



## Weatherization: Coordinating LIHEAP and WAP

### Introduction

Congress gave LIHEAP grantees the ability to offer low-income weatherization services as part of the Low-Income Home Energy Assistance Act (“the statute”) ([42 USC § 8621-8630](#)) authorized in 1981, which provided monetary assistance to low-income families struggling to pay their home energy bills. LIHEAP was designed as a block grant, by which federal dollars are allocated to grantees, including all 50 states, the District of Columbia, territories and federally-recognized tribes, to be distributed for energy assistance purposes. One provision of the statute enables grantees to provide low-cost, cost-effective weatherization or other residential energy efficiency measures.

A LIHEAP weatherization program may provide many of the same services as the U.S. Department of Energy Weatherization Assistance Program (WAP), another federal program by which funds are distributed to states for weatherization purposes. As a result, many LIHEAP and WAP grantees manage one weatherization program at the grantee level, supported by funds from both programs. While the two programs are in some ways designed to work together, and LIHEAP funds may be administered using either WAP rules or those guiding LIHEAP weatherization services, there are many considerations a LIHEAP grantee should ponder before determining to what extent the two programs should be connected at the grantee level.

The purpose of this report is to provide state LIHEAP directors with information about the differences between LIHEAP weatherization and WAP. This will help LIHEAP directors decide whether LIHEAP weatherization funds should be used in conjunction with WAP or if LIHEAP would be better served by creating and implementing its own weatherization rules. First the report discusses in detail the main components of each program and provides a general overview of the requirements for the programs. Second it describes the responsibilities that LIHEAP grantees have towards LIHEAP weatherization funds regardless of the program administrative rules used. Third it provides two examples of states that have created their own LIHEAP weatherization programs.



### Resources for Coordinating LIHEAP and WAP

- [Weatherization Assistance Program](#)
- [WAP Technical Assistance Center \(WAPTAC\)](#)
- [National Association of State Utility Consumer Advocates](#)
- LIHEAP Clearinghouse [Program Components](#); [LIHEAP Plans, Manuals and Delegation Letters](#)
- Office of Community Services, [“Weatherization: Grantee Roles and Responsibilities”](#)
- [National Energy Assistance Directors’ Association \(NEADA\)](#)
- [Energy Out West \(EOW\)](#)
- [Home Performance Coalition \(HPC\)](#)
- [The National Association of State and Community Service Providers \(NASCSPP\)](#)

## Weatherization Assistance Program

WAP was created in 1976 as part of the Energy Conservation and Production Act (ECPA) (P.L. 94-385). According to the statute, the purpose of the program is:

“...to increase the energy efficiency of dwellings owned or occupied by low-income persons, reduce their total residential energy expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children.”

The Department of Energy (DOE) rules that govern WAP are in the Code of Federal Regulations: 10 CFR 440. The enabling statute and the federal regulations are available on the WAPTAC [website](#).

### Funding Structure

Like LIHEAP, WAP allocations are provided to all 50 states, the District of Columbia, the U.S. Territories, and federally-recognized Native American tribes. The federal WAP appropriation is divided into two parts: training and technical assistance (T&TA), which represents no more than 20 percent of the total allocation, and program funds. In order to determine the allocation to each grantee, DOE first determines the amount it will set aside for national, state, and local T&TA. Then the remaining appropriation is distributed using a base allocation and, if the appropriation exceeds a certain amount, an additional formula allocation.

#### Base Allocation

The base allocation represents a fixed amount for each grantee assuming total program funds of \$171,858,000. The base allocation for each grant-

ee is listed in 10 CFR 440. Any program funds in excess of \$171,858,000 are subject to a second formula allocation.

#### Formula Allocation

In 1995, DOE added an additional calculation to the distribution process for WAP funds. Any program funds in excess of \$171,858,000 are subject to a formula outlined in 10 CFR 440.10: Allocation of Funds. This formula changes year-to-year and is affected by the size of the grantee’s low-income population, climactic conditions, and residential energy expenditures.

Table 1 is an example based on a hypothetical appropriation of \$300 million for DOE weatherization.

Allocation	Amount	Notes
Congressional Appropriation	\$300,000,000	
T&TA Allocation	\$60,000,000	Determined by DOE annually, not to exceed 20% of total allocation
Total Program Funds	\$240,000,000	Congressional appropriation minus T&TA allocation
Base Allocation	\$171,858,000	Grantees receive same amount every year.
Formula Allocation	\$68,142,000	Total program funds minus base allocation. Grantee proportion based on formula that takes into account low-income population, climactic conditions and residential energy expenditures.

If the total amount of program funds falls below \$209,724,761, each grantee’s allocation is reduced by the same proportion that the total program allocation falls below \$209,724,761, a process described in 10 CFR 440.10. For example in FY 2015 WAP was funded at \$191,814,000 and the T&TA allocation was \$36,042,450 (18.79% of the appropriation), leaving \$155,771,550 for program funds.

That represented a 25.7% decrease of funds from \$209,724,761. As a result each grantee’s allocation was calculated as if the total program allocation was \$209,724,761, after which it was decreased by 25.7%.

Each year, DOE releases the annual allocation after the federal budget is finalized. The most recent allocation amounts are available at [ENERGY.GOV](http://ENERGY.GOV).

While DOE provides base funding for WAP, weatherization funds may come from a variety of sources. For some grantees, these additional funds are managed through the grantee’s WAP, while for others local agencies receive funding from multiple sources and combine them at the local level. In FY 2014, the most recent year for which data are available, DOE funds only accounted for 23 percent of total funding for low-income weatherization services. LIHEAP weatherization transfer dollars represented 46 percent and other funding sources including utility funds, and state general funds, represented 32 per-

cent of the total. Chart 1 shows total funding for low-income weatherization by source from 2003–2014.

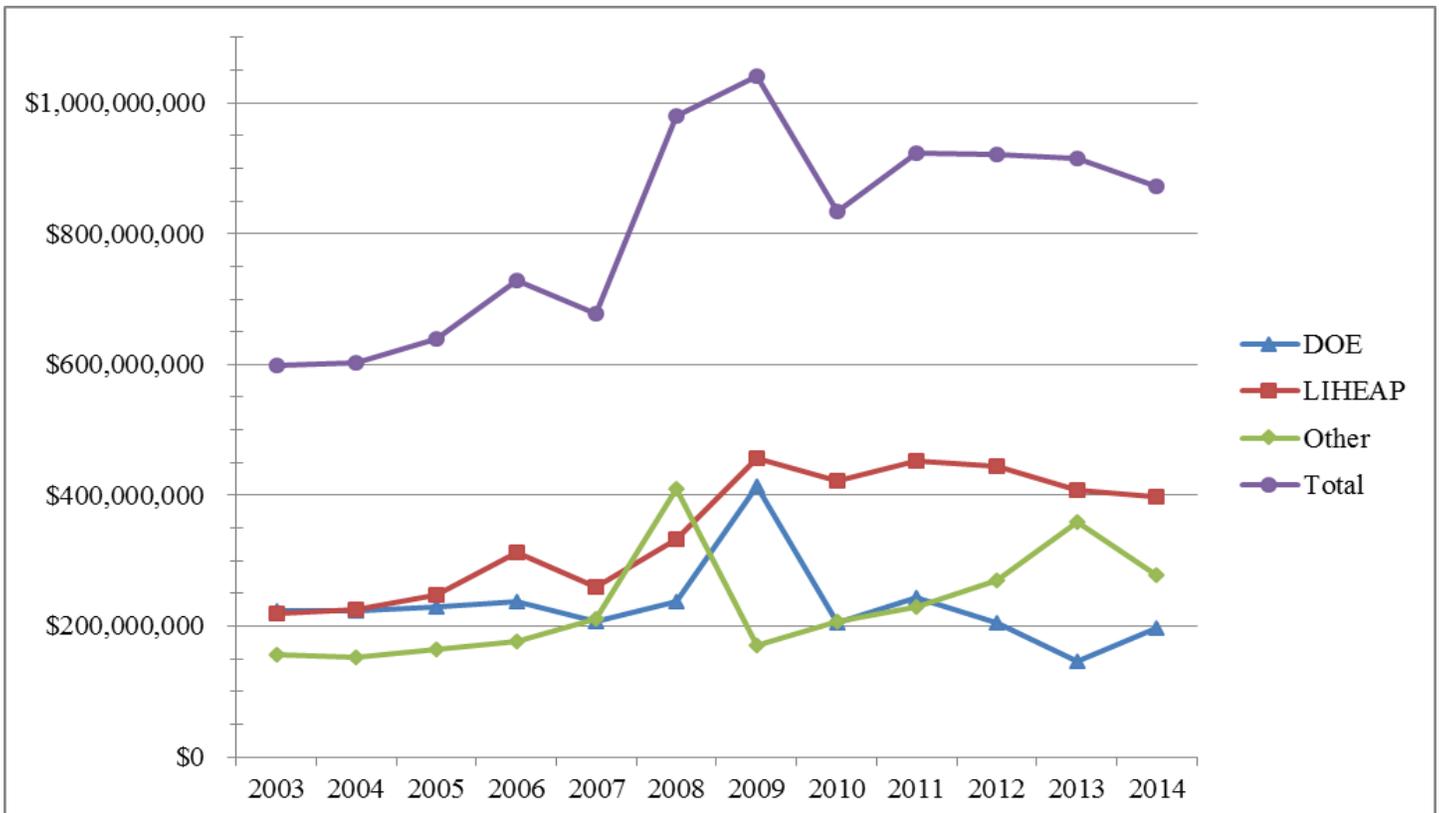
### Eligibility Guidelines

The WAP eligibility guidelines were revised as part of the American Recovery and Reinvestment Act of 2009 (ARRA). Historically, in order to be eligible for WAP, a household’s income had to be less than or equal to 150 percent of the federal poverty level (FPL). ARRA increased that maximum to 200 percent of FPL. If a WAP grantee chooses, it may use LIHEAP eligibility guidelines as long as they are under the 200 percent FPL cap. Alternatively, WAP grantees may use categorical eligibility from the Temporary Assistance for Needy Families

### Program Delivery

Most WAP grantees administer the program through local Community Action Agencies (CAA). The enabling statute specifically encourages the use of CAAs to administer the program:

**Chart 1 – WAP Funds by Funding Source**



Source: [WAPTAC Funding Survey 2014](#)

“States, through Community Action Agencies established under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] and units of general purpose local government, should be encouraged, with Federal financial and technical assistance, to develop and support coordinated weatherization programs designed to alleviate the adverse effects of energy costs on such low-income persons, to supplement other Federal programs serving such low-income persons, and to increase energy efficiency.”

Grantees that do not administer the program through CAAs also have the option of programming the funds through other nonprofits or public entities such as local governments or localized state offices. Many states use a combination of CAAs, community-based nonprofits, and local governments. The subgrantees must be nonprofits or units of government.

Each house that is weatherized under DOE WAP must go through the following process:

1. Application and Eligibility - WAP households must apply to the program, or be otherwise identified as a potential WAP recipient and submit proper paperwork.
2. Energy Audit - An energy audit is performed to determine what measures are needed.
3. Measure Prioritization - The needed measures are analyzed based on their savings to investment ratio (SIR), i.e. how much each measure will save the homeowner compared to how much they will cost to install. Measures with the highest SIR are prioritized. Measures must have at least a 1:1 SIR in order to be paid for with WAP funds.
4. Installation – Trained technicians perform the work identified in Step 3.
5. Education – The client receives information on how to maintain their house to ensure the energy savings are realized.
6. Inspection – Clients receive a follow-up visit by a certified Quality Control Inspector to

determine if the work was done properly, and reinforce the education to ensure the client’s behavior is optimizing energy savings. The inspection does not include verified energy savings, which cannot be assessed until the year following the installation of measures.

## Retrofits Covered

Unlike LIHEAP weatherization, which allows states to determine which measures they will offer within a set of broad guidelines, DOE WAP has specific measures that it will cover. Complete standards for weatherization measures are listed at [10 CFR 440 Appendix A](#).

### Building Shell Measures

- Insulate walls, floors, ceilings, attics, and foundations
- Air seal building shell
- Repair or replace primary windows and doors
- Install storm windows and doors
- Install window films, solar screens, window louvers, and awnings
- Apply reflective roof coating
- Repairs to enable other energy-efficiency measures

### Mechanical Measures

- Clean, tune, repair or replace heating/cooling systems
- Insulate ducts and heating pipes
- Conduct other efficiency improvements to heating and cooling systems
- Modify duct and pipe systems
- Install HVAC control systems
- Repair or replace water heaters
- Insulate water heater tanks and water lines
- Install solar water heating systems
- Install waste heat recovery devices
- Repair or replace electric motors in furnaces
- Install motor controls such as variable-speed drives

### Electric Base-Load Measures

- Install motor controls such as variable-speed

- drives
- Convert incandescent lighting to fluorescent or LEDs
- Replace refrigerators

### Health and Safety Measures

- Install smoke and carbon monoxide alarms
- Repair or replace vent systems on fossil-fuel-fired heating systems and water heaters
- Install mechanical ventilation if house is air-sealed to building tightness limit
- Safety repairs to enable installation of energy-efficiency measures

## Other WAP Program Components

### Application and State Plan

- WAP grantees are required to submit an annual application for funding, which includes:
  - \* SF-423: Application for Federal Assistance
  - \* Budget
  - \* Health and Safety Plan
  - \* Public Hearing Notice and Transcript (no fewer than 10 days' notice)
  - \* Policy Advisory Council Meeting Minutes
  - \* Indirect Rate Agreement and explanation of indirect costs
  - \* Cost Allocation Plan
  - \* Program Audit
  - \* SF-LLL: Disclosure of Lobbying Activities
  - \* Budget and budget justification for sub-recipient managing program
  - \* Other optional forms

### Program Targeting

Similar to LIHEAP, WAP grantees are charged with targeting the most vulnerable populations including the elderly, persons with disabilities, families with children, high residential energy users, and households with high energy burdens.

### Health and Safety Measures

Grantees may submit to DOE a list of health and safety measures they will perform alongside energy efficiency measures provided they are necessary in order to perform weatherization measures. The

grantee sets a limit on the percentage of the weatherization expense that can go towards health and safety measures, which cannot interfere with WAP's energy efficiency measures.

### Multifamily Weatherization

WAP includes weatherization services for multifamily buildings if 65 percent of the units meet WAP's income eligibility cap of 200 percent FPL. Small multifamily buildings, those with fewer than five units, are eligible if 50 percent of the households are income eligible. If the building meets the requirements, the common areas of the building, including the building envelope, central heating and cooling, and insulation, may be renovated regardless of the income eligibility of each individual unit.

### Shelters

WAP allows states to weatherize homeless shelters or other temporary housing, but not nursing homes, prisons, or other similar institutions. For the purposes of calculating dwelling units in a shelter, the regulations (10 CFR 440.22f) indicate that either every 800 square feet of the shelter, or each individual floor, can count as a single dwelling unit.

### Average Cost per Dwelling Unit

DOE does not set a maximum benefit level for WAP recipients. Instead it sets a maximum average cost per dwelling unit, which is updated yearly to reflect inflation (\$7,105 in FY 2016). In other words, in FY 2016 WAP grantees may spend more than \$7,105 on individual WAP recipient households, but the average cost of all households served may not exceed that amount.

The average cost calculation includes labor, materials and related expenses, which are enumerated in the federal regulations (10 CFR 440.18). Although they are only required to report to DOE their average cost amount, WAP grantees are encouraged to set maximum benefit amounts to prevent excessive variation in measures installed between households.

### LIHEAP Weatherization

LIHEAP weatherization is administered at the federal level by the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services (OCS). The LIHEAP statute permits grantees to use LIHEAP funds to “provide low-cost residential weatherization and other cost-effective energy-related home repair.” This language is the basis of the LIHEAP weatherization program, an optional component for LIHEAP grantees that comes out of the grantee’s LIHEAP allocation.

The LIHEAP statute also states:

“...grants made under this title may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this title, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.”

Thus, according to the LIHEAP statute and assurances, LIHEAP dollars can be used for weatherization purposes as long as the installed measures meet one of these three criteria: low-cost; cost-effective; or, residential weatherization or other energy-related home repairs that do not include construction. Beyond what is stated in the statute, it is up to LIHEAP grantees to determine the nature of their weatherization programs.

### Funding Structure

As discussed above, LIHEAP weatherization comes out of the grantee’s annual LIHEAP allocation. In FY 2016, 47 states and the District of Columbia chose to transfer some

of their LIHEAP grant to weatherization. The maximum a grantee may allocate to weatherization without a waiver from OCS is 15 percent. Grantees that wish to spend more than 15 percent on weatherization activities may apply to OCS for a waiver to use up to 25 percent of their LIHEAP grant. In FY 2016 tribal LIHEAP plans, 46 states and tribes reported weatherization allocations ranging from 2 to 15 percent. Table 2 lists state transfer percentages, as of September 2016.

State	Percent Funds Weatherization	State	Percent Funds Weatherization
Alabama	2	Montana	15
Alaska	3	Nebraska	10
Arizona	15	Nevada	5
Arkansas	15	New Hampshire	3
California	15	New Jersey	15
Colorado	15	New Mexico	14
Connecticut	1.84	New York	10
Delaware	10	North Carolina	11.83
District of Columbia	15	North Dakota	15
Florida	15	Ohio	15
Georgia	2.59	Oklahoma	2
Hawaii	0	Oregon	15
Idaho	15	Pennsylvania	15
Illinois	15	Rhode Island	15
Indiana	15	South Carolina	15
Iowa	15	South Dakota	0
Kansas	15	Tennessee	10
Kentucky	13.5	Texas	15
Louisiana	12	Utah	15
Maine	15	Vermont	0
Maryland	2.18	Virginia	15
Massachusetts	10	Washington	15
Michigan	5	West Virginia	15
Minnesota	4.5	Wisconsin	15
Mississippi	15	Wyoming	15
Missouri	10		

Source: [FY 2016 LIHEAP State Plans](#)

## LIHEAP vs. DOE Rules

LIHEAP grantees that choose to provide funds for weatherization have the option of following LIHEAP or DOE regulations when administering their programs. The decision to follow LIHEAP or DOE rules has a wide range of implications in terms of measures available, reporting requirements, and data collection. Grantees that select DOE rules are required to follow all DOE regulations, while grantees choosing to use primarily or entirely LIHEAP rules must establish their own quality control, training, inspection, and installation protocols to ensure program integrity and work quality. Grantees considering offering LIHEAP weatherization should carefully consider all of their options before determining whether to follow DOE rules or establish its own rules.

Grantees that currently participate in LIHEAP Weatherization have designed their programs in a variety of ways to accommodate the needs of their state, territory or tribe. Twenty-five states and the District of Columbia administer LIHEAP weatherization within their own department, while 22 pass the funds to another department in the state to manage. Grantees are required to report in Section 5 of their LIHEAP plan whether they plan to use “entirely LIHEAP,” “mostly LIHEAP,” “entirely DOE,” or “mostly DOE” rules for their weatherization programs for the coming year. In FY 2016, the majority of states (28) use mostly DOE rules with some exceptions, while the remaining states are divided among mostly LIHEAP (seven states), entirely LIHEAP (four states), and entirely DOE (nine states). It is worth noting that states that transfer weatherization funds to other departments are more likely to use DOE rules in their entirety (seven states) than those that do not (two states). [Appendix II](#) provides a list of the states that use each set of rules, along with some of the most common exceptions for states that use mostly DOE or mostly LIHEAP rules.

According to FY 2016 tribal LIHEAP plans, 36 tribes administer LIHEAP using all LIHEAP rules, 7 use

mostly LIHEAP rules and 2 use mostly DOE rules. All but 3 tribes administer LIHEAP weatherization within their own department. [Appendix IV](#) lists tribes that transfer funds to weatherization, the rules they follow and exceptions for those that use mostly DOE or mostly LIHEAP rules.

## Retrofits Covered

Grantees participating in LIHEAP weatherization also must determine what measures they will offer. Grantees that follow DOE rules are limited to the measures allowed in the DOE program; however, they are not required to offer all allowable measures. Grantees that follow LIHEAP rules, or a mix of the two, have more flexibility.

As discussed above, the LIHEAP statute only provides a general framework for LIHEAP weatherization, namely that the measures must be low-cost, cost-effective, residential weatherization or other energy-related home repairs that do not constitute construction. In general, any measure that fits that definition can be included in a grantee’s State Plan and paid for with LIHEAP weatherization funds.

OCS can reject a grantee’s weatherization plan if it includes measures OCS determines to be “clearly erroneous,” or clearly does not fit the description in the statute for weatherization activities. One example of a past “clearly erroneous” determination was a state that wanted to replace entire roofs using LIHEAP weatherization funds. OCS determined that while replacing or repairing part of a roof would be an eligible use of LIHEAP weatherization funds, total roof replacement should be considered construction and therefore not permissible under the statute.

The flexibility of LIHEAP weatherization provides states with a wide range of options. Some states, such as Texas, use LIHEAP weatherization funds as a supplemental resource to DOE funds, in order to stretch DOE funds or add measures that do not meet the SIR requirement but will be beneficial to the homeowner. Others, such as Alaska, Connecti-

cut, and New Hampshire, use LIHEAP funds primarily for furnace repair or replacement. [Appendix III](#) provides a list of the main measures offered by each state in their LIHEAP weatherization program.

### State, Local, Tribal, and Utility Weatherization Programs

Some grantees supplement federal weatherization dollars with additional funding from the state, local, tribe, or other entity such as a utility weatherization program. In many cases, these programs can be used to supplement federal LIHEAP or WAP funding. Some states use utility funds to reach clients that are not eligible for LIHEAP or DOE weatherization.

#### Example – Massachusetts LEAN

One example of state, local, and utility funds working together with federal funds is the Massachusetts Low-Income Energy Affordability Network (LEAN). LEAN is an association of nonprofits (mostly CAAs) that coordinate energy efficiency services from government and utility-funded programs. Each member nonprofit is a “lead vendor” for a utility that participates in the program. The vendors provide weatherization services to low-income customers served by that utility, which may be paid for by a utility weatherization fund, federal programs, and state-level programs. Utilities included in the program are: NSTAR, National Grid, Columbia Gas, Cape Light Compact, Unitil/Fitchburg Gas and Electric, Berkshire Gas, and Western Massachusetts Electric Company.

In Massachusetts, there is one application to apply for WAP, LIHEAP weatherization, and utility-funded weatherization programs. To be eligible, an applicant’s income must be no greater than 60 percent of state median income. All eligible LIHEAP applicants are automatically referred to WAP and are served according to the Massachusetts LIHEAP priority eligibility list. Additionally, residents who are eligible for TANF or SSI benefits are automatically eligible for WAP, regardless of whether or not they are eligible for LIHEAP.

Each of the weatherization funding sources is designated to provide a certain set of services, which are combined to serve the full needs of each household. WAP offers air sealing, insulation, and limited energy-related repairs. LIHEAP weatherization funds are limited to replacing and repairing heating systems through the Massachusetts Department of Housing and Economic Development’s Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP). Each utility offers its own set of weatherization measures that are managed by LEAN members at the sub-grantee level. The sub-grantee recommends utility weatherization services that can be employed in conjunction with WAP and HEARTWAP measures.

### Monitoring and Tracking Weatherization Funds

LIHEAP grantees are responsible for LIHEAP dollars allocated to weatherization, whether they are transferred to another department and used with WAP rules or if they stay in-house and follow LIHEAP rules.

#### Federal Character of LIHEAP Weatherization Funds

Similar to regular LIHEAP funds, weatherization funds transferred from LIHEAP maintain their federal character and continue to be considered part of a grantee’s LIHEAP allocation. This means they are subject to the same rules as other LIHEAP dollars, including:

- **Administrative Cost Cap:** For LIHEAP weatherization transfers that include administrative funds, those administrative funds are included in the overall LIHEAP 10 percent administrative cost cap. If other federal dollars are used to pay for LIHEAP weatherization administrative costs (e.g. WAP covers the administrative portion of the grantee’s weatherization program), those dollars also count towards the overall LIHEAP 10 percent administrative cost cap. (The administrative

cap is calculated differently for tribal grantees than for states.)

- **Unobligated or Returned Funds:** LIHEAP weatherization dollars that are not obligated in the fiscal year in which they are disbursed are included in the 10 percent carryover limit for LIHEAP funds. They are also subject to LIHEAP re-allotment requirements if the grantee exceeds its carryover limit in a given fiscal year.

### Tracking LIHEAP Weatherization Funds

Grantees that transfer weatherization funds outside of the LIHEAP office need to follow the funds through disbursement as well as track any funds that are returned to the program. If the weatherization program is not managed by the LIHEAP grantee, the grantee should have a formal agreement with the implementing agency that includes:

- **Reporting Requirements**
- **Financial Tracking Requirements**
- **Monitoring Requirements:** LIHEAP grantees must monitor any agency that receives LIHEAP funds for weatherization.

Sample [memoranda of understanding \(MOU\)](#) and contracts are available on the LIHEAP Clearinghouse website.

## Grantee Examples

### Alaska

**Funding Sources:** DOE WAP, LIHEAP, State General Funds, Proceeds from state-held mortgages

**LIHEAP Transfer Amount:** 3 percent

**Administering Agency:** Different from LIHEAP

**Office:** Alaska Housing Finance Corporation

**Administering Rules:** Entirely LIHEAP

**Sub-Grantees:** Five subcontractors and a few housing authorities

**Income Eligibility:** 150 percent FPL

**Average Expenditure Per Home:** \$11,000 on road system, \$30,000 off road system

**Description of Program:** Alaska's LIHEAP weatherization funds are used in concert with DOE WAP funds, but they are administered under the LIHEAP rules in order to maintain their flexibility. In FY 2016, LIHEAP funds were limited to furnace replacement and health and safety measures. Because of Alaska's unique geography and transportation challenges, transporting weatherization supplies to remote areas can be cost prohibitive. In particular, it would be impractical to serve individual households in communities off the road system, i.e. only accessible by plane or boat, since the greatest cost of the weatherization effort would be transporting materials to do the work. In order to mitigate these costs, the state weatherization program identifies communities in need of services, assesses all of the households and sends one shipment of materials for the entire community.

**Coordination between Agencies:** The LIHEAP director sits on the administering agency's Weatherization Policy Advisory Committee, and a representative from the administering agency sits on the State's Policy Advisory Committee. This fosters a working relationship between the agencies and allows both representatives to comment on the other agency's processes and procedures.

**Data Exchanges:** The state sends monthly updates of awards to subcontractors. Every August, subcontractors submit reports to the state showing how LIHEAP funds were spent.

### Oregon

**Funding Sources:** DOE WAP, LIHEAP, Bonneville Power Administration Low Income Weatherization Program, Petroleum Violation Escrow Program, and Energy Conservation Helping Oregonians (ECHO) program.

**Non-State Administered Funding Sources:** State Home Oil Weatherization Program (SHOW), utility rebate programs. These programs are not administered by Oregon Housing and Community Services

(OHCS) but are available to local agencies in the provision of weatherization services.

**LIHEAP Transfer Amount:** 15 percent

**Administering Agency:** Same as LIHEAP Office

**Administering Rules:** Mostly DOE

**Sub-Grantees:** 19 – CAAs, housing authorities, local governments, senior centers, tribes, and a development corporation.

**Income Eligibility:** 200 percent FPL

**Program Description:** LIHEAP weatherization in Oregon is administered in conjunction with the state’s DOE WAP. Since the programs work so closely together, LIHEAP funds comply with many of the DOE rules. However, exceptions are made to make the LIHEAP funds available for a broader range of services. For example, LIHEAP funds are not subject to the DOE WAP maximum statewide average cost per dwelling unit or SIR standards. This means that LIHEAP funds can be used to provide much needed measures that are either too expensive or not cost effective enough to meet DOE requirements. LIHEAP funds also allow additional criteria when prioritizing households on the waitlist. This allows LIHEAP to reach homeowners sooner who need weatherization assistance but do not match DOE priorities. Finally, Oregon’s LIHEAP weatherization funds do not have a limit on the percent of the retrofit going towards health and safety measures, which again allows for more flexibility to meet the needs of low-income families.

## Summary

The option to use LIHEAP funds for weatherization purposes can be a good opportunity for grantees to improve the resiliency of their state’s low-income

housing stock and reduce energy bills for its most needy clients. However, state LIHEAP offices need to consider carefully all of their options before determining what type of weatherization program to run. There are many benefits to transferring funds to the state’s existing DOE WAP including clear-cut rules, guaranteed energy savings, and a regulated network of service providers. However, there are also downsides, such as increased reporting and strict limitations on the measures that may be provided. Furthermore, LIHEAP weatherization funds transferred to a different office still maintain their LIHEAP character and therefore must be counted, tracked, monitored and reported in conjunction with the rest of the LIHEAP grant.

Grantees considering setting aside part of their LIHEAP grant for weatherization, or those considering changing the nature of their LIHEAP weatherization funds, are strongly encouraged to evaluate the existing weatherization programs in their state including DOE WAP, state-run programs, utility-funded programs, etc. to determine how LIHEAP funds can best support and coordinate with existing efforts. Some LIHEAP offices have determined their state is better served by coordinating the two programs but keeping the funds separate, allowing for a more flexible use of LIHEAP weatherization funds. All LIHEAP grantees are required to explain their weatherization program in Section 5 of their state plans. WAP grantees must also submit state plans, many of which are available on the website of the state agency that administers WAP. [Appendix I](#) provides a list of resources for LIHEAP directors to find more information about LIHEAP and DOE weatherization.

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## Appendix I – List of Resources

### [Weatherization Assistance Program Homepage](#)

The DOE WAP website houses all current WAP guidance as well as technical tools and resources related to the WAP

### [WAP Technical Assistance Center \(WAPTAC\)](#)

The WAPTAC website has a ‘virtual’ library of all rules, regulations, policies and procedures required by DOE’s weatherization program. It includes training resources, best practices, and technical tools for WAP grantees, sub-grantees and service providers.

### [LIHEAP Clearinghouse](#)

The LIHEAP Clearinghouse collects, develops, organizes and disseminates information on low-income energy issues. The LIHEAP Clearinghouse section on [LIHEAP weatherization](#) provides information on how LIHEAP state grantees administer weatherization including the amount they set aside for the program, the local agencies that administer the program, and examples of memoranda of understanding (MOU) and contracts between a state LIHEAP office and the state agency that operates DOE WAP. In addition the LIHEAP Clearinghouse posts [state plans](#) for all state LIHEAPs, of which Section 5: Weatherization Assistance provides information on the state’s LIHEAP weatherization efforts.

The Clearinghouse website has a [table](#) that lists the percent of tribal LIHEAP funds that each tribe allocates to weatherization. [Tribal plans](#) can also be located on the website.

### [OCS Website](#)

The OCS website provides resources for LIHEAP grantees including information memoranda, Dear Colleague notices, and training materials. In particular the training section of the website has a webinar entitled [“Weatherization: Grantee Roles and Responsibilities”](#) that provides detailed information on the requirements for LIHEAP grantees in regards to LIHEAP weatherization funds.

### [National Energy Assistance Directors’ Association \(NEADA\)](#)

NEADA is the primary educational and policy organization for state LIHEAP directors. NEADA’s winter and annual meetings provide members with important information on all aspects of LIHEAP administration. In addition the NEADA member listserv gives state LIHEAP directors the opportunity to solicit information and ideas for program implementation strategies from other members.

### [Energy Out West \(EOW\)](#)

EOW is an independent organization devoted to the advancement of knowledge and practice in the field of weatherization. EOW offers ongoing peer-exchange and a bi-annual conference that features the latest technical and organizational advances in the weatherization profession.

### [Home Performance Coalition \(HPC\)](#)

The HPC (formerly ACI) National and Regional Conferences offer multiple training tracks related to the field of Home Performance and weatherization.

### [The National Association of State and Community Service Providers \(NASCSPP\)](#)

NASCSPP offers two national conferences per year and multiple webinars focused on the management and administration of the Weatherization Assistance Program.

## Appendix II – LIHEAP Weatherization Rules Followed by State

Entirely DOE Rules	State	Eligibility	Transfer Funds to Different Agency
	Arkansas	200% FPL	Yes
	Delaware	200% FPL	Yes
	Florida	200% FPL	No
	Georgia	200% FPL	Yes
	Maryland	200% FPL	Yes
	Mississippi	200% FPL	No
	Missouri	200% FPL	Yes
	Nebraska	200% FPL	Yes
	New Mexico	150% FPL	Yes

Entirely LIHEAP Rules	State	Eligibility	Transfer Funds to Different Agency
	Alaska	150% FPL	Yes
	Connecticut	200% FPL	No
	Massachusetts	60% SMI	No
	New Hampshire	200% FPL	No

Mostly LIHEAP Rules	State	Eligibility	Transfer Funds to Different Agency	Common Exceptions			
				Income Threshold	Multifamily Wx	Wx for Shelters	Other
	Arizona	60% SMI, 150%FPL	Yes		x	x	
	California	60% SMI	No		x		
	Colorado	200% FPL	Yes	x	x		Admin. cost definitions
	Iowa	200% FPL	No	x	x		
	Maine	170% FPL	No		x	x	
	North Carolina	200% FPL	Yes	x	x	x	Reporting & Monitoring
	Rhode Island	60% SMI	No	x	x	x	

## Appendix II – LIHEAP Weatherization Rules Followed by State

	State	Eligibility	Transfer Funds to Different Agency	Common Exceptions			
				Income Threshold	No Avg. Unit Cost Max.*	No SIR Req.	Other
Mostly DOE Rules	Alabama	150% FPL	No	x			
	District of Columbia	60% SMI	No			x	
	Idaho	200% FPL	No		x	x	
	Illinois	150% FPL	No	x	x	x	
	Indiana	150% FPL	No	x	x	x	Gas cook stoves
	Kansas	130% FPL	Yes	x			Numerous
	Kentucky	200% FPL	Yes		x		No DOE health & safety cost cap
	Louisiana	200% FPL	No	x			Some use both funds
	Michigan	150% FPL	No	x			
	Minnesota	200% FPL	No		x		Homeowners & renters, includes mechanical work on heating systems
	Montana	200% FPL	No	x			Numerous
	Nevada	150% FPL	Yes				When not DOE funds, no health & safety limit
	New Jersey	200% FPL	Yes				
	New York	60% SMI, 150%FPL	Yes	x	x		
	N. Dakota	60% SMI	Yes	x			LIHEAP asset test
	Ohio	200% FPL	No				Numerous
	Oklahoma	60% SMI, 150%FPL	Yes	x			
	Oregon	200% FPL	No		x	x	Numerous
	Pennsylvania	200% FPL	Yes				20% cost max for health and safety
	S. Carolina	150% FPL	No		x	x	
	Tennessee	200% FPL	No		x		
	Texas	60% SMI, 150%FPL	No	x	x	x	Numerous
	Utah	150% FPL	Yes	x		x	Numerous
	Virginia	60% SMI	Yes	x			Other
	Washington	60% SMI	No	x	x		Numerous
	West Virginia	150% FPL	Yes	x	x		
	Wisconsin	60% SMI	No	x	x	x	50% eligibility for multi-family
	Wyoming	60% SMI	No	x	x		Numerous

Source: FY [2016](#) LIHEAP State Plans

### Appendix III – Measures Covered by LIHEAP Weatherization by State

State	Weatherization Needs Assessment/Audits	Caulking and Insulation	Storm Windows	Furnace/Heating System Modifications/Repairs	Furnace Replacement	Cooling System Modification/Repairs	Water Conservation Measures	CFL Light Bulbs	Energy-Related roof Repair	Major Appliance Repairs	Major Appliance Replacement	Windows/Sliding Glass Doors	Doors	Water Heater	Cooling System Replacement	Other:
Alabama	x	x		x	x	x	x	x	x	x	x	x	x	x	x	
Alaska					x											Health & Safety
Arizona	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Numerous
Arkansas	x	x	x	x	x	x		x	x	x	x	x	x	x	x	Insulation, air filtration, cooling (if medically necessary)
California	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Numerous
Colorado	x	x	x	x	x						x					
Connecticut				x	x											Oil Tanks
Delaware	x	x		x	x		x	x	x					x		
District of Columbia	x	x	x	x	x	x	x	x				x	x	x	x	
Florida	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Solar sun screens, health and safety
Georgia	x	x		x	x	x		x			x	x	x	x	x	
Hawaii																
Idaho	x	x	x	x	x	x		x	x	x	x	x	x	x	x	
Illinois	x	x		x	x	x		x	x	x	x	x	x	x		
Indiana	x	x		x	x	x	x	x						x		
Iowa	x	x		x	x		x	x			x	x	x	x		
Kansas	x	x	x	x	x	x	x	x			x	x	x	x	x	Numerous
Kentucky	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Louisiana	x	x		x		x	x	x	x		x			x		Minor repairs
Maine	x	x	x	x	x			x	x	x	x	x	x	x		
Maryland	x	x		x	x		x							x		
Massachusetts				x	x											
Michigan	x	x	x	x	x		x	x	x	x	x	x	x	x		
Minnesota	x	x	x	x	x				x			x	x	x		Numerous
Mississippi	x	x		x	x	x	x	x				x	x	x	x	
Missouri	x	x	x	x	x	x	x	x	x		x		x	x	x	Numerous

**Appendix III – Measures Covered by LIHEAP Weatherization by State**

State	Weatherization Needs Assessment/Audits	Caulking and Insulation	Storm Windows	Furnace/Heating System Modifications/Repairs	Furnace Replacement	Cooling System Modification/Repairs	Water Conservation Measures	CFL Light Bulbs	Energy-Related roof Repair	Major Appliance Repairs	Major Appliance Replacement	Windows/Sliding Glass Doors	Doors	Water Heater	Cooling System Replacement	Other:
Montana	x	x	x	x	x		x	x	x			x	x	x		
Nebraska	x	x	x	x	x	x	x	x				x	x	x		Air ventilation, CO detectors
Nevada	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Numerous
New Hampshire				x	x								x	x		
New Jersey	x	x		x	x		x	x	x	x	x	x	x	x		
New Mexico	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
New York	x	x	x	x	x		x	x	x		x	x	x	x		Numerous
North Carolina	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Attic, sidewall, and floor insulation
North Dakota	x	x	x	x	x			x	x			x	x	x		State approval over \$8,000
Ohio	x	x	x	x	x		x	x	x	x	x	x	x	x		
Oklahoma	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Health & Safety
Oregon	x	x	x	x	x		x	x	x	x	x	x	x	x		Health & Safety
Pennsylvania	x	x	x	x	x		x	x			x	x	x	x		Health & Safety
Rhode Island	x	x	x	x	x							x	x			
South Carolina	x	x		x	x	x	x	x			x			x	x	
South Dakota																
Tennessee	x	x	x	x	x	x			x			x		x		Health & Safety
Texas	x	x		x	x	x	x	x	x	x	x			x	x	solar screens
Utah	x	x		x	x	x	x	x	x		x	x	x		x	Other DOE Wx
Vermont																
Virginia	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Washington	x	x		x			x					x	x	x		
West Virginia	x	x		x	x										x	
Wisconsin	x	x	x	x	x		x	x		x	x			x		
Wyoming	x	x	x	x	x	x	x	x		x	x	x	x	x		Health & Safety

Source: [FY 2016 LIHEAP State Plans](#)

## Appendix IV – LIHEAP Weatherization Rules Followed by Tribes

State	Tribe	Eligibility	Transfer Funds to Different Agency
AK	Association of Village Council Presidents	150% FPL	No
AK	Kodiak Area Native Association	60% SMI	No
AK	Orutsararmiut Native Council	150% FPL	No
AK	Tanana Dena'Nena'Henash	150% FPL	No
AZ	Colorado River Indian Tribes	150% FPL	No
AZ	Salt River Pima-Maricopa Indian Community	150% FPL	No
AZ	Navajo Nation	150% FPL	No
CA	Karuk Tribe	60% SMI	No
CA	Mooretown Rancheria	60% SMI	No
CA	Pinoleville	60% SMI	Yes
CA	Riverside-San Bernardino Indian Co. Health, Inc.	150% FPL	No
ID	Coeur d'Alene Tribe	60% SMI	No
ID	Shoshone Bannock Tribes	150% FPL	No
KS	United Tribes of Kansas and SE Nebraska, Inc.	150% FPL	No
ME	Houlton Band of Maliseet Indians	60% SMI	No
MI	Grand Traverse Band of Ottawa and Chippewa	60% SMI	No
MI	Keweenaw Bay Indian Community	60% SMI	No
MT	Blackfeet Tribal Business Council	60% SMI; 150% FPL	No
MT	Confederate Salish and Kootenai	60% SMI	No
MT	Fort Peck Assiniboine and Sioux Tribes	60% SMI	No
NM	Pueblo of Jemez	150% FPL	No
ND	Spirit Lake Tribe	60% SMI	No
ND	Turtle Mountain Band of Chippewa Indians	60% SMI	No
OK	Chickasaw Nation	150% FPL	No
OK	Miami Tribe of Oklahoma	60% SMI	No
OK	United Keetoowah Band of Cherokee Indians	150% FPL	No
OR	Confederated Tribes of Coos Lower Umpqua and Siuslaw Indians	60% SMI	No
OR	Confederated Tribes of the Grand Ronde Community of Oregon	60% SMI	No
OR	Confederated Tribes of Warm Springs	150% FPL	No
OR	Klamath Tribes	60% FPL	No
SD	Oglala Sioux Tribe	150% FPL	No
SD	Rosebud Sioux Tribe	150% FPL	No
SD	Yankton Sioux	150% FPL	No
UT	Ute Tribe	60% SMI	No
WA	Confederated Tribes of the Colville Reservation	150% FPL	No
WA	Makah Indian Tribe	150% FPL	No
WA	Samish Indian Nation	60% SMI	No

Entirely LIHEAP Rules

### Appendix IV – LIHEAP Weatherization Rules Followed by Tribes

	State	Tribe	Eligibility	Transfer Funds to Different Agency	Common Exceptions			
					Income Threshold	Multifamily Wx	Wx for Shelters	Other
Mostly LIHEAP Rules	AL	United Cherokee Ani'Yun'Wiya Nation	60% SMI	No			x	
	CA	Southern California Tribal Chairman's Association	150% FPL	No	x			
	MT	Fort Belknap Indian Community	60% SMI	Yes	x			
	NC	Lumbee Nation	150% FPL	No		x		Benefit amount awarded to households is not capped but awarded in moderation to alleviate existing weatherization needs
	OK	Delaware Nation	60% SMI	No	x			Documentation required (e.g. deed, mortgage statement, bank statement, or tax information depending on the type of assistance requested)
	RI	Narragansett Indian Tribe	60% SMI	No	x			
	WA	Quileute Indian Tribe	150% FPL	No		x	x	

	State	Tribe	Eligibility	Transfer Funds to Different Agency	Common Exceptions			
					Income Threshold	No Avg. Unit Cost Max.*	No SIR Req.	Other
Mostly DOE Rules	AK	Bristol Bay	60% SMI	Yes	x	x		
	WA	Confederated Tribes of the Colville Reservation	60% SMI	No	x	x	x	