



**Department of Energy**  
Washington, DC 20585

**WEATHERIZATION PROGRAM NOTICE 01-12A**  
**EFFECTIVE DATE:** August 24, 2001

**SUBJECT:** AMENDED SUPPLEMENTAL GRANT GUIDANCE FOR WEATHERIZATION RAMP-UP ACTIVITIES FOR PROGRAM YEAR 2002

**PURPOSE:** (1) To provide a range of planning figures to facilitate advance planning for 2002; and (2) To provide amended procedures to simplify the approach to providing early funding for 2002.

**SCOPE:** The provisions of this guidance apply to all grantees applying for financial assistance under the Department of Energy (DOE) Weatherization Assistance Program (WAP).

**BACKGROUND:** In WPN 01-12, State-by-State were distributed based on the Administration's request of \$273 million for the Weatherization Program in FY 2002, to facilitate ramp-up planning. Since then, House and Senate marks indicate a likely range of alternative funding levels. To assist those States who wish to submit early plans, we have calculated an estimated funding level, including T&TA funds, for each State at several different projected funding levels. The figures in the attached tables are for planning purposes only and are subject to change later once final appropriations levels are enacted.

**Note:** The attached tentative allocation tables do not reflect any change as a result of the 2000 census. The updated 2000 census data on low-income households will not be available before early next year. Therefore, the allocation formula will not be revised until PY 2003 to include the new census data.

**POLICY:** After issuance of WPN 01-12, DOE Headquarters, in consultation with Regional Office Program Managers and Contracting Officers, discussed ways to simplify the procedures for requesting advance 2002 weatherization funds. As a result, DOE has decided to amend the guidance issued May 16, 2002 to simplify this process. Consequently, **no partial 2002 funds will be made available**, rather States may submit plan amendments to the current 2001 program plans and receive their entire 2002 grant funds early. The revised, simplified procedures discussed below give the States the option to either (1) continue their current program year as currently approved and apply for the 2002 funds as in previous years; or (2) request their 2002 funds early to be awarded as described in the procedures below. In this case, DOE is proposing to extend the current PY 2001 grant through the end of what would normally be the 2002

program year. The 2002 allocations would be awarded as new funds and budgeted as part of the amended PY 2001 plan. **States which opt to request for advance 2002 funds must submit a revised State plan and hold a public hearing.**

This change in policy will expedite the award of 2002 funding while reducing the amount of paperwork and reporting by States. DOE will require only slight revisions to its reporting requirements, including WinSAGA, to accommodate the combining of funds for 2001 and 2002 and to account for production of homes and average cost per home requirements. Since States exercising the two-year budget option will probably not have actual 2002 production during what would have normally been their 2001 program year, these states will continue to report their production in the existing 2001 quarters. If a State selecting the two-year budget option does have production with 2002 funds before its normal 2001 period would have ended, it can simply note those completed units in the comment section of the Quarterly Program Report. A further discussion of these changes will also be addressed in annual grant guidance to be issued in September and distributed to the States. **Note: These amended reporting requirements will only affect those States requesting early 2002 funds.**

#### **PROCEDURES FOR STATES REQUESTING ADVANCE 2002 FUNDS:**

Upon final approval of the 2002 appropriation for Weatherization by the Congress and the President, the States will be issued a solicitation letter from DOE giving two options from which the State may choose. States will have the option of either retaining the traditional budget/project period or extending the 2001 program year through the end of, what would have been, 2002 and including the 2002 funds in their current year budgets/annual files. The second option will create a two-year budget period and include two years of appropriations. For example, States with program years starting April 1st would need to have a project period that ends not earlier than March 31, 2003. This would mean a budget period extension to 3/31/03, and a total budget period of 4/1/01 through 3/31/03. Also, the approved budget plan would, of necessity, consist of both the FY01 and FY02 funding. This will require the submission of a signed SF 424, revised budget (which will include both 2001 and 2002 funding in addition to any prior 2001 year carryover), budget narrative (GO-PF20a), and annual file. Since the budget period is simply being extended (rather than creating a new budget period) there is NO CARRYOVER (i.e. 2001 to 2002) to address. As an amendment of the 2001 year, the assurances/certifications would not be required to be resubmitted.

**CONCLUSION:** DOE wants to help ensure that State and local agencies are able to effectively spend the anticipated increase in appropriated funds for weatherization in PY 2002, so we have simplified the process for advance funding for ramp-up.

We are confident that State and local agencies can effectively expand program capacity. However, DOE is concerned that States not sacrifice quality of workmanship or delivery services in meeting production goals. DOE encourages States and local agencies to continue improving

their programs by increasing the technical capability of their staffs as they transition their traditional weatherization programs to Weatherization Plus.

To assist in this effort, DOE also encourages States to look toward the use of leveraged funds as a tool in meeting higher production and enhancing the service provided. DOE will do everything it can to help each State meet its goal in providing quality weatherization services to more low-income households.



Gail McKinley, Director  
Office of Building Technology Assistance  
Energy Efficiency and Renewable Energy

Attachments