

# Low-Income Home Energy Assistance Program Plan Summary\*

\* This summary was submitted as part of Oregon's Detailed Plan for FFY 2005. It provided for information only and should not be viewed as part of the 2006 Abbreviated State Plan.

## Authorization of Agency

### **DESIGNATED ADMINISTERING AGENCY AND SERVICE DELIVERY SYSTEM**

The Oregon Housing and Community Services Department, (OHCS) has been designated as the administering agency for the Oregon Low Income Energy Assistance Program, (LIEAP) as established by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, Title XXVI, (Low-Income Home Energy Assistance Act of 1981), Sections 2601-2610 of the Act, as amended by Title VI of the Human Services Reauthorization Act of 1984, Public Law 98-558; 45 Code of Federal Regulations, Part 96; Title V of the Human Services Reauthorization Act of 1986, (Public Law 99-425) Title VII of the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (Public Law 101-501); 45 Code of Federal Regulations, Part 96; FSA IM-91-3, Oregon Administrative Rules, Chapter 813, Division 200. OHCS will abide by all provisions in those laws.

OHCS will contract with Community Action Agencies (CAAs) as sub-grantees across the state who may in turn utilize referral centers and satellite outreach locations. Sub-grantees work closely with other local agencies to maximize local contacts and locate potentially eligible participants. They also operate the existing statewide weatherization programs, which provide important support for the weatherization and energy-related home repair portion of the LIEAP program. Special services will be available for the deaf/hearing impaired and blind/sight impaired, such as interpreters and large type information, with advance notice. Bilingual/bi-cultural services will be available for applicants. Applications may be taken at some Adult and Family Services (AFS) offices as well as senior agencies.

## 1. Allotment of Funds

OHCS will use the available LIEAP funds to assist eligible households to meet the costs of home heating energy and will make payments only as specified.

The project budget, based on percentages is:

|  |       |                                   |
|--|-------|-----------------------------------|
| Heating Assistance                     | Up to | 56.84 percent of available funds  |
| Crisis Assistance                      | Up to | 3.00 percent of available funds   |
| Weatherization                         | Up to | 15.00 percent of available funds  |
| Carryover to following Program Year    | Up to | 10.00 percent of available funds  |
| Administrative and Planning            | Up to | 10.00 percent of available funds  |
| Services to Reduce Home Energy Needs   | Up to | 5.00 percent of available funds   |
| Develop and Implement Leveraging Funds | Up to | 0.16 percent of available funds   |
|  | Up to | 100.00 percent of available funds |

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

OHCS will set aside 15 percent of the LIEAP funds for residential weatherization or other energy-related home repair and energy conservation information through OHCS weatherization programs. After March 30, OHCS may request a waiver for an additional ten (10) percent of LIEAP funds for residential weatherization. Upon approval by HHS, sub-grantee agencies would be given the option of using the additional ten (10) percent in their weatherization program or retaining it in direct energy assistance payments.

**Tribal Allocation** - In accordance with the provisions of the Act [Section 2604(d)(1)], federally recognized tribes within the state may request and receive grants directly from the federal government to administer programs authorized under the Act. Tribes will have until September 1<sup>st</sup> to apply for a direct grant from the U.S. Department of Health and Human Services (HHS) for LIEAP. Tribes that do not apply by September 1<sup>st</sup>, will be assisted through the CAA in their area.

The State and HHS will confer to establish a percentage of State funds each eligible tribe may receive if it chooses to contract directly with HHS. Each tribe's set-aside will be subtracted from the total state allocation. OHCS will not contract directly with tribal organizations to provide energy assistance with LIHEAP funds.

**State Allocation** - Local service program allocations are based on factors such as the total income eligible households, heating degree days, cost of home energy, local capacity and other criteria. As part of program quality improvement, the state allocation process is being reviewed to address the most current statewide demographic data.

## 2. Eligible Households

OHCS will make payments to or on behalf of households whose verified gross annual incomes are equal or below 60% of the State's median income for the current program year. Income guidelines to qualify for LIEAP program benefits are as follows:

**Income guidelines for Oregon**  
**60% of Median Income for 2006**

| Household Unit Size    | Annual Income | Monthly Income |
|------------------------|---------------|----------------|
| 1                      | \$19,210.00   | \$1,600.83     |
| 2                      | \$25,121.00   | \$2,093.42     |
| 3                      | \$31,031.00   | \$2,585.92     |
| 4                      | \$36,942.00   | \$3,078.50     |
| 5                      | \$42,853.00   | \$3,571.08     |
| 6                      | \$48,763.00   | \$4,063.58     |
| 7                      | \$49,872.00   | \$4,156.00     |
| 8                      | \$50,980.00   | \$4,248.33     |
| 9                      | \$52,088.00   | \$4,340.67     |
| 10                     | \$53,196.00   | \$4,433.00     |
| 11                     | \$54,305.00   | \$4,525.42     |
| 12                     | \$55,413.00   | \$4,617.75     |
| Each Additional Member | \$1,662.39    | \$138.53       |

### 3. Public Education

In accordance with Pub. L. 97-35, Section 2605(b)(3), as amended, OHCS will conduct public education activities to assure that eligible households, especially the elderly and handicapped, 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. OHCS and local service providers will inform individuals, groups, and families about the LIEAP Program through mass mailings, notices to the media, brochures, posters, and through voluntary and religious organizations.

Additional public education activities will include the following:

- Home visits or applications with return, pre-stamped envelopes mailed to homebound individuals who need help in applying for benefits.
- Publicity materials provided to the Community Action Agencies (CAAs) and other agencies to inform the elderly and disabled population of LIHEAP benefits and requirements.
- Activities outlined in the Minimum Standards for Energy Efficiency Education
- OHCS serves as a central information source for persons requesting information about the program. A statewide toll-free telephone number is available in order to make applicant referrals to local programs. Administrative costs will be kept to a minimum at the state level and, as much as possible, those funds will be allocated to the local service providers to assist in hiring sufficient staff to process applications as quickly as possible.

### 4. Coordination with Other Energy-Related Programs

The Oregon LIEAP program coordinates its activities with existing fuel funds, fuel suppliers, and local governmental and social service agencies to provide additional services to LIEAP eligible households. These might include waivers of deposits, disregard of arrearage and discounted rates by utility companies, donated wood or services by local organizations, discounts on weatherization materials or services, and other types of benefits.

CAAs work with local fuel fund organizations to assist clients when they do not meet the LIEAP eligibility guidelines or they have exhausted LIEAP funds.

The home energy suppliers (HES) also serve as valuable outreach information sources, giving information to their customers about the program. Some of them may also provide outreach offices in rural areas.

In the past, Oregon has received settlement funds from several sources related to the recovery of funds from energy companies' excessive charges collected in violation of federal pricing regulations. Oregon Housing and Community Services will coordinate the distribution of these settlement funds with LIEAP, Oregon Energy Assistance Program, and weatherization program funds as appropriate to benefit low income Oregonians.

Eligibility is based on LIEAP eligibility guidelines, as well as other factors determined at the local level, but recipients do not have to receive LIEAP to be eligible.

## 5. Highest Benefits to Neediest Households

Assistance levels will be developed to provide assistance to the greatest number of eligible recipients and also provide the highest level of assistance to households with the lowest income and highest energy costs in relation to income. Factors to be used to develop assistance levels will be funds available, household size, income, and geographic location as it relates to climate. An eligible household may receive one regular assistance payment and/or one crisis assistance payment. Payments may be divided between one or two home energy suppliers, if necessary, with the major portion of the payment going to the primary heat source.

## 6. Participation of Local Administering Agencies

**Training and Technical Assistance (T&TA)** - Funds budgeted for this activity will be used to increase and improve the level of technical skill and knowledge at the Sub-grantee level. These funds will be used for training and workshops that are appropriate to the low-income weatherization effectiveness. These funds must be used for appropriate T&TA activities and not for administrative costs. A maximum of 5% of the LIEAP Weatherization funds will be allowed for T&TA activities.

## 7. Home Energy Suppliers Requirements

Local service providers' responsibilities include: contracting with local vendors, providing outreach to Seniors and Disabled, scheduling appointments and completing intake applications, eligibility verification, data entry of applications, approval of payments, providing client education and budget counseling when applicable, issuing payments to local vendors and clients, following up with the home energy suppliers to determine that the applicants are receiving proper benefits and services, and assisting with recovery of invalid payments.

### **Coordination with home energy suppliers**

Both OHCS and CAAs are responsible for coordinating with and reaching agreement on program services with home energy suppliers. Local sub-grantee agencies will distribute contracts to all suppliers who have previously had contracts and any new suppliers who have requested contracts.

All suppliers who participate in the LIEAP program must sign contracts agreeing not to discriminate against eligible households and to charge households in the normal billing process the difference between the actual cost of the home energy and the amount of LIEAP payment.

Energy suppliers who participate in the LIEAP program may not to treat applicants or recipients differently or adversely because they are receiving LIEAP benefits. Any home energy assistance payments or allowances provided directly to, or indirectly for the benefit of, an eligible household under the LIHEAP title shall not be considered income or resources of such household (or any member thereof) for any purpose under any Federal or State law, including any law relating to taxation, food stamps, public assistance, or welfare programs.

Any supplier unwilling to sign and abide by an agreement is disallowed to receive payments from LIEAP.

Payments are allowed for incidental fees including reconnection charges, deposits, and other appropriate charges from home energy suppliers. Agencies are discouraged from creating significant utility bill credits.

Contracts may be signed with landlords who include heat-in-rent agreements; however, rental discounts must be provided to the LIEAP recipient to cover the amount of the energy assistance payment. Local service providers may themselves contract as fuel suppliers; i.e., as wood distributors or repair service providers. Samples of contracts are contained in the LIEAP Operations Manual.

## 8. Equitable Treatment of Renters and Owners

Both renters and homeowners will be eligible and those households in similar circumstances will receive similar benefits. Special payments cover those unusual circumstances wherein applicants are determined by the local LIEAP Coordinator to be in need of less than a full regular payment.

## 9. Administrative and Planning Costs

In accordance with Section 2605(b)(6), ORS 458.505 to 458.515, OAR Chapter 813, Division 200 and the OHCS Master Grant Agreement. OHCS 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. OHCS has determined that the designated agencies meet program and fiscal requirements established by the State. OHCS, through its CAAs, will administer the provision of cash benefits and its outreach efforts, including specialized outreach to the elderly, disabled and families with children under six years old. OHCS will administer its energy crisis component through the Community Action Agencies, and other local agencies with experience in administering 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.

## 10. Monitoring and Audit:

In accordance with Section 2605(b)(10), as amended, ORS 458.505 to 458.515, OAR Chapter 813, Division 200 and the OHCS Master Grant Agreement OHCS will perform the following:

### **Application Monitoring Procedures**

The monitoring process will review for:

- Complete and accurate applications,
- Correct determination of payments,
- Applicant households meet program income eligibility requirements,
- Compliance with policies and procedures set out in the LIEAP Operations Manual

**Agency Monitoring Procedures:**

OHCS Fiscal Operations monitors fiscal operations at the local agencies. The comprehensive review includes the following items:

- General Ledger and all Support Journals
- Cash Receipts Journal
- Cash Disbursements Journal
- Payroll Journal
- General Journal
- Expenditures on the Financial Status Report (FSR) sent to OHCS with the agency

OHCS is responsible for training and technical assistance to the local service providers and home energy suppliers, monitoring of programmatic and fiscal operations, and any required reports and audits. OHCS will provide detailed instructions on program operation in the LIEAP Program Operations Manual.

The OHCS Master Grant Agreement requires all Community Action Agencies to submit a LIEAP workplan that incorporates program support expenditures, outreach and intake activities as well as certification of energy payments. All workplans and administrative expenses are monitored throughout the program year for compliance with federal and state regulations.

**Audits**

Audits will be conducted of OHCS and its local service providers by an entity independent of any agency administering activities or services under LIEAP and in accordance with generally accepted accounting principles and audit standards of the U.S. General Accounting Office.

## 11. Federal Investigation

In accordance with Section 2605(b)(11), OHCS will permit and cooperate with Federal investigation undertaken in accordance with Section 2608.

## 12. Public Participation

Three regional meetings were held in the spring to evaluate the programs effectiveness from the previous year. LIEAP Coordinators, staff members and vendor representatives were present and their recommendations were incorporated into this plan. Comments/Notes from each meeting were transcribed and provided to all people who attended (see attachment C)

OHCS conducted a public hearing on August 12, 2005 with respect to the proposed LIEAP State Plan for FFY 2005. The minutes and written comments are included as Attachment A. OHCS conducted a statewide survey requesting recommendations to the state's LIEAP program. Survey participants included: local energy assistance and weatherization coordinators, executive directors and utility representatives. Additionally, the Energy Policy Sub-committee of Community Action Directors of Oregon was intimately involved in the development of this state plan.

CAAs are required to participate in community-based planning process to develop their Community Resources Division workplan (a planning and budget document) which is submitted to OHCS and must be approved by the Contracts Manager and LIEAP Program Coordinator before grants are awarded.

### 13. Fair Hearing

Fair administrative hearings will be provided for persons who are denied assistance or whose applications are not acted upon with reasonable promptness. Notices shall be posted in all intake offices regarding the hearing procedure, and clients will be verbally informed of that procedure at the time of application. At the time of denial, they will receive a written notice of their appeal rights. Hearing procedures and appeal rights will be listed in the LIEAP Program Operations Manual.

### 14. Data Collection and Reporting

OPUS is the official OHCS web-based data collection system and is the primary data collection system for LIEAP. All LIEAP CAA currently use OPUS when conducting direct intake activities with clients. Local service providers who administer LIEAP as a mail out program working to make current business practices fully utilize OPUS for direct intake. They are still required to enter the applications into OPUS promptly as described in the LIEAP Operations Manual.

Required program reports are specified in the OHCS master grant agreement and the LIEAP Operations Manual.

### 15. Additional Outreach Intake Sites

CAAs may pre-screen applications for the elderly and disabled as early as October 1<sup>st</sup> and through November 30<sup>th</sup> of the program year. Beginning December 1<sup>st</sup> all eligible households will be served on a first come first served basis. This includes seniors and disabled households. The regular LIEAP assistance program officially begins on December 1<sup>st</sup> but may start at various times based on when the federal government releases funds, as well as the needs of the sub-grantee's client population. It will not begin before December 1<sup>st</sup> of the program year. Agencies who wish to start pre-screening later than November 1<sup>st</sup>, and begin the regular program later than December 1<sup>st</sup> must submit justification for late start up time to OHCS for approval.

Senior and disabled households may be pre-screened and served during the first month of the program year. Special outreach efforts will be made to target seniors and disabled persons and households with children under 6. An in-home intake or application by mail option will be provided for those who are homebound.

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

In order to encourage energy conservation, applicants for LIEAP are informed about participation in the weatherization program and may receive home energy audits. Energy conservation information and educational programs on energy conservation may also be

provided. Once a household has been determined eligible for weatherization, it is placed into the local service provider's priority listing for service. Client education has proven to be a very cost-effective way of increasing energy savings, but current available resources make it difficult for local agencies to develop and provide a comprehensive client education program. Funds budgeted for this activity will not exceed 5% of LIEAP funds and will be used only to increase the energy awareness of low-income clients. Any client education delivered by a subgrantee agency must meet the Oregon Minimum Standards for Client Education.

Emphasis will be placed on empowering families and individuals with knowledge and information that will allow them to make appropriate life style decisions that will have a positive impact on the amount of their disposable income that must be spent on utility bills. Coordination with local utilities and fuel funds will be encouraged in these activities.

## 17. Energy Crisis Assistance

Local service providers will ensure that there are timely responses to emergency situations and that the special needs of the elderly and disabled are met. Application sites to provide crisis benefits will be geographically accessible.

Based upon prior year's data, a percentage of program funds will be reserved by each service provider for energy crisis intervention. These funds will be reserved from program start up to March 15<sup>th</sup>, unless program funds are exhausted.

Households may be eligible for a crisis assistance payment under specific criteria described in the LIEAP Operations Manual. However, households must have first received a regular LIEAP assistance payment and exhausted all other resources.

Households facing energy-related emergencies including weather-related and supply shortage emergencies, must be served by a "fast track" or expedited procedure which ensures that:

- for life-threatening energy crises, the crisis must be relieved within 18 hours of application; and
- for non-life-threatening energy crises, the crisis must be relieved within 48 hours of program application. Priority will be given to persons facing life/health-threatening situations.

Local program contractors must ensure that energy crises are responded to through March 15<sup>th</sup>. If direct service funds are exhausted before March 15<sup>th</sup>, staff should be available to answer the telephone and assist households in crisis by providing information, referral and/or case management services.

The following (including but not limited to) also constitutes a crisis: a disconnection notice; notice of termination from a budget or average payment plan; less than a ten-day supply of oil, wood or propane; insufficient funds to reorder and a substantially nonfunctioning or unsafe heating system.

Contractors may provide any of the following forms of assistance, or a combination thereof, that best resolves a given emergency situation:

- A. Energy Assistance Payments
- B. Emergency Services
- 1. Heat System Repair or Replacement

The household's furnace or primary heating system must be inoperative, substantially non-functional, or unsafe; the repair/replacement work must be cost-effective; and the applicant must be the owner of the dwelling. The program does not replace furnaces on rental property

Heat system repairs or replacement for costs not to exceed \$1800. LIEAP Agency must coordinate with the Weatherization Assistance Program (WAP) in their area to certify repair or replacement using Oregon's WAP guidelines. The following priorities shall be used when determining dollar amounts charged to funding sources: Other resources; LIEAP Weatherization; LIEAP Energy Assistance. The maximum amount allowed for furnace repair or replacement shall not exceed \$1800 (if costs are expected to exceed, agency must request prior approval by OHCS staff for help to coordinate with other resources).

- 2. Other Repairs and Services

Other repairs and services will not exceed the difference between the amount provided as the Heat System Repair or Replacement option and the total allowable standard energy assistance payment. The option is left to the local program contractor.

A description of the situation must be fully documented Comments Section of web-based data collection system (OPUS). Subsidized housing residents may be eligible for a crisis payment. The local LIEAP Coordinator must approve crisis payments.

## 18. Nondiscrimination

No person shall, on the grounds of race, color, national origin, sex or religious beliefs, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with LIEAP funds. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified disabled individual as provided in section 504 of the Rehabilitation Act of 1973 also shall apply to LIEAP.

## 19. Confidentiality

Public Law and Federal Regulations set restrictions on the release of confidential information and set guidelines for the disclosure of non-confidential materials. Confidential records are all applications, records, files, and communications of OHCS and their sub-grantees, relating to specific applicants for, and recipients of, services offered by this office.

## 20. Program Year

Agencies may begin the outreach activities the first week of October using carryover funds. October and November will focus on pre-screening priority populations. The Program officially opens on December 1 if funds are awarded to OHCS and ends on June 30<sup>th</sup>.

## 21. Leverage Resources

Leveraging incentive funds awarded to the State of Oregon under the leveraging incentive program will be used to increase or maintain heating, cooling, energy crisis, and/or weatherization benefits in conjunction with the LIEAP program or to provide a benefit after LIEAP funds have been depleted. Details of how OHCS sub-grantees participate in the LIEAP leverage grant are described in the LIEAP Operations manual and the 2005 Detailed State Plan.

## **DEFINITIONS**

**Budget Counseling** -Activities and instruction designed to help low-income clients make decisions to utilize household funds in an appropriate and effective manner.

**Client Education** - Activities and instruction designed to help low-income clients make appropriate decisions and life style changes to effectively reduce energy consumption.

**Crisis Assistance** - LIEAP funds specifically reserved to address criteria such as life threatening situations, supply shortages, cost of fuel disproportionate to household income, minor fuel source repairs and other situations as determined at the local level. (It does not include hot water heater repairs.) Only one crisis assistance per applicant household may be received in each program year. Subsidized households may receive one-half of a crisis assistance payment.

**Disabled** – Condition in which a person is unable to engage in any substantial gainful activity by reason of any medically determinable physical, or mental, impairment. Which can be expected to last for a continuous period of not less than twelve months. In the case of a child under the age of 18, if he/she suffers from any medically determinable physical or mental impairment of comparable severity he/she is considered disabled.

**Senior/Elderly** - Those persons age 60 and over.

**Farmworker** - Farmworker or farm laborer is a person working in connection with cultivating the soil, raising or harvesting any agriculture or aquaculture commodity or in catching, netting, handling, planting, drying, packing, grading, storing, or preserving in its un-manufactured state any agriculture or aquaculture commodity; or delivery to storage market, or a carrier for transportation to market or to processing any agricultural or aquacultural commodity.

**Health and Safety** - Activities and instructions designed to help low-income clients make appropriate decisions and life style changes to reduce health risks and improve home safety.

**Home Energy** - Type of energy or fuel supplying the major portion of the household's heat.

**Home Energy Supplier (HES)** - Companies who sign contracts with local subgrantee agencies and who either deliver fuel in bulk, such as oil, propane, wood, etc., provide electricity or natural gas continuously via wire or pipes, provide lodging with heat included in the rent, or provide an energy-related service.

**Household** - Any individual or group of individuals, who are living together as one economic unit for whom residential energy is customarily provided in common or who make undesignated payments for energy in the form of rent and have one fuel source or account.

**Incidental Fees** - Include reconnection charge, deposits, and other charges from home energy suppliers

**Income** - The total household receipts before taxes from all sources. Income does not mean assets for funds over which the applicant has no control.

**Indirect Heaters** - Renters whose heating costs are included as an undifferentiated part of their rent payments.

**LIEAP** - Low Income Energy Assistance Program.

**Program Benefits** - Direct benefits available to eligible LIEAP applicants. These may include, fuel payment, client education, budget counseling, weatherization self help kits, and utility liaison.

**Program Year** – Federal program year runs from October 1st through September 30<sup>th</sup>.

**Regular Assistance Payment** - The total amount from the payment matrix that can be divided between home energy supplier(s) and direct payments for recipients. A household may receive only one regular assistance payment in each program year.

**OHCS** - Oregon Housing and Community Services, the state agency designated as the administering agency for LIEAP.

**Subsidized Housing** - Persons whose housing and utility costs are subsidized may be eligible to receive payments. They must demonstrate that they have an identifiable energy cost. Households that are subsidized may receive one-half of a regular payment. Households may receive one-half of a crisis payment if the circumstances meet the requirements of the crisis policy. They are eligible for weatherization services if they are eligible for LIEAP.

**Weatherization** - The program whereby LIEAP eligible households have their homes weatherized.