



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES

55 Farmington Avenue, Hartford, Connecticut 06105

TO: All Petroleum Product Vendors

FROM: Carlene O. Taylor, Program Administration Manager
Office of Community Services

SUBJECT: Supplier/Vendor Conditions of Participation Form

DATE: October 14, 2021

The Department of Social Services (DSS), Office of Community Services is providing information for Supplier/Vendors/Companies who wish to participate in the delivery of fuel in accordance with the 2021/2022 Connecticut Energy Assistance Program (CEAP). DSS is pleased to announce the development of an online **Supplier/Vendor Conditions of Participation Form** for immediate utilization. If your company wishes to participate in making CEAP deliveries, please follow this link to complete the document <https://forms.office.com/g/3uCCDuv6SR>.

Please note the following:

The Vendor Document once submitted and accepted by DSS, shall be in effect from October 1, 2021 through September 30, 2022. Important dates are provided below:

- **Important Dates**
 - November 1, 2021 First day for fuel deliveries that can be paid by the program.
 - May 2, 2022 Deadline for fuel authorizations for deliveries
 - May 31, 2022 The last day that a household can apply to establish its eligibility for benefits.
 - June 15, 2022 Last day to submit deliverable fuel bills.
- **Guidance for the Procedures relating to heating system repairs/replacements will be released soon.**
Contractors/vendors performing the work will be selected competitively. 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 certified to evaluate heating systems.
- **The fuel authorization process remains the same as last year.** Vendors will deliver up to the identified amount provided by the CAA. Vendors will receive authorizations from the Community Action Agency for “Basic”, “Crisis Assistance” and “Safety Net Assistance” benefits prior to each delivery. **Only one delivery is to be made per authorization** (Example - If you receive an authorization for \$620 and only deliver \$400, the remaining \$220 cannot be made under that same authorization. A follow-up authorization must be requested for that balance).
- Upon request and if funds are available, CEAP will cover the cost for a clean, tune and test of a deliverable fuel heating system for eligible deliverable fuel heated households. Renters must receive written permission from their landlord in order to receive this benefit.
- Eligible Energy assistance clients may use a portion of their benefits to pay for a restart of their deliverable fuel heating system. Restart payment will be made, provided that sufficient funds remain in the eligible household’s benefits. **No more than one restart payment will be paid per household per program year.** Payment for additional restarts will be the responsibility of the participating household.

- Deliveries made under the Fixed Margin Pricing Program will be paid based on the daily **OPIS Gross Ultra Low Sulfur Red Dye Distillate** price. Vendors can obtain these prices by **checking the Vendor Information section of our website at www.ct.gov/staywarm** after 3:00 p.m. each day. The posted prices reflect the amount that will be paid for deliveries of heating oil made on the following day.

DSS will use information from the Oil Price Information Service (OPIS) to determine the daily Fixed Margin Price, which will be used to pay oil vendors making deliveries to CEAP households. The Fixed Margin Price will be based on the daily **OPIS Gross Ultra Low Sulfur Red Dye Distillate** price, plus a fixed margin of 35 cents per gallon.

In addition, the Fixed Margin Pricing Program will continue to include county differentials in the pricing mechanism. The county differentials are as follows, and **include the 35 cents fixed margin**:

Fairfield County	\$0.465
Hartford County	\$0.389
Litchfield County	\$0.417
Middlesex County	\$0.383
New Haven County	\$0.395
New London County	\$0.392
Windham County	\$0.450
Tolland County	\$0.449

The following example is for demonstration purposes.

Under the Fixed Margin Pricing Program pricing mechanism in place last year, oil deliveries made on Wednesday, December 2, 2020 were paid based on the previous day's New Haven Rack Average OPIS Price, as provided in this example below. The price for oil deliveries in Fairfield County on Wednesday, December 2, 2020 was determined as follows:

\$1.448	New Haven Rack Average OPIS Price, Tuesday, 12/1/20
.350	Fixed Margin in FFY2021
<u>.115</u>	County Differential – Fairfield County
\$1.913	Total Fixed Margin Price for Wednesday, 12/2/20 (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 the county the delivery is made. DSS will determine all fixed margin prices.

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

Vendors must put 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.

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

Deliveries made before an energy assistance customer's eligibility has been determined may be paid, if the customer is found eligible, and the delivery was made on or after **November 1, 2021**. Payment in these cases can only be paid from a basic benefit award.

The U.S. Department of Health and Human Services (HHS), which provides funding for the Low Income Home Energy Assistance Program (LIHEAP) nationwide, is requiring the tracking of heating consumption data for households receiving assistance through this program. This information will be used to better gauge the energy burden of LIHEAP households, with the goal of focusing maximum benefits and energy conservation measures on those households with the highest need. **HHS is requiring states to secure consumption information from the ten largest heating oil vendors and the ten largest propane vendors** (the largest utility companies will also need to provide consumption information for LIHEAP households).

Although the preferred method for submitting the document is electronically, there are alternative approaches for document submission:

- Download the pdf fillable document from our website [Energy Assistance - Winter Heating--Vendors \(ct.gov\)](#) and email it to energy.vendors@ct.gov (*please enter your business name in the subject line*),
- Fax a copy to CEAP Energy Services at (860) 424-4952 or
- Mail the Document to: Connecticut Department of Social Services, Office of Community Services, 55 Farmington Avenue, 10th Floor, Hartford, Connecticut 06105.

Please keep this memorandum for your records. If you have any questions concerning the completion of the Document, please call the Energy Services Unit at 1-800-842-1132.