

**Pennsylvania**  
**Weatherization Assistance**  
**Program**  
**LIHEAP Deferral Program**  
**2019-2020**

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## **Section I – Statement of Purpose**

The purpose of the LIHEAP deferral program is to perform energy related repairs to complete energy-related measures in Weatherization Assistance Program (WAP) eligible, but deferred homes, so that these units will be in appropriate condition for a weatherization audit to be performed and energy conservation measures installed. Once the home has received weatherization services, the projected results include increased energy savings, reduced fuel use and cost, and providing a safe and healthy home environment.

## **Section II – Background**

In March of 2017, the PA Weatherization Assistance Program (WAP) Policy Advisory Council (PAC) voted to approve the proposal created by the PAC's Weatherization Coordination Committee that DCED implement a special pilot program utilizing LIHEAP funds to address the reasons for numerous WAP deferrals.

In preparation for the LIHEAP pilot program, DCED conducted a survey of all PA WAP agencies regarding their agency rate of deferred homes as well as the top reasons for such deferral. The statistics gathered were for the two-year period of 2015-2017.

Results of the survey showed an overall 36% deferral rate. The predominant reasons for deferral were 1) moisture, mold and mildew issues, 2) roof damage, 3) overall structural problems and 4) knob and tube wiring. These issues can prevent an eligible client from receiving WAP services unless they are able to correct the specific problems.

The LIHEAP Deferral Pilot Program began in FY17/18 with 11 Weatherization Service Providers applying for funds. The program was renamed for the next year, FY18/19 to PA WAP LIHEAP Deferral Program (2<sup>nd</sup> Year Pilot) and had 12 Weatherization Service Providers. Over the past two program years, 357 units received services to correct deferral issues so weatherization services could be performed.

The top three deferral reasons for both years are:

1. Moisture issues
2. Roof Repairs
3. Knob and Tube remediation

For FY19/20, it will be called the PA WAP LIHEAP Deferral Program. It will be available for all Weatherization Service providers to apply. Weatherization Service Providers must provide a production plan, a budget and a description of work planned

to be completed.

## **Section III – Eligibility for Deferral Program**

### **A. Subgrantees**

Any of the current Weatherization Assistance Providers within the WAP network are eligible to apply to participate in the Deferral Program. Subgrantees participating in the deferral program are to follow the same client eligibility requirements, reporting, filing, Standard Work Specifications, contractual obligations and operational directives, including procurement, that are in place for the PA WAP.

### **B. Deferred Units**

The homes targeted in this Deferral Program are the homes that are or have been deferred from weatherization due to structural and health-related issues. The PA Health & Safety Plan can be referenced for guidance. The principal behind conducting the deferral work is to facilitate the ability to then conduct weatherization to the home.

### **C. Households**

Household income eligibility must be completed annually.

## **Section IV – Program Services**

The home in the Deferral Program must have repairs completed by September 30, 2020 using this special allocation of LIHEAP funds. The home must then be weatherized by September 30, 2021 utilizing either WAP DOE or LIHEAP standard funds normally allocated to the same agencies.

## **Section V – General Program Requirements**

### **A. Budget**

Due to the nature of the Deferral Program, budgets will be kept separate from the regular LIHEAP allocation budget in Hancock and in the Budget Workbook

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Separate invoicing and monthly Fiscal Status Reports (FSRs) will be used and must be submitted to the Quality Assurance & Support Office at [ra-dcedinvoicing@pa.gov](mailto:ra-dcedinvoicing@pa.gov).

**Limits** – In order to perform the deferral work, it should be preliminary assessed that the home could benefit from weatherization services.

The amount per home of deferral work can fluctuate and must be considered in relation to the reasons for deferral, the estimated costs to correct, and the overall value of the home. Agencies must meet an average cost of \$5,000 across all units completed within the LIHEAP Deferral Program.

If the estimated job cost for deferral work exceeds \$8,000, the Job Number, Total Amount, and a brief description of work to be conducted **must** be submitted for approval to the weatherization resource account at [ra-wxmail@pa.gov](mailto:ra-wxmail@pa.gov), prior to work starting. Please note that additional instruction is located in the Tracking section of these guidelines.

Allowable Budget Categories include:

1. Administrative - up to 8% of allocation
2. Financial Audit
3. Direct Services including:
  - a. Program Support
  - b. Program Operations
    - Direct and Subcontract labor
    - Materials
4. Liability Insurance

## B. Production Schedule

Participating agencies will provide a Production Schedule for the number of units planned to be completed with the funding.

## C. Allowable Activities

Below is a list of activities that are within the parameters of the LIHEAP Deferral Program. All activities must have been previously determined as a cause for the home to be deferred.

- Mold Remediation
- Moisture Control
- Knob & Tube Wiring Issues

- Grading
- Roof Repair
- Gutters, Downspouts, and Runoffs/Drainage System
- Sump Pump Installation
- Pest Control
- Air Exchange Issues
- Radon Testing & Mitigation

#### D. Allowable Practices

Allowable methods in the deferral program will be more extensive than what is allowable under normal weatherization health and safety or incidental/ancillary repair work. Deferral work might include, but is not limited to, general repair work for structural issues, plumbing and electrical work, mold and mildew remediation via specialists, and roof repair.

Hot water heater replacement should only be considered under this deferral program if it is part of other deferral practices.

The agency is responsible to obtain cost estimates for all work required.

Methods must be those that are used to **correct the issue of deferral** and will allow weatherization services to proceed. Please notify the Center for Community Services at [ra-wxmail@pa.gov](mailto:ra-wxmail@pa.gov) to request any additional methods that may need to be added to Hancock Software or to help determine reasonableness, if needed.

#### E. Case-by-Case Practices

Approval from DCED must be obtained for the following methods on a case-by-case basis:

- Heating System Replacement
  - Examples of reasons for allowing this might be that the household does not qualify for Crisis or the agency has exceeded their health and safety limit.
- Gas Range Replacement
  - Examples of reasons for allowing this might be that the CO levels have reached an action level of 70ppm or greater or the agency has exceeded their health and safety limit.

## F. Prohibited Practices

Below is a list of methods that are outside the parameters of the LIHEAP Deferral Program but not limited to:

- Roof Replacement
  - US Department of Health & Human Services, Office of Community Services determined that while replacing or repairing part of a roof is an eligible use of LIHEAP funds, **total** roof replacement is considered construction and therefore not permissible
- Major Construction

## G. Specific Deferral Issues for Consideration

### Roof Shingle Patching

All completed work must conform to manufacturer's specifications as well as all applicable codes pertaining to the work.

Estimates must include:

- Tearing off existing shingles, if required
- Cost to replace existing sheeting, if any needs replacing
- The installation of all roofing components

### Basement Moisture Issues

The need to correct or prevent moisture issues is very important. When conducting any work, all deferral work must meet local building codes. The following is a list of steps that an agency must follow regarding basement moisture issues:

- An exterior inspection must be conducted to make sure the home has rain gutters and that water drains away from home.
  - Will minor grading divert water away from the foundation?
- An interior inspection must be conducted to verify that the water issue isn't from a leaking water supply, heating system, or Drain Waste Vent (DWV).
- If a sump pump is present, verify it is operating properly and exhausting water far enough away from the home.
- If no sump pump is present, explore the benefits of installing one near the worst area of moisture intrusion.
- If moisture is infiltrating from only one wall of the foundation, get estimates to excavate, waterproof wall, install drain tile, gravel, and drain to day light if possible (or/and install sump pump).
- Obtain cost estimates for interior perimeter drain/weeping tile system

installation.

### **Basement Repair Estimated Costs**

The average homeowner spends around \$4,000 to seal a basement or foundation, with minor repairs costing as little as \$600. More comprehensive issues that include fixing cracks in the foundation or adding drains and gutters may be prohibited.

### **Knob and Tube Wiring**

The cost to rewire a house from knob and tube is extremely variable depending on the extent of the knob and tube wiring. The agency is responsible to obtain cost estimates for all work required. Consideration should be given to the cost of the following, if required and/or needed:

- Replacement of the entrance service cable and panel box
- Labor cost to survey the home to verify there are no hidden knob and tube wiring in the floors or in walls
- Is the work a full gut job or will surface mount wiring be okay?
- Possibly just rewiring the attic

All work must meet local building codes. If an Electrical Permit is required prior to the start of work, the agency/contractor shall create any documentation necessary to apply for, pay for, and receive an electrical permit on behalf of the owner. All electrical improvements must have required third party electrical inspections.

### **Other Deferral Issues**

For any other issue that caused the weatherization work to be deferred, the Agency must follow their procedures for cost estimates for the corrective method.

Reminder that you must be able to correct all deferral issues before proceeding with the LIHEAP deferral funding program. Keep in mind that you can use other funding and/or client can correct issues outside of the LIHEAP deferral money.

## **H. Reporting & Tracking Requirements**

### **Reporting**

- Deferral Program units must be reported in Hancock Software system by the 20<sup>th</sup> of each month
  - Supplemental information regarding these units may be required
- Documentation in the client file/Hancock Software system must include:



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- Deferral Form/Letter sent to client providing reason(s) for deferral from WAP
  - This will substantiate the reason(s) for deferral and the starting point for the home deferral work to be conducted under the LIHEAP Deferral Program
- Before and After photos of all deferral work installed
- Details of the work that was completed; when entering comments and notes, be specific and detailed.
- Cost estimates for all deferral work performed

### Tracking

- When entering a Deferral Program job into Hancock, the following must occur:
  - In the Client Information Section, under the “Pre-Select Funding” – select: **LP-LIHEAP Pilot**
  - On the Audit Information Section, the Job Number Format should be as follows: **LP19-000-01**
    - LP = LIHEAP Deferral Program
    - 19 = Program Year
    - 000 = Agency’s Job Number
    - 01 = County Number
  - Audit Type: **Quick Audit**
  - If the estimated job cost for deferral work exceeds \$8,000, the Job Number, Total Amount, and a brief description of work to be conducted must be submitted for approval to the weatherization resource account at [ra-wxmail@pa.gov](mailto:ra-wxmail@pa.gov) prior to work commencing.
    - When deferral work has been submitted in Hancock, a follow-up email with the DCED approval details must be submitted to the resource account at [ra-wxmail@pa.gov](mailto:ra-wxmail@pa.gov) for state approval in Hancock.
  - Once weatherization is complete, the corresponding weatherization job number and funding source must be entered in the Client Comments Section of Hancock. This will be a cross-reference point and the same must be done in the Client Comments Section of deferred client file.
- The [Hancock Weatherization Software Users Guide](#) is available for reference while working in the Hancock Software system. The document can be accessed on the Pennsylvania Weatherization Assistance Program Collaboration Site (SharePoint) under **Hancock Software and Heat Information > PA Hancock Weatherization Software Users Guide**.

## **I. Other Requirements**

### **Program Records**

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. DCED requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of DCED, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

## **Section VII – Program Contact**

Program inquiries should be directed to the main weatherization resource account at [ra-wxmail@pa.gov](mailto:ra-wxmail@pa.gov) or 717-425-7643.