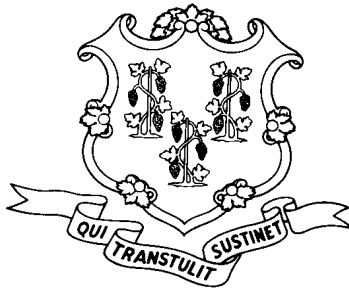


2011/2012 ALLOCATION PLAN
FOR THE
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
BLOCK GRANT



DANNEL P. MALLOY
GOVERNOR

DEPARTMENT OF SOCIAL SERVICES
RODERICK L. BREMBY
COMMISSIONER

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	ADMINISTRATION	2
III.	PROGRAM DEFINITIONS.....	3
IV.	INCOME ELIGIBILITY	4
V.	ELIGIBILITY CERTIFICATION	5
VI.	CONSERVATION SERVICES.....	7
VII.	PROGRAM INTEGRITY.....	8
VIII.	FRAUD	8
IX.	CRISIS ASSISTANCE	9
X.	HEALTH AND SAFETY INTERVENTION	9
XI.	LIHEAP SNAP BENEFITS	10
XII.	BASIC BENEFITS	10
XIII.	RENTAL ASSISTANCE BENEFITS.....	11
XIV.	PROGRAM DATES	11
XV.	ADDITIONAL BENEFITS/SERVICES	11
XVI.	PAYMENTS	12
XVII.	VENDORS	13
XVIII.	FIXED MARGIN PRICING PROGRAM.....	13
XIX.	DELIVERABLE FUEL PURCHASING OPTIONS	14
XX.	INTAKE PILOT.....	15
XXI.	INFORMATION AND REFERRAL	15
XXII.	ASSURANCE 16 ACTIVITIES	16
XXIII.	BUDGET	16

**2011/2012
ALLOCATION PLAN
FOR THE LOW INCOME
HOME ENERGY ASSISTANCE PROGRAM
BLOCK GRANT**

I. INTRODUCTION

The Connecticut Energy Assistance Program (CEAP) is designed to address the needs of the state's most vulnerable populations during the winter heating season, specifically those deliverable fuel heated households whose incomes fall at or below 150 percent of the federal poverty guidelines as well as elderly and/or disabled households with incomes between 150 percent and 200 percent of the federal poverty guidelines. Deliverable fuel heated households with income between 150 percent and 200 percent of the federal poverty guidelines, who do not have an elderly and/or disabled member, will be eligible to receive assistance under the Contingency Heating Assistance Program (CHAP) for the 2011/2012 program year.

The CEAP is funded by the U. S. Department of Health and Human Services (HHS) under the Low Income Home Energy Assistance Program (LIHEAP), which has not yet received a funding level for Federal Fiscal Year (FFY) 2012. In order to plan the program in a timely manner, a total funding level of \$46.4 million is assumed. This amount includes \$41.7 million, which represents Connecticut's share of the estimated \$1.98 billion FFY 2012 LIHEAP block grant. \$1.98 billion is the FFY 2012 LIHEAP block grant funding level that has been recommended by the President. In addition, \$4.7 million in anticipated emergency contingency funds have been included.

The Department of Social Services (DSS), with the help of its partners, the Community Action Agencies (CAAs), administers CEAP. DSS will monitor the program, and will issue a report to the General Assembly's committees of cognizance by January 30, 2012, regarding the program's status.

In order to help offset a household's winter heating costs, the State will provide both energy assistance and conservation services. Energy assistance shall consist of Crisis Assistance and Safety Net Assistance.

CEAP benefits vary to reflect need, cost and/or energy burden. The Plan is designed to provide the highest level of assistance to those deliverable fuel heated households who have the lowest incomes and the highest energy needs in relation to income, taking into account household size and vulnerability.

The provision of assistance under CEAP is subject to the availability of funds. If the funds provided for payments under this Plan are judged by the State to be in danger of exhaustion prior to the scheduled end date, then the State reserves the right to close the program or portions of the program early.

This Plan provides a framework for overall program operation. DSS will develop policy and procedures which further detail the rules of operation.

II. ADMINISTRATION

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

- A. Prepare and submit the LIHEAP 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 the CEAP with other energy and conservation assistance programs offered by the State and other public or private entities.
- E. Contract with Community Action Agencies (CAAs) or any other qualified non-profit or for profit entities to provide standardized services to all eligible households, including those households receiving assistance from DSS programs, and to process applications from any such households wishing to apply for benefits.
- F. Initiate agreements with energy vendors to ensure program standardization and provide current lists of eligible vendors to DSS contractors.
- G. Provide CAAs with lists of households whose Temporary Family Assistance benefits are being discontinued as a result of time limitations.
- H. Provide handouts which inform clients in writing of all other energy and conservation-related programs administered or funded by the State.
- I. Complete weekly and monthly fiscal and program activity reports.
- J. Allocate the personnel resources necessary to provide reasonable protection against client and vendor fraud, develop anti-fraud strategies designed to strengthen program integrity and establish a fraud referral method for reporting and investigating suspected program abuse.
- K. Track carryover funds from the 2010/2011 program if applicable.
- L. Provide a budget estimating total program expenditures and, for DSS and each contracting agency, a line-item budget of administrative expenditures for CEAP.
- M. Track the number of gallons of No. 2 home heating oil purchased under the CEAP. Track the average fixed margin price, the average retail price and savings per gallon.
- N. Monitor the performance of DSS contractors in delivering services and in reporting to DSS.
- O. Provide standard application forms/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).

- P. Maintain a system to verify Social Security Numbers as part of the ongoing effort to maximize program integrity.

III. PROGRAM DEFINITIONS

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

Boarders – Persons whose meals are included in their rent.

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, such as rooming/boarding homes, group homes, hotels or motels. Neither does it include cars, vans, recreational vehicles, campers, seasonal residences, or any other accommodation that has not been issued a certificate of occupancy.

Household – Any individual or group of individuals who are living together in a dwelling unit, including but not limited to all individuals who are related by blood, marriage or adoption, and whose residential energy is purchased in common, or who make payments for 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 reside at an institution of higher learning, are incarcerated or are unrelated foster children or unrelated foster adults.

Income/Mean of Support – Gross salaries/wages, tips, pensions, dividends, annuity distributions, interest, rental income, estate or trust income, royalties, social security and supplemental security income (excluding Medicare premium if applicable), veterans' benefits, unemployment compensation, workers' compensation, monetary and non-monetary contributions, alimony, child support, lottery winnings, self-employment income, and governmental assistance not otherwise excluded as income.

Life-threatening – 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 said fuel.

Liquid Assets – Assets which are readily convertible to cash. Liquid assets include: savings accounts, checking accounts, bonds, stocks/shares, certificates of deposit, annuities and individual retirement accounts. (Individual retirement accounts are considered to be liquid assets if the accounts are in the name of a household member who is at least 59 ½ years old.)

Mixed Income Household – Any household in which one or more, but not all, members are receiving Temporary Family Assistance benefits, State Supplement to the Aged, Blind and Disabled and/or Refugee Cash Assistance administered through DSS.

Non-qualified Aliens – Individual(s) who are in this country illegally (undocumented) and individual(s) who are here legally but temporarily, on student or tourist 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.

Vendors – Persons or companies providing heat in legally measured amounts supported by proper documentation, including utility companies.

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

IV. INCOME ELIGIBILITY

A. Any household in which **all** household members are participating in one or more of the following DSS programs will be automatically (categorically) considered income eligible for the CEAP, but must meet all other eligibility requirements to receive benefits:

1. Temporary Family Assistance (TFA)
2. State Supplement to the Aged, Blind and Disabled
3. Refugee Cash Assistance Program

B. Any household whose annual gross income is at or below 150 percent (150%) of the federal poverty guidelines is income eligible for the CEAP.

150 PERCENT OF FEDERAL POVERTY GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$16,335	22,065	27,795	33,525	39,255	44,985	50,715	56,445

(For households with more than eight members, add \$5,730 for each additional member.)

C. Any household with elderly (60 years of age or older) and/or disabled member(s), whose annual gross income is at or below 200 percent (200%) of the federal poverty guidelines is also income eligible for the CEAP.

200 PERCENT OF FEDERAL POVERTY GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$21,780	29,420	37,060	44,700	52,340	59,980	67,620	75,260

(For households with more than eight members, add \$7,640 for each additional member.)

- D. Depending on the availability of federal funding, households whose annual gross income is above the CEAP income guidelines, but below 60 percent (60%) of the state median income guidelines may be income eligible for CHAP.

60 PERCENT OF STATE MEDIAN INCOME GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$31,863	41,667	51,472	61,276	71,080	80,884	82,722	84,561

V. ELIGIBILITY CERTIFICATION

- A. Basic Eligibility Criteria for Categorically Eligible Households

All households that are categorically eligible as described in section IV., subsection A. must apply in order to receive benefits. Income from sources cited in that section must be verified, and documentation of liquid assets may be required.

Categorically eligible households whose annual gross income is above 150 percent (150%) of the federal poverty guidelines shall be determined income eligible at the Level 3 benefit amount, but must meet all other program requirements in order to receive energy assistance.

- B. Basic Eligibility Criteria for All Other Households

- (1) Income Documentation

All other households will be required to document their income for the four weeks prior to the date of application, which will then be annualized. Households receiving income from self-employment shall complete a Self-Employment Worksheet, detailing income for the previous six or twelve full calendar months.

- (2) Assets

A liquid assets test will be an additional eligibility requirement for households in this subsection. These households must complete an assets declaration form. Households must provide verification of all liquid assets.

The liquid asset limit is \$10,000 for homeowners and \$7,000 for all other households. Households, whose liquid assets exceed the appropriate limit, may still be eligible for energy assistance if the household's gross income, when added to the excess liquid assets is within the income guidelines.

Documentation must be verifiable, or supported by affidavits, and households must comply with all reasonable requests for such verification. The State, through its agents or grantees, reserves the right to investigate and verify the income and assets of households in order to protect the integrity of its programs.

C. Households Claiming No Income

Households claiming no income in the previous four weeks must sign an affidavit declaring their means of support for that period. The affidavit shall include authorization to verify all income and the financial status of the household. Documentation of liquid assets shall also be required.

D. Household "52 Week" Option

Any household has the option of having the eligibility determination based on income from all household members for the 52 weeks prior to the date of application if that more accurately reflects the household's annual income. Documentation of liquid assets shall also be required.

E. Mixed Income Households

All mixed income household members receiving income must provide documentation of said income. Mixed income households will be considered income eligible for CEAP if the combined household annual gross income, including DSS cash benefits, is within the income guidelines. Mixed income households are also subject to liquid assets eligibility criteria.

F. Temporary Family Assistance (TFA) Disqualified Households

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

G. Prioritized Services

Deliverable fuel heated households who are either without heating fuel, or within one week of being without heating fuel at the time of application, will be eligible to receive prioritized services. Such services shall include prompt eligibility processing. Households which are determined to be eligible will receive a fuel delivery authorization within twenty-four (24) hours of the date of application.

H. Notification and Appeals

The CAA shall perform the eligibility determination and shall mail a notice of the results of such determination to the household within 45 calendar days of the date of application, excluding state-designated holidays. DSS may work with the CAAs on any discrepancy in the determinations, with DSS' final decision taking precedence.

If a household wishes to appeal the eligibility determination made, it has the right to do so. All households will be notified in writing at the time of application of their rights and obligations, and the procedures for appeal.

I. Social Security Numbers

Only Social Security Numbers presented by the applicant will be entered in the Social Security Number fields on the application.

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

- (1) Applied for, but not yet received a Social Security Number; or,
- (2) 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. Other household members who are either qualified aliens or citizens may be eligible for energy assistance benefits.

K. Households with Non-qualified Aliens

Non-qualified aliens shall not be included as part of the household when determining eligibility for energy assistance benefits. Income/liquid assets from non-qualified aliens shall be included when determining eligibility for energy assistance benefits.

VI. 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 two-hundred percent (200%) of the federal poverty guidelines is income eligible for the U.S. Department of Energy's (DOE) Weatherization Assistance Program. Income eligibility for weatherization services may be increased if energy assistance eligibility is expanded.

Weatherization services are provided on a first come, first served basis, based on availability of DOE funds and may be further prioritized by those households which are vulnerable.

Households refusing weatherization services without good cause will be ineligible to receive energy assistance for the remainder of the current program year and for the following program year. Those households that are unable to accept weatherization services due to the landlord's refusal to sign a landlord agreement shall not be subject to denial of energy assistance.

In addition to the DOE Weatherization Assistance Program, additional conservation services are available through and coordinated with the Weatherization Residential Assistance Partnership (WRAP) and UIHelps. WRAP

and UIHelps are utility funded conservation programs which provide weatherization services/materials to low income households.

B. Clean, Tune and Test

Eligible households may designate a portion of their Crisis Assistance benefits to cover the cost of a clean, tune and test of their deliverable fuel heating system. Renters must receive landlord permission in order to receive this service.

VII. PROGRAM INTEGRITY

Social Security Numbers shall be collected for all CEAP applicants and household members, except those identified in section V., subsections I(1) and I(2). The Department will continue to utilize the automated Social Security Number data transfer system which has been implemented with the CAAs. Under this process, the Department electronically transmits, via the State Verification and Exchange System, the Social Security Numbers of all applicants and household members requesting CEAP assistance. Any non-matches that are identified are forwarded to the CAA for resolution.

As part of the Department's ongoing effort to ensure that CEAP benefits are provided only to eligible households, all CAAs have been provided inquiry access to the Department's Eligibility Management System (EMS).

EMS enables CAAs to confirm the identity of those applicants and household members who are either currently or have previously requested assistance through various Department-run programs, including but not limited to Temporary Family Assistance, Supplemental Nutrition Assistance Program, Refugee Cash Assistance Program and State Supplement to the Aged, Blind and Disabled. EMS serves as a valuable resource, assisting CAAs with issues concerning household composition, address and income.

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

VIII. FRAUD

Persons who knowingly misrepresent their circumstances in applying for energy assistance benefits are subject to prosecution and/or recoupment of any benefits provided, following due process as defined in agency regulations, and are ineligible for the remainder of the current program year. In addition, these households will also be prohibited from participation for a period of two program years following the year in which the misrepresentation occurred. Persons who divert benefits to ineligible households are subject to the same penalties.

Vendors committing fraud, misrepresentation, or a violation of any aspect of their Vendor Document are subject to prosecution and suspension from the CEAP if convicted. Vendors suspected of fraud, misrepresentation, or of violating the Vendor Document, may be suspended from participation in the CEAP while legal proceedings are pending. Vendors convicted of fraud shall be suspended from participation in the CEAP for a period of five years following the year in which the offense occurred.

The Department has established a Fraud Hotline (1-800-842-2155) to permit individuals and vendors to report cases of suspected program abuse.

IX. CRISIS ASSISTANCE

In an effort to ensure that the most vulnerable populations have access to heat during the winter heating season, the state will implement a Crisis Assistance Program. Subject to the availability of funds, Crisis Assistance benefits will be available to eligible deliverable fuel heated households.

Note: Boarders are not eligible to receive Crisis Assistance benefits.

The chart below details the Crisis Assistance benefits by percent of Federal Poverty Guidelines (FPG).

<u>AWARD LEVEL</u>	<u>POVERTY GUIDELINES</u>	<u>CRISIS ASSISTANCE BENEFITS</u>	
		Vulnerable	Non-Vulnerable
Level 1 - CEAP	Up to 100% FPG	\$880	\$840
Level 2 - CEAP	101% - 125% FPG	\$785	\$740
Level 3 - CEAP	126% - 150% FPG	\$690	\$640
Level 4 - CEAP*	151% - 200% FPG	\$605	n/a
Level 5 – CHAP	151% - 200% FPG	\$580	\$580

* - Elderly and/or disabled households only.

Crisis Assistance benefits must be authorized by the CAA prior to the delivery.

X. HEALTH AND SAFETY INTERVENTION

Deliverable Fuel Heated households

Subject to the availability of funds, Safety Net Assistance benefits will be available to CEAP deliverable fuel heated households that have exhausted their Crisis Assistance benefits and are in a life-threatening situation. The Safety Net Assistance benefit will be \$400.

For households requesting Safety Net Assistance benefits, a risk assessment determination must be completed. The risk assessment determination involves a review of the household’s income, liquid assets and expenditures. If it is determined that the household has insufficient resources to cover the cost of the fuel delivery on its own, then a Safety Net Assistance fuel delivery may be authorized. Safety Net Assistance benefits must be authorized by the CAA prior to the delivery.

Vulnerable deliverable fuel heated households may be eligible to receive up to two Safety Net Assistance benefits during the program year. Non-vulnerable deliverable fuel heated households may be eligible to receive one Safety Net Assistance benefit during the program year. Households receiving funding through CHAP are not eligible to receive Safety Net Assistance benefits.

Utility Heated Households

Low income utility heated households are protected from winter disconnection, per section 16-262c of the Connecticut General Statutes, and are therefore not eligible to receive the needs-based Crisis Assistance benefit or Safety Net Assistance benefit.

To the extent possible, CAAs will work directly with the utility companies to assist low income households to either reinstate disconnected service or to prevent the disconnection.

To the extent possible, utility heated households facing unaffordable service arrearages, will be assisted by the CAA in enrolling in the Matching Payment Program (MPP). The MPP is a state-mandated initiative, under section 16-262c of the Connecticut General Statutes, which enables eligible households to reduce and/or eliminate their service arrearages and empower them to gain greater control of their energy costs. Under the MPP, eligible households enter into a payment arrangement with their utility vendor. As long as all customer payments have been made, the utility vendor will provide a dollar-for-dollar match of both the total customer payments and the CEAP benefit payment, if applicable. The resulting match is applied to the customer's service arrearage. Please note, only publicly regulated utilities are mandated to participate in the MPP.

To the extent possible, utility heated households that are unable to meet their utility payment arrangement, may be assisted by the CAA in negotiating a reduced payment arrangement with the utility vendor.

XI. LIHEAP SNAP BENEFITS

LIHEAP benefits are available to SNAP recipient households that do not make direct vendor payments for their primary source of heat and have a shelter and/or utility obligation.

Eligible households shall receive a direct cash benefit in the amount of \$1. This benefit will be issued by the Department to all eligible households. Receipt of a LIHEAP SNAP Benefit shall qualify the household to have their SNAP benefits recalculated, using the maximum Heating/Cooling Standard Utility Allowance (SUA). For most households, the SUA recalculation will result in increased SNAP benefits.

XII. BASIC BENEFITS

Depending on the availability of federal funding, Basic Benefits may be available to those households who are determined eligible.

If available, Basic Benefit awards will be determined based on income, household size, vulnerability and liquid assets. Households with vulnerable members and the lowest incomes will receive the highest awards.

Note: Boarders will not be eligible to receive Basic Benefits.

XIII. RENTAL ASSISTANCE BENEFITS

Depending on the availability of federal funding, Rental Assistance Benefits may be available to those households that do not make direct vendor payments for their primary source of heat, have annual gross incomes up to 150 percent of federal poverty guidelines and pay more than 30 percent of their gross income towards rent.

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

Households that are determined eligible for rental assistance will receive a direct payment.

Rental assistance households must present verifiable documentation of rent. Rental assistance households that move and 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 to the extent these benefits are available.

Conversely, if a household moves from a situation where they are responsible for payment of their primary source of heat, to a dwelling unit where they do not make direct 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 for under the Rental Assistance Benefit to the extent these benefits are available.

No more than one Rental Assistance Benefit will be issued per dwelling unit.

XIV. PROGRAM DATES

November 15 First day for authorization of fuel deliveries.

March 15 Deadline for fuel authorizations.

March 15 Last day that a household can apply to establish its eligibility for benefits.

April 30 Last day to submit deliverable fuel bills.

XV. ADDITIONAL BENEFITS/SERVICES

Should funds received exceed the amount required to meet the benefits specified under this Plan, the additional funds may be utilized to increase income eligibility for CHAP, provide Basic Benefits, provide Rental Assistance Benefits, increase the amount of the Crisis Assistance and/or Safety Net Assistance benefits, extend the program intake period, extend the fuel authorization period, provide additional Crisis Assistance and/or Safety Net Assistance benefits, provide an additional benefit on behalf of eligible utility heated households and/or provide heating assistance to DSS-funded homeless shelters.

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

XVI. PAYMENTS

In order for deliverable fuel heated households to receive CEAP benefits, bills must be in the name of a household member who is of majority status, or a documented emancipated minor. For households that heat with propane, kerosene, wood, or coal, CEAP payments will be based on the cost of the delivery as stated on a valid bill. For households that heat with oil, CEAP payments will be made in accordance with the Fixed Margin Pricing Program. Payments will be made only for primary deliverable heating sources delivered on or after November 15, 2011. Payments will be issued regardless of any customer payments made against the bill. Unless otherwise specified in this Plan, all payments will be direct vendor payments.

If funding allows utility heated households to receive Basic Benefits, then the account must be in the name of a household member who is of majority status, or a documented emancipated minor. Verification of the account number must be provided. Only residential accounts are eligible for payment. Basic Benefit payments will be credited to the household's account regardless of other payments made to the account. Basic Benefits are for utility costs incurred from November 15, 2011 – May 1, 2012. Should the Basic Benefit exceed the charges for service incurred during this period, the utility company shall refund the difference to DSS. If a household moves, and a credit balance resulting from a CEAP payment(s) exists in their account, and the household cannot be located, then the balance is to be returned to DSS. All program refunds must be returned to DSS no later than the close of the program year.

Basic Benefit payments to electric distribution companies will be credited in accordance with Department of Energy and Environmental Protection 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 redesignate any unobligated portion of their Basic Benefit. Crisis Assistance benefits and/or Safety Net Assistance benefits that may be provided to CEAP eligible households if the new primary source of heat is a deliverable fuel and the household meets the eligibility requirements as detailed in sections IX. and X.

If a household's heating system becomes inoperable, the household has the option of indicating an alternative primary source of heat.

CEAP benefits may be used to pay for the cost of one start-up/restart of a household's deliverable fuel heating system during the program year, provided the fee is the same that the vendor charges all similarly situated customers who are not receiving CEAP assistance.

Each CAA 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 per section 2605(f)(1) of the LIHEAP statute.

XVII. VENDORS

All energy vendors wishing to participate in the CEAP must sign a Vendor Document which 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.

The purpose of the Vendor Document is to ensure program standardization, fair treatment of CEAP customers by vendors, and to establish the conditions for payments on behalf of customers receiving assistance from the 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 Document will also establish the pricing/reimbursement mechanism that the state will utilize on behalf of oil heated households.

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

Vendors who sign the Vendor Document and verify their registration with the DCP will be placed on a list of "approved vendors" which will be supplied to the CAAs by DSS. Such documents do not guarantee vendors the right to participate in the CEAP should the State establish further criteria for participation in the CEAP, or in cases where the vendor is suspected of fraud, misrepresentation or of violating the conditions of the Vendor Document.

Clients shall have the right of vendor selection. Clients may retain their existing vendor or may select a new vendor. In either occurrence, the vendor must be on the list of approved vendors. If the client is changing vendors, the new vendor must be willing to accept new customers.

The State reserves the right to inspect/audit the records of any deliverable fuel vendor presenting a bill for payment by the CEAP, in order to verify the bill either before or after payment is made.

The State reserves the right to inspect/audit the records of utility companies receiving payment under the CEAP, in order to verify that the proper customer accounts are being credited.

XVIII. FIXED MARGIN PRICING PROGRAM

Information from the Oil Price Information Service (OPIS) will 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 New Haven Rack Average OPIS Price (for standard No. 2 fuel oil with 0.3 sulfur content, gross No. 2 distillate), plus a fixed margin of 31 cents per gallon.

The Fixed Margin Pricing Program also includes county differentials in the pricing mechanism to reflect increases in transportation and delivery costs. The differentials vary

from county to county, and are determined based on proximity to the New Haven terminal. The county differentials are as follows, and include the 31 cents fixed margin:

New Haven County	\$0.327
Middlesex County	\$0.343
Hartford County	\$0.349
New London County	\$0.352
Fairfield County	\$0.353
Tolland County	\$0.368
Litchfield County	\$0.377
Windham County	\$0.380

Under the Fixed Margin Pricing Program pricing mechanism, oil deliveries made on Wednesday, February 2, 2011 were paid based on the Tuesday New Haven Rack Average OPIS Price, as provided on Tuesday, February 1, 2011 by OPIS. The price was determined as follows:

\$ 2.836	New Haven Rack Average OPIS Price, Tuesday, 2/1/11
.310	Fixed Margin
<u>.070</u>	County Differential – Windham County
\$ 3.216	Total Fixed Margin Price for No. 2 oil, Wednesday, 2/2/11 (Windham 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 No. 2 heating oil market.

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 authorized and paid by the program, vendors shall not charge CEAP customers the difference between their retail price and the CEAP payment.

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

XIX. DELIVERABLE FUEL PURCHASING OPTIONS

The Department will continue to explore options to purchase home heating oil on behalf of CEAP households. These options may include, but are not limited to, “off season” purchasing, “pre buy” and vendor/wholesaler bidding. The implementation of any of these purchasing options may require the establishment of a state receivable account.

XX. INTAKE PILOT

Contingent on the availability of administrative funds, the department is interested in exploring options concerning the development of a pilot for CEAP year round intake. The objective of the pilot is to develop and implement a system which will more effectively manage the CEAP caseload. The initiative will focus on restructuring the CEAP caseload by establishing a year round schedule for intake and eligibility determinations/redeterminations. It is anticipated that shifting the caseload to a twelve month intake period could alleviate the large numbers of clients attempting to apply for CEAP benefits during the winter months. While the pilot proposes to expand program intake, all services and benefits will continue to be provided in accordance with the limits and dates established in this Plan.

XXI. INFORMATION AND REFERRAL

The State of Connecticut will work with others, including local governments and other private 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. 211 will continue to serve as the referral network system, and will work to identify services for CEAP households to alleviate crisis situations following exhaustion of benefits.

Referral flyers describing fuel assistance programs, weatherization services, energy conservation loans and private fuel banks will be made available at DSS and CAA offices. In addition, information regarding energy assistance services is also available on line at www.ct.gov/staywarm.

CAAs will continue to maintain a network of approximately 140 intake sites throughout the state (i.e., senior citizen centers, municipal social services offices, etc.). In addition, CAAs will assist homebound households in applying for CEAP benefits. This may involve the utilization of mail-in applications and/or the performance of outreach visits to homebound households.

Efforts will be made to identify other energy resources, either municipal, charitable or private (such as Operation Fuel and the Soldiers', Sailors' and Marines' Fund), which may be available to low income households. The Department will work with these providers, and 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, such as referral to shelters, as well as direct service intervention, when appropriate, by protective services agencies.

Operation Fuel is a private, non-profit organization which distributes privately raised funds through a network of fuel banks that accept and approve applications from households in need of emergency fuel oil deliveries or protection against utility shut-offs. Operation Fuel provides assistance to households with incomes up to two-hundred percent (200%) of the federal poverty guidelines. Those households that meet the Operation Fuel guidelines are issued referrals by the CAAs for these benefits.

In addition, Operation Fuel can, as funding permits and with the approval of its Board of Directors, on an annual basis 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.

XXII. ASSURANCE 16 ACTIVITIES

In accordance with LIHEAP regulations, and pending the availability of funds, CAAs will provide enhanced case management in an effort to assist low-income households reduce their overall energy needs/burden. Such services shall include, but are not limited to, risk assessment, counseling, energy education/awareness and assistance with energy suppliers/vendors. These services are aimed at enabling households to achieve a greater degree of energy self-sufficiency.

XXIII. BUDGET

A. The estimated LIHEAP budget for 2011/2012 is derived as follows:

\$41,754,126	2011/2012 LIHEAP Block Grant (est.)
<u>4,665,356</u>	2011/2012 LIHEAP Contingency Funds (est.)
\$46,419,482	Total 2011/2012 (est.)

B. LIHEAP benefit payment/administration breakdown*

\$41,177,534	LIHEAP Benefit Payments
4,641,948	LIHEAP Administration**
500,000	Assurance 16
<u>100,000</u>	LIHEAP SNAP
\$46,419,482	

C. Estimates of the 2011/2012 LIHEAP caseload:

Total eligible households	- 36,826
Total eligible with elderly	- 10,400
Total eligible with disabled	- 10,900
Total eligible with young children	- 8,500

Footnotes to Section XXIII., Budget

* To the extent that a reduction in funds available under LIHEAP requires modification of the administrative and/or Assurance 16 budgets, DSS shall make such reallocation as is necessary.

** Includes funds for program audits. DSS may require changes in the details of CEAP management and staffing at a CAA as a condition of awarding administrative funds to a CAA, when such changes are judged necessary by DSS to ensure that the funds awarded will have a significant positive impact on program performance.