

P A T H

Department of Prevention, Assistance, Transition, and Health Access

FROM Eileen I. Elliott, Commissioner
for the Secretary

BULLETIN NO. 01-04F

DATE 6/19/2001

SUBJECT Fuel Program Changes

CHANGES ADOPTED EFFECTIVE 6/19/2001

INSTRUCTIONS

- Maintain Manual - See instructions below.
- Proposed Regulation - Retain bulletin and attachments until you receive Manual Maintenance Bulletin
- Information or Instructions - Retain until

MANUAL REFERENCE(S)

2907
2913

This bulletin implements the following changes to the regulations for the seasonal fuel assistance component policy of the Fuel Program:

The policy adds summer fuel purchase agreements to increase the purchasing power of Fuel Program benefits. Policy adds a September benefit payment for eligible households that heat with firewood.

Detailed Summary of Changes

The changes to the Fuel Program policy are as follows:

WAM 2907 Benefit Issuance

The policy adds a September wood fuel benefit payment for eligible households that heat with firewood and apply between July 15 and August 31.

WAM 2913 Advantageous Pricing

The policy provides for summer fuel purchase agreements to increase the purchasing power of Fuel Program benefits. Language identifies that agreements may be for any home heating fuel type and makes agreements subject to Fuel Supplier Certification. Policy identifies that agreement financial amounts will be based on the past number of recipients served by a supplier and a projected average annual fuel benefit.

Language requires the Fuel Office to inform program recipients and suppliers which fuel benefits are subject to a summer fuel purchase agreement and how those fuel benefits are obtained. Language clarifies that program recipients are responsible for paying for fuel not covered by seasonal fuel benefits.

Policy allows fuel suppliers to choose not to enter into a summer fuel purchase agreement and still participate in the Fuel Program subject to Fuel Supplier Certification.

Language requires the Fuel Office to make available a list of suppliers who have entered into summer fuel purchase agreements and to advise recipients of the key terms of any summer fuel purchase agreement entered into by their certified fuel supplier.

This rule was adopted in its final form in compliance with Section 129e of H.485 (2001) "Appropriation to Support State Government."

Copies of the adopted rule and the applicable sections of the enabling legislation have been provided to the Home Energy Assistance Task Force (HEAT Force), the Fuel Policy Advisory Committee (Fuel PAC), the Vermont Oil Heat Institute (VOHI), the Vermont Propane Gas Association (VPGA), and firewood dealers certified with the Fuel Assistance Program. Fuel Assistance clients will be advised of the changes when they receive their benefit notices.

Significant changes to policy including deletions are indicated by vertical lines in the left margin. Changes to clarify, rearrange, or correct references, without changing the policy are dotted.

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2907 Benefit Issuance

The benefit period shall be from November 1 through March 31 or until Fuel Program funds are exhausted or redesignated to the crisis component.

Notwithstanding any other provision of rules governing the administration of the Fuel Program, payment of benefits shall be made only to the extent that funds are actually available.

In accordance with the requirements of 33 V.S.A. Chapter 26, all federal funds granted to the state for home heating fuel assistance under the Low Income Home Energy Assistance Program (LIHEAP) or other similar federal program in any current fiscal year, and all unexpended LIHEAP funds granted to the state in any prior fiscal year, shall be appropriated to the Home Heating Fuel Assistance Trust Fund for the provision of home heating fuel assistance, including program administration, under Chapter 26 of Title 33.

Any issuance of benefits after December 31 is contingent upon the availability of federal LIHEAP funds or, in their absence, the appropriation of state funds. In addition, if the total program funds are not known at the time of the issuance of the first benefit payments, adjustments to subsequent payment rates may be necessary. If adjustments to payment rates are necessary, subsequent rates will be set separately by procedures for each line-of-credit issuance.

2907.1 Benefit Payment Method

Benefit payments to households are made as follows:

- a. For eligible households responsible for making payments for their heat directly to a fuel supplier certified by the Fuel Program the annual benefit will be issued as a line of credit directly to the household's certified fuel supplier as follows:
 1. Households that applied from July 15 through August 31 will receive a single benefit no later than November 30. Households whose primary heating fuel is wood will receive a single benefit no later than September 30.
 2. Households that applied from September 1 through November 30, will receive a single benefit no later than January 15. The Department will issue this benefit within 30 days of November 30 if administratively possible.
 3. Households that applied from December 1 through 31, will receive a single benefit no later than February 14. The Department will issue this benefit within 30 days of December 31 if administratively possible.

2907.1 Benefit Payment Method (Continued)

4. Households that applied from January 1 through 31, will receive a single benefit no later than March 7. The Department will issue this benefit within 30 days of January 31 if administratively possible.
 5. Households that applied from February 1 through the last day of February, will receive a single benefit by March 31.
- b. For eligible households that make undesignated payments for energy for home heat in the form of rent the annual benefit will be issued either by a check, electronic benefit transfer (EBT), or direct deposit payable to the head of household as follows:
1. Households that applied from July 15 through August 31 will receive a single benefit by December 15.
 2. Households that applied from September 1 through November 30 will receive a single benefit no later than January 15. The Department will issue this benefit within 30 days of November 30 if administratively possible.
 3. Households that applied from December 1 through 31 will receive a single benefit no later than February 14. The Department will issue this benefit within 30 days of December 31 if administratively possible.
 4. Households that applied from January 1 through 31 will receive a single benefit no later than March 7. The Department will issue this benefit within 30 days of January 31 if administratively possible.
 5. Households that applied from February 1 through the last day of February will receive a single benefit by March 31.
- c. For eligible households that make undesignated payments for energy for home heat in the form of rent, and that participate in a public, subsidized, or Section 8 housing program, the annual benefit will be issued either by check, electronic benefit transfer (EBT), or direct deposit payable to the head of household by March 31.
- d. For eligible households that are residents of a dwelling unit and that pay reasonable compensation in the form of room rent and that are not members of another household, the annual home heating fuel assistance benefit will be issued either by a check, electronic benefit transfer (EBT), or direct deposit payable to the head of household by March 31.

2907.2 Use of Payments to Certified Fuel Suppliers

Benefits shall be used for home heating fuel or energy purchased during the heating season from November 1 to March 31, or as otherwise permitted in this section. Under no circumstances will fuel suppliers be allowed to pay a benefit or a credit balance to a fuel household.

An eligible household that has an outstanding bill with its primary heating fuel supplier may, at its discretion, and provided that the household and its fuel supplier enter into an agreement for a budget payment plan for fuel or a repayment plan for fuel arrears, use up to 17 percent of the benefit amount for fuel delivered prior to November 1.

Under no circumstance may benefits be used to pay for repairs to a household's heating system, parts, special trip charges, or any non-heat uses.

Any credit balance outstanding on March 31 may be applied to home heating fuel or energy delivered in the month of April.

Notwithstanding the requirements described above, eligible households whose primary heating fuel is wood may use up to 100 percent of the benefit to pay for wood deliveries received prior to November 1.

2907.3 Credit Balances at the End of the Heating Season

All benefit payments remain the property of the state of Vermont until actually used by the fuel supplier for the provision of home heating fuel to eligible households.

In the event that on April 30 of any year a credit balance exists in a certified fuel supplier's account for a household that has received annual home heating fuel assistance during the previous 12 months, and the total cost of fuel delivered to the household during the previous 12 months did not exceed the total Fuel Program benefits received by the household during that same period of time, that certified fuel supplier is required to pay the amount of this credit balance to the Office of Home Heating Fuel Assistance no later than May 31 of the same year.

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2913 Advantageous Pricing

The director of the Office of Home Heating Fuel Assistance or her or his designee shall negotiate with one or more certified fuel suppliers to obtain advantageous pricing and payment terms for eligible households.

The Commissioner of the Department of Prevention, Assistance, Transition, and Health Access or her or his designee will enter into agreements with fuel suppliers certified by the Fuel Program to engage in cost-effective purchasing practices that increase the purchasing power of Fuel Program benefits.

Summer fuel purchase agreements may be made for any home heating fuel purchased by program recipients. All summer fuel purchase agreements are subject to the terms and conditions of Fuel Supplier Certification (WAM 2912).

The Fuel Program benefit dollar amount specified in any summer fuel purchase agreement will be based on the past number of fuel assistance recipients served by the certified fuel supplier and a projected average annual Fuel Program benefit for the upcoming fuel season.

The Office of Home Heating Fuel Assistance will inform program recipients and suppliers which seasonal fuel benefits will be subject to the terms of a summer fuel purchase agreement. Home heating fuel obtained subject to the terms of a summer fuel purchase agreement will be available to fuel assistance recipients on a first-come-first-served basis. Program recipients are responsible for paying for home heating fuel not covered by seasonal fuel benefits.

Fuel suppliers who choose not to enter into a summer fuel purchase agreement are eligible to participate in the Fuel Program subject to the terms and conditions of Fuel Supplier Certification (WAM 2912).

The Office of Home Heating Fuel Assistance will make available a list of certified fuel suppliers who have entered into summer fuel purchase agreements. Fuel Program recipients will be advised in their benefit grant notice of the key terms of any summer fuel purchase agreement entered into by their certified fuel supplier.