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# LOW INCOME HOME ENERGY ASSISTANCE PROGRAM BLOCK GRANT ALLOCATION PLAN

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October 1, 2022 – September 30, 2023

AS APPROVED WITH AMENDMENT ON  
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STATE of CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

**NED LAMONT**  
**GOVERNOR**

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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM**  
**BLOCK GRANT ALLOCATION PLAN**  
**For Federal Fiscal Year 2023**

**I. INTRODUCTION**

The Connecticut Energy Assistance Program (CEAP) is designed to help offset home energy costs of Connecticut's lower income households, specifically those households whose annual income falls at or below 60% of the state median income (\$76,465 for a family of four).

CEAP is funded by the U.S. Department of Health and Human Services' (HHS) Low Income Home Energy Assistance Program (LIHEAP) block grant; however, at the time of the development of this allocation plan, the funding level for Federal Fiscal Year (FFY) 2023 has not been released. The estimated budget used in this allocation plan for the operation of LIHEAP for FFY 2023 assumes that the program will be level-funded at the FFY 2022 level of \$73 million through Continuing Resolutions and includes an estimated \$5.5 million in FFY 2022 LIHEAP carry-forward funds and \$400,000 in LIHEAP vendor refunds. for a total budget of approximately \$79 million. This constitutes the Department of Social Services' best estimate of funding that may be available to support the LIHEAP Block Grant Allocation Plan ("the Plan").

The Department of Social Services (DSS) and its operational partners at the nine Community Action Agencies (CAAs) will work in conjunction with local governments, private human services providers, and the General Assembly's committees of cognizance to assist Connecticut residents who are CEAP-eligible in maximizing potential energy assistance options.

As required by federal law, CEAP energy assistance benefits include the following:

**A. HEAT BENEFITS**

1. Basic Benefit
2. Crisis Assistance Benefit

**B. RENTAL ASSISTANCE BENEFITS**

Benefits available through CEAP vary to reflect need, cost, and/or energy burden. The FFY 2023 Plan is designed to provide the highest level of assistance to those households who have the lowest incomes, and the highest energy needs in relation to income, considering household size and vulnerability.

The provision of assistance under CEAP is subject to the availability of funds. If funds provided for payments under the Plan are determined by the state to be in danger of exhaustion prior to the scheduled program end date, the state reserves the right to close the program or portions of the program. If federal funding is provided in an amount higher or lower than the level assumed under the Plan, program services and benefits may be adjusted.

The Plan provides a framework for overall program operation. DSS will develop and implement policies and procedures to further define the rules of operation.

## II. ADMINISTRATION

The Department of Social Services' responsibilities in the administration of CEAP are to:

- A. Prepare and submit the LIHEAP Block Grant Allocation Plan to the Governor and, following legislative approval, submit the Plan to the federal government.
- B. Compile and submit any program reports required under state and federal law to the appropriate bodies.
- C. Act as grantee agency for the state for all LIHEAP funds.
- D. Ensure coordination of CEAP with other energy and conservation assistance programs offered by the state and other public or private entities.
- E. Contract with CAAs or any other non-profit or for-profit entities to provide standardized services to all eligible households, including those households receiving assistance from other DSS programs, and to process applications from any such households wishing to apply for benefits.
- F. Execute agreements with energy vendors to ensure program standardization and provide current lists of eligible vendors to DSS contractors.
- G. Ensure vendors are paid no later than thirty (30) business days after the CAA's receipt of an authorized fuel slip or invoice for payment from the vendor.
- H. Provide CAAs with lists of households whose Temporary Family Assistance benefits are being discontinued as a result of time limitations.
- I. Provide informational materials to inform clients in writing of other energy and conservation-related programs administered or funded by the state.
- J. Complete weekly and quarterly fiscal and program activity reports.
- K. Allocate personnel resources necessary to provide reasonable protection against client or vendor fraud, develop anti-fraud strategies designed to strengthen program integrity, maintain a fraud referral method for reporting suspected program abuse and investigate all reported claims of suspected program abuse.
- L. Track carry-forward funds from prior program years.
- M. Develop an estimated budget of total expenditures for the program year and, for DSS and each contracting agency, a line-item budget of administrative expenditures for CEAP. The budget shall be based on the release of the block grant funding level or, if the release is delayed, then the assumption that the block grant will be funded at the prior program year's level.
- N. Provide CAAs with the daily price per gallon for home heating oil purchased under CEAP.
- O. Track the number of gallons of home heating oil purchased under CEAP, as well as the average fixed margin price, the average retail price, and savings per gallon.
- P. Monitor the performance of the CAAs and program vendors in delivering services and in reporting to DSS.

- Q. Provide standard application forms and format for all energy programs administered by the Department. The application form shall include a statement that non-qualified aliens are not eligible for energy assistance benefits (other household members who are either qualified aliens or citizens may be eligible for energy assistance benefits).
- R. Maintain a system to verify recipients' Social Security numbers as part of the ongoing effort to maximize program integrity.

### III. **PROGRAM DEFINITIONS**

For the purposes of the Plan, the following terms are defined:

*Boarders* – Persons whose meals are included in their rent. Boarders are not eligible to receive CEAP benefits.

*Categorical Eligibility* – A determination that a household is eligible for LIHEAP assistance based on eligibility and enrollment in another means-tested program, including Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), State Supplement to the Aged, Blind and Disabled, Refugee Cash Assistance, or Supplemental Security Income (SSI). If a household is determined categorically eligible, intake staff do not need to repeat the income test for purposes of qualifying for LIHEAP assistance.

*Dwelling Unit* – Any residential property (i.e., apartment, house, or stationary mobile home) in which the occupants have exclusive kitchen facilities. It does not include commercial property, accommodations that have not been issued a certificate of occupancy or accommodations that are not listed as residential units in the tax assessor's records for the municipality where such accommodations are located.

*Energy Burden* – The percentage of household income spent on home energy costs.

*Household* – Any individual or group of individuals who are living together in a dwelling unit, or who purchase residential energy in common, or who make payments for such energy in the form of rent. Persons renting a room(s) within a dwelling unit are considered to be household members. Households do not include individuals who are boarders in rooming houses, who reside at an institution of higher learning, are incarcerated, or are foster children or foster adults.

*Income/Mean of Support* – Gross salaries/wages, tips, pensions, dividends, annuity distributions, interest, gross rental income, estate or trust income, royalties, Social Security, and veterans' benefits (excluding Aid and Attendance pension benefits), unemployment compensation, workers' compensation, monetary and non-monetary contributions from friends and relatives, alimony, child support, lottery winnings, self-employment income, and governmental assistance not otherwise excluded as income.

*Life-tenant* – A person entitled by law to occupy a property or dwelling for the duration of his/her life and who is responsible for maintaining the property.

*Life-Threatening Situation* – Any situation in which an eligible household is unable to secure primary deliverable heating fuel and is without (or within one week of) being without heating fuel.

*Non-Qualified Aliens* – Individual(s) who are in this country illegally and individual(s) who are here legally but temporarily (e.g., on student, tourist, or work visas).

*Primary Source of Heat* – The principal fuel source used by a household to heat its dwelling unit.

*Rental Assistance Households* – Households which do not make direct vendor payments for their primary source of heat. Such households include owners of dwelling units where the primary source of heat is not individually metered and is not separately billed to the household by a vendor.

*Retail Price* – The price charged by a vendor for services or product, exclusive of any discounts, delivered or provided to similarly situated, non-CEAP households.

*Refugee Cash Assistance* – DSS-administered federal funds related to the resettlement of refugees, assigned by the U.S. State Department to local affiliates of national voluntary resettlement agencies in Connecticut.

*State Supplement to the Aged, Blind and Disabled (State Supp)* – a state-funded program that provides a cash assistance benefit to individuals who receive SSI or other income necessary to pay for basic living expenses.

*Supplemental Security Income (SSI)* – A federal income supplement program designed to help aged, blind, and disabled people, who have little or no income; it provides cash to meet basic needs for food, clothing, and shelter.

*Supplemental Nutrition Assistance Program (SNAP)* – A federally-funded program administered by the U.S. Department of Agriculture and DSS that provides nutrition benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency.

*Temporary Assistance for Needy Families (TANF)* – A federal block grant administered by the Office of Family Assistance (under the U.S. Department of Health and Human Services' Administration of Children and Families ) and DSS to help low-income families with children achieve economic self-sufficiency.

*Temporary Family Assistance (TFA)* – The state's cash assistance program for families which is claimed under the TANF block grant.

*Vendors* – Persons or companies that provide a source of heat to dwelling units in legally measured amounts supported by proper documentation.

*Vulnerable Household* – Any household in which one or more members is elderly (defined as 60 years of age or older), has a disability, or is under the age of six.

#### **IV. INCOME ELIGIBILITY**

- A. Any household which makes direct to vendor payments for heat and in which a household member is participating in one or more of the following benefit programs is considered “categorically eligible” and will automatically be considered income eligible for energy assistance at a benefit level not less than that provided for households with income at or below 150% of the federal poverty guidelines (FPG):

1. Temporary Family Assistance (TFA)
2. State Supplement to the Aged, Blind and Disabled (State Supp)
3. Refugee Cash Assistance Program
4. Supplemental Nutrition Assistance Program (SNAP)
5. Supplemental Security Income (SSI)

Although categorically eligible, they must meet all other eligibility requirements to receive benefits.

150% OF 2022 FEDERAL POVERTY GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$20,385	\$27,465	\$34,545	\$41,625	\$48,705	\$55,785	\$62,865	\$69,945

(For households with more than eight members, add \$4,720 for each additional member.)

- B. With the exception of categorically eligible households described under Section IV.A. above, CEAP benefits are available to eligible households with incomes at or below 60% of the state median income.

60% OF 2022 STATE MEDIAN INCOME GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$39,761	\$51,996	\$64,230	\$76,465	\$88,699	\$100,933	\$103,227	\$105,521

**V. ELIGIBILITY CERTIFICATION**

- A. Basic Eligibility Criteria for Categorically Eligible Households

All households that are categorically eligible as described in Section IV.A. must apply in order to receive CEAP benefits. Categorically eligible households are deemed to have met all income eligibility and income verification requirements based on their enrollment in the programs cited in Section IV.A.

Categorically eligible households who receive TFA, State Supp, Refugee Cash Assistance, SNAP or SSI shall be determined income eligible at the Level 1 benefit amount but must meet all other program requirements in order to receive CEAP benefits.

- B. Basic Eligibility Criteria for All Other Eligible Households

- 1. Income Documentation

All other households will be required to document their income from either the previous thirty days or four consecutive weeks anytime in the last three months prior to the date of application, which is then annualized. Households have the option of documenting income for the previous fifty-two weeks prior to the date of application if that more accurately reflects their annual gross income. Households receiving income from self-employment are required to complete a Self-Employment Worksheet, detailing income for the previous six or twelve calendar months.

- 2. Energy Burden

At the time of application, each household that makes direct-to-vendor payments for their heat are required to submit a current copy of their electric utility bill, regardless of the household's primary heating source. This information will be used to determine a household's energy burden.

### C. Application Process

State residents may apply for energy assistance online, by email or mail using the standardized program application form, or in person at their local CAA or intake site. Residents may also initiate the application process by phone. In-person applications are taken in confidential settings to the maximum extent practicable. With the exception of households determined to be categorically eligible, regardless of the application method, documentation of income must be verifiable, or supported by affidavits, and households are required to fully comply with all reasonable requests for assistance in verifying eligibility through documentation. The state, through its agents or grantees, reserves the right to investigate and verify the income of households in order to protect the integrity of the program.

In order to maintain and expand upon recent improvements in administrative efficiency, and to reduce the procedural burden on applicants, the state will not require households to meet a liquid asset test in order to qualify for benefits. The suspension of the liquid asset test during FFY 2021 and subsequent elimination in FFY 2022 facilitated a dramatic increase in categorical eligibility and corresponding enrollment that allowed the state to significantly streamline operations and expand access to eligible households.

To further streamline operations and expand access to eligible households, the state will simplify the benefit matrix by reducing the number of benefit levels from five levels to three and combining Crisis Assistance and Safety Net Assistance to form a new Crisis Assistance benefit. By simplifying benefit levels, the state anticipates an increase in efficiencies, faster procedural approvals, and expanded access to categorically eligible households.

Previously, in order for a household to receive a Safety Net Assistance benefit, the household was required to complete a redetermination of available assets. With the liquid asset test eliminated, however, there is no longer a need to distinguish between Safety Net Assistance and Crisis Assistance. Federal law only requires states to offer a Crisis Assistance benefit and that benefit is retained.

### D. Households Claiming No Income

Households claiming no income in the period prior to the application date must sign and submit an affidavit declaring their means of support for that period. The affidavit is required to include authorization to allow the state, through its agents or grantees, to verify all income and the financial status of the household.

### E. Household "52-week" Option

Any household has the option of having an eligibility determination based on income from all household members for the fifty-two (52) weeks prior to the date of application if that presents a more accurate reflection of the household's annual income.

### F. Temporary Family Assistance (TFA) Disqualified Household

Households whose TFA benefits have expired as a result of established time limitations will be contacted directly by the CAA to encourage their participation in the energy assistance program.

### G. Prioritized Services

Households shall receive "prioritized services" if they meet the following criteria:



- Heat with a deliverable fuel;
- Are without heating fuel or are within one week of being without heating fuel; and
- Submit a completed application during the program period in which fuel deliveries may be authorized.

Prioritized services include processing of completed applications within twenty-four (24) hours, or on the next business day, in order to determine eligibility. A deliverable fuel heated household that is determined eligible under these circumstances shall receive a fuel delivery authorization no later than eighteen (18) hours after the household has been determined eligible.

#### H. Notification of Appeals

The CAA shall provide a written notice of the results of an eligibility determination to the household within forty-five (45) calendar days, excluding state designated holidays.

If a household does not agree with the CAA's eligibility determination or receives notification of eligibility/ineligibility within the time specified above, the household has the right to request a desk review with the CAA. If the household is dissatisfied with the results of the desk review, the household has the right to request a Fair Hearing with the Department of Social Services. At the time of application, all households receive written notification of their rights and obligations, including the procedures for requesting a desk review or fair hearing. The decision made by DSS is final.

#### I. Social Security Numbers

Social Security numbers provided by the applicant for all household members will be entered in the Social Security number fields. Except as noted below, Social Security numbers are required for all household members.

Exceptions are made for applicants and/or household members who have either:

- Applied for, but not yet received, a Social Security number; or
- Are not required to have a Social Security number (includes battered spouses and victims of human trafficking).

#### J. Non-Qualified Aliens

Non-qualified aliens are not eligible for CEAP benefits. However, other household members who are either qualified aliens or citizens may be eligible for CEAP benefits.

#### K. Households with Non-Qualified Aliens

Non-qualified aliens shall not be included as part of the household when determining eligibility for CEAP benefits; however, income from non-qualified aliens is required to be included when determining eligibility for CEAP benefits.

### VI. PROGRAM INTEGRITY

Social Security numbers are collected by the CAAs for all CEAP applicants and household members, except those identified in Section V.J. The CAAs, through the automated Social Security number data transfer system implemented by DSS, will electronically transmit the Social Security numbers of all applicants and household members requesting benefits through CEAP.

As part of the ongoing effort to ensure that CEAP benefits are only provided to eligible households, the CAAs administering CEAP will continue to have inquiry access to the Department's ImpaCT system. This access enables participating CAAs to confirm the identity of those applicants and household members who are currently or have previously received assistance through various DSS administered programs including, but not limited to: Temporary Family Assistance, SNAP, Refugee Cash Assistance Program, and State Supplement to the Aged, Blind and Disabled. This access aids program administration when determining elements of program eligibility including household composition, address, and income.

In order to further support program integrity and facilitate the enrollment of qualifying individuals, DSS and the CAAs will continue to conduct periodic data matches of pending applications against DSS enrollment files as a means to qualify individuals. DSS programs that confer categorical eligibility for CEAP require adherence to income verification policies comparable to or more demanding than those required for CEAP.

In an effort to ensure the authenticity of vendors, all heating oil and propane vendors wishing to participate in CEAP must provide DSS with verification that they have registered with the Department of Consumer Protection (DCP) in accordance with section 16a-23m of the Connecticut General Statutes.

## **VII. FRAUD**

Persons who, following the completion of due process procedures defined in agency regulations, are found to have misrepresented their circumstances when applying for energy assistance are subject to prosecution and/or recoupment of benefits provided, and are ineligible to receive services during the remainder of the current program year. In addition, said households are prohibited from participation for a period of two program years subsequent to the year in which the misrepresentation occurred. Persons who divert benefits to ineligible households are subject to the same penalties, following proper due process as defined in agency regulations.

Vendors or home energy suppliers suspected of fraud, misrepresentation, or a violation of any aspect of the Vendor Participation Document may be suspended from participation in CEAP while legal proceedings are pending. Vendors or home energy providers convicted of fraud will be suspended from participation in CEAP for a period of five years following the year in which the offense occurred or was identified.

The Department maintains a Fraud Hotline (1-800-842-2155) for individuals and vendors to report cases of suspected program abuse. Additionally, the Department has a webpage that details information about efforts to identify and eliminate fraud. Please access [To Report Fraud or Abuse of Programs](https://portal.ct.gov/DSS/Quality-Assurance/To-Report-Fraud-or-Abuse-of-Programs) at [portal.ct.gov/DSS/Quality Assurance](https://portal.ct.gov/DSS/Quality-Assurance). Suspected abuse of CEAP services can also be reported by completing a complaint form found on the webpage: <https://portal.ct.gov/DSS/Quality-Assurance/To-Report-Fraud-or-Abuse-of-Programs>.

Finally, the CAAs refer applications to DSS' Office of Community Services when there is a questionable discrepancy or suspected misrepresentation by an applicant.

## **VIII. BASIC BENEFIT LEVELS**

Basic Benefit awards are determined based on income, household size and vulnerability. Vulnerable households and households with the lowest incomes receive the highest awards.

Note: Boarders are not eligible to receive Basic Benefits.

The chart below details the Basic Benefit awards:

BASIC BENEFITS

Level	Poverty Guidelines	Vulnerable Households	Non-Vulnerable Households
1	At or below 125% FPG	\$600	\$550
2	126% FPG – 200% FPG	\$450	\$400
3	201% FPG – 60% SMI	\$300	\$250

If the final funding level released for FFY 2023 is greater or less than the estimated funding level used to develop this Plan, DSS may adjust the Basic Benefits and/or income eligibility criteria to reflect the difference.

**IX. RENTAL ASSISTANCE BENEFIT LEVELS**

Rental Assistance Benefits are available to those households who do not make direct-to-vendor payments for their primary source of heat and have annual gross incomes up to 60% of state median income.

Note: Boarders are not eligible to receive Rental Assistance Benefits.

Households that are determined eligible for Rental Assistance Benefits will receive a direct cash benefit to defray heating costs.

The chart below details the Rental Assistance Benefit awards:

RENTAL ASSISTANCE BENEFITS

Level	Poverty Guidelines	Amount
1	At or below 125% FPG	\$150
2	126% FPG – 200% FPG	\$125
3	201% FPG – 60% SMI	\$100

Rental assistance households must present verifiable documentation of current rent.

Households that receive Rental Assistance Benefits and move to a location where they become responsible for their primary heat may receive Basic Benefits up to the maximum available to a household at the appropriate benefit level, less any Rental Assistance Benefits already received. For example, a household that has received \$150 in rental assistance benefits and subsequently moves to a non-rental assistance situation, and is determined to be vulnerable, could be eligible for a \$600 Basic Benefit, less the Rental Assistance Benefit received. That household would now be eligible to receive a Basic Benefit of up to \$450 toward their primary source of heat. Crisis Assistance may also be available if the new primary source of heat is a deliverable fuel and the household meets the criteria for this benefit.

Conversely, if a household moves from a location where they are responsible for payment of their primary source of heat to a dwelling unit where they are not required to make direct-to-vendor payments for their primary source of heat, they may receive the difference between what they have received in Basic Benefits and what they would be eligible to receive under the Rental Assistance Benefits matrix. For example, a household with direct-to-vendor obligations that has had a \$100 oil delivery and thus expended \$100 of its \$600 Basic Benefit, and who subsequently moves to a dwelling unit where they are eligible for Rental Assistance Benefits, would be able to receive the \$150 Rental Assistance Benefit, less the expended amount

of the Basic Benefit. That household would now be eligible to receive up to \$50 in Rental Assistance Benefits. When the household becomes eligible for the Rental Assistance Benefit, they are no longer eligible for a Basic Benefit. Such households must document the change in circumstances, including verification of rent, but do not need to have their income redetermined.

No more than one Rental Assistance Benefit will be issued per dwelling unit. If the final funding level released for FFY 2023 is greater or less than the estimated funding level used to develop this Plan, DSS may adjust the Rental Assistance Benefits.

## **I. LIHEAP BENEFITS FOR SNAP HOUSEHOLDS**

Supplemental Nutrition Assistance Program (SNAP) recipient households that do not make direct-to-vendor payments for their primary source of heat but have a shelter and/or utility obligation are eligible to receive LIHEAP benefits. These households receive the lowest LIHEAP payment because they have the lowest energy burden.

Eligible SNAP households will receive a direct cash benefit in the amount of \$20.01. This benefit will be issued by the Department to all eligible SNAP households who have not received a CEAP Basic Benefit or Rental Assistance Benefit. Receipt of a LIHEAP benefit qualifies the household to have their SNAP benefits recalculated using the maximum heating/cooling Standard Utility Allowance (SUA). Just as in prior years, using the SUA in the SNAP benefit calculation simplifies administrative processes and frequently results in increased SNAP benefits for the household.

## **II. CRISIS ASSISTANCE**

### **A. Deliverable Fuel Heated Households**

The state will implement a Crisis Assistance benefit to address the heating needs of deliverable fuel heated households that have exhausted their Basic Benefits and are still at imminent risk of losing heat. Eligible deliverable fuel heated households that are unable to secure primary heat and are eligible for energy assistance will be eligible to receive a Crisis Assistance benefit of \$430. During the program year, all eligible households may receive a Crisis Assistance benefit while all eligible households at Level 1 and Level 2 may receive a second Crisis Assistance benefit. Eligible vulnerable households at Level 1 and Level 2 may also receive a third Crisis Assistance benefit during the program year.

A redetermination of income eligibility is not required to receive Crisis Assistance. A household qualifying for a Crisis Assistance benefit will receive an authorization for a fuel delivery within forty-eight (48) hours or eighteen (18) hours in life-threatening situations.

### **B. Utility Heated Households**

Pursuant to section 16-262c of the Connecticut General Statutes, CEAP utility heated households are protected from winter disconnection and are therefore not eligible to receive the needs-based Crisis Assistance benefit. If a utility heated household's service has been disconnected, or disconnection is being threatened, the CAA will work directly with the utility vendor to reinstate the service or to prevent the disconnection.

The CAAs shall assist those utility heated households facing service arrearages with enrollment in the Matching Payment Program (MPP). Pursuant to section 16-262c, the MPP enables CEAP eligible households to maximize their energy benefits, reduce and/or eliminate their service arrearages and empower households to gain greater control of their energy costs. Under the MPP, CEAP eligible households enter into payment arrangements with their utility vendor.

For all customer payments made by the payment deadline, the utility vendor will provide a dollar-for-dollar match of both the total customer payments and the CEAP benefit. The resulting match is applied to the customer’s arrearage, down to a \$0 balance. Please note, only publicly regulated utilities are mandated to participate in the MPP. If a regular non-MPP payment leaves a credit balance it will remain on the account.

The CAAs may also assist utility heated households who are unable to meet their utility payment arrangement in negotiating a reduced payment arrangement with their utility vendor utilizing the “below budget” worksheet process.

**XII. PROGRAM DATES**

For FFY 2023, program dates are as follows:

November 1, 2022	First day for fuel deliveries that can be paid by the program.
March 15, 2023	Deadline for fuel authorizations or deliveries.
May 31, 2023	The last day that a household can apply to establish its eligibility for benefits.
June 16, 2023	Last day to submit deliverable fuel bills.

**XIII. CONSERVATION SERVICES**

In addition to receiving energy assistance benefits, eligible households may also qualify for the following conservation services:

A. Weatherization

Any household whose annual gross income is at or below 60% of the state median income guidelines is income eligible for the U.S. Department of Energy’s Weatherization Assistance Program administered by the Connecticut Department of Energy and Environmental Protection (DEEP). The application for CEAP services is also utilized to determine the household’s income eligibility for the weatherization program administered through DEEP. Weatherization services are provided through contracted entities with DEEP on a first come, first served basis, based on availability of funds. Prioritization for weatherization services may be further prioritized for vulnerable households.

This Plan includes \$1.1 million in carry forward funding to DEEP for the purpose of addressing health and safety barriers in the homes of CEAP eligible households to allow access to weatherization services that improve the energy efficiency of the home, reduce future energy bills, and improve the health of residents. This includes \$100,000 for associated administrative costs by DEEP. DEEP may use the funds for other purposes that comply with the U.S. Department of Energy and LIHEAP weatherization requirements. DSS will retain oversight responsibilities for the funding.

B. Clean, Tune and Test

Upon request, funds will be provided to eligible deliverable fuel households to cover the cost of a clean, tune and test of their household’s deliverable fuel heating system. Renters must receive written permission from their landlord in order to receive this benefit. Costs for the clean, tune and test will be covered with funds set aside for the heating system repair or replacement component.

C. Heating System Repair or Replacement

The Department will provide \$2.0 million in LIHEAP funds for the repair or replacement of heating systems, tanks and water heaters for single family, owner-occupied/life-tenant occupied dwellings that are determined to be unsafe, inoperable, and aged/inefficient with obsolete parts. Vendors

performing the repair or replacement work will be selected competitively. These funds are available for households eligible for CEAP and may be prioritized for vulnerable households. CAAs will not issue an authorization for a fuel delivery in cases where heating systems, including leaking fuel tanks, have been “red tagged” by a vendor or contractor certified to evaluate heating systems. The provision of these services is based on the availability of funds.

#### D. Performance Measures

As required by the U.S. Department of Health and Human Services (HHS), the Department will collect energy consumption information from vendors for households eligible for CEAP benefits. This data will be used to compute the energy burden of households receiving assistance. This information will allow the state to better focus future energy benefits on to those households with the highest energy burdens.

#### **XIV. ADDITIONAL BENEFITS/SERVICES**

This allocation plan has been prepared based on the assumption that the total funding available for the FFY 2023 LIHEAP program will be \$79 million. At the time of the preparation of the Plan, funding levels for FFY 2023 have not yet been released and may be less than or exceed assumed levels.

If the state receives funding at a level less than that specified in the Plan, benefit payment levels and/or income eligibility criteria may be adjusted. The Department will determine priorities for applying any reductions accordingly and will take into consideration recommendations from the Low-Income Energy Advisory Board.

Should block grant funds received exceed the amount required to meet the benefit levels specified in this Plan, the additional funds may be utilized to provide some or all of the following: additional Crisis Assistance benefits to eligible households, an additional benefit on behalf of utility and/or deliverable fuel heated households, an increase to Basic Benefits, an increase to Rental Assistance Benefits, an increase to LIHEAP SNAP Benefits, an extension of the deliverable fuel authorization period, an extension of the program intake period, additional funding for heating system replacements to address unsafe/inoperable units, funding for weatherization services for health and safety and other weatherization measures, cooling assistance to eligible households, and/or heating assistance to state-funded homeless shelters.

Should contingency funds be released and designated to be used for cooling measures, funds will be used in accordance with guidance provided by HHS.

In accordance with the recommendations of the Low-Income Energy Advisory Board and the demonstrated need for expanded operational flexibility, DSS has implemented an online application process for energy assistance. DSS will continue to work on options for integrating application collection and eligibility determinations within new or existing system functionality for health and human services programs including, but not limited to, the “MyCT” initiative.

In accordance with section 4-28b of the Connecticut General Statutes, after recommended allocations have been approved or modified, any proposed transfer to or from any specific allocation of a sum or sums of over fifty thousand dollars or ten percent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker and the president pro tempore and approved, modified, or rejected by the committees. Notification of all transfers made shall be sent to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee or committees of cognizance, through the Office of Fiscal Analysis.

## **XV. PAYMENTS**

In order for deliverable fuel heated households to receive CEAP benefits, bills for deliverable fuel must be presented to the CAA and must be in the name of an adult household member or an emancipated minor. For households that heat with propane, kerosene, wood, or coal, payments will be based upon the cost of the delivery as stated on a valid bill. For households that heat with oil, payments will be made in accordance with the Fixed Margin Pricing Program. Payments will only be processed for deliveries made on or after November 1, 2022. Payments will be issued regardless of any customer payments made against the bill. Unless otherwise specified in the Plan, all payments will be made to the deliverable fuel vendor.

Pursuant to section 16a-41a of the Connecticut General Statutes, CAAs are required to pay oil vendors that participate in CEAP no later than thirty (30) business days after the CAA's receipt of an authorized fuel slip or invoice for payment from the vendor. The Department has established and implemented protocols to ensure that vendors are paid by the CAAs in accordance with statute.

In order for a utility heated household to receive a Basic Benefit, the utility account must be in the name of a household member who is of majority status or an emancipated minor. Verification of the utility account number must be provided. Only residential accounts are eligible for payment. Basic Benefit payments will be credited to the household's utility account regardless of other payments made to the utility account. Basic Benefits are for utility costs incurred from November 1, 2022 – May 31, 2023. Should the Basic Benefit exceed the charges for the utility service incurred during this period, the utility company shall refund the difference directly to DSS by September 30, 2023. If a household moves and cannot be located, and a credit balance resulting from a CEAP payment(s) exists in their utility account, the balance is to be returned directly to DSS within sixty (60) days of the close of the utility account.

Basic Benefit payments to electric distribution companies will be credited in accordance with DEEP regulations adopted pursuant to section 16-245d of the Connecticut General Statutes.

No payments will be issued on behalf of, nor services authorized to, unoccupied dwelling units.

If a household moves and their heating source and/or utility company changes, they may re-designate any unobligated portion of their Basic Benefit. Crisis Assistance benefits may be provided to eligible households if the new primary source of heat is a deliverable fuel and the household meets the eligibility requirements as detailed in section XI.

If a household's heating system becomes inoperable, the household has the option of utilizing a secondary heating source during the period of inoperability. The household may choose to go back to the original primary source of heat once the heating system has been repaired or replaced.

Basic Benefits may pay for the cost of a start-up of a household's natural gas heating system (not including reconnection fees) if the household makes direct-to-vendor payments and natural gas is the household's primary heating source. CEAP benefits may pay for the cost of a start-up of a household's deliverable fuel heating system, provided the charge is the same that the vendor charges to all similarly situated customers who are not receiving CEAP assistance.

Each site making authorizations or payments will be responsible for keeping an up-to-date control card or computer record for each eligible household. This control file will detail the benefits awarded to the household and will include the heating source, deliveries/services authorized, and payments issued on behalf of the household.

Payments made directly to, or on behalf of, CEAP households shall not be considered income or resources for any purpose under any federal or state law in accordance with section 2605(f)(1) of the federal LIHEAP statute (42 U.S.C. §8621-8630).

#### **XVI. VENDORS**

All energy vendors wishing to participate in CEAP must sign a "Vendor Participation Document" that details the conditions under which payments will be made to each type of vendor. The only exceptions will be vendors of wood and coal, whose practices as energy suppliers to CEAP clients will be governed by existing state statutes. In accordance with requirements from the U.S. Department of Health and Human Services, vendors with large customer bases will be required to provide annual fuel consumption data for their customers that receive CEAP benefits. The collection of this data will allow for the determination of a household's energy burden. With this information, the highest levels of CEAP benefits will be better targeted to those households with the highest energy burdens in future program years.

The purpose of the Vendor Participation Document is to ensure program standardization, fair treatment of CEAP customers by vendors, and to establish the conditions for payment on behalf of customers receiving assistance through CEAP, including a requirement that vendors provide the same price discounts (including early payment discounts) to customers receiving CEAP assistance as the vendors provide to similarly situated customers.

The Vendor Participation Document also establishes the pricing/reimbursement mechanism that the state will utilize on behalf of oil heated households.

Vendors who sign the Vendor Participation Document and verify their registration with the Department of Consumer Protection will be placed on a list of "approved vendors" which will be supplied to the participating CAAs by DSS. Such documents do not guarantee vendors the right to participate in CEAP should the state establish, in accordance with the provisions of section 4-28b of the Connecticut General Statutes, further criteria for participation in CEAP, or in cases where the vendor is suspected of fraud, misrepresentation or a violation of the Vendor Participation Document.

The state reserves the right to inspect/audit the records of any deliverable fuel vendor presenting a bill for payment by CEAP, in order to both verify the bill before or after payment is made and that the proper customer accounts are being credited.

#### **XVII. FIXED MARGIN PRICING PROGRAM**

Information from the Oil Price Information Service (OPIS) will be used to determine the daily Fixed Margin Price, which will be used to pay oil vendors making deliveries to CEAP households.

During FFY 2022, due to the volatility and sharp increase in oil prices, the Department implemented an increase in the fixed margin rate that resulted in a change in the margin from 35 cents to 45 cents per gallon effective for deliveries after March 7, 2022. For FFY 2023, the Fixed Margin Price will be based on the daily New Haven Rack Average OPIS price for ultra-low sulfur red dye distillate heating oil, plus a fixed margin of 45 cents per gallon due to the continued volatility in oil prices.

The Fixed Margin Pricing Program also includes county differentials in the pricing mechanism to reflect transportation, delivery, and operation costs. The differentials are based on a county-by-county comparison of retail prices.



The county differentials are as follows, and exclude the 45 cents fixed margin:

Fairfield County	\$0.115
Hartford County	0.039
Litchfield County	0.067
Middlesex County	0.033
New Haven County	0.045
New London County	0.042
Windham County	0.100
Tolland County	0.099

Oil deliveries made on Wednesday, March 9, 2022, were paid based on the previous day's New Haven Rack Average OPIS Price, as provided in this example by OPIS. The price for oil deliveries in Fairfield County on Wednesday, March 9, 2022, was determined as follows:

\$4.363	New Haven Rack Average OPIS Price, Tuesday, March 8, 2022
\$0.450	Fixed Margin in FFY 2022 (March 8, 2022 – May 31, 2022)
<u>\$0.115</u>	County Differential – Fairfield County
\$4.928	Total Fixed Margin Price for Wednesday, March 9, 2022 (Fairfield County)

Please note, since each county has a different county differential, the Total Fixed Margin Price on any given day will vary from county to county.

Vendors who deliver in multiple counties will be paid in accordance with the county differential in which the delivery is made. DSS will determine all fixed margin prices.

The pricing mechanism may be adjusted by DSS to respond to unanticipated changes in the heating oil market.

Vendors must note their retail price on all delivery tickets, bills or statements. If the vendor's posted retail price is lower than the Fixed Margin Price, the vendor will be paid in accordance with the retail price.

For those deliveries of home heating oil paid by the program, vendors shall not charge CEAP customers the difference between their retail price and the CEAP payment.

In the event of a shutdown of state offices due to an emergency (e.g., hazardous weather), the last posted fixed margin price shall remain in effect until state offices reopen.

DSS staff may monitor and verify the accuracy of the retail prices reported by vendors.

**XVIII. INFORMATION AND REFERRAL**

The State of Connecticut will continue to work with local governments and other human services providers to implement localized information and referral systems that will address the needs of CEAP eligible households who have exhausted all of their benefits. Connecticut's 2-1-1 will continue to serve as the referral network system and will work to identify services for CEAP households that will help to alleviate crises following exhaustion of benefits.

DSS will provide energy assistance notifications to all of its recipient households, informing them of the availability of benefits. In addition, referral flyers describing fuel assistance programs, weatherization services, energy conservation loans and private fuel bank assistance are made available online at

[ct.gov/heatinghelp](http://ct.gov/heatinghelp) and in DSS, Department of Motor Vehicle, and CAA offices. CAAs will continue to operate and maintain a network of approximately 180 intake sites throughout the state (e.g., senior citizen centers, municipal social services offices). In addition, CAAs will assist homebound households in applying for CEAP benefits. This may involve the utilization of online, telephone and mail-in applications or outreach visits to households with homebound members.

CAAs utilize a single application to determine eligibility for CEAP, the Low Income Household Water Assistance Program (LIHWAP) and income eligibility for the U.S. Department of Energy’s Weatherization Assistance Program. In 2022, DSS introduced a new online application and will be working to enhance the product, including adding mobile device optimization. DSS will also continue to work on ways to integrate CEAP and LIHWAP access points into other state health and human service agencies’ online services. In addition to the U.S. Department of Energy’s weatherization program, additional services under the Home Energy Solutions-Income Eligible (HES-IE) program are also supported by the [Connecticut Energy Efficiency Fund](#), which provides weatherization measures to help income eligible residents reduce their energy bills by making their homes more energy efficient.

Efforts will be made to identify other energy resources, municipal, charitable, or private (such as Operation Fuel, the Soldiers, Sailors, and Marines Fund, and the Connecticut Housing Finance Authority), which may be available to low-income households. The Department will work with these providers, other state agencies, and municipalities to establish a coordinated response to alleviate potential crises due to a low-income household's inability to pay for heat. This response may include such actions as providing alternative housing arrangements (e.g., referral to shelters), as well as direct service intervention, when appropriate, by protective services agencies.

Operation Fuel is a private, non-profit organization that distributes privately raised funds through a network of fuel banks that accept and approve applications from households in need of emergency fuel deliveries or protection against utility shutoffs. Those households that meet the Operation Fuel guidelines are issued referrals by the CAA for these benefits. In addition, if funding permits, Operation Fuel can provide limited assistance to CEAP eligible households who are facing a crisis because they have exhausted all available CEAP benefits, or because they did not apply for CEAP benefits by the required deadlines.

**XIX. ASSURANCE 16 ACTIVITIES**

In accordance with LIHEAP regulations, and contingent upon the availability of funds, CAAs will provide enhanced case management in an effort to assist low-income households in reducing their overall energy needs/burden. Such services include, but are not limited to, vendor mediation, budget counseling, interfacing with other non-profit fuel assistance programs, and energy conservation services. These services are aimed at enabling households to achieve a greater degree of self-sufficiency, thereby reducing or eliminating their need for energy assistance services.

**XX. BUDGET**

A. The estimated LIHEAP budget for FFY 2023 is as follows:

\$ 73,272,763	2023 LIHEAP Block Grant (estimated)
\$ 5,500,000	2022 LIHEAP Carryforward Funds (estimated)
\$ 400,000	2022 Vendor Refunds (estimated)
\$ 79,172,763	Total 2023 (estimated)

B. LIHEAP benefit payment/administration breakdown<sup>1</sup>:

\$ 61,395,487	LIHEAP Benefit Payments
\$ 7,327,276	LIHEAP Administration <sup>1,2</sup>
\$ 2,000,000	Assurance 16 <sup>1</sup>
\$ 2,000,000	Furnace Repair & Replacement
\$ 2,000,000	System Enhancements <sup>3</sup>
\$ 1,100,000	DEEP Weatherization Barrier Remediation <sup>3</sup>
\$ 1,500,000	Carry Forward to FFY 2024
\$ 50,000	Outreach Activities
\$ 1,800,000	LIHEAP SNAP
\$ 79,172,763	Total

C. Estimates of the FFY 2023 LIHEAP caseload:

Total eligible with an elderly member	30,420
Total eligible with a member with a disability	30,320
Total eligible with young children	19,890
Total non-vulnerable households	<u>15,930</u>
Total eligible households	96,560

Of the total estimated FFY 2023 LIHEAP eligible caseload, it is anticipated that 31.5% will have elderly members, 31.4% will have members with disabilities and 20.6% will have a young child or children under 6 years of age.

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<sup>1</sup> If there is a reduction in LIHEAP funding, DSS may reduce the Administrative and/or Assurance 16 budgets.

<sup>2</sup> As a condition of awarding administrative funds, DSS may require a CAA to make changes in CEAP management and staffing. Such changes may be deemed necessary by DSS to ensure that the funds awarded will have a significant positive impact on program performance. LIHEAP Administration includes funding for program audits.

<sup>3</sup> Because no costs were incurred in FFY 2022 for System Enhancements and DEEP Weatherization Health and Safety Barrier Remediation, funds will be carried forward (and liquidated) in FFY 2023.