

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

The mission of the Pennsylvania Department of Community and Economic Development's (DCED) Center for Community Services is to reduce energy consumption and cost in low-income households throughout Pennsylvania. This attachment constitutes the DCED portion of the Department of Human Services (DHS) State Plan specifically applicable to LIHEAP for the Federal Fiscal Year (FY) 2017 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 FY 2015, DCED received \$30,953,349 of the federal Department of Health and Human Services LIHEAP allocation from DHS for use in its Crisis Interface and Weatherization Assistance Programs. For FY 2016, DCED has received \$27,325,557.

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 FY 2015 totaled over \$19 million; approximately \$8 million of the funds were used to provide standard weatherization services; and over \$3.6 million was allocated for the Crisis season start up for FY 2016.
- Crisis expenditure data for FY 2016 is not yet complete since Crisis season is not over at the writing of this plan. Therefore, at the writing of this plan, preliminary data suggests that the Weatherization Agencies will spend over \$13 million on the Crisis Interface portion of the \$27,325,557 allocation.
- We expect the \$13 million balance of funds at the end of the Crisis season to be spent on providing standard weatherization services with priority given to the Crisis Interface clients.
- DCED and Weatherization Agencies expect to expend the full allocation of \$27,325,557.

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

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 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:

- 1) The housing unit was purchased or rented without a heating system.
- 2) The housing unit is unoccupied.
- 3) The housing unit is not a primary residence.
- 4) The housing unit has been condemned or deemed uninhabitable by local, state, or federal authorities.
- 5) It is a manufactured home moved to a location that does not allow its heating system’s current fuel type.

A housing unit may not be eligible for Crisis services but may be considered on a case by case basis if the following is true:

- 1) 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.
- 2) The heating appliance has not been operating within the last two heating seasons from the date of application. 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**.
- 3) Fuel type/source is changed by landlord.
- 4) Home is in foreclosure process.

### **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. Client Responsibilities**

The client or their designated proxy is responsible for being available to sign off on client education and all other weatherization and conservation measures completed. Client agreement is also needed regarding the receipt and understanding of the information provided about the care and maintenance of their heating system including any auxiliary heat which may have been supplied on loan. The client or their designated proxy is responsible for signing off on the receipt of the client complaint procedures. If the client is the homeowner, the client must provide permission in writing for any and all work performed. The client or their proxy must be available to sign off on the final inspection and client satisfaction documents.

## **VI. 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.

## **VII. 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.

## **VIII. 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, and a cost/price analysis is performed to determine the reasonableness of compensation requested by the contractor. These temporary subcontractors must meet the lead safe work practice and OSHA requirements, carry proper licensing and/or certifications, carry appropriate and sufficient insurance, and be able to provide all the required documentation for the work they perform. All DCED procurement procedures must be followed when selecting subcontractors and deciding to subcontract on a long term basis with subcontractors who have been utilized on a temporary basis.

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 also 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 the prioritization procedures established in the DOE PA On-File Information (Master File) 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 and manageable bill payment. The health and safety of clients can be enhanced by utilizing community and other governmental resources and treating the home with a more holistic approach. For example, agencies are encouraged to coordinate with utility, lead abatement, and Healthy Homes programs when weatherizing a home. Upon request, consideration for increased agency allocations will be reviewed for this collaborative, holistic approach among agencies in a specified geographic area.

## **III. Average Cost Per Dwelling Unit**

Weatherization costs are established at an average statewide expenditure that will not exceed \$7,105 per unit; which includes cost for material, program support, and labor.

## **IV. Types of Weatherization Work to be Performed**

All weatherization work performed in PA WAP by direct hires of the PA WAP network, as well as any subcontractor work, adheres to the Standard Work Specifications (SWS) for Home Energy Upgrades for Single Family, Multifamily, and/or Manufactured Homes, and as such, will be noted in the contractual requirements between the PA WAP agencies and their subcontractors. PA is transitioning to requiring a Standardized Whole-House Audit on every unit. In addition, the PA SWS Field Manual has been updated to include the SWS for the most common measures performed in PA and is coupled with Pennsylvania's state-specific guidance regarding policy and technical program requirements. It is due to be released in Fall 2016. All PA WAP weatherization workers are required to use PA's SWS Field Manual on the jobsite to reference the desired outcome of specific tasks as well as to ensure the installed measures are 100 percent compliant with the SWS. The SWS online tool is referenced in the PA SWS Field Manual and should be utilized for guidance on the SWS's that may not be addressed in the Field Manual. Webinars and trainings will be conducted for the use of the Standardized Whole-House Audit and the PA SWS Field Manual.

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.

Pennsylvania WAP has developed a Health and Safety Plan which is updated as needed and provides provisions for all health and safety measures and issues addressed by DOE's WPN 11-6. Pennsylvania will only install health and safety measures when the installation of weatherization measures necessitates a health and safety measure.

Subgrantees may use funds to abate energy-related health and safety hazards only if elimination of such hazards are necessary before, or as a result of, installation of weatherization materials. When spending LIHEAP funds, agencies have a set limit of 20% of the average cost per unit when addressing health and safety issues in the home.

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 Standardized Whole House Energy Audit results and 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 health and safety measures and/or incidental repairs;
- The contractual statewide average per-unit cost limits of the program.

The most cost effective and appropriate measures will be completed at every dwelling unit. Every dwelling unit will meet the National SWS.

## **V. Minimum Program Requirements**

Minimum program requirements as outlined under 10 CFR 440.16 include the following subsections. These requirements remain unchanged from the previous year's State Plan. Eligibility is also based on the DCED Eligibility, Prioritization and Weatherization Service List Directive.

### 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 any time during the twelve (12)-month period preceding the determination of eligibility; or

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.

Weatherization Agencies may weatherize a building containing 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; 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, Guidelines, and DOE PA WAP State Plan including the On-File Information (Master File).

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 and WAP Appeals Process**

Client complaints and WAP appeals 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 and WAP appeal.

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/WAP appeal 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.
- 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 as well as an agency complaint log for easier access.
- If the complaint or WAP appeal 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 if necessary in writing to the Weatherization Agency. Upon completion of the corrective action, the Weatherization Agency must provide written documentation to DCED.
- 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.