

## FUEL SWITCHING

### A. Policy

1. OHCS does not permit the general practice of fuel switching when replacing heating systems and hot water tanks. OHCS does allow the changing or converting of a heating system/ hot water tanks on a limited case by case basis.
  - a. Local agencies must notify OHCS in writing (email acceptable) if they intend to switch fuels as part of their weatherization services.
  - b. Local agencies may switch fuels under the following conditions:
    - (1) Energy efficiency if the total cost is justified using an evaluation of cost-effectiveness where the Savings to Investment Ratio (SIR) is 1.0 or greater.
    - (2) When installing a heating system/water heater using the existing fuel is not possible.
    - (3) Client health and safety.
    - (4) Any other extenuating circumstance not covered above
2. When fuel switching, all costs associated with the installation of a heating system or water heater, and all required elements of the new heating system (providing a new supply line, flue, chimney, ducts, electrical upgrades etc.), must be considered as part of the total cost.

### Allowable Costs

Switching fuel is an allowable cost under all grants with prior OHCS written notification and approval. DOE funds may be used to fuel switch **only** when the fuel switch is cost effective. Fuel switching must be included in the SIR calculation for all grant sources. LIHEAP funding may be used to replace equipment/fuel switch as a health and safety consideration outside the cost effective requirement.

### B. Procedure

1. Programmatic
  - a. Submit the following to the OHCS T&TA Coordinator:
    - (1) A completed fuel switch request form.
    - (2) Supporting documentation.

- (a) Photo documentation of existing equipment – including data plates (Model/serial numbers) outlining current conditions;
  - (b) Relevant testing documentation – i.e. CAZ diagnostics for health/safety;
  - (c) Documentation of upgrade costs – i.e. bid proposal, invoice etc. ;
  - (d) Client utility bills for metered fuel sources;
  - (e) Un-metered fuel source bills if available. If documentation of fuel usage is not available, Agency will utilize the “modeling conservatively” approach according to the [REM Technical Policies](#).
- (3) A REM/Design .blg electronic file will be sent to OHCS for review. An improvement analysis with the appliance to be fuel switched upgraded to the new appliance and interacted with all other energy conservation measures for the building. The installed fuel switch must have an SIR of 1.0 or greater.
- (a) Building model must include approved utility rate for metered fuel types.
  - (b) Building model must include current local fuel costs for un-metered fuel sources.

b. OHCS will:

- (1) Review fuel switch request form;
- (2) Review supporting documentation;
- (3) Request any additional information if necessary;
- (4) Review REM/Design file;
- (5) OHCS T&TA Coordinator will sign and return the fuel switch request form as either approved or denied.

c. Client files must include the following documentation:

- (1) Copy of the approved fuel switch request form submitted to OHCS.
- (2) Supporting documentation if health and safety related or using the existing fuel is not possible
- (3) All necessary measure-specific justification.