The Low Income Home Energy Assistance Program (LIHEAP), administered by the Office of Community Services within the U.S. Department of Health and Human Services (HHS), provides funding to states to assist households with low-incomes in offsetting their winter heating costs. In Connecticut, the federal LIHEAP is administered as the Connecticut Energy Assistance Program (CEAP). The State of Connecticut Department of Social Services (DSS) contracts with Community Action Agencies (CAAs) to provide CEAP services to all eligible households, including taking applications and determining eligibility.

Funding

The estimated budget for the operation of the CEAP for FFY 21 assumes that the program will be level-funded at the FFY 20 level of \$73 million through Continuing Resolutions and includes an estimated \$3.7 million in FFY 20 LIHEAP carry-forward funds, \$400,000 in LIHEAP vendor refunds and \$5.7 million in LIHEAP CARES Act funds for a total budget of \$82.8 million.

Eligibility

Households (homeowners and renters) that are responsible for paying for their primary heating costs, and whose combination of income plus liquid assets over established limits does not exceed 60% of the state median income are eligible for CEAP benefits. For FFY 21, the maximum income level for a household of four is \$72,394.00. The liquid asset limits for FFY 21 are \$15,000 for homeowners and \$12,000 for all other households. Eligible households that do not pay for their heat separately from their rent, and whose rent exceeds 30 percent of their income, may qualify to receive a Rental Assistance benefit. In FFY 21, CEAP applications will be accepted during the period of August 3, 2020 through May 3, 2021, with the exception that a utility-heated household that receives a shut-off notice may apply until May 14, 2021.

Benefits

Benefits are 3-tiered (Basic, Crisis & Safety Net) and are determined based on income, household size, vulnerability and liquid assets; vulnerable households and those with the lowest incomes receive the highest awards.

| Basic Benefits: | Income Level | | Vulnerable Households | | Non-Vulnerable Households | | Rental Assistance Benefits | |
|--------------------------------------|---|--|-----------------------|-----------------------|-------------------------------------|-------|-------------------------------|-------|
| | Level 1 | Level 1 Up to 100% Federal Poverty Guidelines | | \$725 | | \$670 | \$190 | |
| | Level 2 | Up to 101% - 125% Federal Poverty Guidelines | | \$620 | | \$565 | | \$180 |
| | Level 3 Up to 126% - 150% Federal Poverty Guidelines | | overty | \$545 | | | \$490 | \$170 |
| | Level 4 | Up to 151% - 200% Federal Poverty Guidelines | | \$470 | | \$415 | | \$160 |
| | Level 5 | Up to 201% FPG State Median Income | | \$395 | | \$340 | | \$150 |
| Crisis | Income Level | | | | Benefit Vulnerable & Non-Vulnerable | | | |
| Assistance | Levels 1 – 4 | | | | \$710 | | | |
| Benefit: | Level 5 | | | | \$350 | | | |
| | Income Level | | | Vulnerable Households | | | Non-Vulnerable Households | |
| Safety Net Assistance Benefit: | Levels 1 – 4 | | | \$515 x 3 = \$1,545 | | | \$515 x 2 =\$1,030 | |

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 State of Connecticut Department of Energy and Environmental Protection (DEEP). The application for CEAP is also used to determine the household's income eligibility for the Weatherization Program. Vulnerable households and households that have been approved for CEAP Safety Net benefits may also be prioritized for weatherization services.

Clean, Tune and Test

Upon request, funds will be provided to eligible deliverable fuel households to pay for the cost of a clean, tune and test of their heating system. Renters must receive written permission from their landlord in order to receive this benefit. Costs for a clean, tune and test will be paid for with funds set aside from the Heating System Repair and Replacement allocation described in the section below.

Heating System Repair and Replacement

This plan includes an allocation of \$1.8 million in LIHEAP funds for the repair or replacement of unsafe or inoperable heating systems, tanks and hot water heaters for single family, owner-occupied or life-tenant-occupied homes. Vendors completing replacement work will be selected competitively. Vulnerable CEAP households that qualify for these services may be prioritized over Non-Vulnerable households.

Vendor Payments / Fixed Margin Pricing Program

All energy vendors wishing to participate in the CEAP must sign a Vendor Participation Document that details the conditions under which payments will be made to each type of vendor. 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 CEAP assistance, including a requirement that vendors provide the same discounts (including early payment discounts) to customers receiving CEAP assistance as the vendors provide to similarly situated, non-CEAP customers. The Vendor Participation Document signed by Heating Oil vendors also includes information and requirements regarding the CEAP Fixed Margin Pricing Program. Through this program, vendors are paid a daily fixed margin price per gallon of home heating oil based on information from the Oil Price Information Services (OPIS), plus a fixed margin of 35 cents and a county differential which ranges from 3.3 cents to 11.5 cents. In a case where the vendor's price per gallon of heating oil is less that the fixed margin price, the lesser price will be paid. Pursuant to Connecticut General Statutes Section 16a-41a (F), CAAs are required to pay oil vendors that participate in CEAP no later than thirty (30) business days after receipt of an authorized fuel slip or invoice form a vendor. DSS maintains protocols to ensure that vendors are paid by the CAAs in accordance with this statute.

Performance Measures

The U.S. Department of Health and Human Services requires states to collect and report on energy consumption information from vendors for households receiving CEAP benefits. The goal of collecting and using LIHEAP Performance Measures data is to improve the process of formulating future LIHEAP benefits to ensure that resources are focused on households with the highest energy burdens.

Assurance 16

This plan includes an allocation of \$1.5 million in LIHEAP funds for Assurance 16 activities, which provide enhanced case management to assist low-income households in reducing their overall energy needs. Assurance 16 services include, but are not limited to, vendor mediation, budget counseling, interfacing with other fuel assistance programs, and energy conservation services. The goal is to enable households to achieve a greater degree of self-sufficiency and ultimately reduce or eliminate their need for energy assistance services.

LIHEAP SNAP Benefits

This plan includes an allocation of \$1.8 million in LIHEAP funds to continue to provide a direct cash benefit of \$20.01 to households eligible for the Supplemental Nutrition Assistance Program (SNAP), who do not make direct-to-vendor payments for their primary source of heat, have a shelter/utility obligation, and pay less than 30 percent of their income toward their rent. Receipt of this LIHEAP SNAP benefit qualifies households to have their SNAP benefits recalculated using the maximum Standard Utility Allowance, which increases the amount of their SNAP benefits.

Outreach

Keeping residents informed of energy assistance benefits available to them is accomplished through a variety of methods, including the following:

- State maintained website <u>www.ct.gov/staywarm</u>
- State operated Energy Assistance Hotline, 1 (800) 842-1132
- Expanded mail-in application option: all applicants may now download the application from the DSS website and mail or email their completed application to their local CAA
- Information is posted in all DSS Regional Offices on the DSS Digital Network
- The United Way of CT shares information on their website www.211ct.org and its DSS-funded 211 toll-free service
- Information about the CEAP is broadcast at the Department of Motor Vehicle Offices in their waiting rooms on their Digital Communications Network
- CAA-maintained websites with updated information
- Press releases, Public Service Announcements
- Specialized intake events and media interviews
- Public Utility Companies provide informational flyers in customer bills
- Annual meetings with vendors are held throughout the state to update them on program changes

CARES Act Funding

The Department also received LIHEAP funding under the CARES Act in the amount of \$14,069,063. The guidance from HHS also stated the funds could be allocated and expended in the same manner as regular LIHEAP block grant funding and did not have to follow the requirement that 90% of the funds had to be obligated in FFY 2020. For FFY 2020, the Department allocated \$382,805 funds for CAA administration costs and \$8 million to be combined with \$10.5 million of regular FFY 2020 funding to provide a supplemental payment of \$250 to be credited to the electric accounts of 74,000 households that were eligible for a Basic Benefit. The balance of \$5.68 million will be used to cover administration and program costs for the FFY 2021 CEAP.