

P A T H

Department of Prevention, Assistance, Transition, and Health Access

BULLETIN NO. 02-29F

FROM Eileen I. Elliott, Commissioner
for the Secretary

DATE 10/31/02

SUBJECTS Fuel Program Changes

CHANGES ADOPTED EFFECTIVE 11/15/2002

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)

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This bulletin implements the following changes to the regulations for the seasonal and crisis components of the Fuel Program:

Set aside of funds for the crisis component identified in the annual LIHEAP block grant plan; expedited seasonal fuel benefits to address a client's primary heat crisis; fuel supplier certification condition of a 125-gallon maximum fuel delivery for crisis fuel; maximum crisis fuel delivery increased from 100 to 125 gallons; limit of three assists during the crisis fuel season.

Detailed Summary of Proposed Changes

The changes to the Fuel Program policy are as follows:

[2900](#) **Fuel Program** - Language establishes that the set aside of funds for the crisis component will be identified in the annual LIHEAP block grant plan.

[2907.4](#) & [2951.1](#) **Expedited Seasonal Fuel Benefits for Crisis Clients** – Policy allows the Office of Home Heating Fuel Assistance to expedite the seasonal fuel benefit for crisis fuel clients to address a primary heat crisis.

[2912](#) **Fuel Supplier Certification** - Language adds the maximum fuel delivery amount of 125 gallons for crisis fuel grants to the terms and conditions for fuel supplier certification.

[2956](#) **Benefits, Payment Maximums, and Conditions of Receipt** – Policy eliminates reference to fuel delivery and start-up charges of \$15.00 and \$25.00 and preauthorized emergency heating unit repairs. Proposed language increases the maximum fuel delivery from 100 to 125 gallons.

The policy establishes a limit of three assists per household during the crisis fuel season. The language proposed would define an “assist” as all benefits provided under a single crisis fuel intake.

Written comments were received by the September 19, 2002 comment deadline from the following organizations:

Champlain Valley Office of Economic Opportunity (CVOEO)

The following summarizes the written comments that the Department received from CVOEO:

“CVOEO fully supports the changes to the Crisis Fuel Assistance Program proposed by the Department of PATH in Bulletin No. 02-29. These proposed rule changes also enjoy the full support of the Executive Directors of the other four Vermont Community Action agencies.”

The Legislative Committee on Administrative Rules met on October 9 and 23, 2002 to consider the final proposed rules. The Committee did not object to the final proposal and voted in favor to accept the final proposed rules as submitted.

Vertical lines in the left margin indicate significant changes. Dotted lines at the left indicate changes to clarify, rearrange, correct references, etc., without changing regulation content.

Manual Holders: Please maintain manuals assigned to you as follows.

Manual Maintenance

Refugee - VHAP Rules

<u>Remove</u>		<u>Insert</u>	
TOC P.1 (2900)	(00-16F)	TOC P.1 (2900)	(02-29)
TOC P.2 (2900)	(99-16F)	TOC P.2 (2900)	(02-29)
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Nothing		2900.1	(02-29)
2907.2	(00-16)	2907.2	(02-29)
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2951 P.2	(96-71)	2951 P.2	(02-29)
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2900

2900 Fuel Program

The Low-Income Home Energy Assistance Act, Title XXVI of the Omnibus Budget Reconciliation Act of 1981, authorized grants to states to help eligible households with home heating expenses. This act was reauthorized, with amendment, by Title VI of the Human Services Reauthorization Act of 1984, by Title V of the Human Services Reauthorization Act of 1986, by Title VII of the Augustus F. Hawkins Human Services Act of 1990 and by Title III of the Human Services Amendments of 1994 (Public Law 103-252).

33 V.S.A. Chapter 26, "Home Heating Fuel Assistance," establishes a home heating fuel assistance program for low-income households that has both a seasonal component and a crisis component, to be administered by the Office of Home Heating Fuel Assistance.

33 V.S.A. Chapter 26, also creates a home heating fuel assistance trust fund to be composed of the receipts from any taxes dedicated to the fund and such other funds as may be appropriated to it by the General Assembly, including funds from the federal Low-Income Home Energy Assistance Program (LIHEAP).

Annually in the LIHEAP block grant plan, an amount of funds will be identified as being set aside for the crisis component from the home heating fuel assistance trust fund.

Sections 2900 - 2913 of the department's Policy Manual provide rules for the seasonal component of the home heating fuel assistance program. Rules for the crisis component are found in sections 2950 - 2958.

The seasonal component of the Vermont home heating fuel assistance program, hereinafter referred to as the Fuel Program, provides home heating fuel assistance to households responsible for making payments for their heat directly to a fuel supplier certified by the Fuel Program. The Fuel Program also provides assistance to households whose living unit rent, fees, or charges include the cost of the living unit's primary heating source, and to households who rent one or more rooms as separate living quarters in someone else's living unit.

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2900.1

2900.1 Additional Funds

In the event that the department receives LIHEAP contingency funds or funds from another source between September 1 and March 31 of any state fiscal year, these funds will be allocated as follows:

- a. an amount not to exceed 10 percent necessary for program administration, including administration of crisis assistance;
- b. an amount not to exceed 12 percent for crisis assistance benefits; and
- c. the remainder for seasonal assistance benefits.

The additional funds allocated to seasonal assistance will be issued to households that make payments for their home heat directly to a fuel supplier (WAM 2906 a.) and to households that make undesignated payments for their home heat in the form of rent (WAM 2906 b.). Calculation of seasonal benefit amounts will be made according to the provisions of WAM 2906, Benefit Levels, and the benefits will be distributed to certified fuel suppliers or to eligible households according to the provisions of WAM 2907, Benefit Issuance.

Any allocation or distribution of additional funds that is not consistent with the provisions described herein shall be made in accordance with emergency rules adopted for this purpose. Before adopting any emergency rule relating to additional funds, the department will consult with the Home Energy Assistance Task Force and all community organizations under contract to the department to operate the crisis assistance component of the program.

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2907.2

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.

2907.4 Expedited Seasonal Fuel Benefits for Crisis Households

In a primary heat crisis situation a household may have their seasonal fuel application expedited by the Fuel Assistance Office and, if eligible, have their seasonal fuel benefit paid to a certified fuel supplier within 10 business days when all of the following conditions are met:

- a. A crisis fuel worker has determined the household eligible for crisis fuel assistance.
- b. The crisis situation is for primary home heating fuel or energy.
- c. The household has not received any seasonal fuel benefit for the season.
- d. The household has submitted a seasonal fuel assistance application.
- e. The crisis fuel worker has requested an expedited seasonal fuel benefit.
- f. The Fuel Assistance Office has determined the household eligible for seasonal fuel assistance.

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2912 P.4

2912 Fuel Supplier Certification (Continued)

- r. The supplier agrees that the certification agreement will remain in effect for up to one year ending on June 30, and may be automatically renewed at the sole discretion of the commissioner or her or his designee, in one-year terms ending on June 30, for a total of three years. The certification agreement may be canceled by either the supplier or the commissioner or her or his designee, with 30 days' written notice. The commissioner or her or his designee may decide not to renew, or may decide to cancel, the certification agreement if a supplier violates one or more terms of the certification agreement.
- s. The supplier agrees to make crisis fuel deliveries authorized by the office or the community action agencies as part of the program's crisis component that do not exceed 125 gallons for oil, propane, kerosene and other liquid fuels.

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2951 Eligibility (Continued)

To make such a determination the department will complete a careful assessment of past income; uses made of income and resources; relative necessity of such uses including consideration of age, health, and other factors having impact on necessity; and adequacy of planning (past and future) to avoid such emergency.

Among the purposes for which the department examines the circumstances that precipitated the fuel emergency and assesses how past income was used are to determine the likelihood that a similar fuel emergency will recur in the future and the degree to which the fuel emergency was preventable. It is to the benefit of both the applicant and the department to attempt to prevent the recurrence of fuel emergencies.

Staff will also consider what potential income and resources are available and the extent to which the household can commit all or a portion of such potential toward meeting or partially meeting their current heating crisis. This potential shall include all members of the household and not simply those bearing direct responsibility for the purchase of fuel.

Households will be expected to decline or delay payment for non-essentials in favor of assuring themselves an adequate fuel supply and to make reasonable efforts to conserve fuel to avoid an emergency. This includes exploring options for heating system replacements, including home equity loans or other forms of assistance. The decision to recommend a heating system replacement through referral to a local Weatherization operator shall be based on assessment of malfunctions in the heating system that represent a danger to the health and safety of the household. Such decisions shall be made by the director or his/her designee.

Within this framework, staff will determine eligibility on the basis of conserving program funds and utilizing client resources to the maximum extent reasonably possible. Staff will make every effort to assist those who are denied eligibility to find alternative solutions to their problem.

2951.1 Expedited Seasonal Fuel Benefits for Crisis Households

In a primary heat crisis situation a household may have their seasonal fuel application expedited by the Fuel Assistance Office and, if eligible, have their seasonal fuel benefit paid to a certified fuel supplier within 10 business days when all of the following conditions are met:

- a. A crisis fuel worker has determined the household eligible for crisis fuel assistance.
- b. The crisis situation is for primary home heating fuel or energy.
- c. The household has not received any seasonal fuel benefit for the season.
- d. The household has submitted a seasonal fuel assistance application.
- e. The crisis fuel worker has requested an expedited seasonal fuel benefit.
- f. The Fuel Assistance Office has determined the household eligible for seasonal fuel assistance.

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2956 Benefits, Payment Maximums, and Conditions of Receipt

Benefits are limited to payment for a minimum delivery of fuel; reasonable delivery and heating unit start-up charges for off-route deliveries during regular working hours or for deliveries after hours; utility service required for operation of the heating unit to avert shut off. Under no circumstances will a deposit be included under start-up, delivery, or services charges.

Households are limited to three assists during the crisis fuel season. An “assist” is defined as all benefits provided under a single crisis fuel intake. Benefits provided in response to an after-hours crisis fuel intake count as a single assist. Additional benefits cannot be added to the after-hours intake when the client completes the paperwork in the office.

Payment for a minimum delivery of fuel shall not exceed 125 gallons for oil, propane, kerosene and other liquid fuels; one ton of coal; one cord of wood; and shall be less when the provider normally delivers less for other customers in similar situations. Maximum payment for metered service shall be for service used during the most recent monthly billing period or one half of the most recent billing period in areas where billing is for two months' service.

It will be the responsibility of the worker to make appropriate referrals which, in the department's assessment, can be reasonably expected to result in the client's being better able to prevent a future fuel emergency. Examples include:

- (1) for households not participating in the seasonal component of the fuel program, the worker shall provide an explanation of that component and an application with which to apply. Prior to March 1, as a condition of receiving assistance, applicants will be required to apply for seasonal fuel assistance within five business days of receipt of a crisis grant. Failure to apply for seasonal fuel assistance, within the specified five-business-day period, will make the applicant ineligible for additional crisis assistance during that season unless this requirement is deferred or waived based on one of the conditions described herein. The five-day deadline may be deferred or waived under the following conditions:
 - (a) applicant is currently in receipt of seasonal assistance;
 - (b) an application for seasonal assistance is pending;
 - (c) household income is in excess of 125 percent of poverty;
 - (d) a death of an immediate family member or a natural disaster, such as fire or flood, has occurred that prevented the applicant from complying with this requirement;
 - (e) the applicant became and remained so severely ill that s/he was unable to direct his or her personal affairs and, as a result, was prevented from complying with this requirement;
 - (f) the worker failed to provide a seasonal application; or