



Energy Assistance Program Utility Vendor Guide

Revised 10.18.2019



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Section 1: Program Summary

1.1 Purpose

Indiana Housing Community and Development Authority (IHCD) s Energy Assistance Program (EAP) ensures that all eligible people living within the State of Indiana who have an energy burden have utility service, particularly during the winter season.

1.2 State of Indiana

In 1983, the Indiana General Assembly enacted Indiana Code 8-1-2-121 governing the termination of natural gas and electric service without the customer s request. This law states that a utility (municipally-owned, privately-owned, or cooperatively-owned) may not, during the period from December 1 through March 15 of any year, terminate residential utility service to any customer who has applied for or who has been determined eligible for the Energy Assistance Program. This includes utilities who are electric or gas.

Since July 1, 2006, IHCD has been managing the Energy Assistance Program. Community-based organizations are designated by federal regulation and under contract with the IHCD as local agencies administering EAP. The State has designated twenty-one (21) community organizations referred to as Local Service Providers (LSPs). These organizations are responsible for eligibility determination and timely submission of payment transmittals to utility vendors. These community organizations ensure that the program covers all 92 counties in Indiana.

EAP Utility vendors include regulated heating and electric utilities who provide electricity and/or natural gas; bulk fuel, LP, and other non-regulated vendors who provide fuel oil, LP gas, coal, wood, kerosene, or pellets. Vendors are not allowed to deduct sales tax from the LIHEAP benefit. The full amount of the customer s utility bill is subject to sales tax. The client s EAP benefit, however, may pay sales tax.

1.3 Federal

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant was first created in 1981 by the U.S. Congress due to growing concerns of increases in energy costs for U.S. citizens. The LIHEAP Block Grant is a non-competitive, federally funded block grant offered through the U.S. Department of Health and Human Services (HHS).

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant funds individual states throughout the nation to assist low-income families with the high cost of their home energy. LIHEAP is a federal program, however each state has a specific version of the program with individual regulations that must follow federal guidelines. The program operates in every state as well as the District of Columbia. The program is also offered in most tribal and local reservations and U.S. territories.

The federal LIHEAP Statute requires grantees to meet certain conditions, known as the 16 Assurances. The Assurances state that the Grantee will:

- 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; intervene in energy crisis situations; provide low-cost residential weatherization and other cost-effective energy-related home repair; and not to use these funds for any other purposes;
- Ensure that all program recipients meet the defined income qualifications;
- Conduct outreach activities designed to assure that at-risk households and high energy burden households are made aware of the assistance available to them under this program;
- Coordinate administration of LIHEAP with similar and related programs administered by the Federal Government and the State, particularly low-income energy-related programs;
- Provide, in a timely manner, that the highest level of assistance will be provided to those households with the lowest income levels and the highest energy cost or needs, taking into account household size;
- Designate local administrative agencies to carry out the program, giving special consideration to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance or weatherization program;
- Notify each participating household of the amount of assistance being paid on its behalf; assure that the utility vendor, regulated or unregulated, will apply the benefit to the client's bill fairly, honestly, and without discrimination on the basis of receiving such service; and abide by all other terms and conditions agreed upon in the MOA;
- Allow everyone an equal opportunity to apply for LIHEAP, and treat renters and homeowners equitably;
- Ensure that any overspending on planning or administration of LIHEAP beyond the allowable admin line item is paid for out of unrestricted, non-federal funds (i.e., an agency may not use CSBG funds to augment for overspending);
- Establish appropriate fiscal controls and fund accounting procedures as necessary to monitor compliance to the requirements of the program;
- Permit and cooperate with any relevant Federal investigations;
- Provide for timely and meaningful public participation in the development on the State plan;
- Provide an opportunity for applicants whose applications are denied or are not acted upon with reasonable promptness to appeal;
- Cooperate with the Secretary of the US Department of Health and Human Services with respect to data collection and reporting;

- Provide preference to agencies that administer low-income weatherization or energy crisis intervention programs when awarding grants or contracts for intake services;
- Use up to 5% of funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, which may include but are not limited to needs assessments, counseling, and family coaching.

Section 2: Roles and Responsibilities

2.1 Your Partners

The Energy Assistance Program is not successful without its many partnerships and program participants. The program relies on strong partnerships to be effective and impactful on the families that it serves. It is crucial that each entity understands the importance of partnership and works together as one to meet the needs of low-income families across Indiana.

2.2 Indiana Housing and Community Development Authority (IHCDA)

The Indiana Housing and Community Development Authority is a state agency that administers the LIHEAP block grant and manages the Energy Assistance Program. IHCDA does the following:

- Receives federal funds to administer Indiana’s Energy Assistance Program.
- Develops a statewide program manual based on state and federal legislature.
- Provides program guidance to vendors and LSPs when needed.
- Oversees program compliance and administration through contracts and monitoring.
- Processes all financial claims and return of funds.
- Allocates, reallocates, and deallocates funds to LSPs.

2.3 Local Service Providers (LSPs)

Local Service Providers are community-based organizations that are designated by federal regulation and under contract with the IHCDA as the local agencies administering the Energy Assistance Program. It is vital that vendors and LSPs have a strong, communicative relationship with one another. The vendors primarily communicate with the LSPs. Local service providers do the following:

- Provide fiscal and statistical information to IHCDA.

- Provide services that encourage and enable households to reduce their home energy needs. These services include counseling, needs assessments, assistance with energy vendors.
- Provide Energy Education to participants.
- Determine EAP participant eligibility.
- Responsible for timely submission of payment transmittals to Utility vendors.
- Communicate with Utility vendors.

2.4 EAP Participant

The EAP Participant is a very important aspect to the Energy Assistance Program. Participants are low-income families or individuals who have a high energy burden. Household participants must be at or below the greatest of 60% of the State Medium Income or 150% of the current poverty level. The goal of EAP is to lessen the energy burden for those participants who are eligible for the program. There is a requirement within the program that all participants are treated fairly and equally.

EAP participants are also expected to follow all regulations and policies that the program holds. Failure to do so will result in termination from the program and/or program ineligibility in the future.

2.5 Other State Agencies

The Indiana Office of Utility Consumer Counselor (OUCC) is the state agency representing ratepayer interests in cases before state and federal utility regulatory commissions

The Indiana Utility Regulatory Commission (IURC) oversees ratepayer cases. They create and maintain a specific set of policies on service disconnection and other aspects of utility service that are important for the Energy Assistance Program's success.

It is crucial that regulated and unregulated vendors are aware of the OUCC's or the IURC's role in EAP and understand what responsibilities are asked of them as utility service providers. If a vendor is unaware of how the OUCC or the IURC affects their duties as a utility service provider please visit the OUCC/IURC websites at <https://www.in.gov/oucc/> and <https://www.in.gov/iurc/> for more information.

2.6 Memorandum of Agreement (MOA)

All utility vendors must complete a Memorandum of agreement (MOA) with IHCDA every 2 years. This is a written agreement between IHCDA and the vendor. The documents must be entirely completed and require payment information. Utility vendors cannot be paid if there is no MOA on file. See *Appendix F-Blank MOA*.

If a vendor chooses to waive direct deposit (ACH), then that form must be requested by the vendor by emailing LIHEAP@ihcda.in.gov. This form along with a written statement from the vendor's area bank must be completed every year for approval by IHCDA's Controller.

IHCDA facilitates the MOA process by sending previous utility vendors an updated copy of the MOA prior to the start of every other new program year. The LSP should get the email contact for the new utility vendors and provide IHCDA contact information to facilitate processing. Please contact your LSP or IHCDA at LIHEAP@ihcda.in.gov for the most updated MOA.

IHCDA recently began using Adobe E-signature for MOA completion. When IHCDA begins to collect contact information from vendors, vendors should specify who the MOA should be sent to, and who will be signing the MOA. If the MOA is being sent to more than one person, the vendor should indicate which person(s) is signing or completing each section to streamline this process and avoid complications.

In addition to the MOA, all vendors are required to complete a W-9 tax form. If the vendor receives payments totaling \$600 or more, the vendor will receive an IRS tax form 1099 by January 31, detailing the total amount of payments received from the EAP program if the utility falls into one of the following categories: Individual, Partnership, Limited Liability Company (LLC), Limited Partnership (LP), or Estate.

The MOA has all vendor responsibilities and information on it. Read the whole document thoroughly and please closely review the following points on the MOA:

- Local Service Providers
- Vendor Responsibility for other location(s)
- Energy Consumption Data
- Vendor Monitoring
- Eligibility Determination
- Acceptance of Payments
- Overpayments

2.7 Moratorium

Under Indiana code 8-1-2-121, any household who has qualified for EAP on or after October 1 cannot have its service disconnected between December 1 and March 15. See *Appendix C Moratorium*.

The language contained in the Indiana code does not limit moratorium protection based on the method that regulated utility uses to provide electric or gas service. Therefore, vendors who render service using limiters, meters and prepaid services must provide moratorium protection to EAP clients as prescribed in by law and reiterated in the EAP memoranda of agreement.

Utilities may not disconnect service to EAP recipients if:

- The customer has submitted a complete application and has been determined eligible by the local LSP, or the LSP is determining eligibility (submitting an application makes a household eligible for the moratorium). If the local LSP does not have sufficient resources to conduct a timely eligibility review, then the household is still protected until eligibility can be determined.
- The household has an account in good standing, which is defined as not in disconnect status on December 1.
- The customer has furnished proof to the utility provider of his/her application to receive Energy assistance, or the local LSP has notified the utility in writing.

Once the household has submitted an application and has been deemed or is being deemed eligible for the benefit, the client is protected under the moratorium, whether a benefit has been received or not. If an applicant household is determined to be ineligible for the program, this protection will end immediately. Ineligibility must be communicated to the vendor by the LSP. Clients deemed eligible, without a benefit, will be placed in a HOLD status. All clients deemed eligible, but in a HOLD status, will be placed on a report. That report will be submitted to the utility vendors to ensure moratorium protection. Once funding is available, clients on the HOLD status report will be approved, and the vendors will be contacted about EAP benefits.

Please note that a utility vendor CANNOT disconnect a moratorium-protected household's electric or heating source if they are behind on the water/wastewater portion of the utility bill.

Disconnection Prior to December 1

If a client who has qualified for EAP has a past due bill and that client does not make a payment before December 1, the utility has the right to disconnect that client before December 1, since that client is not yet protected by the moratorium. If the same client has active service as of December 1, the utility may not disconnect that client until March 15.

Benefit refusal

A utility vendor may refuse an EAP benefit at any time during the heating season. Benefit refusal does not prevent moratorium protection. A client who has submitted a complete application and is being deemed or has been deemed EAP eligible and has active service on December 1 will receive moratorium protection through March 15.

Landlord/Tenant Agreements and Moratorium Protection

Circumstances may arise where landlords and tenants must create a utility payment arrangement to ensure that the utility bills are paid on time.

If the utility is listed in the landlord's name, but the client has breached payment agreement with the landlord, the landlord may request service disconnection during the moratorium period. Though the client was deemed eligible for EAP assistance, the landlord is the customer of record on the utility bill.

If the Utility is listed in the client's name, but the landlord has breached the payment agreement, then the client is protected under moratorium because the client is the customer of record on the utility bill.

Disconnection during Moratorium

Regulations allow utilities to disconnect services for a customer otherwise covered under the moratorium in the following circumstances:

- If a condition dangerous or hazardous to life, physical safety, or property exists.
- Upon order by any court, the Indiana Utility Regularity Commission (IURC), or other duly authorized public authority.
- If fraudulent or unauthorized use of electricity or gas is detected, and the utility has reasonable grounds to believe the affected customer is responsible for such abuse.
- If the Utility's regulating or measuring equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for such tampering.
- Death of the single household customer (moratorium applies to the household not the house).

2.8 Federal Requirements

There are Federal Requirements that must be followed throughout all vendors and agencies. This includes, but is not limited to Crisis Mitigation and Vendor Monitoring. Vendors must be aware of all requirements and cooperate with IHEDA and other partners to fulfill all federal requirements.

2.9 Crisis Mitigation

The federal LIHEAP statute (See *Appendix 5.7-LIHEAP Statute*) requires a timely and effective energy crisis intervention program for households in need of immediate assistance.

If an LSP calls a utility vendor and notifies them that a participant is in a crisis situation and has an appointment with their LSP, the vendor must keep in communication with the LSP AND the participant until the crisis is alleviated. The vendor should first look to see if there can be any delay in disconnect of services or review EAP policies in order to find a solution to the given circumstance. The vendor should work closely with the LSP and the participant to resolve the situation.

If a client calls their utility vendor and notifies them at they are in a crisis situation, the utility vendor must tell the client to first contact their LSP and make an appointment with them. If the client has already made an appointment, then the vendor must work with both the client and the LSP to alleviate the situation.

If the vendor fails to comply with crisis mitigation policy, then IHEDA reserves the right to withhold payment to the vendor and directly distribute the benefit to the participant. The vendor will still have responsibility under Indiana law to provide moratorium protection.

A Life-Threatening and Non-Life Threatening Crisis has been defined below for reference for when a crisis situation arises.

Life-Threatening Crisis

A LIHEAP-eligible life-threatening crisis must be alleviated within eighteen (18) hours from the initial communication of the crisis situation to the LSP or vendor. An applicant household is considered to be in a life-threatening crisis situation when either the heating and/or electric is currently shut off or disconnected, or the household's bulk fuel heating source is completely out of fuel, **and** the household qualifies as an at-risk household, there is a documented medical need with an extreme safety concern, or there is a need for a propane tank safety inspection.

Non-Life-Threatening Crisis

A LIHEAP-eligible crisis situation is an energy emergency when there is a potential shut-off or depletion of the energy sources and is not considered a life-threatening crisis situation. Non-life threatening crisis situations must be addressed with a mitigating action within forty-eight (48) hours from the time of the initial communication of the crisis situation to the LSP or vendor.

For non-bulk utilities, a household will be considered to be in crisis if it has received a current Notice of Disconnection on residence primary heating sources, such as the electric or natural gas utilities, but not yet disconnected. This also applies to an electric utility required to power a furnace or thermostat in order to heat with another fuel type. For applicant households that have a prepaid electric utility account, a household will be considered to be in crisis if they are within ten (10) days of running out of funds in their account based on current daily usage for the past thirty (30) days.

Payment/Budget Plans

Encouraging payment or budget plans for EAP participants is strongly recommended when trying to prevent and alleviate crisis situations. This could be considered a mitigating strategy. If an LSP or client notifies a vendor of a crisis, the vendor should suggest a potential payment plan that is ready for implementation for the participant to use in the future.

Clients with regulated utilities on a budget billing plan are at less of a risk for crisis because the monthly utility bill is being maintained by a pre-arranged payment plan. Clients with unregulated utilities who have a negotiated payment plan are at less of a risk for crisis because the payment plan should ensure that clients receive bulk fuel deliveries on an automated schedule, as opposed to calling when the tank is low.

2.10 Vendor Monitoring

Energy utility vendor participation is essential to the efficient operation and the overall success of the Energy Assistance Program (EAP). Energy vendors have a critical role in assuring accurate benefits are provided to all EAP clients so that funds may be used to alleviate their home heating needs. Proper oversight of LIHEAP funds is part of the State's responsibility as the accountable party for State and Federal policies, procedures, and laws. Conducting reviews with energy utility vendors is a component of this process, addressed in the Memorandum of Agreement, to ensure program quality and integrity. This assessment is different from the performance measures information that your company may be required to supply.

IHCDA shall perform Vendor monitoring and review records that relate to the EAP Program, including but not limited to, verification of benefit being applied to client accounts, timely return of EAP funds due to overpayments or client no longer having an open account and Vendor's compliance with moratorium requirements. Vendor shall cooperate with any IHCDA request and supply requested documentation within 30 (thirty) days.

2.11 State Requirements

Along with Federal requirements are state requirements. Each individual state has its own unique set of requirements for EAP. It is imperative that all these regulations and policies are followed as stated in section 2.7 of the guide.

Section 3: Administration Process

3.1 Utility Account Format

It is necessary for vendors to communicate their required utility account number format to the LSPs. The intent is to ensure that the account numbers on all transmittals match what is in the vendor database. This is especially beneficial for vendors that receive transmittals from more than one LSP.

For bulk fuel vendors it is necessary to provide the client with an itemized bill or account statement which includes the client's name, delivery address, account number, and amount owed. This will help with better reporting and fewer errors on behalf of the LSP.

3.2 Unallowable Expenses

EAP payments may not be applied to the following expenses:

- Business or commercial accounts.
- Deposit fees.

- Unsafe heating devices such as portable heating devices, stoves, etc.
- Past-due bulk fuel bills (unless payment of the past due bill prevents an immediate crisis delivery to the household).
- Setting an LP tank.
- Water or sewage bill.
- Direct rent payments.
- Tampering charges (diversion/illegal usage).
- Appliance payments, appliance service programs charged to the utility bills.
- Charges for optional services not directly related to energy consumption or delivery, such as warranty and insurance plans.

3.3 Continuation of Services

EAP is required to provide a “continuation of services”. If the pledge is insufficient for preventing disconnect, the pledge should not be accepted. If an LSP provides a pledge and the pledge is insufficient to stop disconnection or restore disconnection services, then the vendor must inform the LSP that this will not grant a continuation of services.

3.4 Maximum Credit

If an eligible household has a credit balance on the unregulated utilities (bulk fuel) in excess of \$750 at the time of the application, that utility will not be eligible for assistance until the credit balance is under \$750. Once the credit balance is under \$750, the client can come back and request the benefit if he or she meets the other program requirements.

If an eligible household has a credit balance on the regulated utilities in excess of \$500 at the time of the application, that utility will not be eligible for assistance until the credit balance is under \$500. Once the credit balance is under \$500, the client can come back and request the benefit if he or she meets the other program requirements.



3.5 Transmittals

EAP transmittals notify the vendor that a household is approved for a certain benefit amount. The transmittal and the EAP claim submission are automatically created in the statewide database. All EAP claims are to be remitted to utility vendors via transmittals within ten (10) business days from their approval date. Upon review and approval by utility vendors, transmittals are to be submitted to IHCD for payment within five (5) business days of receipt. All LSPs are strongly encouraged to adhere to a weekly schedule for submission of transmittals both to vendors and to IHCD. This is because it is particularly important to have timely transmissions for EAP. In addition, certain programs, such as the Universal Service Program, provide a discount for EAP clients that only take effect once the transmittal is finalized.

The transmittal must be sent to the vendor by electronic transmission (email). IHCDCA no longer allows transmittals to be sent by post mail or fax unless those are the only methods the vendor is capable of accepting.

Transmittal Process:

EAP transmittals are generated by the LSP and sent to the vendor for review. LSPs must not provide sensitive information on the transmittal, such as the applicant's full or partial Social Security Number. If the vendor needs additional information, he or she must contact the applicant directly.

The vendor must identify and communicate any errors or changes. The returned transmittal from the vendor to the LSP should include:

- The approved or modified transmittal
- The vendor signature page for electronic submission
 - Original or electronic signatures are not necessary on electronic transmittals.

The vendor signature on the EAP transmittal certifies that the vendor has acknowledged the EAP enrollment and credited or will credit the account (for regulated utilities) or delivered the fuel (unregulated). This will protect households with regulated utilities under the provision of the moratorium on disconnection from December 1st through March 15th.

- Once the transmittal has been submitted to IHCDCA, no changes can be made. The LSP will need to send an overpayment remittance to make corrections. Quality assurance adjustments regarding household eligibility or benefit adjustment should be indicated in the statewide database.
- Utility vendors should anticipate transmittals for eligible clients no earlier than the first business day in November.
- Payment is processed in IHCDCA. IHCDCA is allowed 30 calendar days to process claims. The preferred method of payment is automatic clearinghouse (ACH), also known as direct deposit. Vendors may, however, request to receive paper checks if they meet certain criteria; see section 2.6.

3.6 Refunds

A refund occurs when an EAP benefit was paid, but the account was closed and left a credit. The vendor must return these funds to IHCDCA within sixty (60) days of the account being closed. The vendor must issue a check to IHCDCA in the amount of the over-payment and include the following information:

- Name of the Local Service Provider.
- Client's name.
- Client's account number.

- Original Transmittal number.
- Purpose of the check (Refund).

3.7 Overpayments

An overpayment occurs when a payment to a vendor exceeds the amount of money owed to the vendor for a client for such month. Overpayments are from a LSP's internal QA and a change to the amount owed based on the benefit matrix. The vendor should apply any overpayment to the client's account for the following month(s), as a credit as long as the client has active service with the vendor.

Overpayments are not owed to the client, nor should they be added into the Local Service Provider's budget. If the client no longer receives Services from the vendor during the current or next month, the vendor should issue a check to IHCDCA in the amount of the overpayment, and include the following information:

- Name of the Local Service Provider.
- The client's name.
- The client's account number.
- Negative Transmittal number.
- Purpose of the check (Overpayment).

The vendor shall return funds to IHCDCA within sixty (60) days of completing this process. Refunds and overpayments must be submitted on separate checks. The Local Service Provider must submit an overpayment remittance to IHCDCA (formerly referred to as a negative transmittal) as notification for payment. The vendor must send the payment, along with the remittance to IHCDCA. Refunds and overpayments must be submitted on separate checks.

3.8 Energy Benefit Transfer

Energy Benefit Transfers occur when a client moves and ends service with one utility vendor to switch to another utility vendor. The client completes a form to request their funds be transferred. This form is processed through the local service provider and IHCDCA.

If a client moves within the same service area or closes one account and reopens with the same vendor, the client's benefit does not need to be sent back to IHCDCA. However, if the client's account has been closed for more than 60 days, please send the client's benefit back to IHCDCA. On the check you are sending back to IHCDCA, please be sure to include the following:

- Client name
- Amount of the check that is for that specific client
- What it is for (EBTR)

If a client calls you as their utility vendor asking about a benefit transfer or how to get their benefit from a closed account, you may refer them to contact IHCD. Please make sure to provide the client and/or the local service provider with the amount of the benefit transfer, when it was/will be sent to IHCD, as well as a check number if it has been sent.

3.9 Payments Applied to Closed Accounts

The purpose of LIHEAP benefits is to provide restoration or continuation of services (see 3.3); therefore, EAP funds cannot be applied to outstanding balances left behind on closed or inactive accounts, or to accounts that are already scheduled for disconnection at the customer's request. If an LSP calls in a pledge or sends a transmittal for an account that is inactive, finalled, closed, or otherwise not providing active service, the vendor must decline the benefit and remove the claim from the transmittal prior to approving the transmittal. If an applicant account is closed after the transmittal was approved but prior to receiving funds from IHCD, the vendor may apply the benefit to any outstanding balance the account holder may owe prior to refunding the outstanding benefit balance to IHCD as described in 3.6.

Section 4: Common Questions and Answers

General

Q: Define regulated versus unregulated utility vendor.

A: Vendors who are classified as municipally owned, privately owned, or cooperatively owned are considered regulated utilities under the Low Income Home Energy Assistance Program. Non-regulated utilities, are vendors who provide fuel oil, LP gas, coal, wood, kerosene or pellets.

Q: Are propane companies regulated if they are a cooperative and required to follow moratorium protection?

A: Yes. Please visit the IURC website at <https://www.in.gov/iurc/> for more information on how to find out if your company is considered to be regulated or not.

Q: Who is regulated by the IURC?

A: The Indiana Utilities Regulatory Commission oversees more than 600 electric, natural gas, steam, water, and wastewater utilities that operate in Indiana, including investor-owned, municipal, not-for-profit, or cooperative utilities. For more information, Please refer to the IURC Utility Guide pages 25-28. The guide is available on the IURC website at <https://www.in.gov/iurc/>.

Q: Who do I contact if I have questions?

A: Please contact your Local Service Provider (LSP). A complete list of LSPs contacts can be found in *Appendix B-LSP General Contact Info*.

Q: Do we need to submit more than one Memorandum of Agreement, if we work with more than one LSP?

A: No, you do not have to submit more than one Memorandum of Agreement if you work with more than one LSP.

Q: What is Utility Vendor Monitoring?

A: Energy utility vendor participation is essential to the efficient operation and the overall success of the Energy Assistance Program (EAP). Energy vendors have a critical role in assuring accurate benefits are provided to all EAP clients so that funds may be used to alleviate their home heating needs. Proper oversight of LIHEAP funds is part of the States' responsibility as the accountable party for State and Federal policies, procedures, and laws. Conducting reviews with energy utility vendors is a component of this process, addressed in the Memorandum of Agreement, to ensure program quality and integrity. This assessment is different from the performance measures information that your company may be required to supply.

IHCDA shall perform Vendor monitoring and review records that relate to the EAP Program, including but not limited to, verification of benefit being applied to client accounts, timely return of EAP funds due to overpayments or client no longer having an open account and Vendor's compliance with moratorium requirements. Vendor shall cooperate with any IHCDA request and supply requested documentation within 30 (thirty) days.

Moratorium

Q: When does moratorium officially begin and end?

A: Under Indiana Code 8-1-2-121, moratorium officially begins on December 1 and ends on March 15.

Q: Can a vendor refuse to establish a payment arrangement during the month of November, if it knows a client will fall under the moratorium as of 12/1?

A: A utility vendor may refuse an EAP benefit at any time during the heating season. Benefit refusal does not prevent moratorium protection. A client who has submitted a complete application and is being deemed or has been deemed EAP eligible and has active service December 1 will receive moratorium protection through March 15.

Q: Can Limited and Metered customers be disconnected during moratorium?

A: Pursuant to IC 8-1-2-121, between December 1 and March 15 of any year, EAP clients are protected from disconnection or termination of their residential gas or electric service by a municipally owned, privately owned, or cooperatively owned utility, as stated in Section 16. Vendors who are classified as municipally owned, privately owned, or cooperatively owned are considered “regulated utilities” under the Low Income Home Energy Assistance Program. The language contained in the Indiana Code does not limit moratorium protection based on the method that the regulated utility uses to provide electric or gas service. Therefore, if the Vendor renders services using limiters, meters or prepaid services it still must provide moratorium protection to EAP clients as prescribed in IC 8-1-2-121 and this MOA. See guidance from IURC dated November 19, 2014.

Q: Can limiters still be used during the moratorium period to limit energy consumed, as long as the customer is not disconnected?

A: Vendors using limiters, meters and prepaid services must provide moratorium protection to EAP clients. Vendors may impose daily or other limits to clients wherein a brief interruption of service is used to notify a client they are nearing or over the maximum usage. However, an interruption in service longer than thirty minutes to an hour may be a breach of Indiana Code: 8-1-2-121.

Data Consumption

Q: Why does IHCD require consumption data?

A: HHS mandates a report (“Performance Measures”) to see how targeted the matrix is for clients with the highest energy burden. HHS requires IHCD to contact the largest vendors, based on LIHEAP funds received, by fuel type. With the cost data from vendors, IHCD looks at clients’ income, energy costs, and EAP benefits to see if those with the highest energy burden receive the highest benefit, as is mandated in the LIHEAP statute. IHCD uses the findings in the report to adapt the benefit matrix for the coming program year.

Q: What “year” should the utility vendor provide if consumption data is requested?

A: HHS mandates that at least a portion of the year be in the applicable program year (October 1 through September 30). IHCD tries to request the data in the summer months, before the end of the current program year. As such, if the data only covers a few weeks of that time period, it is sufficient. If calendar year is the easiest for the system, the previous calendar year should be used.

Suspected Fraud

Q: What does the Utility Vendor do if it suspects fraud from an EAP participant?

A: If a vendor suspects fraud from an EAP participant, immediately contact your Local Service Provider.

Q: What does the Utility Vendor do if it suspects fraud from a Local Service Provider?

A: If a vendor suspects fraud from a Local Service Provider, immediately contact the IHCDA Community Programs Manager by email at LIHEAP@ihcda.IN.gov.

Section 5: Appendix

- 5.1 LSP Territory Map
- 5.2 LSP General Contact Info
- 5.3 State Moratorium Language
- 5.4 Energy Benefit Transfer Request Form
- 5.5 Transmittal Example
- 5.6 Blank MOA
- 5.7 LIHEAP Statute