

COMMONWEALTH OF PENNSYLVANIA

**LOW-INCOME HOME ENERGY
ASSISTANCE PROGRAM**

FISCAL YEAR 2027

FINAL STATE PLAN

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Commonwealth of Pennsylvania

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SECRETARY

Department of Human Services

THE MISSION OF THE DEPARTMENT OF HUMAN SERVICES

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 **2027** Final State Plan

INTRODUCTION

The Department of Human Services (DHS) adopts the Commonwealth's Final State Plan for the Fiscal Year (FY) **2027** Low-Income Home Energy Assistance Program (LIHEAP) for public review and comment, 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), the Energy Policy Act of 2005 (Pub. L. 109-58), and codified in the United States Code at 42 U.S.C. § 8621-8630 (2008).

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

LIHEAP is administered by DHS and consists of three components: Cash benefits to help eligible households pay for their home-heating fuel; Crisis payments 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 (DOE) and the Title XXVI requirements.

PUBLIC PARTICIPATION

In addition to soliciting advice from the LIHEAP Advisory Committee (LAC), DHS held public hearings on the LIHEAP Proposed Plan for FY 2027 in compliance with Federal LIHEAP requirements. This year, hearings were held via teleconference on June 25 and July 2. A total of nine people attended the hearings. A total of five individuals or organizations provided oral testimony at the hearings, and five additional individuals 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.

POLICY CLARIFICATIONS AND PROGRAM PARAMETERS FOR FY 2027

- Subject to the availability of funds, supplemental cash benefits may be issued to vulnerable households who qualify for a LIHEAP cash grant.

BUDGET

DHS will be estimating a budget of \$224 million. DHS anticipates carrying forward \$14 million from FY 2026. There is continued uncertainty regarding the availability of any leveraging funding. This results in a total budget of approximately \$238 million. Fifteen percent of the block grant will be allocated to DCED for the Weatherization Assistance Program (WAP) and up to 10 percent of the block grant will be allocated for administrative costs, leaving an adjusted minimum total of \$182 million available for LIHEAP benefits.

DHS' proposed program parameters provide for the following:

- Income limit of 150 percent of the Federal Poverty Income Guidelines (FPIG) for the cash and crisis components;
- Projected budget of \$182 million available for LIHEAP benefits;
- Cash component
 - Opening date of November 2, 2026;
 - Closing date of April 23, 2027;
 - Approximately 393,356 Cash recipients could be served;
 - Minimum benefit amount of \$200;
 - Maximum benefit amount of \$1,000.
- Crisis component
 - Opening date of November 2, 2026;
 - Closing date of April 23, 2027;
 - Approximately 100,424 Crisis households could be served;
 - Minimum benefit amount of \$25;
 - Maximum benefit amount of \$1,000.

If actual LIHEAP funding is more or less than estimated in the Final Plan, DHS may increase or decrease the proposed benefit levels. Additionally, DHS reserves the right to shorten or extend the program depending on the availability of funds, increased demand, or other factors that impact on the expenditures of LIHEAP funds.

DHS proposes to allocate FY **2027** block grant funds as follows:

Cash Program	up to 50 percent of available funds
Crisis Program	up to 25 percent of available funds
Weatherization	15 percent of available funds
Administrative and planning costs	up to 10 percent of available funds

The percent of funds allocated to each component may be revised, if appropriate, to reflect the actual expenditure rates for recent years and the responses to the proposed Plan.

Comment:

One testifier requests receiving state supplemental funding.

One testifier requests allowing for categorical eligibility for Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP), and Medical Assistance (MA) recipients.

One testifier requests mailing a prepopulated application with pre-paid postage to people already receiving state benefits and LIHEAP recipients from the prior two to three program years.

One testifier requests yielding the full LIHEAP benefits to assist applicants establishing services at a new address when carrying an old debt from another address.

Six testifiers suggest expanding community outreach for LIHEAP.

Two testifiers request allowing applicants of SNAP, MA, and TANF to apply for LIHEAP on the same application.

Response:

DHS will continue to monitor developments that may result in receiving state supplemental funding for future seasons.

While DHS does not offer categorical eligibility, a DHS household that applies for LIHEAP may choose to use the income on file for the determination. Full categorical eligibility would result in a much larger number of households being served but would require a significant reduction in benefits issued per household, likely to an amount that does not provide any meaningful value. A LIHEAP “household” may also be different than a SNAP, MA, or Cash “household,” this would require extensive system updates to be able to make the determination of categorical eligibility based on other benefit household composition rules. DHS will not commit to categorical eligibility this season.

Sending out additional applications could result in limited funding for when the season opens to the public. However, DHS will evaluate this possibility in future seasons based on available funding.

Households are currently allowed to apply LIHEAP funds to 50 percent of the total balance at a previous address if it ensures service at their current residence. This suggestion would result in LIHEAP funds to be used in a manner that does not ensure the household receives an actual heating benefit.

DHS will continue to research ways to expand community outreach for LIHEAP.

Applicants can apply for all programs on the same application via the Commonwealth of Pennsylvania Access to Social Services (COMPASS) website. A paper application with SNAP, MA, TANF, and LIHEAP is not possible due to the seasonal nature of the LIHEAP program when compared to the year-round availability of the others.

CASH COMPONENT BUDGET

The cash component budget and estimated number of households to be served by LIHEAP at 150 percent of the FPIG, after having considered the anticipated Federal LIHEAP block grant, commonwealth appropriation, carry-over, leveraging funds, transfer of funds for weatherization, and administrative costs, are:

ESTIMATED HOUSEHOLDS TO BE SERVED

CASH COMPONENT BUDGET	HOUSEHOLDS
\$113.6 million	393,356

Benefits are based on a payment matrix in which the amounts can range from \$200 to \$1,000. In order to discuss benefit levels and make comparisons between them, an average Cash benefit is used, which is calculated by dividing the available funds by the number of households to be served. DHS cautions that this is not an accurate method for determining what an individual household will receive because the actual cash benefit amount is affected by several variables, including the number of recipients in the household and their income levels.

Comment:

Three testifiers support the continuation of allowing unspent LIHEAP funds to be applied to Customer Assistance Plan (CAP) pre-program arrearages.

Three testifiers request remaining excess LIHEAP credit retroactively offset discounts or subsidies disbursed to the customer after satisfying a CAP customer's pre-program arrears and after this has been done, refund any remaining credit.

Four testifiers request insufficient funds fees are more similar in nature to reconnection fees and late payment fees and should also be eligible for payment with LIHEAP funds.

One testifier requests adjusting the time-period used to determine gross annual income to the last 30 days or the last 12 months.

One testifier requests to adjust income calculation rules for LIHEAP eligibility to expand program reach and impact.

One testifier requests excluding supplemental health insurance towards household income.

One testifier requests pro-rating the income of mixed-status family households.

One testifier requests changing the household composition verification form to allow for self-attestation.

One testifier supports secondary heating sources as recipients of LIHEAP grants and requests relaxed verification requirements for secondary heating sources.

Response:

The policy of applying LIHEAP to CAP pre-program arrearages will continue this season.

Applying excess LIHEAP credits to the CAP discount would allow LIHEAP funds to be used in a manner that does not ensure the household receives an actual heating benefit.

Insufficient funds fees are not allowable in the LIHEAP Vendor agreement. LIHEAP funds are intended to be used in a manner that maximizes the household's energy benefit instead of finance charges.

Adjusting the income determination time-period requires additional research and system changes, but DHS may consider this change for a future season.

Changing the income calculation rules requires additional research and system changes, but DHS may consider this change for a future season.

Excluding supplemental insurance expenses requires additional research and system changes, but DHS will consider this change for a future season.

All members of a household, whether eligible for LIHEAP or not, must have their

income counted. The Administration for Children and Families has issued specific guidance which states that heat cannot be prorated among household members, so the entire household's income must be considered for LIHEAP.

Self-attestation of household composition is allowable if not questionable or reasonably explained.

As a condition of LIHEAP Cash eligibility, households must have and verify the household's primary heating responsibility. For LIHEAP Crisis, a household does not need to verify their primary heat source to receive a benefit to their secondary heat source.

INCOME LIMITS

Federal law allows 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 FPIG as issued by the United States Department of Health and Human Services (DHHS) and published in the Federal Register. The income limits for FY **2026** will be based on the FPIG levels published on January 15, 2026. The income limits for the LIHEAP Cash and Crisis programs for FY **2026** and FY **2027** are shown below:

<u>Household Size</u>	<u>FY 2026 Income Limit 150 Percent</u>	<u>FY 2027 Income Limit 150 Percent</u>
1	\$23,475	\$ 23,940
2	\$31,725	\$ 32,460
3	\$39,975	\$ 40,980
4	\$48,225	\$ 49,500
5	\$56,475	\$ 58,020
6	\$64,725	\$ 66,540
7	\$72,975	\$ 75,060
8	\$81,225	\$ 83,580
9	\$89,475	\$ 92,100
10	\$97,725	\$100,620
For each additional person add:	\$ 8,250	\$ 8,520

DHS proposes to establish the income eligibility limit at 150 percent of the FPIGs for the Cash and Crisis components, which will update each February when the annual guidelines are posted. The income eligibility limit for the weatherization component will be 200 percent of the FPIGs, as listed on page 2 of the proposed Plan.

Comment:

One testifier supports using updated income limits when the new FPIGs are released.

Responses:

The mid-season update to income limits will continue.

MINIMUM CASH BENEFIT

Establish a minimum Cash component benefit of \$200.

Comment:

One testifier requests increasing the minimum Cash benefit to \$250.

Two testifiers request to increase the minimum Cash benefit to \$300 and not issue supplemental grants.

One testifier supports the minimum Cash benefit.

Response:

Increasing the minimum amount higher or the maximum benefit amount could limit the number of vulnerable households that can be served in the community by expending all LIHEAP funds before the season is closed.

MAXIMUM CASH BENEFIT

Establish a maximum Cash component benefit of \$1,000.

Comment:

One testifier requests increasing the maximum Cash benefit to \$1,200.

One testifier supports the maximum Cash benefit amount.

Response:

Increasing the maximum Cash amount could limit the number of vulnerable households that can be served in the community by exhausting all LIHEAP funds before the season is closed.

CRISIS PROGRAM

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 requests allowing self-attestation of household composition and income whenever possible for Crisis applicants.

One testifier requests to comply with 66 Pa. C.S.A. §1406(g) regarding the definition of a Crisis and accept notices dated February 1 or later as proof of crisis.

One testifier requests accepting a utility invoice with a past due balance as evidence of a Crisis.

One testifier requests that DHS remove reference to May 1 in the provision that utilities must maintain service for either “30 days following resolution of the crisis, or May 1, whichever is later” and change it to “30 days following resolution of the crisis”.

One testifier requests attempted contact with the LIHEAP applicant via telephone before sending a written notice for an incomplete Crisis application.

Response:

DHS does allow for flexibility in verification used, though for the most part, written verification is required. DHS has introduced flexibility to allow self-attestation for household composition and zero-income in some scenarios over the last few seasons. DHS will continue to evaluate this policy in future seasons.

DHS accepts termination notices dated on or after February 1 as proof of Crisis as part of the Termination Program. Accepting termination notices prior to that date during the moratorium would not result in a benefit for households as higher balances may accrue with the household no longer eligible for an additional crisis benefit in that time frame.

Past due bills/arrearages are not a Crisis situation unless they would result in termination of services. To ensure applicants with active termination notices or disconnected service can receive Crisis grants, past due balances or accounts enrolled in a payment plan cannot be used to determine Crisis need.

Removing the May 1 requirement would result in households not being guaranteed a service continuation due to their Crisis grant, allowing for disconnection immediately after the moratorium ends if the Crisis grant was received in February.

Contacting LIHEAP applicants by phone is a procedural suggestion, not a policy. DHS is committed to ensuring that its LIHEAP application process is as smooth as possible and will have internal discussions regarding means to potentially reduce pending requests and rejections that could be resolved via verbal contact with the household.

MINIMUM CRISIS BENEFIT

Establish a minimum Crisis component benefit of \$25.

MAXIMUM CRISIS BENEFIT

Establish a maximum Crisis component benefit of \$1,000.

Comment:

One testifier supports the Crisis grant amounts.

One testifier requests increasing the maximum grant amount to \$1,200.

Response:

Due to limited funding this season, raising the maximum Crisis grant amount could limit the number of vulnerable households that can be served in the community by expending all LIHEAP Crisis funds before the winter moratorium is lifted.

PROGRAM YEAR

DHS proposes to open the cash and crisis components on November 2, 2026, with a closing date of April 23, 2027. As in past years, DHS may extend or shorten the program year, depending on the availability of funds.

Comment:

Three testifiers request extending program end date to May 1, 2027.

Two testifiers request extending program end date until May 7, 2027, or all funds have been exhausted.

One testifier requests to extend program end date to May 31, 2027.

One testifier requests to extend Crisis program end date to May 28, 2027.

Seven testifiers request keeping the season open for at minimum 30 days into the utility termination season.

One testifier supports the established season open and close dates, with extension of season if funding remains.

Two testifiers request to change the end date before the program opens for the season this fall as many households are unaware when program extensions are made mid-season.

Response:

The LIHEAP program will run from November 2, 2026, until April 23, 2027.

PRE-SEASON APPLICATIONS

Prior to the cash program opening date, DHS proposes to mail applications to households who received LIHEAP benefits in the **2025-2026** program year. Clients who have applied previously through the COMPASS website will receive a postcard through the mail directing them to apply online. Paper applications are always available upon request.

Comment:

One testifier suggests broadening outreach towards recipients of previous seasons, including mailing pre-season applications and text messaging.

Response:

Sending out additional applications could result in limited funding for when the season opens to the public. DHS will explore text messaging as an outreach strategy.

WEATHERIZATION TRANSFER

The amount of funds allocated to DCED for WAP will be 15 percent of Pennsylvania's federal LIHEAP block grant allocation.

Comment:

Two testifiers support the 15 percent allocation to DCED.

TERMINATION PROGRAM

DHS will accept termination notices from regulated utilities as proof of a crisis beginning February 1, 2027.

DATA SHARING

DHS will share LIHEAP enrollee data with utilities who sign a data sharing agreement for the purpose of enrolling LIHEAP recipients into utility-run universal service programs.

Comment:

Two testifiers support the continuation of Data Sharing.

Response:

Data Sharing will continue this season.

HEAT AND EAT INITIATIVE

To enhance participation and benefits for households enrolled in SNAP, and in accordance with federal requirements, DHS will issue a heating assistance benefit to SNAP households that are responsible for heating costs, have an elderly or disabled household member, 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 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 FY.

Comment:

One testifier supports the continuation of the Heat and Eat Program.

Response:

DHS will continue the Heat and Eat Program while complying with new federal requirements passed by the Federal Government in July 2025.

DEPARTMENT OF HUMAN SERVICES/DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT LIHEAP EMERGENCY SERVICES PROGRAM

The DHS/DCED Crisis Interface Project, implemented with the FY 1993 program year, will continue under the name LIHEAP Emergency Services Program.

Under this LIHEAP program integration, LIHEAP funds allocated to DCED will support emergency in-home services to address no-heat situations, heating-system safety hazards, or households in imminent danger of not having heat. LIHEAP Emergency Services may include the repair of a heating system; the repair of gas or other fuel lines; the replacement of an unrepairable heating system, including the replacement or repair of the home's air-conditioning (A/C) system when it is pre-existing, integral to, and integrated within the home's overall heating, ventilation, and air conditioning (HVAC) system; the repair of broken windows (if necessary to ensure the effectiveness of other repairs or improvements); and pipe-thawing services associated with the heating emergency.

Specific DCED responsibilities include addressing the identified emergency within 48 hours, or 18 hours if the emergency is considered to be life-threatening or an immediate health risk.

Applicants must apply through their County Assistance Offices (CAOs) who are then responsible for determining LIHEAP eligibility and for initial identification of the type of emergency services needed. At this point, DHS will either take steps to directly alleviate the crisis or will refer the crisis to the local weatherization office for resolution.

Comment:

One testifier requests to specify a timeframe during which repairs or replacements are expected to be completed, so that households with heating crises can plan accordingly and that written documentation for repair processes be provided to the households.

One testifier requests clarification that auxiliary heaters are not a substitute for completing the repair.

Two testifiers request that Weatherization Services and LIHEAP Emergency Services exclude large-scale for-profit landlords from eligibility in order to prioritize LIHEAP funds for low-income homeowners and small-scale landlords.

Four testifiers support the Deferral Program, Clean and Tune Program, and Cooling Program if funding allows.

Three testifiers support the inclusion of AC repair and replacement as part of emergency services when the system is integrated into the home's heating system.

One testifier supports the inclusion of window replacement, in addition to window repair, as an available WAP Emergency Services measure.

Response:

Per DCED Directive W2025-01, dated October 1, 2025, upon initial contact with a household who has been assessed for services, documentation in the Client File must include that the household received: (a) A reasonable estimated timeline for visit and/or work to be completed as needed. Details regarding when they can expect to be visited, the potential of issues, if no fuel is available, communication regarding supply shortages and delays, and an explanation of the process.

The weatherization agency must notify a deferred household in writing of the status of Emergency Services and provide the rationale for deferral. The household must receive contact information for the CAO as part of the deferral process. This notification must be documented in the Client File.

For LIHEAP emergency service referrals as well as the eligibility determination, renters and homeowners are required to be treated equitably. It is the priority of the LIHEAP Emergency Services Program to ensure a safe home for eligible recipients during Pennsylvania's harsh winter months. LIHEAP funds are not utilized to conduct multifamily weatherization. LIHEAP funds used for standard weatherization measures for renters must follow the requirements in 10 CFR 440.22 to include that the benefits of the weatherization services must accrue primarily to the eligible tenants and no undue enhancement shall occur to the value of the dwelling unit.

THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

FY 2027 PROPOSED STATE PLAN

ASSURANCES

The Governor of Pennsylvania has authorized the Secretary of Human Services to apply and reapply for federal funds under LIHEAP (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), the Energy Policy Act of 2005 (Pub. L. 109-58), and codified in the United States Code at 42 U.S.C. § 8621-8630 (2008), the Commonwealth of Pennsylvania, through DHS, 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 42 U.S.C. § 8624(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 within the Plan.

Funds will be allocated based on the following percentages:

Cash program	up to 50 percent of available funds
Crisis program	up to 25 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 42 U.S.C. § 8624(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 2026 program, based on the FPIG published on January 15, 2026, by DHHS. The FPIG will update each February after the annual guidelines are posted.

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

<u>Household Size</u>	<u>Cash & Crisis</u> <u>150 Percent of FPIG</u>	<u>Weatherization</u> <u>200 Percent of FPIG</u>
1	\$ 23,940	\$ 31,920
2	\$ 32,460	\$ 43,280
3	\$ 40,980	\$ 54,640
4	\$ 49,500	\$ 66,000
5	\$ 58,020	\$ 77,360
6	\$ 66,540	\$ 88,720
7	\$ 75,060	\$ 100,080
8	\$ 83,580	\$ 111,440
For each additional person add:	\$ 8,520	\$ 11,360

3. Public Education

In accordance with 42 U.S.C. § 8624(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 DHS.

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, Chinese, Vietnamese, Russian, Arabic, and Cambodian. Translation services are available in other languages.
- Provision of brochures, which describe LIHEAP benefits and requirements to 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 42 U.S.C. § 8624(b)(4), as amended, Pennsylvania has coordinated the planning process for the development of the State Plan with the following agencies:

- 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 LAC, including the American Association of Retired Persons, Pennsylvania Council on Aging, Community Legal Services, DCED, Pennsylvania Utility Law Project, Utility Emergency Services Fund, Dollar 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 42 U.S.C. § 8624(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 **2027** program and households in which one or more individuals are receiving TANF, SSI, SNAP, or payments under Section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978.

6. Participation of Local Administering Agencies

In accordance with 42 U.S.C. § 8624(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.

DHS 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.

DHS 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 42 U.S.C. § 8624(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, DHS 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 42 U.S.C. § 8624(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 42 U.S.C. § 8624(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 program costs and not administrative costs. Therefore, any system-related expenditures would not be counted toward the 10 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 42 U.S.C. § 8624(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 must pass computerized eligibility checks before payment is made.

The computerized checking process includes:

- a. Check for duplicate Social Security Numbers in existing DHS systems;
- b. Verify Social Security Numbers, Social Security benefit amounts, and death information through data exchange with the Social Security Administration;
- c. Verify SSI payments through the State Data Exchange;
- 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 \$1,000;
- 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 CAO and Processing Center (PC).

- Agency staff members involved in determining LIHEAP eligibility are mandated to participate in weekly Knowledge Reinforcement Sessions. Each LIHEAP Knowledge Reinforcement Session is six to seven slides in length with five questions which must be answered correctly in order to complete the session. The sessions reinforce policy and procedural issues that are error prone, based on monitoring findings.
- Agency supervisors complete reviews of LIHEAP applications using a review tool designed to guide the reviewer and accumulate meaningful statewide results. Agency Supervisors and Managers as well as staff in the Office of Income Maintenance (OIM) Bureau of Program Evaluation (BPE) monitor the results of the supervisor reviews to identify trends and implement corrective actions.
- Electronic conferences are held initially weekly then biweekly or monthly to provide the counties with real-time system, policy and operational updates that impact the LIHEAP workflow. The calls also provide a means for agency offices to get answers to questions or resolutions to issues encountered.
- Both the agencies and the monitoring staff communicate with the OIM Bureau of Policy through the LIHEAP Training and Policy mailbox to address questions and issues on a daily basis as they arise. The shared responses ensure a uniform interpretation and consistent application of regulations throughout the agency.

For the second step of the agency's monitoring, BPE coordinates the annual LIHEAP monitoring reviews of CAOs, and PCs, based on a two-year schedule for the CAOs. Additional agencies are reviewed as needed based on extenuating circumstances and the recommendation of the OIM Bureau of Operations. LIHEAP reviews are completed by a field-based monitoring team. Monitoring activities include:

- Evaluation of eligibility and benefit determination and corrective action implementation through LIHEAP application reviews
- Selection of over 2,500 LIHEAP applications for review which are randomly selected through data mining techniques. Also selected is a statistically valid random sample. The number of cases selected is consistent for each year of review.
- Investigation and appropriate and timely escalation of information that suggests potential misuse, misrepresentation, or abuse.
- Issuance of preliminary and updated performance reports to agencies to provide relevant data on accuracy and the composition of findings at both the county level and state level.
- Development of corrective action plans based on the findings from the monitoring team. The plans are implemented by OIM and monitored for compliance by BPE.
- Development and implementation of year-round program changes to increase program accuracy and integrity through collaboration with other bureaus. Examples include working with the Bureau of Operation's Division of Staff Development in the development of LIHEAP training for the next LIHEAP season to incorporate situations found to be prone to error.
- Development and implementation of special testing to ensure compliance with anticipated federal policy revisions.

Additional monitoring procedures include the following:

- The Office of Administration's Bureau of Financial Operations provides OIM with technical assistance and conducts performance audits of specific CAOs, as needed, to resolve systemic problems.
- Controls are built into the Provider Reimbursement and Operations Management Information System in electronic format (PROMIS[™]) which vendors use to bill for LIHEAP Crisis claims to ensure the vendors bill for valid Crisis requests and are paid the amount they are authorized to receive.

- The vendor unit assists heating vendors by answering questions, helping to file Crisis claims in PROMISE™, and reviewing vendor transactions.
- Executive Staff from the OIM Bureaus of Policy, Program Support, and Program Evaluation meet on a biweekly basis to discuss LIHEAP and all issues and topics pertinent to the program.
- CAO supervisors review direct pay authorizations to ensure that the budgets are being authorized correctly and accurately.
- The Comptroller's Office reviews the weekly LIHEAP vouchers for any questionable payments and works with OIM to ensure all payments issued to households are correct.
- DCED monitors local weatherization agencies, as outlined in Appendix C, Weatherization Assistance.
- The vendor unit conducts reviews of LIHEAP vendors to ensure compliance with the DHS LIHEAP Vendor Agreement, focusing on the following areas:
 - Compliance with DHS Information Requirements
 - Proper and Accurate completion of the Vendor Agreement
 - Timeliness of Crisis delivery
 - Application of LIHEAP benefit in accordance with vendor agreement and DHS Policy
 - Proper handling of LIHEAP refunds
 - Record Retention

Audit Procedures: Pennsylvania agrees, in accordance with 42 U.S.C. § 8624(e), 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 42 U.S.C. § 8624(b)(11), Pennsylvania will permit and cooperate with federal investigations undertaken in accordance with 42 U.S.C. § 8627.

12. Public Participation

In accordance with 42 U.S.C. § 8624(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 and social media announcing the public hearings schedule and the availability of the proposed Plan for public comment. This information was also posted on the DHS website.
- The LAC advised the Secretary of DHS on the administration of the LIHEAP block grant, including a review of the proposed Plan and recommendations on the Plan. Members of the Advisory Committee are appointed by the Secretary of DHS 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 DHS website. In addition, copies of the Plan are available upon written request to: Division of Federal Programs and Program Management, Department of Human Services, CoPA HUB, Suite 240/250, PO BOX 2675, Harrisburg PA 17105-2675.
- In accordance with 42 U.S.C. § 8624(a)(2), public hearings on the FY **2027** LIHEAP proposed State Plan were held as follows:

Date: Thursday, June 25, 2026
Time: 10 a.m. – 12 p.m.
Call: (267) 332-8737 Conference ID: 682971830#
Online: [LIHEAP Public Hearing - June 25, 2026](#)

Date: Thursday, July 2, 2026
Time: 10 a.m. – 12 p.m.
Call: (267) 332-8737 Conference ID: 771277905#
Online: [LIHEAP Public Hearing – July 2, 2026](#)

- In addition to the opportunity for the public to comment on the LIHEAP weatherization component through DHS' LIHEAP public hearings, the DCED public hearing on the FY **2026-2027** DOE State Plan provides an opportunity for the public to participate in a timely and meaningful manner. It was held virtually at 3:30 P.M. on August 5, 2026.

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

13. Fair Hearing

In accordance with 42 U.S.C. § 8624(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 42 U.S.C. § 8624(b)(14), Pennsylvania will cooperate with the Secretary of DHHS with respect to data collection and reporting under 42 U.S.C. § 8629.

15. Additional Outreach and Intake Sites

In accordance with 42 U.S.C. § 8624(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 42 U.S.C. § 8624(b)(16), 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 42 U.S.C. § 8623(c), based on previous years' experience, Pennsylvania will reserve a reasonable amount of available LIHEAP funds until March 15, 2027, 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 total maximum and minimum amounts for FY 2027 and the availability of federal funds.

18. Nondiscrimination

In accordance with 42 U.S.C. § 8625(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, cooperating with authorities regarding LIHEAP audits or investigations, fulfilling federal data reporting requirements, 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. Expenditures for these activities are charged to the program year to which the costs relate. DHS 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.

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.

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.

CAP – Programs that may provide low-income customers with discounted monthly bills or other assistance designed to help them maintain jurisdictional energy service, based on household income and household size. CAP customers must comply with certain responsibilities and restrictions in order to remain eligible for the program.

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.

DHS – The Department of Human Services of the Commonwealth.

Individual With A Disability – An individual receiving financial assistance for a disability. For the purpose of supplemental payments, this may also include an individual meeting disability criteria for MA or TANF.

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.

Primary Fuel Type – The type of energy consumed by the primary heat source to create heat. Primary fuel type cannot change during the program year unless the primary heat source becomes inoperable or is replaced, there is a fuel supply shortage, or the household moves to a new residence.

Primary Heat Source – The heating system used most by the household, or the heat source included with rent.

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. 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 who has an agreement with an unrelated landlord or property owner to rent a room, including individuals staying in a hotel or motel long-term. Their payment for lodging 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, in addition to the primary fuel type, to operate the primary heat source.

Supplemental Fuel Type – A source of energy that a household uses to provide additional heat beyond the residence’s primary heat 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 statutes (66 Pa. C.S. § 2807, 66 Pa. C.S. § 2207), the distribution companies are the suppliers of last resort; they remain regulated, and must comply with the State’s winter termination rules in accordance with 66 Pa C.S. § 1406(e). 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 to low-income households that will resolve an energy crisis:
 - within 48 hours after application to resolve weather-related, supply-shortage and other household home-heating emergencies.

NOTE: Weather-related emergencies are addressed through the LIHEAP Emergency Services Program administered by DCED. See Appendix C.

 - within 18 hours after application if a life-threatening situation exists. This must be a documented medical emergency.
 - within 15 days of 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.

DHS 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.

- (1) DHS will announce the schedule for the current LIHEAP year in the State Plan for that year.
- (2) DHS may extend or shorten the closing date of the Cash or Crisis components, depending upon the availability of Federal funds and other factors.
- (3) 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.
- (4) DHS 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 DHS' 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 DHS 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.

DHS will give households that register for or access their "My COMPASS Account" 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 "My COMPASS Account", where the household can login to view the notice. My COMPASS Account is on a secure website that will protect the household's information through browser encryption, username and password, time-out feature, and security questions.

Households applying through COMPASS may receive an automated eligibility determination if the applicant chooses to use the income which is verified and known to DHS through other benefits such as SNAP, MA, or TANF. The household's address and household members must match the known information and all other conditions of eligibility must be met.

§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 system 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.

If the applicant sends the requested verification within 60 days from the date of the original application, the CAO may re-determine eligibility based on the information provided. After 60 days, the applicant must submit a new application.

§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 as published by the United States Census Bureau and no less than 110 percent of the poverty level issued by DHHS. The limits, which are subject to change annually, are published in each year's LIHEAP State Plan. For the **2026-2027** program, Pennsylvania will use 150 percent of the poverty level, and the FPIG will update each February after the annual guidelines are posted.
- (2) Responsibility for heating costs. For a Cash benefit, the household shall be responsible for paying for its primary fuel type 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 primary or secondary fuel type either directly to a vendor or indirectly through a third-party.
 - (i) The following persons and members of their households are considered to have a home heating responsibility:
 - (A) Homeowners or renters, including subsidized housing tenants, who pay for home heating fuel or utility service for their residence directly to a vendor. Account holders who are responsible for paying their primary fuel type 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. The primary heating source for these households is the heating source that is included in rent.

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 primary 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 the recreational vehicle is permanently located in Pennsylvania, they have no other permanent residence, the heating appliance is being used in accordance with the heating appliance manufacturer's specifications and they 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 and a majority of the home is used for business.
- (v) Persons who are incarcerated or persons who have been convicted of a felony (or high misdemeanor in New Jersey) and who are fleeing to avoid prosecution, custody or confinement are ineligible for LIHEAP benefits.

- (vi) A household will be ineligible for a LIHEAP grant, Cash or Crisis, if the heating appliance is not installed and operating based on the manufacturer's specifications or current code requirements, whichever is more stringent, and is not following all applicable building and fire codes.
 - (vii) For a household who owes a balance from a previous address, LIHEAP funds can be used to pay for up to 50 percent of a back balance from that address if it will establish service at the new address. If a LIHEAP Cash grant exceeds 50 percent of the customer's back balance, the utility must apply the remainder of the Cash grant to the 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 the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
 - (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).

- (ix) Iraqi and Afghani immigrants granted special immigrant status.
- (x) Compacts of Free Association migrants born in the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

CRISIS BENEFITS

§601.32. Eligibility requirements for Crisis benefits.

Households may apply for and, if eligible, receive 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 as described in §601.62. The household must meet this requirement until a Crisis is pledged or approved by the CAO.
- (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, excluding those set aside for equipment service and repairs, is considered to be available and must be used first for the resolution of the Crisis.
- (4) The applicant must provide proof of the home-heating emergency as described in §601.108.

PROVISION OF CASH BENEFITS

§601.41. Benefit amounts.

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 Cash 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 incarcerated or persons who have been convicted of a felony (or high misdemeanor in New Jersey) and who are fleeing to avoid prosecution, custody or confinement are ineligible for 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. The household can choose to have the Cash grant issued for its primary or secondary fuel type. If the payment is issued for the secondary fuel type, the amount of the Cash payment will be based on the amount of the primary type of home heating fuel.

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 DHS website: <https://www.pa.gov/en/agencies/dhs/resources/liheap.html>, under “LIHEAP Benefit Amount Table”.

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

Supplemental payments may be issued to households in addition to their regular Cash or Crisis grant. Supplemental payments may be issued at any time during the FY to the following populations:

- (1) All Cash Households. All households that qualified for a LIHEAP Cash grant may receive a supplemental payment. Each household will receive the same amount.
- (2) All Crisis Households. All households that qualified for a LIHEAP Crisis grant may receive a supplemental payment. Each household will receive the same amount.
- (3) Vulnerable Households. Eligible households which contain at least one member who is elderly (age 60 or over), disabled, or age five and under, may receive a supplemental payment in addition to their Cash grant amount.

Each household may receive the same amount, or the amount of the supplemental payments will be determined cumulatively, based upon the composition of the household, in the following amounts which are subject to adjustment:

- \$50 if the household contains someone age 60 or over
- \$50 if the household contains an individual with a disability
- \$75 if the household contains a child age five or under

A household can only receive one of each type, and households meeting all three criteria above can receive a maximum supplement of \$175. An individual can only be counted for one criterion.

- (4) Households by Income Level. All households at or below variable FPIG level (not to exceed 150 percent) may receive a supplemental payment. The FPIG level will be determined by DHS. Each household will receive the same amount.

§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 the full LIHEAP Cash benefit for which they 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, DHS may issue a supplemental LIHEAP Cash benefit.

§601.44. Payees.

- (1) If the household pays for fuel directly, DHS pays the vendor on behalf of the eligible household.
- (2) DHS 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.
- (3) Landlords, housing authorities, rental agents, room 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 unbilled usage amounts. LIHEAP funds may not be applied to pre-program arrearages until the two-year period mentioned below. Prior to the public utility refunding any remaining LIHEAP Cash component benefits, the funds can be applied towards any remaining CAP pre-program arrearages provided the utility does not alter its CAP forgiveness policy during the federal FY. The funds may not be applied to any pre-program arrearages previously forgiven by the public utility.

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 27, **2026**, are available for use through June 30, **2028**.

The vendor shall retain unused LIHEAP funds as a credit balance in the customer's account through June 30th of the following State FY unless the client changes vendors, leaves the area served by the vendor, or deceases.

Up to 10 percent of the LIHEAP block grant received during the FY may be carried forward to the following FY. Funds that are carried over must be obligated by the end of the FY 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 not be used to cover fuel customer purchases prior to the program year in which they are authorized.

LIHEAP benefits may not be used for security deposits, annual fees, service maintenance contracts, tank leases or rental payments, insufficient funds fees, or other finance charges. LIHEAP benefits may not be used towards non-energy utilities. LIHEAP benefits may be used for the cost of an added charge for off-hours or off-route delivery service, fuel additives, reconnect fees, late payment fees, tank setting fees, and/or minor furnace start-up costs, including leak-test charges when necessary.

§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 by **July 31**.

Refunds and reissuances of LIHEAP benefits are treated as follows:

- (1) Refunds from the vendor. The vendor shall refund the unexpended portion of the LIHEAP benefit to DHS' LIHEAP Vendor Unit under the following circumstances:
 - (i) The client changes vendors.
 - (ii) The client leaves the area served by the vendor.
 - (iii) The client deceases.
 - (iv) The client's whereabouts are unknown.
 - (v) The vendor receives a duplicate payment.
 - (vi) The benefit is received in error.
 - (vii) An overpayment is caused by vendor error.
 - (viii) The vendor sells or dissolves the business.
 - (ix) The vendor is no longer a participating LIHEAP vendor.
 - (x) LIHEAP benefits are remaining in the customer's account after June 30th of the program year immediately following the program year in which payment was authorized.

If it is determined that LIHEAP funds have been used for any disallowed costs indicated in 601.45, the vendor shall return those funds via a refund to DHS' LIHEAP Vendor Unit.

- (2) Reissuances to or on behalf of the client. DHS will reissue a vendor refund, as applicable, for the current or previous program year if all of the following conditions are met:
 - (i) The whereabouts of the household are known.
 - (ii) The household continues to reside in the Commonwealth.
 - (ii) 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, excluding those set aside for equipment service and repairs, is considered to be available and must be used first for the resolution of the crisis.

When Crisis is requested for a vendor prior to a Cash grant being received by that vendor, including a Cash grant that has been authorized and not yet received, a Crisis will be initiated for the full amount needed to resolve the Crisis situation if the household is otherwise eligible, regardless of whether the Cash grant would be sufficient to resolve the Crisis.

The household can have the Crisis grant issued for their primary fuel type and/or their secondary fuel type.

When the primary 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 fill the tank as much as possible with the funds available, 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 or off-route 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 receipt verifying payment was made is not required prior to authorization of payment; unless it is a direct pay.

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. LIHEAP benefits may be used for reconnecting fees. With regard to Crisis payments approved to regulated utilities during the period 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.

If a Cash grant is used to resolve a Crisis, the same criteria above applies.

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 Weatherization 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 primary heating source.
 - (vi) The repair of broken windows, if necessary, to ensure the effectiveness of other repairs or improvements.
 - (vii) The loan of an auxiliary heater.

(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 will be for the primary fuel type and may include the cost of an added charge for off-hours or off-route 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 vendor, excluding those set aside for equipment service and repairs, is considered to be available and must be used first for the resolution of the Crisis.
- (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 primary or secondary fuel type by a utility company. Households with a medical or other short-term emergency hold that has temporarily stayed a pending termination will be considered to meet the criteria for Crisis. The payment may include the charge, if required, for a service reconnection. If a Cash grant is used to resolve a Crisis, the same criteria applies.

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 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 total maximum amounts allowed under the current LIHEAP State Plan and the amount of available federal funding.

§601.64. Payees.

DHS pays Crisis benefits directly to the vendor, unless direct payment to a vendor cannot be made. If DHS determines that Crisis benefits cannot be paid directly to the vendor, DHS pays the Crisis benefit to the applicant as reimbursement after verification of the purchase has been provided.

§601.65. Refunds.

Refunds and reissuances of LIHEAP Crisis benefits are treated as follows:

- (1) Refunds from the vendor. The vendor shall submit all refunds, including any unused LIHEAP funds to DHS' LIHEAP Vendor Unit within 30 days after the basis for the return is known. LIHEAP funds are available for two heating seasons. Any unexpended LIHEAP benefits that remain as a credit on the customer's account as of June 30 of the year following the season (state FY) in which payment was authorized shall be refunded to DHS' LIHEAP Vendor Unit by **July 31**.
- (2) Reissuances to or on behalf of the client. DHS will reissue a vendor refund, as applicable, for the current or previous program year if all 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 or Citizenship.
- (2) A roomer who is related to a household member by blood, marriage, or adoption.
- (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 unearned 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.
 - (F) Work-related expenses such as federal, state and local income taxes, contributions to retirement funds, and transportation to and from work.
 - (G) Deposits into the self-employed person's retirement account and payment for his or her life insurance.
 - (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). Rental payments from one LIHEAP household member to another LIHEAP household member are excluded.
- (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) SSI.
 - (v) Unemployment compensation.
 - (vi) Support payments. If the payor is also in the LIHEAP household, support would not be counted.
 - (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.
 - (xii) Utility Allowances paid directly to the household from the landlord or public housing agency to cover utility bills.
 - (xiii) Income from nonresident rental property managed by a rental agency or another person.

§601.83. Treatment of income.

- (1) The applicant may choose whether the time period to be used in determining gross annual income shall be 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 SNAP, Cash or Medical benefits from DHS will be annualized based on the gross amount documented on DHS' Client Information System.

- (2) 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, including stipends, 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) Medicare premiums deducted from Social Security benefit payments.
- (11) Amounts received as reimbursement for medical costs, medical transportation, and special allowance items for TANF recipients.
- (12) Cash or in-kind assistance with heating costs provided by private or public agencies or utility companies.
- (13) Loans which can be verified with a statement from the lender or a loan document specifying the repayment plan.
- (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 DHS during the month is excluded.
- (16) Agent Orange Settlement payments.
- (17) Earned Income Tax Credits 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 age 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) Money paid by an approved child-placement agency to the client for providing foster care for a child if the money is received through Title IV-E of the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272). Money received through Article VII of the Public Welfare code (62 P.S. Sections 701 - 774) also is not counted.
- (24) Earned income from temporary census employment.
- (25) Unemployment Compensation reductions due to a low balance in the Unemployment Compensation Trust Fund.
- (26) Income of temporary Census employees that is received directly from the Census Bureau.
- (27) Guaranteed Income Pilot Program Payments.
- (28) AmeriCorps income.
- (29) 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;
 - Bank fees;
 - 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.

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.

- (1) 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.
- (2) 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 DHS 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.

- (1) The applicant for a Cash benefit must provide either a recent fuel bill or receipt for the primary 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 primary and secondary fuel types.
- (2) The applicant for a Crisis benefit shall prove payment responsibility for either the primary or secondary fuel type of the household. In the absence of a recent bill or receipt due to prior termination of service, verification is required from the vendor that service will be activated pursuant to a determination of eligibility for LIHEAP.
- (3) 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 primary type of fuel used to heat the home of the applicant household.

- (4) Proof of payment responsibility for either a Cash or Crisis benefit may be in a name of a non-household member in certain reasonable situations, such as the death of the person billed or credit problems of the applicant. The applicant must provide written proof of address other than the heating bill and explain why the bill is in another person's name and confirm that the household has the obligation to pay the bill.

EXAMPLE: 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.

- (1) Information about a LIHEAP applicant or recipient is confidential and may be disclosed for only the following purposes:
 - (i) To aid in the investigation or prosecution of suspected fraud in connection with LIHEAP; or
 - (ii) To cooperate with federal or state authorities regarding LIHEAP audits, reports, reviews, and investigations.
- (2) 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.

DHS 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.

- (1) 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.

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

- (1) If an overpayment occurs because of suspected fraud, client error, or client misrepresentation, DHS will refer the overpayment for collection or prosecution to the Office of State Inspector General, P.O. Box 8016, Harrisburg, Pennsylvania 17105-8016, under Supplemental Handbook Chapter 910 (relating to overpayment recovery).
- (2) If an overpayment occurs because of vendor error, misrepresentation, or fraud, DHS will take progressive steps, if necessary, to seek restitution of the

overpayment. 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. Recoupment is made in accordance with §601.145.

- (3) If an overpayment occurring because of fraud, error, or misrepresentation by either client or vendor is less than \$25, DHS will not seek restitution of the overpayment, but a referral will still be made to the Office of State Inspector General.
- (4) 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 State Inspector General.

§601.145. Accounts Receivable

DHS 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 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 client who has subsequently moved to another county and is no longer a 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. If unable to be recouped, any outstanding balances that have not been returned by the vendor may be referred to the Attorney General's Office for collection proceedings and all other legal remedies.

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. The vendor agrees to apply the full payment amount of each LIHEAP benefit approved by DHS to the respective account of each LIHEAP recipient whom the vendor serves.

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

WEATHERIZATION ASSISTANCE

This attachment constitutes the DCED portion of the DHS State Plan specifically applicable to LIHEAP for FY 2027. The Pennsylvania WAP State Plan, as developed by DCED and submitted to the DOE, is hereby incorporated for reference.

For FY 2025, DCED received \$32,858,150 (annual), \$1,529,279 (the Infrastructure Investment and Jobs Act), and \$158,189 (reallotment of unobligated LIHEAP block grant funding) of the federal DHHS LIHEAP allocation from DHS for use in its LIHEAP Emergency Services Program and WAP.

Statistics regarding FY 2025 LIHEAP funding was as follows:

- Emergency Services: 7,011 completed units
- Clean & Tune: 2,819 completed units
- Standard Weatherization: 256 completed units
- Cooling: 277 completed units

Expenditure levels and other aspects of this plan are based on current growth and demand for both DCED's LIHEAP Emergency Services Program and weatherization activities. 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 separate components supported by LIHEAP funds administered by DCED: DCED's LIHEAP Emergency Services Program and weatherization activities.

EMERGENCY SERVICES COMPONENT

I. Introduction

The DCED has, since 1993, operated the LIHEAP Emergency Services Program (formerly the Crisis Interface Program) with LIHEAP funds for heating-related emergencies that are referred to the Weatherization Agencies by the local CAOs. This program is administered statewide by DCED due to its ability to leverage its robust network of WAP Agencies and their extensive contractor pipeline. The program involves two distinct services: supply shortages and weather-related emergencies. Most supply shortages are resolved with vendor payments by DHS while weather-related emergencies are referred to local WAP Agencies and include repair/replacement of heating systems, fuel lines, broken windows, and pipe-thawing. Eligibility for these emergency services is determined by the local CAO prior to a referral being sent to the local WAP Agency.

II. Eligibility Determination

LIHEAP eligibility for DCED's Emergency Services Program is determined by the local CAO based on income levels determined by DHS. The eligible income level for emergency services is determined annually by DHS, which may be lower than the WAP income eligibility levels, determined by DOE.

Although no additional income eligibility determination is required to be performed by the WAP Agency, it is possible for the WAP Agency to discover income or household information discrepancies at the time of visit.

In such cases, when the WAP Agency personnel find that an applicant's situation may not meet emergency services 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.

A housing unit will not be eligible for emergency services 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 and/or permanent residence.
- 4) The housing unit has been condemned or deemed uninhabitable by local, state, or federal authorities.
- 5) The housing unit is a recreational vehicle or camper that is not permanently located in Pennsylvania.
 - a. Persons living in recreational vehicles (Campers and RVs) are ineligible for LIHEAP unless they provide verification the recreational vehicle is permanently located in Pennsylvania, they have no other permanent residence, the heating appliance is being used in accordance with the heating appliance manufacturer's specifications, and they are responsible for heating costs.
- 6) It is a manufactured/mobile home moved to a location that does not allow its heating system's current fuel type.

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

- 1) The heating appliance is not installed and operating based on the manufacturer's specifications or current code requirements, whichever is more stringent, and is not 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 or mobile home park owner.
- 4) Property for sale that requires a heating system replacement should be reviewed for details regarding ownership and timing of sale, for example, if the home is under contract and ultimately who will benefit from a heating system replacement.
- 5) Home is in foreclosure process.

III. Referral Procedures

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

IV. WAP Agency Program Responsibilities

It is the responsibility of the WAP Agency to address the emergency within 48 hours or, if the client is in a life-threatening situation, within 18 hours. This does not mean that the repair or replacement must be made within 48 (or 18) hours. Instead, the WAP Agency is responsible to document that its staff have discussed with the household the timeframes 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 emergency is over or was provided an auxiliary heater for use until the emergency has been resolved. These actions do not absolve the WAP Agency's responsibility to resolve the actual emergency at the earliest possible date, although resolution to the emergency may, in some circumstances, be confined to providing a warm room within the home. When providing emergency services, it should be determined that the benefit from the services accrue to the client.

The measures for which WAP Agencies will be responsible under DCED's LIHEAP Emergency Services program are as follows:

- Repair of heating system
- Loan of auxiliary heater
- Repair or replacement of gas or fuel lines
- Replacement of un-repairable heating systems
- Repair of hot water heating system
- Heating system pipe thawing service
- Repair or replacement 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 cost-effectively repaired, or repairs will correct the problem

only temporarily. The home's A/C system may be repaired or replaced if it's pre-existing, integral to, and integrated within the home's overall HVAC system. Heating System repairs and replacements should be conducted according to the manufacturer's instructions for the heating system. The repair of a water heating system, including repair of water pumps and accessories, is allowable if the system is essential for producing home heat, if the hot water system is affected by the required heating system repair or replacement or the need has been evaluated to be repaired or replaced during the emergency services inspection. If excavation, which would be considered to be the client's responsibility, is needed in the repair or installation of gas or fuel lines, it is an allowable expense as long as the expense is reasonable. The utility company should be contacted to confirm the responsibility of gas or fuel line repair or installation. The utility company must be contacted for all gas leaks. The repair or replacement of broken windows or repair or replacement of hot water heaters is only allowable if the heating system is also being repaired or replaced.

WAP Agencies will provide client education regarding all measures completed. WAP Agencies will also provide a client complaint procedure for DCED's LIHEAP Emergency Services clients.

V. Client Responsibilities

The client or their designated proxy is responsible for being available to sign off on client education and all measures completed. A 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. The client must provide permission in writing for any and all work performed. If the home is a rental, the landlord's permission is also recommended. The client or their proxy must be available to sign off on the final inspection and client satisfaction documents.

VI. Allowable Expenditures

All allowable expenditures for the statewide administration and implementation of DCED's LIHEAP Emergency Services Program are to be paid from LIHEAP funds allocated to DCED. There is no reimbursement required from the CAO.

DCED's LIHEAP Emergency Services funds are utilized for work completed by DCED staff, WAP Agency staff, and their subcontractors. These funds may not be used for work that was not authorized by DCED or the WAP Agency. DCED will establish annually the expenditure threshold for LIHEAP Emergency Services in-home work requiring prior state approval. Any work exceeding this threshold must receive prior DCED approval. Requests involving fuel switching or heating system changes must include at least two estimates and also receive prior DCED approval.

DCED reserves the right to allocate DOE funds in place of LIHEAP dollars when deemed appropriate and in the best interest of program objectives, provided that DOE

funds are used in compliance with the rules and regulations of the Weatherization Assistance Program. This approach, as implemented, is intended to preserve LIHEAP funds to ensure DCED can maintain operations throughout the LIHEAP program year as defined by DHS.

VII. Rental Dwellings

DHHS' regulations require that owners and renters receive equitable treatment under the LIHEAP program. Therefore tenants, when referred by a CAO, are considered eligible for emergency 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 to include asking for landlord's response, address and phone number. In all cases, the WAP agency may require prior permission from the landlord to enter the premises to provide emergency services.

DHHS' 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 in which the heating system is shared) is not eligible for service under DCED's LIHEAP Emergency Services Program component.

VIII. Subcontracting for Emergency Services

In order to maintain the greatest consistency with DCED's WAP guidelines, contractors under current subcontract agreement with the WAP Agency should be utilized to provide emergency services.

However, due to the demand and emergency nature of DCED's LIHEAP Emergency Services Program, it may be necessary to secure services from contractors not normally utilized and/or not currently under a subcontract with the WAP Agency. In such instances, WAP Agencies may 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.

Any such procurement must be conducted in accordance with the WAP Agency's established procurement policies and procedures, including those governing local housing authorities, units of local government, or other public or quasi-public entities, as applicable. These policies must be consistent with all applicable federal, state, and local procurement requirements.

These temporary subcontractors must meet the Environmental Protection Agency lead safe work practice and Occupational Safety and Health Administration 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 emergency services (e.g., those who have a service contract or a current fuel vendor). If, after review, the WAP 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 emergency heating system installations performed by a contractor that is not normally affiliated with the WAP must be inspected prior to payment.

IX. Emergency Services Monitoring Schedule

DCED will conduct virtual monitoring of three percent (3 percent) of completed units under this program component. Some onsite monitoring may be conducted at the discretion of DCED. Since emergency services work primarily involves repair and replacement of broken heating units, the monitoring review will include a review of work done, the funds expended and sign-off of client, according to a specific monitoring checklist developed for the monitoring of emergency heating jobs. Included in the monitoring review strategies, DCED regularly reviews emergency fuel switch projects and those exceeding defined allowable spending thresholds to ensure compliance with applicable requirements and to issue formal approval prior to project commencement. These reviews are included in the three percent of units monitored. Depending on the results of the emergency services review, any findings or concerns will be incorporated into the WAP Risk Assessment process, issued with monitoring reports and/or discussed with an agency via email or phone conference.

WEATHERIZATION ACTIVITIES 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 to perform weatherization activities are allocated by DOE to the Commonwealth, 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, 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 WAP of the Commonwealth of Pennsylvania to reduce energy consumption and cost in low-income households throughout Pennsylvania. Pennsylvania WAP accomplishes this mission in thousands of homes throughout the Commonwealth every year.

Pennsylvania WAP also accomplishes its mission by training and certifying weatherization workers at local WAP Agencies to take a scientific approach to reducing energy usage in the home. These workers achieve this in two ways: First, workers perform a standardized whole house energy audit to determine which energy efficiency measures should be performed. All energy conservation measures must meet the acceptable savings to investment ratio (SIR) of one or greater for the whole house based on the audit results. WAP Agencies must try to achieve the highest possible SIR for the unit. 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.

Pennsylvania 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 Pennsylvania 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 FY, a State Plan is required for continued participation in DOE's WAP. Accordingly, the Pennsylvania State Plan is approved annually by DOE and 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. Weatherization activities supported with LIHEAP funds will generally be administered in a manner consistent with the Pennsylvania WAP State Plan, including the use of DOE-

approved energy conservation measures, eligibility parameters, and technical standards, where appropriate. However, because LIHEAP is administered under separate federal authority, DCED reserves the discretion to modify or waive specific DOE-WAP requirements when necessary to address programmatic needs, emergency conditions, or other considerations associated with LIHEAP-funded activities.

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

II. Production and Expenditure Schedule

DCED provides weatherization activities to eligible households according to the prioritization procedures established in the DOE Pennsylvania On-File Information (Master File) but when utilizing LIHEAP funds, WAP Agencies may first give consideration to current LIHEAP clients. Efforts to provide services to LIHEAP Clients may eventually alleviate their need to access LIHEAP funds and services in the future.

III. Program Coordination

Societal benefits of Weatherization efforts 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 or neighborhood.

DCED also allows both WAP and LIHEAP funds to be utilized on the same unit to help maintain the required DOE established Average Cost Per Unit (ACPU) and allow for all energy-savings measures to be completed per the unit's energy audit.

The programs outlined in Sections IV through VI are contingent on available funding. While DCED is providing program details for reference, these programs are not expected to operate the upcoming fiscal year due to current constraints.

IV. PA LIHEAP Deferral Program

For the LIHEAP Deferral work, the agency must submit a proposal to utilize the LIHEAP Deferral funds, the deferral work must be completed in the first year and the weatherization work must be completed within the second year.

The program has been in operation since 2017 and has utilized over \$5 million to complete over 1,000 units, 700 of which have also been weatherized since the program was initiated. The ACPU for the Deferral Program units is about \$4,500. Common

measures completed were knob and tube remediation, roof repairs, and addressing mold and moisture issues. Allowable repairs in the Program will be more extensive such as plumbing and electrical work, mold and mildew remediation via specialists and roof repair which goes beyond what is usually allowable in the WAP.

The goal of the program will be to perform the additional repairs in the home so that it will be in appropriate condition to perform a weatherization audit and install energy conservation measures within one year of the Deferral Program's completed measures. The end result achieved in the Deferral Program homes will be increased energy savings, fuel use and cost reduction and providing a safe, healthy home environment.

When the program is available, homes targeted for the Deferral Program will be homes that would have been deferred from WAP services due to structural and health-related issues. If the overall LIHEAP level of funding remains the same or is increased, the LIHEAP Deferral Program will continue to be evaluated for consideration the upcoming year.

V. PA LIHEAP Clean & Tune Program

The LIHEAP Clean and Tune program was made available in October 2022 and continued through Fall of 2025. The purpose of the program is to perform off-season non-emergency preventative maintenance services and provide client education to protect the health and safety of the client while preserving the integrity of the client's heating system and equipment. Although the Clean and Tune service is considered non-emergency work, as part of this program, it is allowable to provide this service as part of an Emergency Services job.

As stated in previous years, the continuation of this program is dependent on funding availability. The LIHEAP Clean and Tune program was not available in 2026 program year. However, as noted, many LIHEAP clients do receive general maintenance services as part of their Emergency Service project when a malfunctioning unit is repaired in-season.

When the program is available, the homes targeted in this LIHEAP Clean & Tune Program are the homes that received **any** LIHEAP services during the previous LIHEAP season. Homes that are currently receiving DOE or LIHEAP WAP or Readiness/Deferral work would also be eligible for the Clean and Tune Program.

VI. LIHEAP Emergency Services Cooling Program

The purpose of the program is to provide a home with a comfortable area in extreme heat, replace or repair cooling units that are not working efficiently, improve household air quality and provide client education to protect the health and safety of the client while preserving the integrity of the client's cooling equipment. These goals will be met by providing eligible households with an Energy-Star rated air conditioner with cover/s or

repairing or replacing an existing heat pump or central air system and educating the client about energy conservation.

When the program is available, the homes targeted in this LIHEAP Emergency Services Cooling Program are the homes that received **any** LIHEAP services during the previous LIHEAP season. Homes that are currently receiving DOE-WAP, LIHEAP Weatherization activities, or DOE-WAP Readiness/Deferral work will also be eligible for the LIHEAP Emergency Services Cooling Program. Homes are eligible for replacement cooling services once every 10 years.

VII. Average Cost Per Dwelling Unit

Weatherization activities supported with LIHEAP funds will be managed in a manner that promotes cost reasonableness and the efficient use of program resources. While LIHEAP does not establish a required ACPU comparable to the requirements under the DOE, DCED may, at its discretion, apply or reference WAP ACPU standards or other cost benchmarks when determining appropriate expenditure levels for weatherization-related activities funded through LIHEAP.

VIII. Rental Dwellings

DHHS' regulations require that owners and renters receive equitable treatment under the LIHEAP program. Therefore, tenants are considered eligible for weatherization activities. However, on the basis of an implied warranty of habitability assumed by the landlord/owner, prior to weatherization, the landlord/owner will be contacted regarding any weatherization activities to be performed. Permission must be granted by the landlord/owner to enter the premises to perform weatherization activities. Please see additional information in Section X. Minimum Program Requirements below regarding rental dwellings.

IX. Types of Weatherization Work to be Performed

All DCED weatherization services supported with LIHEAP funds must adhere 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 Pennsylvania WAP Agencies and their subcontractors. DCED, for consistency with DOE-WAP requirements, requires a Standardized Whole-House Audit for every single-family unit receiving weatherization services. In addition, the Pennsylvania SWS Field Manual includes the SWS for the most common measures performed in Pennsylvania and is coupled with Pennsylvania's state-specific guidance regarding policy and technical program requirements. All Pennsylvania WAP weatherization workers are required to use Pennsylvania'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 Pennsylvania SWS Field Manual and should be utilized for guidance on the SWS'

that may not be addressed in the Field Manual.

Pennsylvania's WAP is designed to reduce energy consumption of dwellings through the installation of energy conservation measures approved by DOE, based on their SIR 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 existing health or safety problems or to assure health and safety in conjunction with the installation of the energy conservation measures.

Pennsylvania's 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 22-7. Pennsylvania will only install health and safety measures when the installation of weatherization measures necessitates a health and safety measure.

WAP Agencies may use funds to abate energy-related health and safety hazards only if elimination of such hazards is necessary before, or as a result of, installation of weatherization materials. When utilizing LIHEAP funds, WAP agencies have a set health and safety budget limit of 25 percent of the current ACPU 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 SIR, 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.

VII. Minimum Program Requirements

Minimum program requirements are outlined under 10 CFR 440.16 and include Eligibility and Re-weatherization requirements. Eligibility is also based on the DCED Eligibility, Prioritization and Weatherization Service List Directive.

Eligibility Criteria for Weatherization Activities

A dwelling unit shall be eligible for weatherization activities 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 12-month period preceding the determination of eligibility.
- Contains a member who has qualified for any LIHEAP assistance or Housing Urban Development asset tested-programs during the twelve 12-month period preceding the determination of eligibility.

In accordance with DOE program regulations, 200 percent of the FPIG is the determinant for income eligibility for all services provided under the WAP.

WAP 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;
- 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;
- An agreement is signed by both the owner/agent and tenant and witnessed by the WAP Agency to ensure 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;
- No undue or excessive enhancement shall occur to the value of the dwelling units; and
- Weatherization of eligible multi-unit buildings needs to demonstrate in detail that the benefits of the weatherization work accrue primarily to the eligible tenants.

DCED will continue to weatherize rental dwelling units in accordance with DOE regulations as identified in this Plan and the DCED WAP Directives, Guidelines, and DOE Pennsylvania 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
- The Consolidated Appropriations Act of 2021 amended 42 USC 6865(c)(2) to read as follows: “(2) Dwelling units weatherized (including dwelling units partially weatherized) under this part, or under other federal programs (in this paragraph referred to as ‘previous weatherization’), may not receive further financial assistance for weatherization under this part until the date that is 15 years after the date such previous weatherization was completed. This paragraph does not preclude dwelling units that have received previous weatherization from receiving assistance and services (including the provision of information and education to assist with energy management and evaluation of the effectiveness of installed weatherization materials) other than weatherization under this part or under other federal programs, or from receiving non-federal assistance for weatherization.” Weatherization work conducted with DOE or LIHEAP funds on completed units cannot be conducted again until 15 years after the official completion date. Please note this provision is subject to change based on any DOE’s additional guidance.

X. 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 WAP Agency 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 WAP Agency 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 WAP 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.
- If a complaint is resolved by the local WAP 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 easy access.
- If the complaint or WAP appeal reaches DCED, DCED requests the details in writing and, as appropriate, the monitoring supervisor and/or field monitor will make contact with both the client and the WAP Agency to assess the nature of the problem, establish responsibility and recommend corrective action, if necessary, in writing to the WAP Agency. Upon completion of the corrective action, the WAP Agency must provide written documentation to DCED.
- If the complaint involves work quality, the field monitor will review the work and may 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 WAP Agency. In some cases, this could require involvement, consultation or a referral to DOE or the DCED's Legal Office.

XI. Weatherization Monitoring Schedule

All WAP Agencies in Pennsylvania perform DCED approved weatherization services utilizing both DOE-WAP and LIHEAP funds as outlined within this Exhibit and must adhere to the standards and guidelines of both. Additionally, most LIHEAP weatherization activities are integrated with DOE-WAP projects, where DOE funds serve as the primary funding source.

To maintain quality control and ensure proper implementation of LIHEAP weatherization activities, DCED follows DOE's requirement to monitor at least five percent of all DOE-WAP units annually. The DCED monitoring team prioritizes units where LIHEAP and DOE-WAP funds are integrated into the project, and these monitoring visits may be counted towards the overall three percent quota rule established within this plan under the monitoring section for DCED's LIHEAP Emergency Services Program.

WAP Performance/Risk Assessments will be conducted annually for each agency. As risk is determined, each agency will be addressed based on the results. Follow-up requests for information or phone conferences may be scheduled to review areas of risk.