

To: WAP Subgrantees Program Guidance: WAP-2024-01

From: Community Programs Release Date: April 10, 2024 Effective Date: April 1, 2024

Subject: State Propane Average with Social Cost of Carbon

Background

IHCDA's Weatherization Assistance Program subgrantee's have utilized state average propane rates. The choice to provide a state average propane rate has been on account of their variance by day, supplier, consumer, and region. Due to a preference among Weatherization staff, utilizing a state propane average fuel rate provided by the Energy Information Administration (EIA) has been now permitted in place of supplier specific propane costs since January 19th, 2024.

NEW GUIDANCE

Effective April 1st, 2024, IHCDA will follow the following link to obtain EIA's state of Indiana annual propane average price. Subgrantees are advised to use the following annual average for propane in its fuel cost library in energy modelling software. Subgrantees may utilize only the annual propane average of \$2.39/ gallon with a heat content of 0.0915 MMBTu (derived from the state averages between the months from the week ending on 10/09/2023 to 03/25/2024). This value must also include the Social Cost of Carbon fuel cost modifier from WPN 22-10 option 2. Please input propane fuel costs into your audit library fuel price index for audits on or after April 1st 2024. The propane average of \$2.39/ gallon and heat content of .0915 MMBTu yields the below escalation rates to be inputted into subgrantees' economic parameter set for propane's fuel price indices adjusted for the social cost of carbon. Vendor specific rates are not permitted.

Please direct all questions regarding this guidance to Ethan Scott at iwx@ihcda.in.gov.





| FUEL TYPE | YEAR | FUEL PRICE INDEX |
|-----------|------|------------------|
| Propane | 0 | 1.0000 |
| Propane | 1 | 1.0235 |
| Propane | 2 | 1.0042 |
| Propane | 3 | 0.9747 |
| Propane | 4 | 0.9496 |
| Propane | 5 | 0.9365 |
| Propane | 6 | 0.9308 |
| Propane | 7 | 0.9334 |
| Propane | 8 | 0.9424 |
| Propane | 9 | 0.9567 |
| Propane | 10 | 0.9749 |
| Propane | 11 | 0.9941 |
| Propane | 12 | 1.0107 |
| Propane | 13 | 1.0240 |
| Propane | 14 | 1.0376 |
| Propane | 15 | 1.0509 |
| Propane | 16 | 1.0602 |
| Propane | 17 | 1.0708 |
| Propane | 18 | 1.0820 |
| Propane | 19 | 1.0913 |
| Propane | 20 | 1.0976 |
| Propane | 21 | 1.1032 |
| Propane | 22 | 1.1068 |
| Propane | 23 | 1.1098 |
| Propane | 24 | 1.1129 |
| Propane | 25 | 1.1170 |
| Propane | 26 | 1.1202 |
| Propane | 27 | 1.1243 |
| Propane | 28 | 1.1269 |
| Propane | 29 | 1.1277 |
| Propane | 30 | 1.1285 |