



**Pennsylvania Department of Human Services**  
**LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM**  
**2017 VENDOR AGREEMENT - LIQUID OR SOLID FUEL**

Vendor Name and Address

Vendor Number

This Agreement is entered into for the purpose of facilitating the provision of Low-Income Home Energy Assistance Program (LIHEAP) benefits to low-income households through the delivery of utility service or fuel products from a participating LIHEAP vendor to the LIHEAP beneficiary who is a customer of the vendor. Subject to the availability of funds, DHS may opt to provide additional benefit issuances through supplementary programs via the LIHEAP Cash or Crisis programs. By signing this agreement, the Vendor agrees to accept the additional benefit issuances and apply them according to DHS instructions.

Participating LIHEAP vendors are paid through the Commonwealth Treasury by check or direct deposit. A participating LIHEAP vendor also receives a corresponding provider payments list that identifies customer names, addresses and the amount of LIHEAP Cash and Crisis payments each customer will receive, associated with a specific Treasury Pay Date.

The business or company written above, herein referred to as the “vendor,” cannot enter into any subcontracts under this agreement with other subcontractors who are currently suspended or debarred by the commonwealth or other state or federal government. If any vendor enters into any subcontracts under this agreement with any subcontractors who become suspended or debarred by the commonwealth or other state or federal government during the term of this agreement or any extensions or renewals thereof, the commonwealth shall have the right to require the vendor to terminate such subcontracts in order to remain a LIHEAP vendor.

The vendor agrees that it shall be responsible for reimbursing the commonwealth for all necessary and reasonable costs and expenses incurred by the Office of the Inspector General or the Attorney General relating to an investigation of the vendor’s compliance with the terms of this or any other agreement between the vendor and the commonwealth which results in the suspension or debarment of the vendor.

Vendors will adhere to LIHEAP policy and procedures as defined in the LIHEAP State Plan, will report any discovery of fraud, and address any questions regarding participation in LIHEAP to the LIHEAP Vendor Unit. A copy of the current LIHEAP State Plan can be obtained on the LIHEAP Vendor Website at: [www.dhs.pa.gov/provider/informationforliheapvendors/index.htm](http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm).

Vendors will adhere to the guidance provided by the Department of Agriculture’s Division of Weights and Measures as it relates to the sale of energy products to protect consumers from unfair business practices and assure equity in the marketplace. See [www.agriculture.pa.gov/Protect/RideMeasurement](http://www.agriculture.pa.gov/Protect/RideMeasurement). The Weights and Measures Division is responsible for regulating a diverse array of products and services, including those that pertain to Coal, Firewood, Home Heating Oil and Liquid Propane Gas as defined in Section 23.106 and 23.107 of Title 70 of the Pennsylvania Weights, Measures and Standards, and the Consolidated Weights and Measures Act of December 18, 1996, P.L. 1028, No. 155) (3 Pa.C.S.A. §§ 4101 – 4194).

The vendor agrees to cooperate with the Department of Human Services (DHS) by complying with the following conditions in order to receive energy assistance payments through the Commonwealth of Pennsylvania:

1. Complete and return the Signature/Submission Page designating:
  - a) The vendor’s Federal Employer Identification Number (FEIN) or Social Security number (SSN). Submission of proof of the company’s FEIN or SSN is required to initiate participation as a LIHEAP vendor, or when that information changes. Proof consists of any tax document generated by the Federal Internal Revenue Service that shows the name and SSN or FEIN used by the vendor for tax purposes;
  - b) Phone numbers and an email address to maintain contact with DHS;
  - c) The vendor’s preferred method of receiving payment (direct deposit or paper check) and customer information; and
  - d) Any fees charged based on quantity or timing of delivery, such as emergency nature of delivery or intervening in an energy crisis situation.

New LIHEAP vendors must also indicate the type(s) of energy that the vendor provides, and the counties where services are provided.

2. Apply all LIHEAP payments paid by the Commonwealth of PA Treasury (Cash and Crisis grants) on behalf of the customer against that customer's heating costs, subject to subparagraphs "a" through "d" below:
  - a) Apply the full amount of each LIHEAP benefit to the respective account of each designated LIHEAP customer.
  - b) If a household is authorized for a LIHEAP Cash grant before the date of its request for Crisis benefits, any existing credit, including the LIHEAP Cash grant that has been authorized and not yet received, is considered to be available and must be used first for the resolution of the Crisis.
  - c) Late payment charges must be frozen at the amount they are at the time notification of eligibility for LIHEAP is received by the vendor, and may not be increased for the remainder of the LIHEAP program year, defined as the date that applications for LIHEAP benefits are no longer accepted.
  - d) LIHEAP Cash and Crisis grants will not be used for security deposits, service maintenance contracts, tank leases or rental payments or fees, late payment fees or other finance charges.
3. If the vendor has a variable pricing structure, energy products disbursed with LIHEAP funds should be charged the **lowest price**. Fees associated with a delivery made with LIHEAP funds must not be greater than those charged for an identical delivery to a non-LIHEAP household.
4. LIHEAP Cash grants received on behalf of a LIHEAP customer:
  - a) Will be used to cover customer fuel purchases only;
  - b) May only be used for purchases made on or after October 1st of the heating season for which they were authorized; and
  - c) Will be available as a credit to the customer to cover the cost of fuel until funds are exhausted, or until June 30 of the year immediately following the LIHEAP program year in which benefits were authorized.
5. LIHEAP Crisis grants:
  - a) May be used for energy supply shortage emergencies to provide fuel to a household that is out of fuel or is in immediate danger of being without fuel, or to restore home-heating service to a household that is without heat due to termination of the main or secondary source of heat by a utility company. Such benefits may include reconnect fees, off-hour delivery charges, or minimal costs (i.e., \$100 or less) to restart the furnace;
  - b) Are authorized by DHS or its representatives in the minimum amount needed to resolve the Crisis;
  - c) Are only guaranteed for authorizations approved by DHS or its representatives. Every request for Crisis must be made by the LIHEAP household to its designated DHS office, which will evaluate eligibility and determine the amount the household has available to resolve the Crisis. A DHS representative will contact the vendor to convey eligibility. Customers who call the vendor to request a delivery paid with LIHEAP Crisis funds should be told to contact DHS first. Customers who fail to secure DHS approval prior to the Crisis delivery will be required to pay for the delivery;
  - d) Are authorized in an "up-to" amount needed to resolve the Crisis, defined as the amount of fuel needed to fill the tank, up to the LIHEAP season's maximum Crisis amount;
  - e) Are assigned an authorization number to resolve a specific Crisis situation, i.e. a single delivery or pickup; and
  - f) May not be used for unpaid balances.
  - g) Vendors shall cooperate with DHS or its representative by making every attempt to make a Crisis delivery in time to resolve the customer's emergency:
    - Before the customer is without heat;
    - Within 48 hours if the customer is already without heat; or
    - Within 18 hours if a medical emergency or life-threatening situation exists.
  - h) If the vendor's supply is insufficient or other circumstances prevent the vendor from resolving the heating emergency, the vendor must tell the DHS representative immediately so DHS can evaluate other ways to remediate the customer's crisis situation, which could include the selection of another vendor to provide a delivery.
6. Crisis claims processing requires data entry into a web-based program and submission of documentation (proof of delivery or pickup).
  - a) Processing claims must occur **within 30 calendar days** of the date a Crisis benefit is authorized. Prompt data entry ensures that DHS can process a second Crisis request in a timely manner if one is received. Exceptions to the 30-day rule may be granted for claims entered on or after the 31st day and up to 30 days after the close of the LIHEAP season if funds are available.

- b) Acceptable Crisis documentation for solid or liquid fuels is based on fuel type and whether the fuel was delivered or picked up from the vendor, in compliance with the Department of Agriculture's Division of Weights and Measures:
- The vendor's name and address;
  - Date and time of delivery or transaction;
  - The purchaser's name and address;
  - Product identification; and
  - The price per unit or weight such as gallon, ton, pound, cord.

In addition to the items above, oil, propane, kerosene, and blended fuel deliveries must be recorded on a metered delivery ticket that includes:

- The driver's signature or employee number;
  - The delivery vehicle's permanently assigned company truck number; and
  - The volume to the nearest one-tenth of a gallon or other quantity if not measured in gallons.
- c) Documentation shall be provided to the agency designated by DHS via mail, fax, or electronic upload.
- d) A LIHEAP vendor will not receive payment until data entry and documentation have been processed by DHS or its designee.
- e) Data entry will be for no more than **the actual amount** of Crisis funds that are used to resolve the Crisis after subtracting available credits, which could include the LIHEAP Cash grant.
- f) A vendor may not bill the maximum available amount and keep the excess as a credit on the customer's account.
- g) A request for payment must be the exact amount needed to resolve the Crisis, not rounded to the nearest dollar.
- h) Crisis claims must be submitted in DHS' data entry system with consideration of the season minimum and maximum Crisis amounts, defined by DHS each LIHEAP season.
- i) LIHEAP recipients cannot be billed for services or late payment fees as a result of a vendor's failure to comply with billing requirements in this agreement.
7. Return all LIHEAP funds to DHS as required, by check, within 48 hours after the basis for return is known. A LIHEAP Refund Form (HSEA 37) must accompany payment, indicating the individual number of the customer that was provided on the LIHEAP Provider Payment List when payment was received and a description of the reason the funds are being returned. A user-friendly form is located on the LIHEAP Vendor website: [www.dhs.pa.gov/provider/informationforliheapvendors/index.htm](http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm).

**NOTE: LIHEAP funds should never be sent to a customer.**

Returned funds should be sent with a check payable to the COMMONWEALTH OF PENNSYLVANIA to:

**Commonwealth of Pennsylvania  
DHS-LIHEAP Vendor Refunds  
P.O. Box 2675 (WOB Room 224)  
Harrisburg, PA 17105-2675**

- a) **Examples of situations when the vendor should return all credited LIHEAP funds include but are not limited to:**
- Instances where a customer's whereabouts are unknown, customer changes vendor, customer dies or departs the area serviced by the vendor, vendor receives a duplicate payment, money erroneously applied toward a security deposit, or billing error detected.
  - Upon termination as a participating LIHEAP vendor.
  - Overpayments caused by vendor error. If this occurs, the vendor is responsible for reimbursement from the vendor's funds, not the customer's account. Vendor error includes, but is not limited to: the vendor failing to provide appropriate or accurate customer account information, non-equitable pricing practice, failure to provide credit balance information, failure to provide service that the LIHEAP funds were sent for, or using a communal account for LIHEAP funds.
  - The end of each LIHEAP program year. LIHEAP funds are available for use for two heating seasons, which includes the heating season of receipt and the heating season immediately following. All LIHEAP funds that have not been expended on or before June 30 of the year immediately following the LIHEAP season in which benefits were authorized must be returned to DHS by July 31 of that year. DHS will, on an annual basis, notify the vendors of the need to identify these accounts and request return of the funds.
- b) DHS is authorized to recoup past-due LIHEAP balances by debiting any current or future LIHEAP payment to the vendor for an amount equal to the outstanding un-refunded balance that is due to DHS from the vendor. A record of the balance of funds owed is established by DHS when a vendor error

has occurred or a vendor has received a payment on behalf of a person who is not an active customer of the vendor. The vendor must return these funds to DHS. DHS 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 DHS will be deducted from the vendor's next payment(s) until the funds are repaid. The vendor acknowledges that DHS will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts. If funds are unable to be recouped, outstanding balances will be referred to the Attorney General's Office for collection proceedings and all other legal remedies.

8. Provide all requested information established in DHS policies and procedures including information on the annual heating usage and cost incurred by LIHEAP households necessary for compliance with federal reporting requirements. Upon request, vendors will provide the total annual cost of a LIHEAP household's energy consumption for a designated annual period if this information is gathered by customer name or account number and the customer has been served by the vendor at the same address for the entire annual period.
9. Vendors are holding, on DHS' behalf, federal money for the benefit of recipient customers. Vendors are prohibited from using LIHEAP funds for purposes other than home heating. This requirement does not supersede the provisions of the Federal Bankruptcy Act, 11 U.S.C., Section 366.
10. To promptly notify the LIHEAP Vendor Unit whenever discrepancies in approved fuel applications are found. Examples include a vacant residence, a request to deliver to an address other than what was indicated on the Remittance Advice, a request to provide a fuel type other than what was authorized or other situations when the vendor is aware of potentially fraudulent activity.
11. To not discriminate against any eligible household in regard to terms and conditions of sale, credit, delivery, or price, nor treat adversely any household receiving LIHEAP because of such assistance.
12. To ensure the retention of LIHEAP customer confidentiality in the use of social media.
13. To notify DHS at least 120 days before filing for bankruptcy and return all funds not expended on LIHEAP clients at least 91 days before filing for bankruptcy.
14. To resolve any crisis payment disputes with DHS' Bureau of Hearings and Appeals if disputes cannot be resolved informally with DHS staff.
15. To present for review or reproduction records maintained by the vendor concerning overall pricing, conditions of sale, credit, and delivery, upon request by DHS for audit or investigation purposes, as provided in this agreement.
16. If DHS receives a notice of levy, DHS will turn over rights to property such as money, credit and deposits in accordance to the notice.
17. Vendors will retain all books, records and documents pertaining to LIHEAP payments for four years from the receipt of payment or until all questioned costs or activities have been resolved to the satisfaction of the commonwealth, or as required by applicable federal laws and regulations. All records must be maintained in a legible, readable condition. If records are maintained in a computer, the vendor must cooperate in providing printed versions of such records. Recipient-specific records should clearly identify both Cash and Crisis payments from LIHEAP, charges to the account, and documentation supporting these entries by individual household.

The commonwealth reserves the right for state and federal agencies or their authorized representatives to perform financial and compliance audits if deemed necessary by commonwealth or federal agencies. If an audit of this agreement will be performed, the vendor will be given advance notice.

A new LIHEAP Vendor Agreement is required every two years unless changes require this time frame to be shortened. **This agreement will terminate June 30, 2019, unless superseded by a new agreement, or terminated for convenience upon 30-day written notice by either DHS or by the vendor. Failure to comply with any of these conditions may result in removal from the approved vendor file and suspension of further payments to the vendor for client services.**

**LIHEAP VENDOR HELPLINE**  
**Toll Free Number 1-877-537-9517**  
**Fax 717-231-5516**  
**Email Address: RA-LIHEAPVendors@pa.gov**

**LIHEAP VENDOR WEBSITE**  
**[www.dhs.pa.gov/provider/informationforliheapvendors/index.htm](http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm)**