

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0007928		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address STATE OF MINNESOTA 85 7th Place East, Suite 280 St. Paul, MN 551012198		4. Program/Project Start Date 07/01/2019	5. Completion Date 06/30/2021

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Federal 81.042	81.042	\$ 1,359,607.00		\$ 23,334,112.00		\$ 24,693,719.00
2.						
3.						
4.						
5. TOTAL		\$ 1,359,607.00	\$ 0.00	\$ 23,334,112.00	\$ 0.00	\$ 24,693,719.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) Commerce: Admin. (1572)	(2) 1574: SERVICE PROVIDER ADMIN	(3) Commerce: T&TA (1573)	(4) 1574: T&TA	
a. Personnel	\$ 156,850.33	\$ 0.00	\$ 950,021.82	\$ 0.00	\$ 1,309,729.00
b. Fringe Benefits	\$ 61,003.99	\$ 0.00	\$ 308,838.98	\$ 0.00	\$ 436,345.00
c. Travel	\$ 1,992.00	\$ 0.00	\$ 107,565.00	\$ 0.00	\$ 113,670.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 11,000.00	\$ 0.00	\$ 19,600.00	\$ 0.00	\$ 31,000.00
f. Contract	\$ 65,388.72	\$ 1,573,607.95	\$ 959,973.38	\$ 1,546,947.05	\$ 21,816,063.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 415,507.03	\$ 0.00	\$ 174,697.68	\$ 0.00	\$ 680,328.00
i. Total Direct Charges	\$ 711,742.07	\$ 1,573,607.95	\$ 2,520,696.86	\$ 1,546,947.05	\$ 24,387,135.00
j. Indirect Costs	\$ 79,488.65	\$ 0.00	\$ 179,361.10	\$ 0.00	\$ 306,584.00
k. Totals	\$ 791,230.72	\$ 1,573,607.95	\$ 2,700,057.96	\$ 1,546,947.05	\$ 24,693,719.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
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5. TOTAL		\$ 1,359,607.00	\$ 0.00	\$ 23,334,112.00	\$ 0.00	\$ 24,693,719.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) 1574: PROGRAM OPERATIONS	(2) 1574: HEALTH & SAFETY	(3) 1574: LIABILITY INSURANCE	(4) 1574: FINANCIAL AUDITS &	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,309,729.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 436,345.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 113,670.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 31,000.00
f. Contract	\$ 14,604,526.49	\$ 2,504,231.62	\$ 49,427.00	\$ 271,147.00	\$ 21,816,063.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 680,328.00
i. Total Direct Charges	\$ 14,604,526.49	\$ 2,504,231.62	\$ 49,427.00	\$ 271,147.00	\$ 24,387,135.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 306,584.00
k. Totals	\$ 14,604,526.49	\$ 2,504,231.62	\$ 49,427.00	\$ 271,147.00	\$ 24,693,719.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 1,359,607.00	\$ 0.00	\$ 23,334,112.00	\$ 0.00	\$ 24,693,719.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) Leveraging (1575)	(2) SPECIAL PROJECTS I	(3)	(4)	
a. Personnel	\$ 202,856.85	\$ 0.00			\$ 1,309,729.00
b. Fringe Benefits	\$ 66,502.03	\$ 0.00			\$ 436,345.00
c. Travel	\$ 4,113.00	\$ 0.00			\$ 113,670.00
d. Equipment	\$ 0.00	\$ 0.00			\$ 0.00
e. Supplies	\$ 400.00	\$ 0.00			\$ 31,000.00
f. Contract	\$ 240,813.79	\$ 0.00			\$ 21,816,063.00
g. Construction	\$ 0.00	\$ 0.00			\$ 0.00
h. Other Direct Costs	\$ 90,123.29	\$ 0.00			\$ 680,328.00
i. Total Direct Charges	\$ 604,808.96	\$ 0.00			\$ 24,387,135.00
j. Indirect Costs	\$ 47,734.25	\$ 0.00			\$ 306,584.00
k. Totals	\$ 652,543.21	\$ 0.00			\$ 24,693,719.00
7. Program Income	\$ 0.00	\$ 0.00			\$ 0.00

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WEATHERIZATION ASSISTANCE PROGRAM (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET

(Grant Number: EE0007928, State: MN, Program Year: 2019)

IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Arrowhead Economic Opportunity Agency, Inc. (Virginia)	\$1,494,913.63 142
Bi-County Community Action program, Inc. (Bemidji)	\$796,701.23 74
Community Action Partnership of Ramsey & Washington Counties (Saint Paul)	\$2,755,161.70 263
Dakota County Community Development Agency (Eagan)	\$987,788.59 92
Fond Du Lac Reservation Business Committee (Cloquet)	\$60,926.10 3
Inter-County Community Council (Oklee)	\$410,894.35 36
KOOTASCA Community Action, Inc. (Grand Rapids)	\$418,203.83 36
Lakes and Pines Community Action Council, Inc. (Mora)	\$1,177,942.10 111
Mahube-OTWA Community Action Partnership, Inc. (Detroit Lakes)	\$1,370,800.25 130
Mille Lacs Band of Ojibwe Indians (Onamia)	\$69,242.98 4
Minnesota Valley Action Council (Mankato)	\$987,631.28 92
Northwest Community Action, Inc (Badger)	\$270,902.20 22
Prairie Five Community Action Council, Inc. (Montevideo)	\$291,411.33 24
Semcac (Rushford)	\$1,328,631.57 125
Southwestern Minnesota Opportunity Council, Inc. (Worthington)	\$331,850.58 28
Sustainable Resources Center (Minneapolis)	\$3,078,129.77 293
Three Rivers Community Action, Inc. (Zumbrota)	\$418,654.01 36
Tri-County Action Programs, Inc. (SC) (Waite Park)	\$1,146,459.53 108
Tri-County Community Action, Inc. (LF) (Little Falls)	\$788,576.19 73
United Community Action Partnership (Marshall)	\$912,934.48 85
West Central Minnesota Communities Action, Inc. (Elbow Lake)	\$913,905.64 85
White Earth Reservation Tribal Council (Waubun)	\$164,025.53 13
Wright County Community Action, Inc. (Maple Lake)	\$374,200.24 32
Total:	\$20,549,887.11 1,907

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IV.2 WAP Production Schedule

Weatherization Plans	Units
Total Units (excluding reweatherized)	1,907
Rewatherized Units	0

Note: Planned units by quarter or category are no longer required, no information required for persons.

Average Unit Costs, Units subject to DOE Project Rules		
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	1,907
C	Total Units Reweatherized	00
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	1,907
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	\$14,604,526.49
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	1,907
H	Average Program Operations Costs per Unit (F divided by G)	\$7,658.38
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$7,658.38

IV.3 Energy Savings

Method used to calculate savings: <input checked="" type="checkbox"/> WAP algorithm <input type="checkbox"/> Other (describe below)			
	Units	Savings Calculator (MBtus)	Energy Savings
This Year Estimate	1907	29.3	55875
Prior Year Estimate	931	29.3	27278
Prior Year Actual	924	29.3	27073

Method used to calculate savings description:

IV.4 DOE-Funded Leveraging Activities

**PY2020 MINNESOTA WEATHERIZATION ASSISTANCE PROGRAM
STATE LEVERAGING PLAN**

Minnesota's leveraging activities for PY20 will build on activities undertaken in PY19, with the goal of expanding the number of households weatherized and expanding the services provided to weatherization-eligible households. Leveraging activities to be paid for with USDOE funds include:

- Commerce leveraging staffing:** staffing will include a full-time Weatherization Leveraging Specialist position and, in conjunction with LIHEAP, a full time Benefits Coordinator at Commerce. Activities will include:
 - Build a robust partnership network;
 - Develop long-term, aligned cooperative agreements and projects;
 - Investigate and acquire additional non-federal leveraged funds to support or expand WAP services.
- Underwrite leveraging activity at WAP Service Providers:** A frequent response from Service Providers as to why available leveraged funding are not better utilized is "lack of time and money." Most leveraged funding does not cover the associated administrative costs and Service Provider staff do not have time to work on a program which doesn't cover costs. Commerce will provide a minimum of \$10,000 in Leveraging Activity funds to any of the 23 WAP

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Service Providers who prepare and submit a Leveraging Plan for PY20. Leveraging plans will delineate how Service Provider staff begin or increase their organization's leveraging activities to increase the use of leveraged funding on WAP households. Leveraging activity funds provided to the Service Providers may then be used to:

- Develop tactical activities to support plans outlined in the Service Provider Leveraging Plan;
- Conduct activities to implement the plan, including but not limited to:
 - i. Give consideration to current hurdles stifling greater utilization of leveraged funds and develop solutions to overcome these hurdles;
 - ii. Find, apply for, and report on available leveraged funding;
 - iii. Develop localized leveraged-fund programs in collaboration with aligned organizations to specifically target deferrals, or to develop new funding streams for new initiatives such as solar or asthma-trigger mitigation;
 - iv. Increase coordination with utility Low Income Conservation Improvement Programs, LIHEAP, and other leveraged funders;
 - v. Delineate process and reporting needs, within the organization, to improve access and ability to utilize leveraged funding. Consideration should be given, and recommendations made, to any potential cross-organizational report streamlining, including software development potential.

Activities under this item will be accomplished in conjunction with item 3 below, and build on work completed by two separate working groups. Work groups were formed to focus on 1) Leveraging, and 2) Deferrals, with the work groups comprised of WAP Service Provider network personnel and led by Commerce staff. Information from these work groups will be used to inform the PY20 Leveraging activities.

3. **WAP Analytics** – Energy Efficiency work lies at the nexus of three areas of high interest to all levels of government and private organizations: Energy Equity, improving Health Equity, and reducing the effects of Climate Change. Energy efficiency improvements instituted by WAP can help reach defined goals in all three of these focus areas.

The energy benefits from energy efficiency efforts have long been quantifiable, but quantifying the non-energy benefits of energy efficiency is only now starting to be a focus. Better analytics and delineation of the non-energy benefits of WAP work will allow more persuasive funding requests to government agencies and organizations not primarily focused on energy, but whose goals are positively affected by WAP work. Broadening the analytics will deepen the knowledge base, allowing greater reach in targeting organizations to acquire leveraged funds, whether the potential funder is the State Legislature, a local government, a utility, a health-care organization, a foundation, or other stakeholder.

3. **Consulting Contract – Solar implementation into WAP:** A solar subject-matter-expert (SME) consultant will be funded to assist Service Providers in handling and rolling out the Solar PV projects. The solar SME consultant will have extensive knowledge of the day-to-day operations of WAP and deep solar industry knowledge in order to facilitate the field adoption of solar PV as a WAP measure.

Leveraging Activities Focus:

Minnesota WAP currently has a deferral rate of 47%. Households deferred do not receive WAP services, therefore, USDOE WAP funds are being spent to audit households which do not get weatherization services. Leveraging activities will focus on reducing deferrals within the program by building relationships and collaborative initiatives to address the factors causing the deferrals. This will expand the pool of households eligible to receive WAP services and ensure the best use of USDOE funding by preventing the associated audit and administrative costs from becoming sunk costs; USDOE funds will be spent on homes that can then be weatherized, rather than on houses that end up deferred from WAP services.

The Minnesota Legislature is again considering legislation, originally proposed in 2019, which would drastically increase the amount of Conservation Improvement Programs (CIP) funding Minnesota utilities are required to provide. Utilities have signaled that, if the legislation passes, they will be looking for help in developing programs that effectively and efficiently target their spending.

The proposed increased CIP funding will increase energy efficiency initiatives in all sectors throughout the state, but one Investor Owned Utility (IOU) is already discussing ideas to reduce energy burdens for low-income residential customers. WAP's leveraging activities will work collaboratively with utilities to reduce deferrals and service additional households with WAP services while also broadening the types of services offered beyond energy efficiency measures. Program initiatives to broaden in-home service will target a number of focus areas:

- Accessibility to solar for income-qualified clients (continuing pilot program);
- Healthy Homes:
 - Reduction of in-home triggers of asthma/chronic respiratory conditions & improving indoor air quality;
 - Remediation of harmful contaminants or gases (Lead, Radon, Vermiculite);
 - Improving roofing and other structural defects to mitigate moisture, vermin, insect issues
- Aging in Place programs, to keep elderly safe and healthy at home.

Commerce has identified five approaches to use while layering in additional services for WAP's income-qualified clientele.

1. **Individualized utility outreach and program support:**

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- a. Analysis has been undertaken to identify and target utilities that are underperforming on their current legislatively mandated Low Income – Conservation Improvement Plan (LI-CIP) goal. Commerce staff will work with the LI-CIP personnel at 6-9 utilities, and with the WAP Service Providers covering those territories, to undertake the following actions:
 - delve into the reasons behind utilities’ non-performance to goal;
 - assist in addressing any hurdles present;
 - develop approaches and tactics to increase LI-CIP funding on WAP households;
 - develop and coordinate relationships between utility staff and WAP Service Providers as necessary.
- b. A sub-focus of this outreach project will be to identify the reporting requirements of utilities offering LI-CIP programs, looking for ways to streamline the process for WAP Service Providers while addressing the utilities’ needs. While this project will be part of the outreach discussions with the identified 6-9 utilities, consideration and assessment will also be given to the processes and needs of the larger IOUs and the other municipal and cooperative utilities.
2. **Further inter-departmental coordination with aligned State of MN departments:** Coordination between WAP and various other State of MN departments increased in PY19, and coordinating efforts will continue and expand in PY20. State departments with aligned goals include: Minnesota Department of Health, Minnesota Housing, Minnesota Occupational Health and Safety Administration, Minnesota Department of Human Services, and the Minnesota Pollution Control Agency. Coordination discussions and efforts center on alignment and initiatives surrounding a number of energy efficiency, Healthy Homes and climate change-related issues. Examples of current efforts to be continued in PY20, include:
 - a. **Joint WAP / Minnesota Housing Finance Agency Multi-family project collaborative efforts:** Bi-monthly interdepartmental meetings to review MN Housing current and proposed multi-family building projects under the Rental Rehabilitation Deferred Loan (RRDL) program and the Publicly-Owned Housing Projects (POHP) program. Focus is on identifying and coordinating on multi-family projects suitable for collaborative WAP/MN Housing efforts.
 - b. **Minnesota Department of Health / WAP collaborative efforts:** MDH representatives from the Children’s Council, Lead and Asthma programs are active participants in bi-monthly meetings with WAP. Discussions are underway on various ways to better coordinate services to eligible Minnesotans. Additionally, discussions are being held around merging portions of the “mapping” projects each department has been undertaking, in order to provide a streamlined, easy-to-use service portal to Minnesotans seeking assistance.
 - c. **Closer Alignment with Low-Income Heating Energy Assistance Program:** Within Commerce, WAP is increasing alignment with the Low-Income Heating Energy Assistance Program (LIHEAP). A new staff position has been approved to hire a Coordinated Benefits Specialist who will focus on continual improvement in aligning WAP and LIHEAP and with other State of Minnesota departments as well.
3. **Healthy AIR (Asbestos Insulation Remediation) Program:** The Healthy AIR pilot program was implemented in PY17 with State funds. In the 2.5 years since then, Minnesota’s WAP network remediated the vermiculite hazards in 51 homes with an average job cost of \$8,429. Commerce has again requested State funds to continue this initiative.
4. **Multi-Focus site assessments:** BPI Healthy Homes related training will be provided to WAP energy auditors and other Service Provider staff. Auditors and Quality Control Inspectors will be asked to train and certify as Healthy Homes Assessors. Other appropriate WAP Service Provider staff will be encouraged to take the BPI Healthy Homes Principles certificate training.
5. **Outreach and relationship development with opportunity organizations:** Commerce leveraging staff will continue to develop relationships and discuss alignment possibilities with organizations focused on respiratory, health equity, climate change, and community improvement/development issues.

IV.5 Policy Advisory Council Members

☐ Check if an existing state council or commission serves in this category and add name below

CenterPoint Energy	Type of organization: Utility Contact Name: Nick Mark Phone: 6123214613 Email: nick.mark@centerpointenergy.com
Citizens Utility Board	Type of organization: Non-profit (not a financial institution) Contact Name: Annie Levenson-Falk Phone: 65130047016 Email: annief@clubminnesota.org
Clean Energy Resource Teams	Type of organization: Non-profit (not a financial institution) Contact Name: Joel Haskard Phone: 6126258759 Email: haska004@umn.edu
Energy Conservatory	Type of organization: Other Contact Name: Paul Morin Phone: 6128271117 Email: pmorin@energyconservatory.com
Fond Du Lac Reservation Business Committee	Type of organization: Indian Tribe Contact Name: Joan Markon Phone: 2188794593

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Fresh Energy	Email: joanmarkon@fdlrez.com Type of organization: Non-profit (not a financial institution) Contact Name: Ben Passer Phone: 6517267567 Email: passer@fresh-energy.org
Great River Energy	Type of organization: Utility Contact Name: Jeff Haase Phone: 7634456106 Email: jhaase@grenergy.com
Home Performance Strategies	Type of organization: For-profit or Corporate (not a financial institution or utility) Contact Name: Kevin Brauer Phone: 6128680365 Email: kevinbrauermn@gmail.com
Minnesota Valley Action Council	Type of organization: Non-profit (not a financial institution) Contact Name: Kris Perendy Phone: 5073452434 Email: krisp@mnvac.org
Prairie Five Community Action Council, Inc.	Type of organization: Non-profit (not a financial institution) Contact Name: Laura Milbrandt Phone: 3202696578 Email: Laura.Milbrandt@prairiefive.org
STATE OF MINNESOTA	Type of organization: Unit of State Government Contact Name: Anthony Fryer Phone: 6515391858 Email: anthony.fryer@state.mn.us
State of Minnesota	Type of organization: Unit of State Government Contact Name: Katherine Teiken Phone: 6512967610 Email: katherine.teiken@state.mn.us
State of Minnesota	Type of organization: Unit of State Government Contact Name: Andrew Grewell Phone: 6514313135 Email: andrew.grewell@state.mn.us
State of Minnesota	Type of organization: Unit of State Government Contact Name: Michelle Gransee Phone: 6515391855 Email: michelle.gransee@state.mn.us
State of Minnesota	Type of organization: Unit of State Government Contact Name: Douglas J. Burns Phone: 6515391808 Email: doug.burns@state.mn.us
United Community Action Partnership	Type of organization: Non-profit (not a financial institution) Contact Name: Jeff Gladis Phone: 50753714162136 Email: jeff.gladis@unitedcapmn.org
Xcel Energy	Type of organization: Utility Contact Name: Yvonne Pfeifer Phone: 6123306581 Email: yvonne.m.pfeifer@xcelenergy.com
Xcel Energy	Type of organization: Utility Contact Name: Aaron Tinjum Phone: 6123428967 Email: aaron.j.tinjum@xcelenergy.com

IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)

Date Held	Newspapers that publicized the hearings and the dates the notice ran
04/16/2020	A notice of two Virtual State Plan public hearings appeared in the April 7, 2020 WAP Wire sent to all WAP Service Providers and subscribers of the Conservation Improvement Program newsletter, which focuses on utilities (8,500+). The draft copy of the PY20 State Plan was posted on the

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Commerce website on April 7, 2020 and a link to the posting was included in the WAP Wire. Two Virtual Public Hearings took place on April 16 at 1:00 PM and 3:00 PM via WebEx to comply with the annual state plan hearing required in 10 CFR 440.14 and COVID-related guidance from DOE.

IV.7 Miscellaneous

PY20 Annual File Content: Miscellaneous

American Consumer Survey Index Action Plan

Through the 2019 American Consumer Survey Index (ACSI), MN WAP sub-grantees indicated several areas in which the Minnesota Department of Commerce Weatherization Program was exceling and showed significant increase from the PY17 survey including Fund Distribution, Awareness of efforts to serve eligible households, and Effectiveness of partnerships created to better serve clients. Commerce was gratified to see these improvements as they aligned with a number of our improvement efforts over the past two years.

In other areas, sub-grantees indicated room for improvement, including:

- Technical Assistance
 - Responses:
 - MWAG policy review group
 - Deploy Learning Management System (LMS)
- Consistency and timeliness of monitoring
 - Responses:
 - ACSI Review group
 - Development of Monitoring Team
 - Timeliness of Monitoring Letters
- Clarity and responsiveness to Agency staff requests
 - Responses:
 - Question of the Week

In response, Commerce has updated our ACSI Action Plan designed to address the identified areas with a focus on improving program management and delivering maximum benefits to WAP clients. There are a number of items listed below from the previous year's plan that were either modified or delayed due to impacts of COVID-19.

Action Items	Status	Details/Next Steps
ACSI Review group	Complete	Commerce met with a group of subgrantees to review the 2019 ACSI results and discuss underlying issues in order to design effective solutions.
MWAG policy review group	In-progress	Starting in the fall of 2019 a sub-committee of the Minnesota Weatherization Advisory Group began meeting on a monthly basis with Commerce staff to discuss challenging issues within WAP and develop policy or procedural solutions to address them. The work of this group is driving substantive change to the PY20 Policy Manual.
Increased partnerships and leveraging efforts	In-progress	In PY19 the leveraging specialist worked to add solar as a measure in WAP. They continue to work on a number of leveraging opportunities including Healthy AIR (asbestos abatement), Healthy Homes activities, and the increased integration of utility

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		funds. See leveraging plan for more details.
Development of Monitoring Team	On-going	All monitors meet regularly to review monitoring reports, gain consensus on interpretation of policy, update policy guidance as needed, and update the policy manual annually. This group also works together with the training specialist to triage sub-grantee program questions and provide unified answers.
Deploy Learning Management System (LMS)	On-going	Commerce procured a LMS to deploy technical and administrative trainings for subgrantees. The system is also being used to issue topic specific policy trainings to address frequently asked questions and issues identified during monitoring visits.
Question of the Week	On-going	To increase the clarity and consistency of responses to subgrantee questions, Commerce has implemented a weekly email that includes a recently asked question to increase network-wide understanding of policy. The list of questions is then updated on our website as an archive that is accessible to subgrantees.
Increase number of field monitors for timely response	Complete: update from PY19	Two field and one admin monitors were brought on in PY17. Training, shadowing, and mentoring was conducted in PY18. In PY19 all technical and administrative monitoring reports were issued within the 30 day timeline. In PY20 Commerce plans to maintain staff levels to meet monitoring timeliness goals.
In partnership with one of our sub-grantees, fund a centrally located technical training facility	Modified from PY19	Commerce has built a training room focused on mechanical and ventilation systems at one of our subgrantees. Due to COVID-19 we will be exploring how to deliver effective remote training.
Provide FACSPRO training to sub-grantees in multiple locations (FACSPRO is a software program used for both financial reporting and interface with Weatherization Assistance)	In-progress: update from PY19	Work in PY19 focused on incorporating: client search functions, waiting and deferral lists, verification of previous weatherization, and development of an onsite data collection tool for energy auditors QCIs. A training was conducted by a local subgrantee on some of this new functionality in the fall of 2019. In PY20 the focus will be on incorporating the WA energy modeling functionality and continued development of the field data

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WEATHERIZATION ASSISTANCE PROGRAM (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET

(Grant Number: EE0007928, State: MN, Program Year: 2019)

		collection tool.
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Recipient Business Officer:

Prefix:	Mr
First Name:	Tim
Middle Name:	
Last Name:	Jahnke
Suffix:	
Title:	Chief Financial Officer
Telephone Number:	(651) 539-1501
Fax:	(651) 539-0109
Email:	tim.jahnke@state.mn.us

Recipient Principal Investigator:

Prefix:	Ms
First Name:	Michelle
Middle Name:	
Last Name:	Gransee
Suffix:	
Title:	State Energy Office Manager
Organization Affiliation:	Department of Commerce/Div. of Energy Resources
Telephone Number:	(651) 539-1855
Fax Number:	
Email:	michelle.gransee@state.mn.us

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WEATHERIZATION ASSISTANCE PROGRAM (WAP)
STATE PLAN/MASTER FILE WORKSHEET

(Grant Number: EE0007928, State: MN, Program Year: 2019)

This worksheet should be completed as specified in Section III of the Weatherization Assistance Program Application Package.

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

Provide a description of the definition of income used to determine eligibility

The Minnesota Department of Commerce (Commerce) uses a combined LIHEAP/WAP application to determine eligibility for both Energy Assistance (LIHEAP) and Weatherization Assistance Program (WAP). For the purpose of this application, income is defined as all income and all money received by each household member. This includes:

- Wages
- Minnesota Family Investment Program, Diversionary Work Program, General Assistance
- Spousal Support or Alimony
- Disability Payments, Veteran's Benefits, Workers' Compensation, Social Security, RSDI and SSI
- Unemployment Compensation
- Self Employed, Farm, and Rental Income
- Interest, Dividend
- Retirement Income
- Pensions and Annuities
- Tribal Bonus, Judgments or Per Capita Payments

Historically, income received in the last three full calendar months has been considered. In light of the COVID-19 situation, LI-HEAP will base eligibility on one month of income during the period from July 1, 2020 through September 30, 2020 at which time the income timeframe will be re-evaluated.

Describe what household eligibility basis will be used in the Program

A dwelling unit is eligible for Weatherization services if it is occupied by a household whose income is at or below 200% of Federal Poverty Income Guidelines, or is eligible for assistance under the LIHEAP income limit of 50% of State Median Income, whichever is greater, as allowed by 10 CFR 440.22 and required under Minnesota 2009 Session Laws, Chapter 138, Article 2, Subd. 4.

Households in which one or more members have received payment under Title IV or XVI of the Social Security Act during the preceding 12 months are also eligible.

Households with both ineligible household members and eligible household members may apply for weatherization services to benefit the eligible household members. All household income (including income from ineligible household members) must be considered when determining eligibility. When determining level of benefits, income of ineligible household members must be excluded. Ineligible household members may apply for weatherization services to benefit eligible household children, providing that SSN and proper documentation is provided at the time of application.

In all cases, eligibility is determined by the eHEAT software system, a tool developed by Minnesota's LIHEAP program with input from WAP staff. The eHEAT system determines income eligibility and centralizes payments to utility companies.

The eHEAT system also identifies individuals that do not qualify for LIHEAP but are eligible for WAP. For individuals that choose not to apply for LIHEAP, the application and eHEAT process is used to determine eligibility for WAP services.

All application eligibility expires 12 months from certification date if work on dwelling unit (energy audit) has not been initiated.

Describe the process for ensuring qualified aliens are eligible for weatherization benefits

All potential recipients of WAP services are asked to provide information that ensures they are eligible as described. Qualified aliens may provide an alternative to a Social Security number to meet this requirement.

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V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

When occupied by an eligible household, the following dwellings are eligible for weatherization, whether owner-occupied or rental properties:

- Single Family Homes;
- Mobile Homes/Manufactured Homes;
- Multifamily buildings containing 2 or more units;
- Townhomes (treated as individual single-family dwellings provided there is a physical separation between each townhome's thermal barrier, air pressure boundary, mechanical systems, and individually metered units).

Owner Occupied Dwellings - Proof of Ownership

Service Providers must verify home ownership and add proof of ownership to the household file for owner-occupied households. Proof of ownership ensures that proper authorization is obtained prior to weatherizing a dwelling.

Proof of ownership documentation includes:

- Property tax statements;
- Mortgage statements;
- Contract for deeds recorded with the county;
- Quit claim deeds recorded with the county;
- Online or written information from a county recorder or assessor;
- Official county receipt for transfer of title;
- Ownership validation from a tribal government;
- Other documentation pre-approved by Commerce.

Mobile/manufactured homes may be owned either as personal property or real property. If the mobile home is titled through Driver and Vehicle Services, it is considered personal property and the Certificate of Title issued by Driver and Vehicle Services serves as proof of home ownership. If the mobile home title was surrendered to the county, then the home is considered real property and documentation of ownership would be the same as for other non-mobile homes.

Rental Dwelling Income Documentation Requirements

Single-Family Rental Requirements: a single-family dwelling (one unit) must be occupied by an eligible household prior to the start of any weatherization activities. Household eligibility is determined through review of household-supplied information contained in eHEAT as described earlier.

Multifamily Rental Requirements: Service Providers may weatherize multifamily buildings containing two or more units. Weatherization is designed to occur on the whole building in a systems approach. A single unit within a multi-unit building may not be weatherized.

Eligibility for each building in a multi-family complex of buildings is determined separately. For a multifamily building to be eligible for weatherization services, at least 66% of the building units (50% for duplexes and fourplexes and "certain eligible types of large multifamily buildings" as referenced in WPN 16-5) must meet one of the following:

- Have income-eligible households in the dwelling units, or;
- Will have income-eligible households in the dwelling units within 180 days under a Federal/State program for rehabilitating the building.

Prior to being accepted into the Weatherization program, multi-family buildings are checked against household eligibility requirements, and the expenditure limits for Weatherization work in the building are verified. Minnesota uses the HUD self-certification process when appropriate and otherwise uses the percentage eligibility rule given above.

Rented townhomes with complete separation between the building units' thermal barriers, air pressure boundaries, mechanical systems, and with individually metered units may be treated either as individual units, or, if eligibility is met, as a multifamily building.

Describe Reweatherization compliance

Per 10 CFR 440.18 (f) (2) (iii), dwellings which were weatherized after September 30, 1994 and used USDOE funds are not eligible to receive additional

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weatherization services using USDOE funds. Dwellings weatherized prior to September 30, 1994 may be re-weatherized if the household in the dwelling is currently eligible and if a current energy audit documents that additional cost-effective work can be performed. Minnesota's Disaster Plan allows an exception to the restriction against re-weatherizing previously weatherized homes in situations where there is a federal or state disaster designation (See section V.9).

Minnesota maintains a centralized previously weatherized list in the FACSPRO Software used by both Commerce and Service Providers. This centralized list captures all homes previously weatherized in Minnesota and is based on the historical previously weatherized lists of all active and past Service Providers. Service Providers verify previously weatherized status to ensure current eligibility prior to undertaking Weatherization work on the home. Households will be added to the list in FACSPRO as Weatherization work is completed.

Describe what structures are eligible for weatherization

Structures that are eligible for weatherization include single family, manufactured homes and multi-family buildings. Minnesota has approved audits for single family (2016), manufactured homes (2016), and multifamily buildings (2019). Non-traditional dwelling types such as shelters and mixed-use buildings may be allowed, but must be reviewed and approved by Commerce prior to weatherization to ensure that the dwelling meets program regulations. If deemed necessary, Commerce will seek approval from the USDOE Project Officer for the weatherization of a non-traditional dwelling. Single family structures must be occupied prior to weatherization.

Service Providers are required to complete a State Historic Preservation (SHPO) review for all dwellings prior to the commencement of any weatherization activity. Minnesota's SHPO Programmatic Agreement (PA) was extended until December 31, 2020 by a Program Comment published in the Federal Register on March 14, 2013. Compliance monitoring includes verification of SHPO review and previously weatherization status in sampled household files.

Describe how Rental Units/Multifamily Buildings will be addressed

Rental dwellings have equal access to WAP services as owner-occupied dwellings with household eligibility determined through eHEAT as described above.

Per 10 CFR 440.22, Service Providers may weatherize rental properties where tenants do not directly pay heating bills, provided the benefits of weatherization accrue primarily to the income eligible tenant(s). In those cases, landlords must provide detailed justification to Service Providers indicating how benefits of weatherization will accrue to tenants.

Examples of accrual of benefits to tenants who do not directly pay heating bills include, but are not limited to:

- Investment of the energy savings from weatherization work in specific health and safety improvements with measurable benefits to tenants,
- Longer term preservation of the property as affordable housing,
- Investment of the energy savings in facilities or services that offer measurable and direct benefits to tenants,
- Improvements to heat or water distribution and ventilation to improve the comfort of residents,
- Continuation of protection against rent increased beyond the local written agreements required under WAP regulations (10 CFR 440.22), and
- Establishment of a shared savings program.

Once deemed sufficient by the Service Provider, Commerce approval is required prior to beginning weatherization work.

Service Providers and landlords are required to sign a Landlord Agreement prior to the start of weatherization work. The Landlord Agreement must be approved by Commerce, and must contain several elements:

- The Landlord Agreement contains written permission of the building owner (or agent) for Weatherization service personnel to undertake weatherization work on the building.
- The Landlord Agreement must state that rent on WAP weatherized properties (those using USDOE funds) cannot be increased as a result of the increased property value associated with the weatherization work. This agreement is required to be in force to cover "a reasonable period of time after weatherization work has been completed."
- Landlord agreements must contain language that no undue or excessive enhancement shall occur to the value of the dwelling unit being weatherized.

Tenants may file complaints to Service Providers, Commerce, or both if concerns arise over the agreed upon terms of the Landlord Agreement. Landlords, in response to such complaints, shall demonstrate that the rent increase concerned is related to matters other than

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the weatherization work performed.

Minnesota requires the landlord to financially contribute to the weatherization of a multi-family property with five or more dwelling units, except in cases where the landlord also qualifies for weatherization services. Service Providers have discretion in setting the level of contribution.

Local Service Providers may choose to require a landlord contribution when weatherizing rental properties containing 2-4 units. Landlord participation may be used to buy-down a SIR.

Landlord contributions for single family dwellings may not be required but may be accepted.

In Minnesota, duplexes and fourplexes are eligible for weatherization services if at least 50% of the building units meet one of the following:

- Have income-eligible households in the dwelling units, or;
- Will have income-eligible households in the dwelling units within 180 days under a Federal/State program for rehabilitating the building.

Describe the deferral Process

There are conditions or situations when an eligible dwelling unit should not be immediately weatherized, but rather be deferred until the unacceptable conditions are mitigated. A deferral determination may be made during the eligibility process, during the audit, or after weatherization work has begun. Given the goals of the WAP program, a deferral decision is difficult to make, but at times necessary.

Service Providers may elect to defer a home from receiving weatherization services when health and safety hazards exist for the staff, contractors or clients, or when conditions exist in the home which cannot be addressed by WAP and which prevent the safe and effective implementation of weatherization measures.

This does not mean that weatherization assistance will never be available. It does mean that weatherization work will need to be postponed until the problems can be resolved or alternative resources are found to address the hazards.

Homes that have been deferred due to COVID-19 safety restrictions will return to their spot on the waiting list when restrictions are lifted.

Service Providers are expected to pursue reasonable options on behalf of the dwelling owner and to use good judgment in dealing with difficult situations. Service Providers shall not defer service without pursuing other options and identifying other resources to address the identified hazards. Whenever appropriate, educational information on how to address the hazard shall be shared with the occupant. If corrections are made to the deferred dwelling and the corrections eliminate the issue that led to the deferral, the Service Provider may proceed with weatherization so long as the household's EAP application is current and approved. Service Providers maintain a list of deferred dwellings for that purpose.

Conditions where Service Providers must not use DOE funds to weatherize dwellings include:

- The dwelling was weatherized after September 30, 1994;
- The dwelling is scheduled for demolition;
- The condition of the structure would make weatherization impossible or impractical (e.g. inability to meet SWS).

Other deferral situations may arise as the result of a review and judgement made by the Service Provider. Examples where the deferral may occur, depending on the Service Provider assessment, include, but are not limited to:

- The dwelling is in the process of being sold;
- The dwelling is in the process of being remodeled;
- The owners have refused cost effective measures determined by the Weatherization Assistant (WA) software tool. Service Providers must then defer that dwelling per WPN 19-4 attachment 8 unless approval from Commerce is requested and approved;
- The building structure or its mechanical systems (including electrical and plumbing), are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively;
- The house has sewage or other sanitary problems that would further endanger the client and or weatherization installers if weatherization work were performed;
- The house has been condemned or a major household system (electrical, heating, plumbing, or other equipment) has been "red tagged" by a local or state building official or a utility, and the unacceptable conditions cannot be resolved with WAP funds;
- The dwelling has severe moisture problems which are so severe they cannot be resolved under existing health and safety measures and with minor repairs;
- The dwelling has dangerously high carbon monoxide levels in combustion appliances that cannot be resolved under existing health and safety measures;

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- The extent and condition of lead-based paint in the house would potentially create further health and safety hazards;
- The energy auditor determines a condition(s) exists which may endanger the health or safety of the work crew or subcontractor, requiring that the work not proceed until the unsafe condition is corrected;
- The client has a known health condition(s) that prohibits the installation of insulation and other weatherization materials;
- Dwellings which contain vermiculite insulation, as all vermiculite insulation is assumed to contain asbestos.
 - Weatherization of a dwelling containing vermiculite may only proceed if testing indicates the vermiculite has passed barium testing and further, the vermiculite tests negative for the presence of asbestos fibers. The ACM test must be done per Minnesota Department of Health vermiculite testing guidelines.
 - Service Providers must have an internal policy, based on the current DOE State Plan, for how to address vermiculite insulation, including whether testing will be conducted.
- The cost to weatherize a home is so significant that it will negatively impact the Service Provider's ability to meet the state-wide average cost per dwelling. Commerce must be notified in writing prior to deferring a dwelling for this reason.

Service Providers may also defer households for the reasons below. In these cases, Service Providers must issue, in a timely manner, written notification to the client. Client signatures on a deferral form are not required in cases where Service Provider staff feel threatened or unsafe. In these cases, notification by certified mail is recommended.

- The presence or use of any controlled substance is evident or observed by auditors, inspectors, contractors, crews, or anyone else who must work on or visit the home;
- The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.

In cases where an individual client feels a deferral is unfairly determined, the client may appeal a decision to defer.

Anecdotally, the most common reasons for deferral in the Minnesota weatherization program are vermiculite, inaccessible crawl spaces, deferred maintenance, and client issues (unsafe situation, hoarding, etc.). In the next few months, Service Provider staff will make documenting deferrals a priority. This information will be centralized in the FACSPRO system using the taxonomy provided by the Department of Energy.

V.1.3 Definition of Children

Definition of children (below age): **19**

V.1.4 Approach to Tribal Organizations

☐ Recommend tribal organization(s) be treated as local applicant?

If YES, Recommendation. If NO, Statement that assistance to low-income tribe members and other low-income persons is equal.

All eligible households, including those with Native American Indian members, are served equally without regard to race, color, national origin, gender or religion. The Minnesota Weatherization Assistance Program contracts directly with three of Minnesota's tribal nations. Tribal sub-grantees for the Minnesota WAP program are Fond du Lac Reservation Business Council, White Earth Reservation Tribal Council, and the Mille Lacs Band of Ojibwe. The other five tribal nations within Minnesota are served by the WAP Service Providers who serve the closest geographic territory to tribal lands.

V.2 Selection of Areas to Be Served

Minnesota serves all 87 counties in the state and provides equal access to WAP services for all eligible households. The Minnesota Weatherization Assistance Program serves these 87 counties via a network of 23 Service Providers. Service Providers are either Community Action Partners, Tribal Nations, Counties, or other non-profit organizations.

V.3 Priorities

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As required by federal regulation, Minnesota WAP prioritizes households which contain:

- Children under 19;
- Persons with disabilities;
- Elderly persons;
- A high-energy burden;
- A high-energy use.

On an annual basis, WAP staff work with LIHEAP staff to determine thresholds for high energy use and high energy burden. In PY20, Commerce will update the high energy burden priority to use the median energy burden for all low income Minnesota households from the American Communities Survey data from 2016 that was made available through the LEAD tool.

Service Providers set the order of priorities to determine which households to weatherize first and may elect to use a combination of priorities to best serve the eligible population in their service territory. Service Providers may also choose to queue waiting households within a prioritization category based on the length of time since the EAP/WAP application approval date. Service Providers are required to have a written policy for their prioritization system and they must not discriminate due to housing type.

High energy use households, especially those without secondary heat sources, may be prioritized by a Service Provider when an energy crisis is anticipated or in the year following an energy crisis, especially for households using high-cost fuels such as propane.

Service Providers use FACSPRO to communicate to Commerce the household prioritization criteria implemented. Commerce staff review and approve the priority criteria and monitor for performance against goals during the annual Administrative Monitoring visit.

V.4 Climatic Conditions

Minnesota has a continental type climate, subject to frequent outbreaks of continental polar air during the cold season and periods of prolonged heating during summer, particularly in the southern portion of Minnesota. Mean annual temperatures range from 37.4 ° F in the extreme north to 48.85 ° F along the Mississippi River in the southeast. State temperature extremes range from -60 to 114° F. Monthly mean temperatures vary from 85° F in the southwest to -11° F in the northwest. Mean temperatures during January in the northern portions of the State average near 4° F.

Minnesota is located in International Energy Conservation Code Climate Zones 6 and 7. Minnesota uses the Weatherization Assistant software tool and adjusts for client's specific climatic conditions and fuel costs as appropriate. Average Heating Degree days in Minnesota range from 7,340 to 10,269.

(Sources: National Weather Service and Minnesota Department of Natural Resources)

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

All weatherization work in Minnesota is performed in accordance with DOE-approved procedures, including the appropriate DOE-approved energy audit (single family, multifamily, or mobile home), The Minnesota WAP Policy Manual, 10 CFR 440 Appendix A, and the Standard Work Specifications (SWS). The Minnesota SWS aligned Field Guide (http://wxfieldguide.com/mn/MNWxFg_2018_SWS_web.pdf), which contains information about audits/testing, installation of energy conservation, health and safety and incidental repair measures, and final inspections, and the Minnesota SWS Variances (<http://mn.gov/commerce-stat/pdfs/doe-approved-sws-variances.pdf>) were updated and reapproved by DOE in August of 2018. Both went into effect January 17, 2019. A multifamily field guide based on NREL's Multifamily SWS also was approved by DOE in August 2018 and went into effect January 17, 2019 (attached).

All sub-grantee Service Provider contracts contain language confirming the receipt of, and conformance with, all applicable USDOE WPNs and Memoranda, the MN WAP State Plan, the MN WAP Policy Manual, and the MN WAP Field Guide including the SWS for single family, multifamily and mobile homes.

The Grantee will perform work and expend funds within the above timeframes. Work must be performed in full accordance and to the quality of the specifications outlined in the following: The Minnesota WAP Policy Manual, Minnesota WAP Weatherization Field Guide, for single family, multifamily and mobile homes, the Standard Work Specifications (SWS), and Minnesota's DOE

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Approved SWS Variances.

PY20 Minnesota WAP Sub-grantee contracts

Sub-grantees have access to the WAP Policy Manual, Field Guide, and a number of other documents and information resources at the provider-facing weatherization site located here: <https://mn.gov/commerce/industries/energy/service-providers/wap/>. In signing the contract, sub-grantees confirm that they have read and acknowledged the expectations for work quality as outlined in the contract. Additional information on all standards is available through training opportunities and through technical assistance received during monitoring or by sending an email to the weatherization in-box seeking technical guidance.

Service Providers are required to include similar language in their contracts with contractors who perform work for WAP. MN WAP Policy Manual Section 7.4.3 requires:

1. There is written agreement with all contractors specifying the terms and conditions under which work will be performed, including consequences for non-compliance or underperformance
2. Contracts confirm terms, conditions, and specification of the agreement.
3. Contractors complete work that is in accordance with the policies in this manual.

...incompliance with UD DOE's Weatherization Program Notice (WPN) 15-4, Service Providers must provide contractors with technical requirements for field work including the Minnesota Weatherization SWS Field Guide.

These contracts include acknowledgement that their contractors have read and acknowledged the expectations for work quality including the Minnesota WAP Policy Manual, Minnesota WAP Weatherization Field Guide, for single family, multifamily and mobile homes, the Standard Work Specifications (SWS), and Minnesota's DOE Approved SWS Variances. Contractor signatures on the contract indicate receipt of the relevant documents and agreement to conduct weatherization work to the indicated standard. Dependent on the individual Service Provider, these are provided as hard copies or web links. Administrative monitors review contracts for compliance. Field monitors, through monitoring inspections, confirm conformance with the SWS.

Minnesota does not conduct any weatherization activities not listed in Section 2.8 of WPN 20-1.

The following materials are approved for use and not in Appendix A of CFR 440:

- LED lighting approved by DOE 4/8/2016
- Energy Star Refrigerators 7/5/2019
- Spray foam as an insulation material 9/14/2018
- Solar photovoltaics (PV) as a pilot 9/5/2019
- Domestic hot water (DHW) heater replacements 7/5/2019
- Grantee-administered fuel switching authority 2/10/2016
- Increased NEAT/MHEA ECM lifetimes 3/21/2019.

Field guide types approval dates

Single-Family: 8/27/2018
Manufactured Housing: 8/27/2018
Multi-Family: 8/27/2018

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: NEAT
Approval Date: 2/10/2016

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Audit Procedure: Manufactured Housing
Audit Name: MHEA
Approval Date: 2/16/2016

Audit Procedure: Multi-Family
Audit Name: EA-QUIP
Approval Date: 7/3/2019

Comments

All dwellings scheduled for weatherization must have a comprehensive energy audit that treats the dwelling as a whole system. Data from the audit is entered into the Weatherization Assistant (WA) software, which then determines which energy conservation measures are cost-effective for the dwelling. Weatherization measures for a dwelling are considered cost effective if the Savings to Investment Ratio (SIR) is 1 or greater for each measure and the job as a whole. In addition to DOE approved conservation measures, Minnesota WAP Service Providers also install health and safety and general (incidental) repair measures as dictated by the audit on each dwelling. Minnesota also uses WA for multifamily audits of all buildings up to four units and up to twelve units for specific building types.

Minnesota's approved single family audit procedures (NEAT) and manufactured home procedures (MHEA) will expire in early 2021. With that in mind, weatherization staff is now beginning the process of reviewing and submitting audits for DOE approval. Prior to submittal on August 10, 2020 Minnesota will review and update the current audit procedure, including its appendices, in light of WPN 19-4 and current Minnesota policy and guidance.

V.5.3 Final Inspection

The Minnesota Weatherization Policy Manual specifies the activities and tests that must be completed in a final inspection and the process for rework should the need arise (MN WAP Policy Manual 4.6). Final inspections on weatherized homes are conducted to confirm that all work was done to the SWS standards and in a workman-like and professional manner. Dwelling units may not be reported as complete until all work passes a final inspection and all required signatures are obtained on the required forms. Each Service Provider or its authorized representative is required to use a certified Quality Control Inspector (QCI) who is in good standing with the Building Performance Institute to conduct all final inspection of all dwelling units. The QCI may oversee and signoff on final inspection duties conducted by non-QCI certified staff related to NEAT data entry, fiscal entry, etc.

In PY20, Minnesota will explore remote and social distancing inspection options for both subgrantees and Commerce Staff.

At the beginning of each program year, Service Providers will provide Commerce the names and BPI certification numbers of the QCIs they intend to use for final inspections. Commerce will maintain a current list of QCIs to ensure that adequate numbers are available to inspect all jobs statewide.

Commerce uses monitoring forms that are provided to Service Providers prior to monitoring visits. These forms are structured to ensure compliance with the work quality requirements outlined in WPN 15-4 Section 1.

Service Providers will provide QCI certified inspections according to the following protocol:

Independent QCI: A final inspection on every home will be conducted by a QCI who had no involvement in the weatherization work on the home, either as the auditor or as a member of the crew. State field monitoring will be done through Commerce by a certified QCI. Commerce will conduct field monitoring visits of at least five percent of all completed units.

Commerce also conducts desk monitoring of Weatherization Assistant to ensure that QCIs are performing final inspections.

QCI Shortage: To meet production goals in a timely manner, Service Providers are responsible for maintaining staff and/or contractual relationships with QCI certified inspectors. In the case of a shortage of QCI certified inspectors in the service territory, Commerce may choose to allow the following, in accordance with WPN 15-4, Section 3:

The QCI certified auditor performs the audit and the final quality control inspection. The auditor is not involved in any of the actual work on the home. In this case, a Commerce certified QCI or DOE approved representative will perform quality assurance reviews of at least 10 percent of all completed units as this model does not allow for an independent review of the audit on every home.

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Additionally, the Service Provider will be required to develop and submit a quality assurance plan to ensure that the individual who is functioning as both the auditor and the quality control inspector is able to consistently perform both tasks. Commerce may choose to reduce the respective Service Provider T&TA allocation to cover the expense of increased monitoring.

Disciplinary Actions: If a QCI is found to be negligent, either through repeat findings or gross negligence in their duties, Commerce, with or without the support of a Service Provider, may institute the following:

1. Additional training
2. Temporary suspension (e.g. six months)
3. Permanent suspension and written notification to BPI

V.6 Weatherization Analysis of Effectiveness

How is the effectiveness of Service Provider weatherization assessed?

Commerce conducts both administrative and field visits, periodic desk reviews, and analysis of each Service Provider. These assessments of effectiveness are conducted through a number of methods: an administrative monitoring tool completed by the Service Provider and reviewed by Commerce staff prior to onsite visit, onsite interviews with WAP staff (coordinators, fiscal staff, energy auditors, final inspectors, crews and contractors), onsite visits to homes that have received WAP services, regular desk monitoring of Service Provider production and spending statuses, and extensive use of over 40 different reports incorporated into the Minnesota version of WA and FACSPRO. Commerce performs monthly desk monitoring that includes 14 of these reports.

Beginning in PY20, Commerce will add a blower door reduction report to its cadre of monthly reports and will compare blower door reduction between service providers. Because Minnesota has over 200 utilities, bill analysis and comparison is not a feasible strategy for understanding weatherization's effectiveness. The blower door reduction data can also be used to focus responsive training and drive continuous improvement along with the approaches below.

How are these comparisons used in the development of T&TA activities and priorities?

Commerce WAP staff and the Program Supervisor meet weekly to discuss monitoring visits and reports, technical issues, and T&TA needs. The staff also gathers feedback from Service Providers through email, phone, and regular meetings of the MN Weatherization Advisory Group (MWAG), the MN Community Action Partnership (MinnCAP) directors meeting, and the Fiscal Directors meeting. If Commerce determines a Service Provider is not meeting production goals, additional monitoring visits may take place in conjunction with responsive trainings to address barriers. As themes of training needs emerge, comprehensive trainings are also scheduled. All T&TA activities are outlined in section V.8.4.

How are training needs being assessed and how is the Grantee incorporating monitoring feedback?

Training needs are assessed in a number of ways. Commerce conducts surveys with all Service Providers on their anticipated training needs at least twice each year. Commerce also conducts a risk assessment of each Service Provider annually as part of the contracting process which identifies areas of concern and informs the number and type of trainings offered. In addition, monitoring activities are reviewed weekly with the Program Supervisor and any training needs that are identified are shared with the larger WAP staff and incorporated into future training activities.

How the Grantee is incorporating monitoring feedback?

In PY19, Minnesota hosted A DOE technical monitoring visit and had the opportunity to incorporate this recent feedback into this year's State Plan. The items highlighted in the DOE monitoring report point to two opportunities for Minnesota: improvement to monitoring processes and identifying trainings and specific technical assistance opportunities for subgrantees.

Based on the feedback from DOE, Minnesota will make a number of improvements to our technical monitoring process. The technical monitoring process has been updated to include review of individual audits, Service Provider audit libraries, and audit inputs. Additionally, field monitors will use a combination of observing the SPs conduct diagnostics tests in the houses monitored and conducting the tests themselves with the goal of independently verifying numbers.

Minnesota will also incorporate the DOE feedback to implement specific training and technical assistance opportunities. While more detail is provided in the Training and Technical Assistance Plan, these opportunities include energy audit review, library update process and timing, ASHRAE ventilation measurements and calculations, and contractor training on use of the field guide and Standard Work Specifications.

What is the Grantee doing to be on a path of continuous improvement?

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In addition to incorporating DOE Monitoring Feedback as outlined, Minnesota incorporates feedback from its Service Provider network as well as review of subgrantee performance.

Minnesota receives feedback from the subgrantee network in two ways. Our service provider network meets regularly as the Minnesota Weatherization Advisory Group (MWAG). The chair of MWAG, leads these meetings, gathers feedback from members and funnels that feedback to the Program Supervisor. In order to close the feedback loop, the Program Supervisor is given the opportunity to address MWAG to responds to feedback or gather additional information as necessary.

Minnesota also gathers information through DOE's American Customer Satisfaction Index. This feedback is reviewed with the weatherization staff and consideration is given as to how specific items can be improved. In PY19, this lead to the establishment of a sub-committee of the MWAG group made up of Service Provider members, with the goal of improving the Weatherization Assistance Program in MN that is described more fully in the Miscellaneous section of the Annual File.

How is the Grantee tracking Service Provider performance reviews?

Commerce utilizes a monitoring module within FACSPRO to document issues found through local Service Provider field monitoring visits. The module generates a report that includes required corrections for each household monitored along with a cover letter and summary of observations, compliance issues, and findings. Monitoring reports for all monitoring visits are sent to Service Providers within thirty days, on average, of the monitoring visit. Service Providers make corrections and upload any additional documents in FACSPRO within thirty days. Commerce staff then review and either close the issue or ask for additional action. Monitoring reports are stored in FACSPRO and are accessible to Service Providers and Commerce weatherization staff.

While the expectation is that administrative monitoring reports will be managed through FACSPRO in the same way, that conversion has not yet taken place. However, the approach (if not the method) is the same: monitors generate reports based on their visits including corrective steps required, responses are tracked and issues are either resolved or further information or action is requested.

If a Service Provider has failed final inspections, how are things improving?

In cases where final inspections have failed, Service Providers require reworks and callbacks of contractors or crews, as appropriate. In addition, technical assistance is offered to individual Service Providers as needed and at times, required. All final inspections are conducted by a certified Quality Control Inspector.

If a Service Provider has management findings or concerns cited as a result of Grantee monitoring or audit proceedings, how are things improving?

Commerce continues to develop and offer trainings to address monitoring issues. Greater emphasis has been placed on sharing best practices among Service Providers. Past findings are reviewed prior to each monitoring visit. Major monitoring findings or concerns are followed up on until resolution is verified.

In addition, WAP staff work closely with LIHEAP and Minnesota Department of Human Services staff to identify any systematic issues, with consistency and resolution.

Commerce's fiscal division reviews third party single audits for all Service Providers. Management decision letters are issued to any Service Provider if the audit indicates findings related to WAP or crosscutting findings that affect the management of WAP. Audit findings or the resolution of prior audit findings could potentially impact future WAP awards to a local Service Provider.

What are the management mechanisms being put in place this year to affect improvement?

Commerce will continue to move functionality previously conducted with spreadsheets into the FACSPRO system which will allow for increased data analysis to identify areas where efficiencies can be implemented. Centralizing and streamlining program functions will also save staff time at the state and local levels. A continued focus on analysis of performance trends will allow for clearer identification of where the program can improve.

Are there technical and financial systems that have been reviewed?

Commerce has been using the FACSPRO system to streamline many fiscal, administrative, and technical aspects of the program for both Commerce and Service Provider staff.

What has the Grantee done in the area of market analysis to ensure particular measures are being costed accurately?

Commerce does not conduct market research as a means of evaluating cost accuracy, rather this evaluation is completed through the monitoring process.

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Monitors evaluate measure costs for each Service Provider and compares them to similar measure costs seen over the same period statewide.

V.7 Health and Safety

Minnesota's Health and Safety Plan is a separate attachment to SF-424.

V.8 Program Management

V.8.1 Overview and Organization

The Minnesota Department of Commerce (Commerce) serves as the statewide administrator of Minnesota's Weatherization Assistance Program (WAP). Commerce's Division of Energy Resources includes not only WAP but also the State Energy Program (SEP), Low Income Energy Assistance Program (LIHEAP), and the Conservation Improvement Program (CIP), as well as other energy regulatory departments. Placement of WAP in close proximity to these programs (especially LIHEAP and CIP) provides the best opportunities for coordination of programs affecting low-income households.

In addition to USDOE funds, Commerce manages LIHEAP, Healthy AIR, and Propane funds for weatherization. USDOE funds are governed by the WAP State Plan. LIHEAP funds are governed by the LIHEAP State Plan and Healthy AIR and Propane funds are governed by relevant Minnesota statute.

WAP staffing within Commerce consists of a program supervisor, a leveraging specialist, two administrative monitors, three field monitors, and a training and technical assistance specialist. The Weatherization team is overseen by the SEO Director within Commerce. Details about these and other positions supporting WAP can be found in the budget.

Commerce annually contracts for program delivery activities with twenty-three local Service Providers. These Service Providers include Community Action Agencies, tribal nations, a private non-profit agency, and a community development authority.

V.8.2 Administrative Expenditure Limits

Commerce retains 3.5% of USDOE Program Year funds for statewide program administration. The remaining 6.5% is allocated to subgrantees by the allocation formula.

Subgrantees who receive less than \$350,000 in USDOE funds receive up to an additional 5% for administrative purposes. The additional funds will come from subgrantees' program allocation and will be inversely pro-rated according to the amount of USDOE funds received. The higher a subgrantee allocation, the less the subgrantee will receive in additional administrative dollars. The pro-rated formula percent decreases at a rate of 0.5% per \$25,000 until the allocation reaches \$350,000.

V.8.3 Monitoring Activities

The overall goals of monitoring are to ensure compliance with federal and state rules and policies and establish the efficiency, quality and effectiveness of Service Provider operations. An additional goal is to identify and correct issues that have the potential to cause major program deficiencies.

Staff with responsibility for monitoring include: the Energy Equity Programs Supervisor, the training and technical assistance specialist, and field (4) and administrative (2) monitors. All field monitors and the training and technical assistance specialist are QCI Certified. Because work with Service Providers has a broader focus than just compliance, TTA dollars support activities in this area. 10.85% of all admin/TTA funds are allotted for monitoring activities.

Monitoring strategies include the following:

Weatherization In-box: Service Providers are encouraged to submit weatherization program or policy questions to Commerce staff via a group email box.

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Responding to these questions from Service Providers serves two monitoring purposes: reduction in the number of monitoring compliance issues and documentation of technical assistance responses for consistency.

Desk monitoring: Desk monitoring includes ongoing reviews of monthly programmatic and fiscal data submitted by Service Providers. Examples of reviewed data include number of units completed, number of units in progress, estimated and final cost data by measure and by job, mechanical test results, blower door readings and other pre/post building performance metrics. Fiscal data is also reviewed and includes Service Provider monthly expenses and cash requests as well as allocations.

Fiscal review also includes audit review and financial reconciliation. Each Service Provider is required to submit their annual single audit no more than nine months after the conclusion of the agency's fiscal year. Commerce's Senior Accounting Officer reviews the audits for any internal control issues, crosscutting findings, or management issues. If there are any findings for Federal Programs the Senior Accounting Officer sends the Service Provider a management decision letter that outlines the findings from the audit report and requests follow up. If Commerce is the cognizant agency, this management decision letter is also submitted to the other Federal funding agencies.

Administrative Monitoring: Administrative Monitoring takes place to document local Service Providers' program management, internal controls and administrative capacity to deliver WAP services.

Field Monitoring: All Commerce field inspections are conducted by a certified Quality Control Inspector who ensures compliance with the Standard Work Specifications.

PY20 Monitoring Visit Details and Tentative Schedule

A Risk Assessment is conducted prior to the start of the program year to determine priority in monitoring. The Risk Assessment weighs issues like size of allocation, staff expertise and experience, and past monitoring results. For both field and administrative monitoring, additional visits are scheduled, as needed, to address specific Service Provider issues as they arise.

Administrative and Field Monitoring visits are scheduled from August through May to best fit the demands of the program year.

During PY20, Minnesota will explore remote and social distancing inspection options for Commerce Administrative and Field Monitoring Staff as dictated by current conditions.

Administrative Monitoring

Each Service Provider receives a minimum of one administrative monitoring visit annually. The components of Administrative Monitoring include:

1. Pre-Visit Review

Administrative Monitoring Tool: Service Providers complete an Administrative Monitoring Tool prior to the visit. This Tool gives the monitor information about the approach used by the Provider (contractor vs crew, set price list vs. bidding, etc.) as well as other information on relevant compliance issues.

FACSPRO Tracking: FACSPRO software is used to track all households engaged in weatherization as well as funds released to each Service Provider. Monitors use this information both to monitor to household issues (eligibility, procurement, fiscal verification, etc.) and fiscal reporting.

2. On-Site Review

Administrative Monitors review the pre-visit information with Weatherization staff at each Service Provider as well as discuss production, spending, workflow, staffing, and other relevant processes.

These reviews include follow-up on issues raised in desk monitoring and prior monitoring reports, as well as any other issues as needed, including but not limited to:

- Equipment/Inventory/Materials
- Client/Household eligibility
- Distribution of services between renters and owners
- Geographic distribution within the Service Provider service territory
- Reporting compliance
- Internal controls related to financial management and operations
- Fiscal Audits
- Payroll/Personnel
- Vehicles and equipment
- Invoicing

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- Staff qualifications and training
- Procurement procedures
- Outreach efforts to incorporate minority and disadvantaged contractors

Household file reviews: Administrative monitors randomly sample files during on-site visits to demonstrate compliance with DOE, Commerce, and local Service Provider policies such as Client/Household eligibility, distribution of service, and adherence to procurement procedures.

Contractor/Crew file review: Administrative monitors randomly sample contractor files to ascertain adherence to contract requirements as outlined in the Minnesota Weatherization Assistance Program Policy Manual (and DOE guidelines).

Monitors conclude the visit with a brief “exit interview” intended to provide Service Provider staff with a high-level review of any issues found during monitoring.

3. Post-Visit Report

Administrative Monitoring Report: Monitors review all site documentation, discuss outstanding issues with the monitoring team, and generate a monitoring report. This report highlights any compliance issues, recommendations, or best practices. The Service Provider receives the report within 30 days of the Site visit and is asked to respond within an additional 30 days.

Field Monitoring

Each Service Provider receives at least one on-site field visit per year, with a minimum of 5% of all weatherized households monitored statewide. All Commerce field inspections are conducted by certified Quality Control Inspectors.

1. Pre-Visit Review

Service Providers are required to upload files of dwellings to be inspected by Commerce field monitors to a secure website.

Commerce staff reviews FACSPRO and household files for required data, forms, signatures, bids, invoices, and other documentation. Based on DOE Monitoring in PY19, Field Monitors will now also review audits for the households monitored including data inputs and spot check audit libraries to determine if they are current.

2. On-Site Review

Field Monitors review the pre-visit information with Weatherization staff at each Service Provider. These reviews include follow-up on issues raised in desk monitoring and prior monitoring reports, as well as any other issues as needed, including but not limited to:

- Administrative field work (Client file review, Work orders, Audit reporting)
- Energy audits
- Training & Technical Assistance activities and needs
- Weatherization of units
- Health and safety
- Final inspections and verification that all inspections are performed by a QCI
- How monitoring results are handled and required follow-up procedures
- Lead-safe work practices Quality Assurance
- Compliance with Standard Work Specifications (SWS)

Inspections of dwellings: Inspections of completed dwellings are conducted to determine compliance with federal and state requirements, client satisfaction and work quality. Based on PY19 DOE Monitoring, Field Monitors will now also spot check ASHRAE measurements and calculations. Also based on DOE recommendation, monitors will select a certain number of homes to perform diagnostics as both a verification of findings and a teaching opportunity. Commerce also may choose to visit “in progress” jobs. All Commerce household inspections are completed by a certified Quality Control Inspector.

At the conclusion of the visit, Service Providers are briefed on observations and findings in an exit interview. Health and Safety issues are noted at that time, particularly if they present an imminent danger to occupants.

3. Post-Visit Report

Field Monitoring Reports: Written reports are provided to Service Providers within thirty days of the Service Provider visit.

Issue Resolution

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Once monitors produce the monitoring report, the Service Provider is asked to respond within 30 days. Responses may include correcting individual errors, describing new systems to avoid future errors, or return of funds for disallowed costs. All information about compliance issues and resolution is tracked in FACSPRO software.

This tool tracks the date and number of all visits by the monitors as well as information about any findings, concerns, or other issues. Additionally Service Providers use FACSPRO to track resolution of their issues. Monitors communicate resolution via FACSPRO or ask for additional steps if needed.

In addition, FACSPRO makes it possible to review not only individual household data, but also aggregate data by Service Provider and across the state. Over time, it also enables longitudinal analysis of various programmatic and fiscal data. The results of such analysis are used to discern not only trends and common themes, but also to guide program policy, overall program direction, and T&TA needs.

Corrective Action/Removal

In the event that a Service Provider remains out of compliance, Commerce will follow the Corrective Action Process outlined in the Minnesota Weatherization Program Policy Manual and below.

In response to Service Provider non-compliance, Commerce may impose additional requirements on a Service Provider in a written Corrective Action Plan. Corrective Action Plans may be issued in response to single issues of non-compliance or larger internal control, administrative or programmatic issues. Written Corrective Action Plans include:

- Nature of the requirements and why they are being imposed;
- Corrective actions that are needed; and
- Deadline(s) for meeting terms of the Corrective Action Plan.

If a Corrective Action Plan is necessary, Commerce will work with the Service Provider to resolve issues. Additionally, individual Service Providers must remediate monitoring findings prior to entering into a new program year contract with Commerce.

In the case that a Service Provider continues to be out of compliance and with or without a Corrective Action plan in place, Commerce may impose additional sanctions. These may include additional monitoring visits, financial reporting, training or technical assistance requirements, or making payments on a reimbursement basis only.

If non-compliance issues are still not resolved, Commerce may terminate a Service Provider's WAP contract upon 30 days written notice. Commerce may elect to immediately terminate the contract if it is found that the Service Provider has failed to comply with the contract, reasonable progress has not been made, or the purposes for which the funds were granted have not been or will not be fulfilled.

V.8.4 Training and Technical Assistance Approach and Activities

Training and Technical Assistance activities (T&TA) for both Service Provider and Commerce WAP staff are instrumental in the provision of weatherization services to low-income households in Minnesota. Commerce offers Comprehensive (Tier 1) training through IREC accredited providers and Responsive (Tier 2) training through a combination of qualified State staff, industry professionals, and certified trainers. T&TA activities increase the efficiency, quality, and effectiveness of the Minnesota WAP. All T&TA activities have the following objectives:

- Maximize energy savings.
- Ensure the health and safety of low income households and weatherization workers.
- Increase the effectiveness of client education.
- Minimize production costs and maximize production efficiencies.
- Improve the quality of weatherization work on dwellings.
- Improve program management and administrative procedures.
- Avoid the potential for waste, fraud, abuse and mismanagement.

Commerce retains 60% of the state's total T&TA allocation for training, planning, oversight, and monitoring activities. The remaining 40% of the state's T&TA allocation passes to Service Providers. The completion of regular Job Task Analysis (JTA)-aligned comprehensive training is required for staff in all Home Energy Professional (HEP) job classifications. The State verifies through the Service Provider's Local Plan and Training Activities Report that sufficient training is provided to appropriate staff. While Service Providers are not required to attend all T&TA activities, they are responsible for understanding and implementing any technical and policy content covered in those T&TA activities.

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For PY20, Commerce plans to relicense and utilize a learning management system (LMS) to deliver online interactive trainings and improve the delivery and tracking of T&TA activities. Commerce will implement a strategy of requiring regular JTA-aligned online training for building shell crew leaders and retrofit installers in order to meet the requirements of WPN 15-4 Section 4 for these job classifications. Minnesota Quality Control Inspectors (QCIs) and energy auditors will also be able to access JTA-aligned content for Building Performance Institute (BPI) Continuing Education Units (CEUs), enrichment, and responsive T&TA.

Commerce does not require specific certification of Service Provider staff prior to hire. Rather, it is the responsibility of the Service Provider to ensure the qualifications of its hires. Auditors must successfully complete the Building Analyst (BA) or (starting in PY20) the Home Energy Professional (HEP) Energy Auditor certification from (BPI) within the first year of work. Equivalent certification may be used with approval from Commerce. The work of new energy auditors must be closely supervised during the course of their training and prior to meeting certification requirements to ensure compliance to program guidelines. All inspectors must be QCI certified prior to completing inspections.

Commerce will offer continuing education credits through its online LMS and where possible at state trainings. Commerce will also make Service Providers aware of additional resources for continuing education.

Commerce staff must have all required DOE certifications that directly relate to their job duties.

T&TA funds may be used to pay for wages of Service Provider weatherization workers during training events. Service Provider T&TA funds may also be used to train contractors, including providing a reasonable stipend to contractors who attend WAP training at the request of the Service Provider. All such contractors must sign a retention agreement in accordance with DOE guidelines. T&TA funds may also be used for Service Provider administrative staff to attend weatherization-related training.

Commerce utilizes local home performance industry experts as members of our policy advisory council and as trainers at our annual WAP training conference.

Individual Service Provider T&TA needs are assessed in four ways:

- Monitoring activities (dwelling inspections, fiscal/administrative, desk monitoring, DOE inspections, and all other types) are used to identify specific areas where improvement is needed. In addition, informal conversations with Service Provider personnel, not connected to monitoring, are used as a means of identifying specific T&TA needs at the Service Provider level.
- Service Providers assess their own T&TA needs and objectives via the submission of a Local Plan as a part of their budget.
- Monthly desk monitoring reports direct responsive training to service providers to improve effectiveness and drive continuous improvement.
- Each Service Provider's work plan and budget are reviewed as part of the contract submission process, and are evaluated during monitoring activities.

Additionally in PY20, Commerce will add a blower door reduction report to its cadre of monthly reports and will compare blower door reduction between service providers. This data will be used to focus responsive training and drive continuous improvement along with the approaches below.

A quarterly updated Training Activities Report is filled out by each Service Provider and submitted to Commerce and includes a list of training taken by each employee. As Minnesota begins to utilize its learning management system as well as the FACSPRO software during PY20, it intends to continue to transition to tracking service provider training activities electronically through these means.

On a broader level, T&TA needs, including client education, are assessed in a number of ways:

- Commerce staff members compile and compare individual Service Provider monitoring results to determine multiagency needs and trends.
- Service Provider surveys are used to elicit input for not only general policy/procedural issues but also T&TA needs.
- The Minnesota Weatherization Advisory Group (MWAG) provides an excellent source of input and feedback regarding T&TA. MWAG membership includes representatives of Service Providers.
- The Policy Advisory Council (PAC) is used to garner input from a broader spectrum of WAP affected constituents within the state.
- Cooperation with other energy program units within the Department of Commerce provides sharing of information about energy conservation issues, some of which may be addressed by T&TA activities.

Evaluation forms are distributed as a part of every group T&TA event. The completed evaluations provide information about the effectiveness of the workshop, class or other group activity. Evaluations may also prompt Commerce to consider additional training. The results of these evaluations become part of future T&TA needs assessments.

State field and fiscal monitoring visits are also used to evaluate T&TA training effectiveness and to determine specific training that may be necessary.

PY20 Training Plan Overview

PY20 Comprehensive (formerly Tier 1) trainings include JTA-aligned Crew Leader, Retrofit Installer, Energy Auditor and Quality Control Inspector trainings to

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reflect industry-wide initiatives and broaden the skills necessary to successfully maintain quality work in the WAP. Commerce also plans to address recent changes to the HEP Energy Auditor and QCI certification scheme. Responsive (formerly Tier 2) trainings will focus on the FACSPRO data management system, Weatherization Assistant, mechanical systems and CAZ testing, Building Analyst and Uniform Grant Guidance among other topics. In particular, responsive trainings will include air sealing and mobile home training for building shell crews and contractors and delivery of health and safety curriculum.

In PY20, Commerce staff will meet quarterly to review the training schedule and cross reference it with federal and state monitoring reports, the Training Activities Report, and any other relevant indicators to determine if the training plan is on track and effective.

Because it is unknown if and how the impact of COVID-19 on travel and large group gatherings will extend into PY20, Minnesota will continue to expand its distance learning and remote meeting options with the intention of being able to quickly pivot to remote training and meeting options as circumstances require. As Minnesota plans and procures in-person trainings in PY20, it will build remote training options into its contracts.

Additionally Minnesota is examining the possibility of including elements of energy audits such as client education and review of work scope remotely to minimize the amount of time Weatherization staff spend in clients' homes.

Analysis of Training Needs for Weatherization Workers

Quality Control Inspector (QCI)

As of the end of the third quarter of PY19, Minnesota WAP has 51 QCI certified individuals in its statewide network as well as four state staff. All Service Providers currently have access to a QCI through direct employment or a contractual agreement. In PY19, five people took and passed QCI testing and certifications. In April 2020, Commerce will offer a review and QCI written test for ten staff who passed the HEP Energy Auditor written and field tests. There are currently 14 QCIs that will require recertification in PY20. We expect approximately 5-10 newly HEP-certified energy auditors to be ready to take the QCI course and testing in PY20. The need for QCI training and QCI recertification is high.

Energy Auditor (EA)

In January and February of 2020 Commerce offered HEP Energy Auditor (EA) training and testing to ten newer energy auditors. In PY20, Commerce anticipates the need for up to two BA courses and testing and up to two HEP Energy Auditor courses and testing.

Crew Leader (CL) and Retrofit Installer (RI)

For building shell work, Minnesota has six crew based Service Providers and the remaining 17 are contractor based. While crew based agencies consistently send their staff to offered trainings, agencies that utilize contractors have historically had difficulty convincing building shell contractors to attend JTA-aligned trainings in spite of offering stipends. In PY20, Commerce will address the WPN 15-4 Section 4 requirement that building shell crews and contractors receive JTA-aligned training by requiring eight hours of JTA-aligned training annually. Commerce will provide all weatherization contractors and crews with the opportunity to attend a one-day training in the first quarter of PY20, focused on topics such as air sealing, mobile home weatherization, and vermiculite safe work practices. In PY20, contractor training will also include review of the DOE Standard Work Specifications (SWS) and Minnesota's SWS Field Guide. Minnesota is considering the possibility of adding a badges program for field staff.

Multifamily: All Four Job Titles

In PY20, 11 service provider staff completed a multifamily QCI Gap Training. Minnesota now has four state staff and 25 service provider staff who have successfully completed the Multifamily QCI training. In PY20, Commerce will again offer a multifamily QCI Gap Training.

Anticipated Intervals for Comprehensive Training for Weatherization Workers

To address staff turnover, Commerce anticipates offering HEP Energy Auditor and HEP QCI training at regular intervals. Current staff who have achieved certifications for their job classifications will also receive regular comprehensive training.

Quality Control Inspector

Since the QCI certification is required by DOE, Commerce anticipates the need to offer up to two sessions of QCI training and written testing for new QCIs each program year. Current QCIs who have six QCI-specific CEUs will become Energy Auditor and QCI certified under the new certification scheme when they pass the Energy Auditor field-test per page 9 of the *Updated Home Energy Professional Quality Control Inspector and Energy Auditor Certifications: What You Need to Know*. Commerce plans to offer EA field training and testing to current QCIs systematically within six months of their QCI certification expiration during PY20 and PY21 including fifteen current QCI in PY20. Comprehensive training aligned to the QCI JTAs will be provided regularly to existing QCI certified staff. Commerce will require ten hours of JTA aligned training annually.

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Energy Auditor

Since the EA certification is now required to obtain the QCI certification, Commerce plans to provide regular Comprehensive training up to two times annually to provide a path to QCI certification for new staff. Comprehensive training aligned to the EA JTAs will be provided regularly to existing EA-certified staff. Commerce will require ten hours of JTA aligned training annually.

Crew Leader

Since the Crew Leader (CL) certification is not required by DOE at this time, Commerce plans to provide annual one-day required JTA-aligned trainings and regular online-training for all crew leaders and will require ten hours of JTA-aligned training annually.

Retrofit Installer

Since the Retrofit Installer (RI) certification is not required by DOE at this time, Commerce plans to provide annual one-day required JTA-aligned trainings and regular online-training for all crew leaders and will require ten hours of JTA-aligned training annually. Comprehensive training aligned to the RI JTAs will be provided regularly to existing crew and contractors. Commerce will require ten hours of JTA aligned training annually.

Multifamily

Commerce plans to provide Multifamily QCI Gap training to QCI certified individuals to meet program requirements annually or biennially based on need.

PY20 Statewide Training Offerings

Comprehensive (Tier 1) Training

Quality Control Inspector: This two to three day JTA-aligned training with BPI certification written testing included will provide those with the HEP Energy Auditor Certification the opportunity to become QCI certified. The training and testing will be offered up to two times this program year.

Recertification for current Quality Control Inspector: A one day refresher and HEP Energy Auditor field testing will be offered for all current QCI certified individuals whose certification will expire in PY20 up to three times this program year.

Energy Auditor: This five-day JTA-aligned training with course completion testing included will provide auditors a comprehensive energy auditor-focused training. Training and testing will be offered up to two times this program year.

Multifamily QCI: This three day JTA-aligned training with course completion testing included will be provided for auditors and inspectors who plan on working on multifamily buildings. The training will be offered up to one time this program year.

Responsive (Tier 2) Training

Building Analyst Training and Testing: A five day course that includes written testing followed by field testing. Building Analyst (BA) or equivalent is required within one year of hire for Minnesota energy auditors. BA training and certification also provides essential prerequisites for the HEP Energy Auditor certification. Training and testing will be offered up to two times this program year.

Health and Safety Training: In PY19, Commerce procured a WPN 17-7 aligned health and safety training curriculum. This one to two day course will be offered up to two times this program year.

Healthy Homes Training: As part of Minnesota's leveraging initiatives, Healthy Homes training will be offered to agency staff to enable them to more effectively perform health and safety measures and partner with Healthy Homes programs.

Vermiculite: Minnesota will provide training to technical staff as it develops policy and procedures around how to treat vermiculite to decrease deferrals while ensuring the health and safety of clients and workers.

ASHARE 62.2 in Practice: Minnesota will provide a practical review of ASHRAE 62.2 calculations and equipment selection best practices.

WA Libraries, Energy Audit Review: Accurate Prices and Accurate Work Orders: Minnesota will provide training to all service providers that describe the relationship between Weatherization Assistant Library costs, energy audit recommended measures and work orders. The training will emphasize the importance of providing accurate prices from procurement to work orders to ensure Minnesota performs effective and cost effective work.

Mechanical Systems/ CAZ training: A three day course covering topics such as refrigeration, combustion and CAZ depressurization testing, ventilation, and

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multifamily HVAC will be offered to Service Providers utilizing the Minnesota state WAP specific training materials and training facility. This training will be offered up to three times this program year.

Introduction to Weatherization Assistant 8.11 Software: This one to two day course is a complete overview of the Weatherization Assistant Software (NEAT and MHEA) and will be offered up to two times this program year.

Advanced Weatherization Assistant 8.11 Software: This one to two day course is an in depth overview of the setup libraries and backend data base functions of the Weatherization Assistant Software (NEAT & MHEA). It will be offered up to two times this program year.

Policy Changes Introduction and Implementation: Tools for a Successful and Seamless Program Year. In response to COVID-19 restrictions on travel, the PY20 Policy Changes Introduction and Implementation training session will be a webinar scheduled for June. This year's policy updates will include the changes to health and safety policy, HEP Auditor and QCI certification scheme, and the FACSPRO program management software.

Administrative Training for New and Seasoned Program and Fiscal Directors: Training on administrative and fiscal topics such as the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, budgets, expense plans, FSRs and cash requests. This will be offered as needed during the year.

Additional Responsive training anticipated for PY20:

- Regional or State Energy Conference

Service Providers will be responsible for costs related to:

- Travel and labor related to state sponsored Comprehensive and Specific training
- LSW and Lead Renovator training and certification
- Continuing education credits for any relevant certifications (e.g. QCI or Building Analyst)
- Additional Comprehensive and Specific training not available through Commerce
- Contractor stipends, if any

Service Providers will provide a T&TA budget as part of the contracting process that communicates a thorough plan to expend all T&TA funds in an effective manner.

Percent of overall trainings

Comprehensive Trainings:	76.0
Specific Trainings:	24.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	67.0
Percent of budget allocated to Crew/Installer trainings:	21.0
Percent of budget allocated to Management/Financial trainings:	12.0

V.9 Energy Crisis and Disaster Plan

The purpose of the Minnesota Disaster Plan is to allow the WAP program to respond quickly and effectively to disasters that affect the lives and dwellings of low-income households. This plan reflects the requirements of WPN 12-7 and will be implemented whenever and wherever there is a federal or state disaster designation. For weatherization purposes, a disaster is determined by a Presidential or Gubernatorial order declaring either a Federal or State Emergency.

Goal: In the event of a disaster, low-income households often incur the greatest hardship and have the least amount of resources available to assist them in recovery. Minnesota's WAP goal is to assist eligible households, within the confines of WPN 12-7, in restoring their dwellings to the predisaster state.

Household Eligibility: Households in disaster areas must meet the same eligibility criteria as other WAP eligible households. WAP rules (10 CFR 440.16(b)) require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users and households with high energy burdens. It is permissible to consider households located in the disaster areas as a priority as long as the households are eligible, meet one of the priorities established in regulation, are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

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Dwelling Eligibility: In order for a dwelling to be considered eligible for WAP assistance under this plan it:

- Must be occupied by an eligible household
- Must be in a federal or state designated disaster area, or is located in a county contiguous to the official disaster counties and sustained damage caused by the disaster
- Must be a habitable structure, or will be once all work is complete.

Either:

- Was an in progress WAP unit at the time of the disaster where already installed materials were damaged or destroyed by the disaster; or
- Was previously weatherized and materials installed with weatherization funds were damaged or destroyed by the disaster.

Priority of Service: Disaster-damaged dwellings will be a priority in designated disaster areas. Both in progress and previously weatherized dwellings are included. This priority designation will last for up to one year, depending upon the circumstances of the disaster, unless determined otherwise by Commerce.

Eligible Activities: The use of USDOE WAP funds is limited to eligible weatherization activities and the purchase and delivery of weatherization materials. All dwellings must have a current energy audit in order to determine which of the following allowed activities are needed and feasible within the parameters of the WAP rules and guidance:

- Securing weatherization materials, tools, equipment, weatherization vehicles or protection of local agency weatherization files, records and the like during initial phase of disaster response
- The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective
- The cost of eliminating health and safety hazards which is necessary before the installation of weatherization materials
- Removal of previously installed weatherization and/or health and safety materials that are damaged beyond repair and will be replaced as part of the current activity
- Installation of weatherization materials as described in the State Plan and the MN "Allowed Activities and Measure Type Chart"

Service Providers may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the OMB regulations, 2 CFR Part 200.

Work Quality/Inspection: All work must be completed according to the standards contained in the WAP Policy Manual, Standard Work Specifications, and field guides, as well as building, mechanical or other relevant codes. No unit will be counted as complete until all materials are installed in a quality manner and have passed a Quality Control Inspection by Service Provider staff.

Coordination with Other Funds: It is expected that WAP activities will be coordinated with other funded activities to the maximum extent practical. This will not only help make the most prudent and nonduplicative use of all funds, but will also help to ensure that service to eligible households will be maximized. However, WAP funds will not be used to supplant other funds such as FEMA and insurance dollars, which must be applied first in renovating disaster-damaged dwellings.

Deferral: Some dwellings may be found to be unsalvageable, uninhabitable, or beyond the scope of the WAP assistance because of a disaster. The Service Provider will carefully evaluate, document, and inform the client in writing of the reasons for the deferral determination.

Required Documentation: Files must contain sufficient documentation to establish the eligibility of the household and dwelling, as well as to justify the work performed, in accordance with Minnesota's WAP State Plan and WAP Policy Manual. Such documentation includes but is not limited to:

- Household eligibility
- Certification of disaster status (ex: disaster declaration for the household's county, FEMA letter or habitability document)
- Documentation that all other applicable funds have been used or have been denied prior to the use of WAP funds
- Existing conditions that will be remediated by WAP activities
- Amount of other funds being used in renovation of the dwelling
- Reasons for deferral, where appropriate
- Other, as specified by Commerce

Costs/Averages: While exact costs for work in disaster-damaged dwellings are anticipated to run somewhat higher than the state average cost per unit, Commerce will maintain its statewide average at the same level as it would be if there were no disaster completions. Incidental repairs determined necessary to complete weatherization work, which will exceed the \$1,000 per unit limit, will be reviewed by Commerce on a case-by-case basis.

In light of the COVID-19 situation, this plan will be reviewed and updated in PY20 to include the action intended to address the impacts of infectious disease and pandemics on weatherization. Commerce will be creating a subgrantee/Commerce working group to review changes to the program that result from

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