

2605(a) & 2605(b)(1)

During the last two (2) HEAP program years (FFY 2000 and FFY 2001), funds have been released to New York State and other states for heating or cooling purposes. In order to obtain public input, the New York State Plan is including Regular and Crisis HEAP program changes which New York State would consider making if additional funds were to become available. The selection of any of the listed program changes is dependent upon several factors including, but not limited to: 1) the amount of funding; 2) parameters or conditions attached to the funds; and 3) if the funds become available during the heating season or cooling season.

If funds became available during the heating season, OTDA would consider the following modifications to the HEAP State Plan:

- The issuance of additional regular and/or emergency benefits;
- An increase in the regular and/or emergency benefit amounts;
- Providing a supplemental benefit to any household receiving a regular HEAP benefit during the most recent/current program year;
- Additional outreach activities.

If funds became available during the cooling season, OTDA would consider modifying the State Plan in order to operate a cooling program in the following manner:

- Provide a supplemental benefit for utility costs to eligible households.
- Purchase and installation of cooling equipment for HEAP eligible/medically needy households.
- Energy conservation measures as approved by HHS and/or DOE.
- Additional outreach and referral activities.

Assurance 5 requires that the highest benefits be paid to those households with the lowest incomes and the highest energy costs in relation to income taking into account family size. In implementing its Home Energy Assistance Program (HEAP), New York State (NYS) operates three direct benefit components: Regular-Heating, Regular-Non-Heating and Crisis.

ATTACHMENT I

The NYS HEAP program is structured to accommodate two basic household types:

- Heaters: Those households responsible for payment of their primary heating costs. For example, a household whose main heating source is an oil fired boiler/furnace would have fuel oil as a primary heating fuel. If a HEAP applicant in such a circumstance is responsible for paying for the household's fuel oil supply, the applicant would be considered a "heater" household.
- Non-heaters: Those non-subsidized households which are not directly responsible for their primary heating costs but which pay for heat through an undesignated portion of their monthly rent or mortgage payment.

Benefits will be targeted, through outreach activities, to households with a vulnerable member. Vulnerable would be defined as households containing elderly person(s) (age 60 or older), disabled individual(s), and a child or children under 8 years of age.

In order to target assistance to those households with the highest home energy burden, NYS has opted to develop a benefit structure that directs the higher benefits to "heater" households. While certain non-heater households will continue to be excluded from program participation because of their low or negligible home energy burden, the traditional NYS "non-heater" eligible household will continue to participate.

2065(c)(1)(c)

In addition to the standard funding percentage estimates (see page 7), the following percentage estimates for Heating and Crisis assistance have been tentatively established.

The final funding allocated for Heating/Crisis will ultimately be dependent on several factors currently beyond NYS's control including, but not limited to:

- The final New York State LIHEAP allocation for FFY 2002;
- The number of households submitting applications in each program component;
- Weather conditions during the upcoming winter season; and
- The final carry forward identified for FFY 2001 and utilized during the FFY 2002 program year.

| | |
|-------------------------------|---------------|
| NATIONAL APPROPRIATION | \$1.4B |
| HEATING ASSISTANCE | 47.22% |

CRISIS ASSISTANCE

27.7%

REGULAR-HEATING COMPONENT

Benefits to heater households will take into account several criteria:

- 0 Income Tier
- 0 Existence of a vulnerable population member;
- 0 The applicant household's energy burden ratio; and
- 0 Household size (in determining Income Tier and Statewide Energy Cost Proxy)

A point value will be assigned to each of the following criteria:

- *o Tier I household.....2 points
- **o Tier II household.....1 point
- ***o One or more vulnerable population member(s)..1 point
- ****o Energy Burden ratio:
 - oo Up to 8.49%.....2 points
 - oo 8.50% to 15.49%.....3 points
 - oo 15.50% and above.....5 points

NOTE: Households with "0" income are automatically eligible for 5 points.

- * Tier I households have gross monthly income at or below 130% of the OMB poverty level.
- ** Tier II households have gross monthly income between 130% of the OMB poverty level and 60% of the State Median Income (SMI) up to and including 9 person households. For 10 person households and higher, the gross monthly income is at or below 150% of the OMB poverty level.
- *** Vulnerable population includes children under 8 years of age, individuals with disabilities and individuals 60 or above.
- **** Energy burden is defined as a household's energy expenditures divided by the income of the household. A Statewide Energy Costs Proxy has been established (SEE ATTACHMENT V). In establishing a household's energy burden ratio, the statewide energy costs proxy (which varies by fuel type and household size) will be utilized. Households that could possibly fall into a higher energy burden ratio category, if actual costs were used, will be given the opportunity to document actual costs for inclusion in the ratio determination.

ATTACHMENT I

Using the above point structure, the least total points a household could accumulate would be:

- o Tier II household 1 point
 - o Energy Burden ratio less than 8.50% 2 points
- 3 total points

The largest possible point value would be eight (8):

- o Tier I household 2 points
 - o One or more vulnerable household member 1 point
 - o Energy burden ratio greater than 15.49% 5 points
- 8 total points

A standard statewide point value will be set depending on the funding ultimately authorized for FFY 2002 and a household benefit will be established by multiplying the household's total points by the standard point dollar value. For example:

Ms. B, a Family Assistance recipient, and her two young children (ages 2 and 4) rent an apartment and are responsible for payment of a natural gas primary heating bill. Ms. B's energy burden ratio is determined to be 13%. Ms. B's total point value is six (6).

- 2 points - Tier I household
- 1 point - Tier II household
- 3 points - energy burden ratio between 8.50% - 15.49%

6 total points

If the statewide per point dollar value was set at \$50, Ms. B's HEAP benefit would be \$300 (6 points x \$50 = \$300).

REGULAR-NON-HEATING COMPONENT

Non-excluded households which are not directly responsible for primary heating costs but which pay for heat through an undesignated portion of their monthly rent or mortgage payment will receive a benefit based on a two-tier payment structure. A household's tier grouping is dependent on the household's gross monthly income taking into account household size.

Tier I households (below 130% of the OMB poverty level), the lowest income grouping, will receive a non-heating benefit of \$50. Tier II households (between 130 and 60% of the State Median Income) will receive a benefit equal to \$40. In this manner, non-heater households in the lowest income grouping, which generally pay a higher percentage of their income for indirect heating costs, will receive a higher benefit than those non-heater households in the higher income grouping (Tier II).

CRISIS COMPONENT

The crisis component will utilize a benefit matrix varied by fuel type with add on benefit supplements for lower income households (Tier I), households containing at least one vulnerable household member and households with more than four household members.

Historical typical billing and pricing data for New York State residents with various fuel types will be utilized to establish the base crisis benefit amounts.

In this manner, a crisis structure was developed to provide a benefit to effectively alleviate an eligible household's heat-related energy crisis while assuring that the highest benefit will be paid to those households with the highest energy costs in relation to income taking into account family size.

Section 2605(b)(6) and 2605(b)(15)

As with other income-tested assistance programs administered by the NYS OTDA, HEAP is state supervised/locally administered with 58 local departments of social services (LDSS) designated as the lead local agencies, for outreach, certification and payment. Prior to program start-up, each LDSS must establish a local certification network which provides for an alternative non-LDSS site(s) for a reasonable share of outreach and intake for regular and emergency HEAP assistance. LDSS may contract with other State or local government entities or community-based organizations to fulfill this mandate. Examples of community-based organizations include not-for-profit neighborhood-based organizations, local offices for aging and community action agencies. In local districts where such organizations do not administer these functions as of September 30, 1991, an open solicitation process must be initiated to attempt to establish an alternate intake site. Where multiple bids are submitted, which are equal in all other respects, contracts must be awarded to the local agency that administers the low-income weatherization or energy crisis intervention program, if such agency is one of the submitting entities. If no alternatives are found in a local district after engaging in an open solicitation process, no further attempts need to be made to secure an alternate intake site. NYSOTDA will enter into an interagency agreement with the NYS Office for the Aging to provide outreach certification for the elderly disabled.

In regard to weatherization services, NYSOTDA will enter into an interagency agreement with the NYS Division of Housing and Community Renewal (DHCR) and NYS Office for Aging (SOFA). DHCR will utilize their existing sub-grantee network of community action agencies and community-based organizations to provide such services at the local level. SOFA will utilize its local Office for Aging network. NYSOTDA may also provide weatherization packaging funding directly to local social services districts.

ATTACHMENT I

Section 2605(b)(8)(A)

New York State has adopted maximum income guidelines equal to the greater of 150% of the OMB poverty level or 60% of the State Median Income (see Attachment for maximum income guidelines.) No household at or below 110% of the OMB poverty level will be denied access to any program component solely on the basis of income.

Non-income related eligibility criteria for each program component will be applied uniformly to all applicant households.

Section 2605(b)(9)

NYS OTDA will limit use of funds for planning and administering HEAP to no more than 10% of the combined total of New York State's FFY 2002 allocation plus any LIHEAP leveraging funds awarded to the State.

Section 2605(b)(10)

NYSOTDA will utilize fiscal and fund accounting procedures similar to those utilized by NYSOTDA and LDSS in the administration of other income-tested assistance programs.

The NYSOTDA Welfare Management System (WMS) will be utilized to monitor application activity and benefits authorized. Since New York City does not utilize WMS for HEAP, New York City will provide manual reports of its activity.

At a minimum, NYSOTDA will conduct on-site monitoring reviews in the ten local districts with the largest number of application approvals during the immediately preceding HEAP program year.

In monitoring other state agencies, NYSOTDA will require regular program and fiscal reports and may review program operations as needed.

As required, New York State will prepare an audit of its HEAP expenditures.

Section 2605(b)(11)

New York State will permit and cooperate with federal investigations undertaken in accordance with Section 2608.

Section 2605(b)(12)

To solicit public input in the development of the proposed 2001-02 State Plan, needs assessment hearings were conducted in Albany on March 13, 2001 and in N.Y.C. on March 14, 2001. In

addition, written comments were solicited and received through March 23, 2001.

Attachment I

Public notice of the needs assessment was published in the New York State Register and in the State's major newspapers.

A public notice, advising of the availability of the proposed State Plan for public inspection and the public hearing appeared in the newspapers on June 28, 2001. Two public hearings were held: one in Albany on July 17, 2001 and one in New York City on July 19, 2001. Written comments were accepted through July 20, 2001.

The NYSOTDA HEAP Block Grant Advisory Council and Inter-Agency Task Force have been consulted in the development of the HEAP State Plan. The HEAP State Plan was submitted to the New York State Legislature prior to the submission of the plan to the Secretary of the U.S. Department of Health and Human Services.

Section 2605(b) (13)

Individuals whose applications for HEAP benefits are denied or not acted upon with reasonable promptness are afforded an opportunity for a fair hearing conducted by NYSOTDA. For the Division of Housing and Community Renewal (DHCR) weatherization component, households have an opportunity for appeal before the DHCR.

Applicants are advised of fair hearing rights on the timeliness of the eligibility decision at the time of application by the provision of the "Application Rights" notice. Additionally, the "Notice of Eligibility Decision" provided to all applicants, both approved and denied, contains fair hearing rights language.

Section 2605(b)(14)

NYSOTDA will cooperate with the Secretary in respect to data collection and reporting.

Section 2605(c)(1)(A)

The following criteria will be utilized to determine eligibility for HEAP benefits.

A) Household Definition

A household is defined as any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who makes undesignated payments

for energy in the form of rent and such individual or group of individuals occupy a housing unit. Any individual residing in a housing unit who is related by blood, marriage or adoption to any other household member shall be presumed to be a household member in determining HEAP eligibility unless he/she supplies reasonable evidence to rebut this presumption.

ATTACHMENT I

Relationship by blood, marriage or adoption shall be deemed to include the following:

- Father, mother, son, daughter, brother, sister;
- Stepfather, stepmother, stepbrother, stepsister.

NOTE: For a residential dwelling unit in a multiple family dwelling, all persons related by definition and residing in any one unit are part of a single household for HEAP purposes.

B) Categorically Eligible Households

Households in which one or more household members are in receipt of Safety Net Assistance, Family Assistance or SSI (categorized as Code A "living alone") or food stamps shall be categorically income eligible.

Such households with the following living arrangements will not be eligible:

- Tenants of government-subsidized housing unless such household directly pays an energy supplier for heating except that such households are not excluded from receiving emergency benefits if otherwise eligible.
- Individual(s) paying room only or room and board and not residing in a commercial enterprise.
- Individual(s) temporarily housed in a hotel/motel.
- Residents of congregate care facilities, including Title XIX facilities, dormitories and unlicensed congregate care facilities.
- Persons living temporarily in cars, vans or recreational vehicles.
- Individuals who live on military bases in government-provided housing with no utility or heating bills in their names.

- Individuals who have no responsibility for any heating costs and do not make undesignated payments for heat in the form of rent.
- Individuals who are migrant or seasonal farm workers with no heating or heat-related expenses.
- Children residing in agency boarding homes, group homes, or institutions who are in receipt of payments pursuant to Title IV-E of the Social Security Act or Article 6 of the Social Services Law.

ATTACHMENT I

C) Income Tested Households

For income tested households, the maximum income eligibility limit will be set at the greater of 150% of the OBM poverty level or 60% of the State Median Income. (See Attachment III, page 1)

Such households with the following living arrangements will not be eligible:

- Tenants of government-subsidized housing unless such household directly pays an energy supplier for heating except that such households are not excluded from receiving emergency benefits if otherwise eligible.
- Individual(s) paying room only or room and board and not residing in a commercial enterprise.
- Individual(s) temporarily housed in a hotel/motel.
- Residents of congregate care facilities, including Title XIX facilities, dormitories, and unlicensed congregate care facilities.
- Persons living temporarily in cars, vans, or recreational vehicles.
- Individuals who live on military bases in government-provided housing with no utility or heating bills in their names.
- Individuals who have no responsibility for any heating costs and do not make undesignated payments for heat in the form of rent.
- Individuals who are migrant or seasonal farm workers with no heating or heat-related expenses.
- Children residing in agency boarding homes, group homes or institutions who are in receipt of payments

pursuant to Title IV-E of the Social Security Act of Article 6 of the Social Services Law.

D) In addition to the above criteria in A-C, an individual is not eligible for HEAP unless he or she is a United States citizen or a qualified alien as defined by the federal government. The federal government considers the following to be qualified aliens:

- An alien granted Permanent Resident Alien Status under the Immigration and Nationality Act;
- An alien granted asylum under Section 208 of the Immigration and Nationality Act;

ATTACHMENT I

- A refugee admitted to the United States under Section 212(d)(5) of the Immigration and Nationality Act;
- An alien paroled into the United States under Section 212(d)(5) of the Immigration and Nationality Act for a period of at least one year;
- An alien whose deportation is being withheld under Section 243(h) of the Immigration and Nationality Act as in effect prior to April 1, 1997, or whose removal is being withheld under Section 241(b)(3) of the Immigration and Nationality Act;
- An alien granted conditional entry under Section 203(a)(7) of the Immigration and Nationality Act prior to April 1, 1980;
- An alien who is a Cuban/Haitian entrant as defined in Section 501(e) of the Refugee Education Assistance Act of 1980;
- An alien who (or whose child parent) has been battered or subjected to extreme cruelty in the United States and otherwise satisfies the requirements of 8 U.S.C 1641©;
- A Native North American Indian born in Canada or a member of a federally recognized Indian tribe born outside of the United States who is residing in the United States.

E) Emergency Benefits

The emergency benefits component has been designed to resolve energy crisis situations including weather-related and supply shortage emergencies and other household energy emergencies. A variety of potential

emergency benefits, when used in conjunction with each other and/or the household's regular benefit, will effectively alleviate utility termination threats, the lack of non-utility heating fuel, essential applicant owned heating equipment repairs and replacements, temporary emergency shelter/relocation needs, propane installations/reconnections and supply shortages.

To be eligible for an emergency benefit, the applicant household must:

- Meet HEAP eligibility criteria (NOTE: Households with at least one PA recipient, Code A SSI recipient, and/or active food stamp recipient are considered categorically income eligible.)

ATTACHMENT I

Except a tenant of record and/or customer of record who is ineligible for regular HEAP benefits because they are not a United States citizen or a qualified alien may receive emergency HEAP benefits on behalf of members of the household who are United States citizens or qualified aliens.

AND

- Be currently without heat fuel or have a heating fuel supply that will last less than 7 calendar days.

OR

- Have heat-related utility service (primary heating source or electricity essential to operate the heating equipment) currently disconnected or scheduled for disconnection.

OR

- Have essential heating equipment that is inoperable or unsafe and is in need of repair/replacement.

OR

- Be in an emergency home heating situation which is deemed by the local social services department to be detrimental to the health or safety of household members if temporary emergency shelter or relocation is not provided.

AND

- Other housing accommodations appropriate for the household's best interests are not available,

alternative payment arrangements cannot be made, and the household does not have liquid resources sufficient to ameliorate the energy emergency.

An emergency HEAP benefit may only be issued when it is determined that a regular HEAP benefit is either not available, has been previously exhausted, or is insufficient to ameliorate the household's emergency.

All emergency applications with the exception of certain public assistance and food stamp recipients must be made in person. Mail-in applications are not permitted for the emergency component. Authorized representatives may apply on behalf of disabled/ill individuals when there is no other adult household member available.

ATTACHMENT I

A signed, dated note from the applicant authorizing the representative to apply on his/her behalf is required and the authorized representative must verify his/her own identity.

Each local district, in designing its local certification network, must provide the means by which a disabled/ill and homebound individual, who has no one to act as an authorized representative, can apply for a HEAP emergency benefit. This may be accomplished, at the discretion of the local district, by a home visit or, if the applicant is physically able, by arranging transportation for the applicant to a site where emergency HEAP applications are taken.

To be eligible for a HEAP emergency benefit, the applicant must document that he/she is the tenant of record with primary responsibility for the payment of his/her residential energy bill. A tenant of record is a person who has or persons who have primary responsibility for payment of the rent/mortgage for their dwelling unit. Individuals who contribute a portion of the monthly rent/mortgage to a person responsible for the payment of the monthly rent/mortgage will not be considered a tenant of record. To have primary responsibility for the payment of residential energy costs, the applicant must be the customer of record with a home energy vendor. The term customer of record means a person or persons who have an account, in their name with a home energy vendor.

Essential heating equipment repair/replacement is limited to applicant-owned heating equipment.

NOTE: The emergency energy crisis of an eligible household must be resolved within 18 hours of

application if the applicant's residence is without power or a fuel for heating supply. Imminent loss of heat-related service or fuel supply for all other eligible households must be resolved within 48 hours of application. In some instances, provision of assistance in resolving the immediate energy need may include temporary relocation, obtaining an extension of service from the household's utility company, or other appropriate temporary remedies in order to fully evaluate the scope of the emergency or the applicant household's eligibility. However, the primary objective shall be to continue/restore heat to an eligible applicant's residence.

To maximize HEAP accessibility and/or target benefits to the lowest income, households which contain a vulnerable member(s), along with limiting administrative costs, the following outreach and certification components will be utilized.

A) Public Assistance Automatic Benefit Component

Public Assistance (PA) automatic benefits will be provided based upon the following: active case status at the time of the PA pull-down for 2001 and HEAP eligibility criteria are met. Such automatic payments will be made by the LDSS.

B) Supplemental Security Income (SSI) Outside New York City

SSI Code A recipients listed on the 2001 SDX and who are not in active receipt of Food Stamps (FS) will automatically be sent an application that will be processed by the local certifying agency. See (Paragraph D) for treatment of SSI/FS recipients in rest of state (ROS).

New York City

The New York City Human Resources Administration will be responsible for providing automatic benefits to the eligible New York City Code A SSI households in active payment status during 2001. Such households will receive the "Heat Included in Rent" benefit and may apply for a supplemental benefit if they pay for heat directly. HEAP eligible Code A SSI recipients in receipt of food stamps will be paid through the Food Stamp Automatic Benefit component (See Paragraph D).

C) Mail-In Applications for Elderly and Disabled (Including Code A SSI Recipients)

Mail-in certification will be permitted for regular HEAP benefits for heads of households age 60 or over, categorically eligible Code A SSI recipients and heads-of-households in receipt of or determined eligible for Retirement, Survivors or Disability Insurance Benefits under Title II of the Social Security Act as a result of disability.

D) Food Stamp Automatic Benefit Component

Food Stamp (FS) automatic benefits will be provided based upon the following: active case status at the time of the FS pull-down for 2001, and other HEAP eligibility criteria are met. Such automatic payments will be made by LDSS.

E) **Optional Telephone Recertification of the Elderly**

Local districts are given the option to conduct a telephone recertification interview for regular HEAP benefits. This process may be used for households that received regular HEAP in the preceding program year and the head of household is age 60 or older.

Local districts choosing to implement this option must notify OTDA that they are participating. This option replaces the traditional mail-in process for all households meeting the above criteria.

Regular HEAP Income Eligibility Guidelines

| <u>Household Size</u> | <u>Tier I*</u> | <u>Tier II**</u> |
|-----------------------|----------------|------------------|
| 1 | 0 - \$ 931 | \$ 932 - 1,554 |
| 2 | 0 - 1,258 | 1,259 - 2,032 |
| 3 | 0 - 1,585 | 1,586 - 2,510 |
| 4 | 0 - 1,912 | 1,913 - 2,988 |
| 5 | 0 - 2,239 | 2,240 - 3,466 |
| 6 | 0 - 2,566 | 2,567 - 3,944 |
| 7 | 0 - 2,894 | 2,895 - 4,033 |
| 8 | 0 - 3,221 | 3,222 - 4,123 |
| 9 | 0 - 3,548 | 3,549 - 4,213 |
| 10 | 0 - 3,875 | 3,876 - 4,472 |
| 10+ | +327 | + 378 |

*Tier I figures represent 130% of federal Poverty Levels and were derived by utilizing the new 100% Poverty Level data from the 2001 HHS Poverty Guidelines.

**New York State has determined to use the maximum benefit level allowable for each household. Therefore, Tier II figures for households up to and including nine(9) members are based on 60% of the State Median Income derived from the State Median Estimates for use in FY 2002.

Figures for households of 10 members and above are based on 150% of the federal Poverty Level (Derived from the 2001 HHS Poverty Guidelines).

Emergency HEAP Income Guidelines

| Household Size | Maximum Income |
|----------------|----------------|
| 1 | 0 - \$1,554 |
| 2 | 0 - 2,032 |
| 3 | 0 - 2,510 |
| 4 | 0 - 2,988 |
| 5 | 0 - 3,466 |
| 6 | 0 - 3,944 |
| 7 | 0 - 4,033 |
| 8 | 0 - 4,123 |
| 9 | 0 - 4,213 |
| 10 | 0 - 4,472 |
| 10+ | +378 |

HEAP CRISIS COMPONENT

The HEAP crisis component consists of a variety of benefit types designed to address the heat-related emergency needs of eligible households. For the purpose of this plan, they have been grouped in the following manner:

Fuel/Utility Supply Related

Fuel/utility supply related benefits will consist of a base benefit determined by primary fuel type and supplemental add-ons depending upon an eligible household's individual characteristics.

A base emergency payment will be determined as follows:

A) Heat-Related Domestic Electric

When an eligible household's domestic utility service is necessary to operate the primary heating equipment, a base emergency benefit of \$100 is designated.

B) Natural Gas Heat Only

When an eligible household's primary heating source is natural gas, a base emergency benefit of \$235 is designated.

C) Electric Heat Only

When an eligible household's primary heating source is electricity and the household is billed separately for domestic utility service, a base emergency benefit of \$385 is designated.

D) Combined Bills

When an eligible household's primary heating utility service (natural gas or electric) and domestic electric utility service necessary to operate primary heating equipment are provided and billed by a single utility company on a combined bill, a Type A and the appropriate Type B or C benefit should be combined to arrive at the household's designated emergency base benefit.

E) Non-Utility Heating Fuel

When an eligible household's primary heating fuel is a non-utility fuel, a base benefit of \$400 may be designated.

F) Add-on Supplemental Benefit(s)

The following amounts should be added to an eligible household's emergency base benefit if the appropriate household characteristics are present:

- 1) +\$25 Tier I household
- 2) +\$50 Household with at least one vulnerable member
- 3) +\$50 Household with 5 or more

NOTE: Eligible households may potentially receive one type A and one Type B, C or E based benefit; or one Type D based combined benefit each program year.

Other Heat-Related Emergencies

G) Repair/Replacement of Essential Heating Equipment

The maximum total benefit provided for repair/replacement of essential heating equipment during the 2001-02 HEAP season may not exceed \$2,500 unless approved by OTDA.

H) Temporary Emergency Shelter or Relocation

The maximum total benefit may not exceed \$500 during the 2001-02 HEAP season.

I) Propane Installation/Reconnection

The maximum total benefit may not exceed \$500 during the 2001-02 HEAP season.

J) Weather-Related and Supply Shortage

In the event of weather-related emergencies and/or a temporary fuel shortage, the local department of social services is authorized to purchase an appropriate supply of safe supplemental heating devices which meet local building codes and which can be loaned to eligible households until such time as a delivery of the household's primary heating fuel can be obtained. Provision of emergency shelter or temporary relocation is also an acceptable form of assistance, which is appropriate to resolve such household's immediate energy needs until the weather improves sufficiently or a supply of fuel is obtained.

Leveraged Resources

New York State has developed a variety of leveraged resources which it believes meet the basic criteria of the LIHEAP leveraging incentive program. The following resources as identified and described, while not provided to low-income households as part of (through or within) New York State's HEAP program, are distributed to HEAP eligible households in coordination, cooperation, and conjunction with 2001-02 (FFY 2002) HEAP.

1. New York State Public Service Commission (PSC) regulations and/or State law prohibit collection by regulated utilities of security deposits and, in some cases, reconnect fees from any person known to be a recipient of public assistance, supplemental security income (SSI), or additional state payments. This population is categorically income-eligible for HEAP under New York State HEAP State Plan and the resulting leveraged benefit to the household is readily quantifiable.
2. Each year, part of NYS's LIHEAP appropriation is utilized by the New York State Division of Housing and Community Renewal (DHCR) to provide weatherization services to HEAP-eligible households through the Weatherization Assistance Program (WAP). The WAP program is able to leverage additional weatherization services for each eligible household as a result of mandated landlord contributions above and beyond LIHEAP funding earmarked for the household. This additional private funding, which allows the purchase, delivery and/or installation of weatherization material, is a countable leveraged resource. This resource should be countable under either criterion ii or iii as specified in 45 CFR 96.87(d)(2).
3. Federal guidelines provide that state cash resources that are used in any base period for cash benefits to or on behalf of HEAP benefit recipients for heating, cooking, energy crisis, weatherization assistance including payment towards recipient household's home energy costs, are countable as leveraged resources. New York State, as part of its fully stated, locally funded Safety Net Assistance (SNA) Program, provides households responsible for paying heating costs directly with a basic fuel allowance each month. In addition, all SNA recipient households are given a home energy allowance and supplemental home energy allowance which, by definition, are provided to eligible households to cover increases in the cost of energy. Although all Safety Net Assistance Program (SNA) recipients are categorically eligible for LIHEAP, New York gives a targeted priority for receipt of a LIHEAP benefit to those households which contain a vulnerable household member (over 60, disabled or under eight years of age).

In addition, New York State Law requires the payment of up to four months of utility arrearages to eligible households

in order to prevent termination of utility service. Two State/locally funded programs of financial assistance, SNA and Emergency Assistance to Adults (EAA), are utilized to make such payments on behalf of applicants. Ineligibility for New York's LIHEAP program or denial of LIHEAP assistance in the base period because of LIHEAP's funds unavailability is necessary to receive assistance from this resource (45 CFR 96.87(d)(2)(iii)(C). To the extent that these SNA and EAA payments are made on behalf of HEAP eligible households, NYS intends to consider them as leveraged resources.

This resource is provided to SNA/LIHEAP-eligible households and is a supplement and/or alternative to the benefits provided by or through New York's LIHEAP program, and is provided outside the LIHEAP program. The resource is integrated and coordinated with New York's LIHEAP program in the following way:

- New York State has developed a wholly interactive process to assure that the energy-related needs of SNA recipients are met. During the period when New York's LIHEAP program is operational, local staff responsible for coordinating the provision of LIHEAP benefits to SNA recipients and for authorizing this resource or benefit are one and the same. The local social services district case worker(s) assigned to each individual SNA recipient are responsible for addressing the individual household's home energy needs. Through access to New York's Welfare Management System (WMS), all case workers are able to determine, at any point in time, all LIHEAP and non-LIHEAP benefit payments issued to each individual case. In addition, the WMS computer system that is used to authorize and track payments contains case specific historical and demographic, and income information, all of which is readily available to the caseworker by simple system inquiry. Because of this comprehensive system access capability, the documentation of LIHEAP eligibility and the amount of assistance receipted or to be receive by the individual/case is always known and system-documented fact before, during and after assistance is provided to each household to be served by the resource.
4. All Public Service Commission (PSC) regulated utilities in NYS operate non-public funded fuel funds to assist their service territory population with payment of energy bills. These resources are targeted to HEAP-eligible households which have exhausted their HEAP eligibility or are ineligible because of the unavailability of LIHEAP funding.

As such, this resource meets the integration/coordination requirement as contained in 45 CFR 96.87(d)(2)(iii)(C).

ATTACHMENT IV

5. New York has exempted the collection of sales taxes from Public Assistance recipients whose ongoing utility/fuel bills are restricted and paid by the local department of social services. The NYS OTDA, Division of Temporary Assistance which coordinates the State's HEAP program, was instrumental in pursuing and obtaining this exemption several years ago. The purchasing power of these PA recipients is materially enhanced by the fact that they do not have to pay any sales tax. This resource meets the countable resource criteria as outlined in 45 CFR 96.87(d)(2)(i).

The exemption is in effect at a discounted price available to a specific segment of the categorically HEAP-eligible population in New York State.

6. New York State intends to pursue a sales tax exemption for recipients of HEAP emergency benefits. If this effort is successful, the purchasing power of these HEAP recipients will be materially enhanced. As in Activity #5, such an exemption would be, in effect, a discounted price available to HEAP eligible households. This resource meets the countable resource criteria as outlined in 45 CFR 96.87(d)(2)(i).

7. Several New York utility companies have recently implemented low-income customer assistance plans. The plans consist of two components: rate moderation and uncollectable initiatives will be undertaken, including a negotiated percentage of income plan coupled with an arrearage forgiveness arrangement. The plan is a product of extensive discussions among PSC staff, utility companies, the NYS Consumer Protection Board, this Office (HEAP program staff), the Public Utility Law Project, and Multiple Intervenors. To the extent that these leveraged resources are quantifiable, NYS intends to include them in our application for Leveraging Incentive Funds. Where New York's LIHEAP program had an active substantive role in developing and/or acquiring the resource/benefits from home energy vendors, an effort will also be made to quantify and submit any such activity as leveraged resources for New York State HEAP-eligible households. This resource is a direct result of HEAP staff involvement in negotiations and regulation development and meets the countable resource criteria as outlined in 45 CFR 96.87(d)(2)(i).

8. New York State (NYS) LIHEAP officials, in conjunction with various local social services districts, the NYS Public Service Commission and the National Fuel Gas Distribution Corporation have established the Public Assistance Cooperative for Energy (PACE) program. PACE is a natural gas aggregation program for certain public assistance recipients in Erie, Chautauqua and Niagara Counties in New York State. The program's objective is to provide the benefits of competition to low-income, payment troubled customers by offering the opportunity to reduce energy costs through aggregation. Other utilities/geographical areas may be added over the course of FFY 2002.

This Resource(s) meets the countable resource criteria as outlined in 45 CFR 96.87.(d)(2)(i).

STATEWIDE ENERGY COSTS PROXY DEVELOPMENT PROCESS

An essential factor in the 2001-02 HEAP Regular-Heating benefit determination process is the identification of a HEAP eligible households' energy burden ratio. Energy burden ratio has been defined as a household's energy expenditures divided by the income of the household. In an effort to retain its ability to serve a higher percentage of its potentially eligible population, New York State has developed a mechanism to allow the automatic determination of a household's energy burden ratio by utilizing an energy costs proxy for each household which varies by fuel type and household size. While the statewide energy costs proxy will be routinely utilized, provision has been made for a household to document actual costs which exceed the standard proxy amount where the household could qualify for a larger benefit because of a resulting higher energy burden ratio.

The proxy is developed by through the following methodology:

- I. Using the most recent state-level energy data available from the Census-Public Use Microdata Sanoke (PUMS), calculate for household sizes from one to eight, the average energy usage and average cost for each fuel type and update costs to 1999 prices (most recent year available).
- II. Multiply the average annual usage for each household size by the average cost in order to provide the average annual energy cost.
- III. Establish an energy cost amount for the statewide energy cost proxy chart that, at a minimum, exceeds the average costs for the type of fuel used as the primary source of heat for seventy-five percent of all households expected to apply for HEAP.