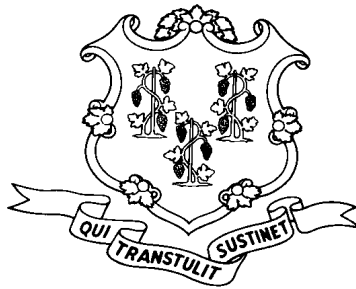


2016/2017 ALLOCATION PLAN
FOR THE
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
BLOCK GRANT



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**2016/2017 ALLOCATION PLAN
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I. INTRODUCTION

The Connecticut Energy Assistance Program (CEAP) is designed to help offset the winter heating costs of Connecticut's lower income households, specifically those households whose income falls at or below 60 percent of the state median income.

The CEAP is funded by the U.S. Department of Health and Human Services' (HHS) Low Income Home Energy Assistance Program (LIHEAP) Block Grant, which has not yet received a level for Federal Fiscal Year (FFY) 2017. In order to plan the program in a timely manner, \$80.4 million in federal block grant funds is assumed. This figure is predicated on the probability that LIHEAP will be level-funded through Continuing Resolutions based on the FFY 2016 level. In addition, an estimated \$7.6 million in FFY 2016 LIHEAP carry-forward funds and \$200,000 in LIHEAP vendor refunds are available. This constitutes the Department of Social Services' best estimate of the funding that may be available under the LIHEAP block grant ("the Plan").

The Department of Social Services (DSS), with the help of its partners, the Community Action Agencies (CAAs), administers CEAP. This year's plan also includes \$1 million in funding that will be provided to the State Department of Energy and Environmental Protection (DEEP) to provide Weatherization services, focused on health and safety measures and in compliance with the U.S. Department of Energy's Weatherization requirements. DSS will retain oversight responsibilities for this funding and shall develop and facilitate the execution of a Memorandum of Agreement that will further delineate responsibilities of each agency regarding these services.

DSS and the 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.

Energy assistance benefits shall include the following:

A. HEAT BENEFITS

1. BASIC BENEFIT
2. CRISIS ASSISTANCE BENEFIT
3. SAFETY NET ASSISTANCE BENEFIT

B. RENTAL ASSISTANCE BENEFITS

Benefits available through CEAP vary to reflect need, cost, and/or energy burden. The 2016/2017 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, 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 the Plan are judged 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 early. 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 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. Execute 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 other energy and conservation-related programs administered or funded by the State.
- I. Complete weekly and quarterly 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, maintain a fraud referral method for reporting suspected program abuse and investigate all reported claims of suspected program abuse.
- K. Track carryover funds from the 2015/2016 program.
- L. Provide, once the block grant has been determined, a budget estimating total program expenditures and, for DSS and each contracting agency, a line-item budget of administrative expenditures for CEAP.
- M. Provide CAAs with the daily price per gallon for home heating oil purchased under the CEAP.
- N. Track the number of gallons of home heating oil purchased under the CEAP. Track the average fixed margin price, the average retail price, and savings per gallon for home heating oil.
- O. Monitor the performance of DSS contractors in delivering services and in reporting to DSS.

- P. 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).
- Q. 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 the 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, 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 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 unrelated foster children or unrelated 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 supplemental security income (excluding Medicare premium if applicable), 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-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.

Liquid Assets - Assets that 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 State Supplement to the Aged, Blind and Disabled, Refugee Cash Assistance and/or Temporary Family Assistance benefits administered through DSS.

Non-Qualified Aliens – Individual(s) who are in this country illegally 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 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 either elderly (defined as 60 years of age or older), disabled or under the age of six.

IV. INCOME ELIGIBILITY

A. Any household which makes direct-to-vendor payments for heat and in which all household members are participating in one or more of the following DSS programs, will automatically be considered income eligible for energy assistance at a benefit level not less than that provided for households with incomes between 126% - 150% of the federal poverty guidelines (FPG), but must meet all other eligibility requirements to receive benefits:

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

150 PERCENT OF FEDERAL POVERTY GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$17,820	24,060	30,300	36,540	42,780	49,020	55,260	61,500

(For households with more than eight members, add \$4,160 for each additional member.)

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

60 PERCENT OF STATE MEDIAN INCOME GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$33,881	44,305	54,730	65,155	75,580	86,005	87,959	89,914

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 CEAP 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 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 CEAP benefits.

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 shall have the option of documenting income for the previous twelve months 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) Assets

A liquid assets test will be an additional eligibility requirement. Households covered in this section are required to complete an assets declaration form. (Utility heated households and Rental Assistance households which meet the criteria in section IV, subsection A are not required to complete the assets declaration form. All deliverable fuel heated households will be required to complete the assets declaration form in order to determine eligibility for Safety Net Assistance benefits.) Households are also required to provide verification of all liquid assets.

The liquid asset limit is \$15,000 for homeowners and \$12,000 for all other households. Households, whose liquid assets exceed the appropriate limit, may still be eligible for energy assistance if the household's annual gross income when added to the excess liquid assets is within the income guidelines.

(3) 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 each household's energy burden.

Applications will be taken in confidential settings to the maximum extent practicable. All documentation of income and assets must be verifiable, or supported by affidavits, and households are required to comply with all reasonable requests for assistance in verifying documentation. 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 four weeks prior to the application date must sign an affidavit declaring their means of support for that period. The affidavit is required to include authorization to verify all income and the financial status of the household. Documentation of liquid assets is also required.

D. Household "52 Week" Option

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

E. Mixed Income Households

In mixed income households, documentation of the income received by members is required. Mixed income households will be considered income eligible for energy assistance if the combined household annual gross income, including DSS cash benefits, is within the income guidelines as detailed in section IV., subsection B. Mixed income households are also subject to liquid assets eligibility criteria, as detailed in section V., subsection B(2).

F. Temporary Family Assistance (TFA) Disqualified Households

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

G. Prioritized Services

A household that heats with a deliverable fuel and is without or within one week of being without heating fuel that applies for energy assistance during the time in which fuel deliveries may be authorized, will be prioritized for the determination of eligibility for CEAP services. Prioritized services include prompt processing in order to determine eligibility. A deliverable fuel heated household that applies under these circumstances shall receive a fuel delivery authorization no later than eighteen (18) hours after the household is determined eligible.

H. Notification and Appeals

The CAA shall perform the eligibility determination and provide a notice of the results of such determination to the household within forty-five (45) calendar days, excluding state-designated holidays. DSS may work with the CAAs on any discrepancy in the determinations. DSS' decision shall be deemed final.

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

I. Social Security Numbers

Only Social Security Numbers provided by the applicant will be entered in the Social Security Number fields on the application. Social Security Numbers will be required for all household members.

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. 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/liquid assets from non-qualified aliens are required to be included when determining eligibility for CEAP benefits.

VI. PROGRAM INTEGRITY

Social Security Numbers will continue to be collected for all CEAP applicants and household members, except those identified in section V., subsections I (1) and I (2). DSS will continue to utilize the automated Social Security Number data transfer system which has been implemented with the CAAs. This system electronically transmits to DSS 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 have inquiry access to the department's eligibility management system, currently EMS, which is to be replaced by ImpaCT in Spring 2017.

Access to the Department's eligibility management system enables participating CAAs to confirm the identity of those applicants and household members who are currently or have previously received assistance through various department-run programs, including, but not limited to: Temporary Family Assistance, Supplemental Nutrition Assistance Program (SNAP), Refugee Cash Assistance Program and State Supplement to the Aged, Blind and Disabled. This access provides a valuable resource to the participating CAAs providing assistance 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 DSS and/or the participating CAAs 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 misrepresent their circumstances when applying for energy assistance are subject to prosecution and/or recoupment of any benefits provided, following due process as defined in agency regulations, and are ineligible for services during the remainder of the current program year. In addition, said households will also be 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 the CEAP while legal proceedings are pending. Vendors or home energy providers convicted of fraud are suspended from participation in the CEAP for a period of five years following the year in which the offense occurred or was identified.

The Department has established a Fraud Hotline (1-800-842-2155) for individuals and vendors to report cases of suspected program abuse. Additionally, the Department has a Fraud webpage that details information about efforts to identify and eliminate fraud. Please access www.ct.gov/dss and select the “*Report Suspected Fraud and Abuse of DSS Programs*” icon on the right side of the homepage. Suspected fraud of CEAP services can also be reported by completing a complaint form found on the webpage.

Finally, there is also a protocol in place for CAAs to handle situations where there is a question of discrepancy or misrepresentation by an applicant. Referrals are made by the CAA to the DSS Investigations Unit.

VIII. BASIC BENEFIT LEVELS

Basic Benefit awards are determined based on income, household size, vulnerability and liquid assets. 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:

Level	Poverty Guidelines	<u>BASIC BENEFITS</u>	
		Vulnerable Households	Non-Vulnerable Households
1	Up to 100% FPG	\$590	\$535
2	101% FPG - 125% FPG	\$505	\$450
3	126% FPG - 150% FPG	\$430	\$375
4	151% FPG - 200% FPG	\$355	\$300
5	201% FPG - 60% SMI	\$295	\$240

If the state receives funding at a level other than that specified in the Plan, Basic Benefits and/or income eligibility criteria may be adjusted.

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, have annual gross incomes up to 60 percent of state median income 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 Benefits will receive a direct cash benefit to defray heating costs.

The chart below details the Rental Assistance Benefit awards:

<u>RENTAL ASSISTANCE BENEFITS</u>		
Level	Poverty Guidelines	
1	Up to 100% FPG	\$140
2	101% FPG - 125% FPG	\$130
3	126% FPG - 150% FPG	\$120
4	151% FPG - 200% FPG	\$110
5	201% FPG - 60% SMI	\$100

Rental assistance households are required to 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 \$140 in rental assistance benefits and subsequently moves to a non-rental assistance situation could be eligible for a \$590 Basic Benefit, less the rental benefit assistance received. That household would now be eligible to receive up to \$450 of Basic Benefits toward their primary source of heat. Crisis Assistance and Safety Net Assistance benefits may also be available if the new primary source of heat is a deliverable fuel and the household meets the criteria.

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 for under the Rental Assistance Benefits matrix.

For example, a household that has expended \$100 of its \$590 Basic Benefit and subsequently moves to a dwelling unit where they are eligible for Rental Assistance Benefits, would be able to receive the \$140 Rental Assistance Benefit, less the expended amount of the Basic Benefit. That household would now be eligible to receive up to \$40 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 state receives funding at a level other than that specified in the Plan, Rental Assistance Benefits may be adjusted.

X. LIHEAP SNAP BENEFITS

SNAP recipient households who do not make direct-to-vendor payments for their primary source of heat, have a shelter and/or utility obligation and pay **less** than 30 percent of their gross income toward rent are eligible to receive LIHEAP benefits. These households receive the lowest LIHEAP payment because they have the lowest energy burden.

Eligible SNAP households shall receive a direct cash benefit in the amount of \$20.01. 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.

XI. CRISIS ASSISTANCE

The State will implement a Crisis Assistance Benefit to address the heating needs of deliverable fuel heated households who have exhausted their Basic Benefits and are still at imminent risk of losing heat. Eligible deliverable fuel heated households who are unable to secure primary heat, and are eligible for energy assistance under Level 1 through Level 4 will be eligible to receive a Crisis Assistance benefit of \$550. Eligible deliverable fuel heated households who are unable to secure primary heat, and eligible for energy assistance under Level 5 will be eligible to receive a Crisis Assistance benefit of \$250.

A redetermination of income eligibility is not required to receive Crisis Assistance. A household qualifying for a Crisis Assistance Benefit under these circumstances will receive an authorization for a fuel delivery within forty-eight (48) hours.

XII. SAFETY NET ASSISTANCE

A. Deliverable Fuel Heated Households

Subject to the availability of funds, Safety Net Assistance benefits will be available to eligible deliverable fuel heated households that qualify for a Level 1 through Level 4 Vulnerable or Non-Vulnerable Basic Benefit, have exhausted their Basic and Crisis Assistance benefits, and are in a life-threatening situation. The Safety Net Assistance benefit will be \$415.

Eligible non-vulnerable households may be eligible to receive up to two Safety Net Assistance benefits during the program year. Eligible, vulnerable households may be eligible to receive up to three Safety Net Assistance benefits during the program year. Households that qualify for a Level 5 Basic Benefit are not eligible to receive Safety Net Assistance benefits.

Eligible households requesting Safety Net Assistance benefits must complete a risk assessment determination. 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.

B. Utility Heated Households

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

To the extent possible, utility heated households facing unaffordable service arrearages shall be assisted by the CAA with enrolling in the Matching Payment Program (MPP). The

MPP is a state-mandated initiative pursuant to CGS 16-262c, which enables CEAP eligible households to maximize their energy benefits, reduce and/or eliminate their service arrearages and empower them to gain greater control of their energy costs. Under the MPP, CEAP eligible households enter into a payment arrangement with their utility vendor.

As long as all customer payments have been made by the 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.

Utility heated households who are unable to meet their utility payment arrangement may be assisted by the CAA in negotiating a reduced payment arrangement with the utility vendor through the below budget worksheet process.

XIII. PROGRAM DATES

The first day for fuel delivery is the second Wednesday of November, or the third Wednesday if the first day of the month falls on a Wednesday. After following these conditions, if the specified date falls on a State holiday, the first day of delivery will be one day earlier, on the preceding Tuesday. For FFY 2017, program dates are as follows:

- November 9
 - First day for fuel deliveries that can be paid by the program.
 - First day for authorization of fuel deliveries.
- March 15
 - Deadline for fuel authorizations or deliveries.
- May 1
 - Last day that a household can apply to establish its eligibility for benefits unless the household is utility heated and has a shut off notice for its primary source of heat.
- May 15
 - Last day that a utility heated household with a shut off notice for its primary source of heat can apply to establish its eligibility for benefits.
- May 31
 - Last day to submit deliverable fuel bills.

XIV. 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 percent of the state median income guidelines is income eligible for the U.S. Department of Energy's Weatherization Assistance Program administered by the Department of Energy and Environmental Protection (DEEP). Households applying for CEAP services use a single application that also determines their income eligibility for the weatherization program administered through DEEP. Weatherization services are provided on a first come, first serve basis, based on availability of funds and may be further prioritized for Vulnerable Households. Households who are approved for Safety Net Assistance Benefits may also be prioritized for weatherization services.

For FFY 2017, the Department is providing \$1 million in LIHEAP funds to DEEP to assist with providing weatherization services to CEAP eligible households. These funds will be used to address health and safety measures for the provision of weatherization services and will be in compliance with the U.S. Department of Energy's Weatherization requirements. CEAP eligible households that receive these services will also receive DOE funded weatherization services.

DEEP will be responsible for tracking the use of LIHEAP funds provided to them by the Department for the weatherization of CEAP eligible households, and will provide the Department information and data necessary to fully comply with federal reporting requirements pertaining to expenditure of LIHEAP Weatherization funds.

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 landlord permission 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/replacement component.

C. Heating System Repair/Replacement

The Department will provide \$1 million in LIHEAP funds for the repair or replacement of heating systems for single family, owner-occupied dwellings that are determined to be unsafe or inoperable. Vendors performing the work will be selected competitively. These funds are available for households eligible for CEAP at Level 1 – 4 and shall 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 certified to evaluate heating systems.

D. Performance Measures

In accordance with U.S. Department of Health and Human Services requirements, the Department will be seeking energy consumption information from vendors for households eligible for CEAP. 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 conservation efforts on to those households with the highest energy burdens.

XV. ADDITIONAL BENEFITS/SERVICES

Should funds received exceed the amount required to meet the benefit levels specified in the Plan, the additional funds shall be utilized to provide additional Crisis Assistance and/or Safety Net Assistance benefits to eligible households, provide an additional benefit on behalf of utility heated households, increase Basic Benefits, increase Rental Assistance Benefits, increase LIHEAP SNAP Benefits, extend the deliverable fuel authorization period, extend the program intake period, provide additional funding for heating system replacements to address unsafe/inoperable appliances, provide additional funding for weatherization services for health and safety measures, provide cooling assistance to eligible households, and/or provide 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.

XVI. PAYMENTS

In order for deliverable fuel heated households to receive CEAP benefits, bills for deliverable fuel must be presented and must be in the name of a household member who is of majority status 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 9, 2016. 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.

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 9, 2016 – May 1, 2017. 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, 2016. 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 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 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 sections XI. and XII.

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.

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

XVII. VENDORS

All energy vendors wishing to participate in the CEAP must sign a Vendor Participation 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. In accordance with requirements from the United States 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 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 Participation Document will also establish 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 DCP 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 the CEAP should the State establish, in accordance with the provisions of Section 4-28b of the Connecticut General Statutes, further criteria for participation in the 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 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 be used 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 New Haven Rack Average OPIS price for low sulfur distillate heating oil, plus a fixed margin of 33 cents per gallon.

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

The county differentials are as follows, and include the 33 cents fixed margin:

Middlesex County	\$0.363
Hartford County	\$0.369
New London County	\$0.372
New Haven County	\$0.375
Litchfield County	\$0.397

Tolland County	\$0.429
Windham County	\$0.430
Fairfield County	\$0.445

Under the Fixed Margin Pricing Program pricing mechanism in place last year, oil deliveries made on Tuesday, December 8, 2015 were paid based on the previous day’s New Haven Rack Average OPIS Price, as provided in this example on Monday, December 7, 2015 by OPIS. The price was determined as follows:

\$1.391	New Haven Rack Average OPIS Price, Monday, 12/7/15
.330	Fixed Margin in FFY 2016
<u>.115</u>	County Differential – Fairfield County
\$1.836	Total Fixed Margin Price for Tuesday, 12/8/15 (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 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.

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

XIX. 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. 211 will continue to serve as the referral network system, and will work to identify services for CEAP households in order to alleviate crisis situations 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 and utility bill inserts describing fuel assistance programs, weatherization services, energy conservation loans and private fuel bank assistance are made available at DSS and CAA offices.

CAAs will continue to 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 mail-in applications or outreach visits to households with homebound members.

CAAs use a single application to determine eligibility for the CEAP and for weatherization 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.

The companies administering HES-IE enter into written agreements with the CAAs for the provision of the weatherization services/materials to low income households. In order to qualify, households must have been approved by the CAA and must meet other criteria, (e.g., high usage, high arrearage).

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, 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 deliveries or protection against utility shut-offs. Those households which 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.

XX. 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 shall 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 so as to reduce or eliminate their need for energy assistance services.

XXI. BUDGET

A. The estimated LIHEAP budget for 2016/2017 is derived as follows:

\$ 80,367,277	2017 LIHEAP Block Grant (est.)
7,600,000	2016 LIHEAP Carry-Forward Funds (est.)
<u>200,000</u>	2016 Vendor Refunds (est.)
\$ 88,167,277	Total 2016/2017 (est.)

B. LIHEAP benefit payment/administration breakdown¹

¹ 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.

\$ 74,929,450	LIHEAP Benefit Payments
8,036,727	LIHEAP Administration ²
1,000,000	Assurance 16
1,000,000	Weatherization
1,000,000	Furnace Repair & Replacement
<u>2,201,100</u>	LIHEAP SNAP
\$ 88,167,277	Total

C. Estimates of the 2016/2017 LIHEAP caseload:

Total eligible households	-	100,726
Total eligible with elderly	-	31,628
Total eligible with disabled	-	31,527
Total eligible with young children	-	20,649

Of the total estimated 2016/2017 LIHEAP eligible caseload, it is anticipated that 31.4% will have elderly members, 31.3% will have disabled members and 20.5% will have a young child/children.

² 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.