d. Check for criminal information on all household members through data exchange with the Commonwealth Judicial Information System;
 - e. Check on family size and income;
 - f. Check for cash payment above \$1,000;
 - g. Check for crisis payment below \$25;
 - h. Check for total crisis payment above \$500; and
 - i. Determination of payment;
- All fields must contain acceptable established elements (characters or numbers);
 - All required fields must be completed.

Agency Monitoring Procedures:

1. The first step of the agency's monitoring strategy begins at the County Assistance Office (CAO).
 - CAO staff members involved in determining LIHEAP eligibility are mandated to participate in weekly Knowledge Reinforcement Sessions. Each Knowledge Reinforcement Session is 30 minutes in length. Based on the information from the Knowledge Reinforcement Sessions both Headquarters staff and CAO Supervisors are able to identify areas where further clarification and training are needed.
 - Another key component to LIHEAP Monitoring is the completion of weekly CAO supervisory reviews of LIHEAP applications. CAO supervisors use a review tool designed to guide the reviewer and accumulate meaningful statewide results. CAO Supervisors and Managers as well as staff in the Bureau of Program Evaluation monitor the results of the supervisor reviews to identify trends and implement corrective action activities.
 - A third component of LIHEAP monitoring is the Friday calls. The Friday calls are weekly telephone conversations that provide the counties with real-time system, policy and operational updates that affect the LIHEAP workflow. The calls also provide a means for CAOs to get answers to questions or solutions to issues encountered.
2. The second step of the agency's monitoring strategy is the Bureau of Program Evaluation's coordination of the annual LIHEAP monitoring reviews of the Philadelphia and Allegheny CAOs, as well as all the Crisis Contractors, and the CAOs selected for review based on a two-year schedule. Additional CAOs are reviewed as needed based on extenuating circumstances such as a change in processing style or prior year results. LIHEAP reviews are completed by a field-based monitoring team.
 - The team monitors CAO and Crisis Contractor administration of LIHEAP activities including eligibility, benefit determination and corrective action through LIHEAP application reviews and on-site visits.
 - Annually, the monitoring team reviews over 2,600 LIHEAP applications that are randomly selected through data mining techniques and random samples.
 - An independent auditing agency assists in review development and modification and participates in on-site reviews to ensure objectivity in the monitoring process.
 - If information is received which suggests the possibility of misuse, misrepresentation, or any abuse, the monitoring team will investigate the allegation and appropriately escalate to address any pertinent issue.
 - Preliminary and updated performance reports are issued to the counties in order to provide relevant information about the accuracy and composition of findings at both the county level and at the state level.
 - Corrective action plans are developed and based on the findings from the monitoring team, implemented by OIM and monitored for compliance by the Bureau of Program Evaluation.
 - Between LIHEAP seasons, the monitoring team is actively involved with implementing necessary program changes that will impact program accuracy and integrity; for example, working with Staff Development in the development of LIHEAP training for the next LIHEAP season that focuses on situations found to be prone to error. The Bureau of Financial Operations will provide OIM with technical assistance and conduct performance audits of specific CAOs and crisis contractors as needed to resolve systemic problems.

In addition to the above:

- Controls are built into the PROMISE™ system which the vendors use to bill for LIHEAP Crisis claims to ensure they are billing for valid Crisis requests and are paid for only what they are entitled to receive. The vendor unit assists heating vendors by answering questions, helping them file their Crisis claims in PROMISE™ and reviewing vendor transactions.
- Executive Staff from the Bureau of Policy, Operations, Program Support and Program Evaluation meet on a weekly basis to discuss LIHEAP and any issues and topics that are pertinent to the program.

- Every Friday, Bureau of Policy staff review a list of cases that were processed throughout the week in which a direct payment was approved for LIHEAP benefits to ensure that they are being authorized correctly and accurately.
- The Comptroller's Office reviews the weekly LIHEAP vouchers for any questionable payments and works with OIM to make sure all payments that are made to households are correct.

Local Administering Agencies / District Offices:

✓ **On - site evaluation**

✓ **Annual program review**

✓ **Monitoring through central database**

✓ **Desk reviews**

✓ **Client File Testing / Sampling**

✓ **Other program review mechanisms are in place. Describe:**

- Per the current visit plan, medium, large, and ad-hoc counties are visited in addition to the crisis contractors.
- Agencies are visited in accordance with the established schedule, prior year results and OIM concerns.
- Rushmore Case Review Database is used for LIHEAP Monitoring by both the monitoring team and the CAOs.
- Per the current visit plan, small processing agencies are monitored by desk review.
- The provided database is used by both the CAOs and the LIHEAP monitoring team.
- Weekly knowledge reinforcement sessions are in place for all staff processing LIHEAP applications.

10.6 Explain, or attach a copy of your local agency monitoring schedule and protocol.

10.7. Describe how you select local agencies for monitoring reviews.

Site Visits:

All agencies, aside from the largest processing locations are reviewed in a two year rotation. The largest processing locations are reviewed yearly. Size is determined by prior year volume. Some additional CAOs are reviewed, as needed, based on extenuating circumstances such as a change in processing style or prior year results.

Desk Reviews:

Small processing locations, defined as those processing less than 5000 applications yearly, are monitored by desk review.

10.8. How often is each local agency monitored ?

With the exceptions noted in 10.7, every two years.

10.9. What is the combined error rate for eligibility determinations? OPTIONAL

10.10. What is the combined error rate for benefit determinations? OPTIONAL

1.29%

10.11. How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues? 34

10.12. How many local agencies are currently on corrective action plans for financial accounting or administrative issues? 0

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 11 - Timely and Meaningful Public Participation, , 2605(b)(12) - Assurance 12, 2605(c)(2)

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Section 11: Timely and Meaningful Public Participation, 2605(b)(12), 2605(C)(2)

11.1 How did you obtain input from the public in the development of your LIHEAP plan?
 Select all that apply.

Tribal Council meeting(s)

Public Hearing(s)

Draft Plan posted to website and available for comment

Hard copy of plan is available for public view and comment

Comments from applicants are recorded

Request for comments on draft Plan is advertised

Stakeholder consultation meeting(s)

Comments are solicited during outreach activities

Other - Describe:

Public Hearings, 2605(a)(2) - For States and the Commonwealth of Puerto Rico Only

| | Date | Event Description |
|---|------------|-----------------------------|
| 1 | 07/07/2014 | Philadelphia Public Hearing |
| 2 | 07/09/2014 | Harrisburg Public Hearing |

11.4. How many parties commented on your plan at the hearing(s)? 16

11.5 Summarize the comments you received at the hearing(s).

The document attached summarizes the comments received at the public hearings.

11.6 What changes did you make to your LIHEAP plan as a result of the comments received at the public hearing(s)?

No changes were made to the plan as a result of comments received at the hearings.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 12 - Fair Hearings, 2605(b)(13) - Assurance 13

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Section 12: Fair Hearings, 2605(b)(13) - Assurance 13

12.1 How many fair hearings did the grantee have in the prior Federal fiscal year? Approx. 7,000

12.2 How many of those fair hearings resulted in the initial decision being reversed? Approx. 700

12.3 Describe any policy and/or procedural changes made in the last Federal fiscal year as a result of fair hearings?

None

12.4 Describe your fair hearing procedures for households whose applications are denied.

- The client must appeal within 30 days from the date of the written notice of a CAO decision or action. They may appeal by completing and signing the appeal section of any notice, sending a written or faxed request to the CAO, telling the CAO and following it up with a written request within 3 days, or sending a written request to the agency which notified the client of the decision.
- The CAO/agency will offer the client and his representative the opportunity to have a prehearing conference. This conference may be by telephone or face-to face. A prehearing conference is an effort to resolve an issue between the client and the CAO/agency before going to a hearing. If the issue can be resolved at the prehearing conference, the work and expense of an appeal hearing can be eliminated. The prehearing conference does not affect the client's right to have a hearing and it does not affect the requirements for submitting requests timely to Bureau of Hearings and Appeals (BHA).
- The BHA will designate an Administrative Law Judge (ALJ) who has the authority to make a decision on an appeal. The Director of BHA will affirm, amend, reverse, or remand the decision. The CAO, administering agency, or provider agency is bound by the decision, but may request reconsideration by the Secretary of Public Welfare. Only the client has the right to appeal to Commonwealth Court.

12.5 When and how are applicants informed of these rights?

Applicants sign a certification page as a condition of application. It states, "I understand I have the right to appeal any decision or undue delay in decision which I consider improper regarding this application." The explanation of the right to appeal also appears on the notice they receive informing them of the decision on their request for benefits.

12.6 Describe your fair hearing procedures for households whose applications are not acted on in a timely manner.

- The client may appeal by completing and signing the appeal section of any notice, sending a written or faxed request to the CAO, telling the CAO and following it up with a written request within 3 days, or sending a written request to the agency which notified the client of the decision.
- The CAO/agency will offer the client and his representative the opportunity to have a prehearing conference. This conference may be by telephone or face-to face. A prehearing conference is an effort to resolve an issue between the client and the CAO/agency before going to a hearing. If the issue can be resolved at the prehearing conference, the work and expense of an appeal hearing can be eliminated. The prehearing conference does not affect the client's right to have a hearing and it does not affect the requirements for submitting requests timely to Bureau of Hearings and Appeals (BHA).
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Section 13 - Reduction of home energy needs,2605(b)(16) - Assurance 16

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Section 13: Reduction of home energy needs, 2605(b)(16) - Assurance 16

13.1 Describe how you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

In accordance with Pub. L. 97-35, Section 2605(b) as amended by Title III of the Health and Human Services Amendments of 1994, Pub. L. 103-252, Pennsylvania chooses not to exercise its option to use up to five percent of its allotment to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance. The funds will be used for LIHEAP benefits to families.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

N/A

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

N/A

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

N/A

13.5 How many households applied for these services? N/A

13.6 How many households received these services? N/A

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 14 - Leveraging Incentive Program ,2607A

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Section 14:Leveraging Incentive Program, 2607(A)

14.1 Do you plan to submit an application for the leveraging incentive program?

Yes

14.2 Describe instructions to any third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

An email is sent to representatives from energy vendors, fuel funds and community agencies requesting them to complete the LIHEAP Leveraging Report for the previous fiscal year. We forward the directions as provided by the Department of Health and Human Services and provide assistance with completion of the form if necessary.

| Resource | What is the type of resource or benefit ? | What is the source(s) of the resource ? | How will the resource be integrated and coordinated with LIHEAP? |
|----------|--|---|--|
| 1 | Customer Assistance Program or Energy Assistance Program - Arrearage forgiveness and reduced monthly payment | Allegheny Power funds, Columbia Gas rates, Duquesne Light rates, Peoples Natural Gas Equitable Division rates, Metropolitan Edison rates, National Fuel funds, PECO rates, PENELEC rates, UGI Penn National Gas revenues, PGW rates, Peoples TWP rates, UGI Utilities rates, UGI Central Penn funds | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 2 | Waiver of late payment charges | Allegheny Power funds, Peoples Natural Gas rates, Duquesne Light funds, National Fuel funds, PECO funds, PENELEC funds, Penn Power funds, UGI Penn Natural Gas revenues, PGW rates, UGI Utilities funds | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 3 | Waived security deposits | Allegheny Power funds, Columbia Gas rates, Peoples Natural Gas rates, Duquesne Light revenues, National Fuel funds, | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 4 | Waived reconnect fees | Columbia Gas revenues, Peoples Natural Gas rates | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 5 | Cash payments to utility companies | Dollar Energy Fund - Utility company shareholder funds and utility customer contributions | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 6 | Customer Assistance Program - reduced monthly payment | Peoples Natural Gas rates, Penn Power rates, PPL Electric operating funds | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 7 | Cash payments toward energy bills | Duquesne Light revenues and fundraising; Metropolitan Edison customer and employee donations; National Fuel customers, stockholders and employees; PENELEC customer and employee donations; Penn Power customer and employee donations; PPL Electric customer and employee donations; UGI utilities | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |

| | | | |
|----|---|--|--|
| | | customer and employee donations; UGI Central Penn funds | |
| 8 | Furnace and Energy-related home repairs - payments for repair/replacement of equipment or gas lines | Peoples Natural Gas Equitable Division hardship fund, UGI Utilities customer and employee donations | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 9 | Low-income usage reduction program (LIURP) | Utility company rates | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 10 | Matching Energy Assistance Fund (MEAF) - cash payment on delinquent accounts to avoid termination | PECO customer contributions, agency funds, shareholder match | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 11 | Philadelphia Gas Works (PGW) - Conservation works - cash payment for acquisition and installation of weatherization materials | PGW rate payers | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 12 | Utility Emergency Services Fund (UESF) - cash payments toward energy bills and in-kind contributions | Utilities match contributions from individuals, United Way, special events, foundations, and fund raisers | iiiE - Staff assigned to the resource communicate about how to meet the home energy needs of specific, individual households. During the LIHEAP program, this communication takes place before assistance is provided to each household, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received. |
| 13 | Payments on past due bills | Adams Electric Cooperative member donations; Central Electric Cooperative members, employees and company donations | iiiA - The assistance depends on and is determined by the receipt of LIHEAP and supplements LIHEAP. |
| 14 | Member to Member Program - payments on past due bills | Northwestern Rural Electric Cooperative members, employees, and company donations | iiiG - resource takes referrals from LIHEAP program |
| 15 | Low Cost Heating Oil Program - discounted fuel oil for customer purchase | CITGO fuel oil discount administered by Citizens Energy | iiiB - receipt of LIHEAP is necessary to receive. |
| 16 | SUNOCO Free Oil Program - filling oil tanks at no cost | SUNOCO fuel oil FUNDS | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |
| 17 | Natural gas payments and fuel oil deliveries | Philadelphia Board of City Trust funds and accrued interest | iiiD - discount/waiver program. LIHEAP eligibility is necessary. |

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 15 - Training

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Section 15: Training

15.1 Describe the training you provide for each of the following groups:

a. Grantee Staff:

Formal training on grantee policies and procedures

How often?

Annually

Biannually

As needed

Other - Describe:

Employees are provided with policy manual

Other-Describe:

b. Local Agencies:

Formal training conference

How often?

Annually

Biannually

As needed

Other - Describe:

On-site training

How often?

Annually

Biannually

As needed

Other - Describe:

Employees are provided with policy manual

Other - Describe

Weekly LIHEAP Knowledge Reinforcement Sessions are required of assistance office staff and remain available throughout the season as a reference resource. There are also biweekly support conference calls held between assistance office coordinators, policy staff, operations staff and computer systems staff.

c. Vendors

Formal training conference

How often?

Annually

Biannually

As needed

Other - Describe:

Policies communicated through vendor agreements

Policies are outlined in a vendor manual



Other - Describe:

Teleconference web training provided annually by grantee

15.2 Does your training program address fraud reporting and prevention?

Yes

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 16 - Performance Goals and Measures, 2605(b)

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Section 16: Performance Goals and Measures, 2605(b) - Required for States Only

16.1 Describe your progress toward meeting the data collection and reporting requirements of the four required LIHEAP performance measures. Include timeframes and plans for meeting these requirements and what you believe will be accomplished in the coming federal fiscal year.

Changes were made to our paper and online applications to gather information about electric vendors from our applicants. Changes were also made for entry and storage of this information in our client information system. We have communicated with our vendors about these changes and the data that they will need to gather. Later in this season we will set up a data exchange with the necessary vendors to receive usage information. We do not anticipate any problems with being able to complete the performance measures report at the end of the season.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 17 - Program Integrity, 2605(b)(10)

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Section 17: Program Integrity, 2605(b)(10)

17.1 Fraud Reporting Mechanisms

a. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse. Select all that apply.

- Online Fraud Reporting
- Dedicated Fraud Reporting Hotline
- Report directly to local agency/district office or Grantee office
- Report to State Inspector General or Attorney General
- Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse

Other - Describe:

b. Describe strategies in place for advertising the above-referenced resources. Select all that apply

- Printed outreach materials
- Addressed on LIHEAP application
- Website

Other - Describe:

17.2. Identification Documentation Requirements

| Type of Identification Collected | Collected from Whom? | | | | | | |
|---|-------------------------|--------------------------|----------------------------------|-----------------------------------|--------------------------------|---------------------------------|-------------------------------------|
| | Applicant Only | | All Adults in Household | | All Household Members | | |
| Social Security Card is photocopied and retained | Required | Required | Required | Required | Required | Required | |
| | Requested | Requested | Requested | Requested | Requested | Requested | |
| Social Security Number (Without actual Card) | Required | Required | Required | Required | Required | Required | |
| | Requested | Requested | Requested | Requested | Requested | Requested | <input checked="" type="checkbox"/> |
| Government-issued identification card (i.e.: driver's license, state ID, Tribal ID, passport, etc.) | Required | Required | Required | Required | Required | Required | |
| | | | | | | | |
| Other | Applicant Only Required | Applicant Only Requested | All Adults in Household Required | All Adults in Household Requested | All Household Members Required | All Household Members Requested | |

b. Describe any exceptions to the above policies.

PA LIHEAP State Plan section 601.106 states that a household member who does not have a social security number or is unable to provide one shall complete an energy assistance affidavit. An energy assistance affidavit is not required for a child under the age of one.

17.3 Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members. Select all that apply

- Verify SSNs with Social Security Administration**
- Match SSNs with death records from Social Security Administration or state agency**
- Match SSNs with state eligibility/case management system (e.g., SNAP, TANF)**
- Match with state Department of Labor system**
- Match with state and/or federal corrections system**
- Match with state child support system**
- Verification using private software (e.g., The Work Number)**

In-person certification by staff (for tribal grantees only)

Match SSN/Tribal ID number with tribal database or enrollment records (for tribal grantees only)

17.4. Citizenship/Legal Residency Verification

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits? Select all that apply.

- Clients sign an attestation of citizenship or legal residency**
Client's submission of Social Security cards is accepted as proof of legal residency
- Noncitizens must provide documentation of immigration status**
Citizens must provide a copy of their birth certificate, naturalization papers, or passport
- Noncitizens are verified through the SAVE system**
Tribal members are verified through Tribal enrollment records/Tribal ID card

17.5. Income Verification

What methods does your agency utilize to verify household income? Select all that apply.

- Require documentation of income for all adult household members**
 - Pay stubs**
 - Social Security award letters**
 - Bank statements**
 - Tax statements**
 - Zero-income statements**
 - Unemployment Insurance letters**
 - Other - Describe:**

If applicants are recipients of another type of benefit in the state computer system (TANF, Medicaid, or SNAP) and state that there is no change in their income, they are not required to re-verify their income for LIHEAP.

- Computer data matches:**
 - Income information matched against state computer system (e.g., SNAP, TANF)**
Proof of unemployment benefits verified with state Department of Labor
 - Social Security income verified with SSA**
 - Utilize state directory of new hires**

17.6. Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure. Select all that apply.

- Policy in place prohibiting release of information without written consent
- Grantee LIHEAP database includes privacy/confidentiality safeguards
- Employee training on confidentiality for:
 - Grantee employees
 - Local agencies/district offices
- Employees must sign confidentiality agreement
 - Grantee employees
 - Local agencies/district offices
- Physical files are stored in a secure location

17.7. Verifying the Authenticity

What policies are in place for verifying vendor authenticity? Select all that apply.

- All vendors must register with the State/Tribe.
- All vendors must supply a valid SSN or TIN/W-9 form
- Vendors are verified through energy bills provided by the household
- Grantee and/or local agencies/district offices perform physical monitoring of vendors

17.8. Benefits Policy - Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients? Select all that apply.

- Applicants required to submit proof of physical residency
- Applicants must submit current utility bill
- Data exchange with utilities that verifies:
 - Account ownership
 - Consumption
 - Balances
 - Payment history

Account is properly credited with benefit

- Other - Describe:

Data exchange is not set up for all utilities and not all utilities provide all the verifications listed above.

- Centralized computer system/database tracks payments to all utilities
- Centralized computer system automatically generates benefit level
- Separation of duties between intake and payment approval
- Payments coordinated among other energy assistance programs to avoid duplication of payments
- Payments to utilities and invoices from utilities are reviewed for accuracy
- Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities
- Direct payment to households are made in limited cases only
- Procedures are in place to require prompt refunds from utilities in cases of account closure
- Vendor agreements specify requirements selected above, and provide enforcement mechanism

Other - Describe:

17.9. Benefits Policy - Bulk Fuel Vendors

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors? Select all that apply.

- Vendors are checked against an approved vendors list
- Centralized computer system/database is used to track payments to all vendors
- Clients are relied on for reports of non-delivery or partial delivery
- Two-party checks are issued naming client and vendor
- Direct payment to households are made in limited cases only
- Vendors are only paid once they provide a delivery receipt signed by the client
- Conduct monitoring of bulk fuel vendors
- Bulk fuel vendors are required to submit reports to the Grantee
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other - Describe:

17.10. Investigations and Prosecutions

Describe the Grantee's procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud. Select all that apply.

- Refer to state Inspector General
- Refer to local prosecutor or state Attorney General
- Refer to US DHHS Inspector General (including referral to OIG hotline)
- Local agencies/district offices or Grantee conduct investigation of fraud complaints from public
- Grantee attempts collection of improper payments. If so, describe the recoupment process

Vendors sign the Vendor Agreement stating that they will return funds as required by check or electronic recoupment within 30 days after the basis for return is known. Examples include but are not limited to: instances where a customer's whereabouts are unknown or a customer changes vendors, dies, or departs the area serviced by the vendor, or receives a duplicate payment if a security deposit was erroneously paid with LIHEAP funds, or a billing error is detected. DPW is authorized to recoup past due LIHEAP balances from vendors by debiting any current or future LIHEAP payment to the vendor for an amount equal to the outstanding unrefunded balance that is due to DPW from the vendor. DPW will send the vendor up to three notices requesting payment of the funds. If the vendor has failed to respond after the third notice, the amount of the balance of funds owed to DPW will be deducted from the vendor's next payment(s) until the funds are repaid.

- Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?
- Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated
- Vendors found to have committed fraud may no longer participate in LIHEAP

Other - Describe:

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

- 1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.**
- 2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.**
- 3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.BrBbr.**
- 4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.**
- 5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.**
- 6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.**
- 7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or**

agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.**
- 6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.**
- 7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.**
- 8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is**

normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

✓ By checking this box, the prospective primary participant is providing the certification set out above.

Section 19: Certification Regarding Drug-Free Workplace Requirements

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central pint is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

- 1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.**
- 2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.**
- 3. For grantees other than individuals, Alternate I applies.**
- 4. For grantees who are individuals, Alternate II applies.**
- 5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.**
- 6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).**
- 7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).**
- 8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:**

***Controlled substance* means a controlled substance in Schedules I through V of the**

Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;**
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);**
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --**
 - (1) Abide by the terms of the statement; and**
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;**
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;**
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --**
 - (1) Taking appropriate**

Department of Public Welfare

*** Address Line 1**

625 Forster Street
Address Line 2

Rm 333, Health and Welfare Building
Address Line 3

*** City**

*** State**

*** Zip Code**

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

✓ By checking this box, the prospective primary participant is providing the certification set out above.

Section 20: Certification Regarding Lobbying

The submitter of this application certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

✓ By checking this box, the prospective primary participant is providing the certification set out above.

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair;and

(D)plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i)assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of -

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

(except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that -

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.