

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

ABBREVIATED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FFY) 2010

GRANTEE	Minnesota Department of Commerce
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LAST DETAILED MODEL PLAN FILED: FFY 2009

STATE APPLICANT

Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services  
Washington, D.C. 20447

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01  
OMB Approval No. 0970-0075, Expiration Date: 09/30/2011

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which a grantee is not required to use the detailed model plan. Public reporting burden for this collection of information is estimated to average 20 minutes per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

## Assurances

The Minnesota Department of Commerce agrees to:

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private

nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that--

- (A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and
  - (B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;
- (7) if the State chooses to pay home energy suppliers directly, establish procedures to --
- (A) notify each participating household of the amount of assistance paid on its behalf;
  - (B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;
  - (C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and
  - (D) ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;
- (8) provide assurances that,
- (A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and
  - (B) the State will treat owners and renters equitably under the program assisted under this title;
- (9) provide that--
- (A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year and not transferred pursuant to section 2604(f) for use under another block grant; and
  - (B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));
- (10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");
- (11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;
- (12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);
- (13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and
- (14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.\* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Chief Executive Officer of the State:

Signature: \_\_\_\_\_

Title: Deputy Commissioner  
Minnesota Department of Commerce

Date: \_\_\_\_\_

A letter delegating Authority is attached.

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

### Modified LIHEAP FFY 2010 Application

**Please list all changes made from your most recent detailed plan**

Page	Subject
4	EAP Component
Modification: Dates of Operation	

<b>EAP Component</b>	
Heating Assistance	<b>Dates of operation</b> October 1 to July 31
Crisis Assistance	
• Emergency Benefits	October 1 to June 30
• Reach Out for Warmth	October 1 to <u>September 30</u>
• Energy Related Repair	October 1 to June 30
Other significant dates:	
<ul style="list-style-type: none"> <li>• Applications must be received by May 31; payments must be authorized by July 31.</li> <li>• Emergency benefits and energy related repair benefits may be approved through June 30.</li> <li>• Reach Out for Warmth benefits paid from the federal match may be awarded through <u>September 30</u>.</li> </ul>	
<b>Explanation:</b> Dates of operation changes were modified after the FFY 2009 LIHEAP Detailed Model Plan was submitted. The above dates of operation revert back to the original dates submitted. The last day to award Reach Out For Warmth federal match benefits is extended through September 30.	

Page	Subject
5	Estimate of LIHEAP funds budgeted to MN EAP components. All MN EAP components are included in this estimate.
<b>Modification: Increase funds available for ROFW</b>	
<ul style="list-style-type: none"> <li>• Reach Out For Warmth Funds are capped at \$2,000,000.</li> </ul>	
<b>Explanation:</b>	
This change increases the budget for Reach Out For Warmth due to the increase in funds donated to Service Providers and the extended dates of operation to award Reach Out For Warmth funds to eligible households.	

Page	Subject
6	Minnesota EAP eligibility requirements for heating assistance, other than income:
<b>Modification: Crisis Component - Heating Emergency Benefit (assistance with fuel bills)</b>	
Households meeting the following requirements may receive a basic crisis assistance of up to <u>\$500</u> (Emergency Benefit [EB]):	
<ul style="list-style-type: none"> <li>• Must receive or will receive a Heating Assistance benefit and</li> <li>• Have a past due energy bill or</li> <li>• Have inadequate heating assistance benefit remaining for a minimum delivery, have less than 20 percent of fuel tank capacity remaining in their tank and be on a cash basis with the vendor or</li> <li>• Have a current bill, at least one member age 60 or older and an inability to pay as determined by the Reasonable Payment Worksheet.</li> </ul>	
<b>Explanation:</b>	
These changes provide clarification and conformity with existing policy and procedures.	

Page	Subject
6	Minnesota EAP eligibility requirements for heating assistance, other than income:
<b>Modification: Reach Out For Warmth Heating Crisis Assistance</b>	
Households: Must need fuel or fuel bill payment by <ul style="list-style-type: none"> <li>• Having a past due energy bill or</li> <li>• Have less than 20 percent of fuel tank capacity remaining in their tank and be on a cash basis with the vendor or</li> <li>• Having a current bill, at least one member age 60 or older and an inability to pay as determined by the Reasonable Payment Worksheet</li> <li>• To receive federal funds, must not have received regular EAP Emergency Benefit.</li> </ul>	
<b>Explanation:</b> These changes provide clarification and conformity with changes made to the existing policy and procedures for the Crisis Component for Heating Emergency Benefit (EB).	

Page	Subject
7	Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.
<b>Modification: Paragraph 1</b>	
Minnesota administers LIHEAP and DOE Weatherization (WAP) in the Department of Commerce (DOC), Energy Division. This helps facilitate coordination between similar and related services. The EAP application serves as the application for weatherization activities funded by LIHEAP or DOE. LIHEAP service providers determine income for most recipients of weatherization programs.	
<b>Explanation:</b> Minnesota's WAP income eligibility standards may change to 200 percent of Poverty Level, as allowed by DOE. WAP adapted LIHEAP income eligibility standards in previous years.	

Page	Subject
8	Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.
<b>Modification: Paragraph 1</b>	
A matrix provides benefits based on income, household size and heating cost for the previous year.  (1) The household's income as a percent of the State Median Income (SMI) or Poverty Level (for households with <u>14</u> members and larger) determines what portion of last year's heat costs will be paid. For example, a household with an income that is less than 10 percent of SMI may receive the highest benefit as a percent of heat costs from the previous year. Households with higher incomes receive less using a graduated scale.	
<b>Explanation:</b> 110% of Poverty Level is greater than 50% of SMI for households with <u>14</u> or more members. For FFY 2009, 110% of Poverty Level was greater for households with 15 members and larger.	

Page	Subject
8	Crisis Component The maximum benefit for each type of crisis assistance offered is:
<b>Modification: (benefit levels)</b>	
The maximum benefit for each type of crisis assistance offered is: Heating: \$700 ROFW: Heating \$500, Repair \$500	
<b>Explanation:</b> Maximum benefit levels were modified after the FFY 2009 LIHEAP Detailed Model Plan was submitted. Maximum benefit levels will continue at the current level.	

**Please specify whether you are using calendar year 2009 poverty level or FY 2010 median income estimates in determining eligibility**

FFY 2010 median income: 50%, and  
2009 poverty level for households with 14 members or more, as 50% of the median income for Minnesota falls below 110% of poverty: 110%

**Please describe how you obtained public participation in the development of your 2010 plan**

The Policy Advisory Committee (PAC) for the Minnesota Energy Assistance Program met five times for a total of 25 hours to consider and recommend changes to the Energy Assistance Program and the FFY2010 Minnesota State Plan for Energy Assistance. The PAC comprises 16 members representing stakeholder groups.

The Energy Assistance Coordinators' Association, affiliated with the Minnesota CAP Association, held a facilitated session on April 9, 2009, to prepare and recommend changes for the FFY2010 Energy Assistance Program.

Notice of the public hearing appeared in the Minnesota State Register, page 1894, Volume 33, number 46, on Monday, May 18, 37 days before the hearing (30 days' notice is required by Minnesota law). Copies of the notice were mailed to an extensive list of interested parties maintained by the Department of Commerce. The State Plan was available on the Department of Commerce web site for review on May 22. A public hearing on the proposed use and distribution of Minnesota's LIHEAP funds was held on June 24 from 3:00 p.m. to 5:00 p.m. in Room 300, State Office Building, St. Paul. Court reporter xxxxxxxxxxxxxxxxxxx recorded the hearing and produced a transcript of the proceeding. Written comments were accepted by mail and e-mail from May 22 to June 24.

**Date carryover and reallocation report submitted**

July xx, 2009

**Additional certifications and requirements**

Attached are additional certifications and requirements as follows:

- \* Lobbying certification
- \* Debarment and suspension certification
- \* Drug-free workplace requirement certification.
- \* LIHEAP Household Report

**ADDITIONAL CERTIFICATIONS AND REQUIREMENTS**

Attached are additional certifications required as follows:

- \* **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT.)**
- \* **Debarment and suspension certification**, which must be filed by all grantees.
- \* **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: \_
- \* One of the requirements included in the 1994 reauthorization of the statute is that grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.  
  
**All Tribes and those territories with allotments of less than \$200,000** need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- \* Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallocation report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallocation Report** is covered by OMB approval number 0970-0106.