



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE: 23-5
EFFECTIVE ISSUED: February 23, 2023

SUBJECT: Weatherization Assistance Program Enhancement & Innovation Policy and Reporting

INTENDED AUDIENCE: Weatherization Assistance Program (WAP) Enhancement and Innovation (E&I) Grantees, WAP E&I Subgrantees

PURPOSE: Describe applicable WAP E&I policies and reporting requirements for program administration, implementation, and future Grantee monitoring and evaluation.

SCOPE: The provisions of this Guidance apply to all Grantees awarded financial assistance under the Department of Energy's (DOE) WAP E&I grants.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes DOE to administer WAP (42 U.S.C. § 6861, *et. seq.*). The E&I Program is governed by [42 U.S.C. 6861d](#) and is funded on an annual basis by Congress through WAP appropriation. All grant awards made under WAP E&I shall comply with applicable laws and regulations. Although the E&I Program is not included in the [Code of Federal Regulations \(CFR\) Title 10, Chapter II, Subchapter D, Part 440](#), WAP rules *generally* apply to E&I. Specific exceptions are included in the Implementation section of this Weatherization Program Notice (WPN).

BACKGROUND: WAP was created in 1976 to increase the energy efficiency of dwellings owned or occupied by low-income persons or to provide such persons renewable energy systems or technologies, reduce their total residential expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, persons with disabilities, families with children, high residential energy users, and households with high energy burden. Within Public Law (P.L.) 116-260, signed December 27, 2020, Congress reauthorized WAP and directed DOE to establish a new competitive program for "WAP Enhancement and Innovation", providing financial assistance to WAP Grantees, Subgrantees and other non-profit organizations. E&I funding availability is contingent on the total amount of DOE WAP funds appropriated annually by Congress.

WAP E&I Purpose:

- Make homes weatherization-ready and increase the number of units weatherized;
- Promote the deployment of renewable energy;
- Ensure healthy indoor environments by enhancing or expanding health and safety measures and resources available;
- Disseminate new methods and best practices among entities providing weatherization assistance;
- Encourage entities providing weatherization assistance to hire and retain employees who are individuals:
 - from the community in which the assistance is provided; and,
 - from communities or groups that are underrepresented in the home energy performance workforce, including religious and ethnic minorities, women, veterans, individuals with disabilities, and individuals who are socioeconomically disadvantaged.

In addition to the E&I purposes, Program and policy objectives for each round of E&I awards are outlined in the Funding Opportunity Announcement (FOA) and may be adjusted from year to year. E&I Grantees should refer to the applicable FOA to ensure alignment with E&I objectives.

GUIDANCE: E&I Grantees must follow their approved Statement of Project Objectives (SOPO) and the Terms & Conditions of the award and must notify DOE of any changes to the approved award, including but not limited to key personnel, recipients, planned performance measures and/or budgets.

Performance and Accountability for Grants in Energy (PAGE): [PAGE](#) is a DOE cloud-based system that all WAP Grantees are required to use for financial, performance and quality assurance reporting and monitoring information. Grantees **must use their PAGE account** to enter the approved budget into the PAGE system. Supporting documents must be uploaded as attachments to the SF-424 section of PAGE. Required supporting documents include the Grantee's SOPO, indirect cost agreements (if applicable), budget justification, subrecipient budget justification(s) (if applicable), single audit statement (if applicable), and pre-award information sheet.

Throughout the 3-year grant period, E&I Grantees are required to update information in PAGE, as needed, and keep contact information current for the appropriate points of contact to receive notifications. If Grantees have questions regarding information posted and reported through PAGE, Grantees may:

- Refer to the Help Menu, contact the PAGE hotline at PAGE-Hotline@ee.doe.gov or 1-866-492-4546;

- Refer to the budget instructions provided by DOE; or,
- Contact the respective DOE Project Officer (PO) assigned to the Grant for specific questions and/or assistance.

Financial Management and Procurement: As noted in the award Terms and Conditions, E&I Grantees are subject to the [2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards](#), which establish uniform policies and procedures for the award and administration of federal grants and subawards. Of specific note:

- **Indirect Costs and Modified Total Direct Costs (MTCD)** – Non-federal entities (Non-profits, Institutions of Higher Education or IHE’s) may use either a federally negotiated indirect cost rate or a de minimis rate of 10% of MTDC, if a NICRA has not been approved. The E&I Program statute limits all planning, management and administrative costs to 15% of the total award ([42 U.S.C. 6864d](#)).
- **Procurement Standards** – Non-federal entities must have and use documented procurement procedures, consistent with State, local and tribal laws and regulations for the acquisition of property or services required under a Federal award or subaward ([2 CFR 200.317 – .327](#)).
- **Subrecipients and Contracts** – Whether an entity is considered a subrecipient or a contractor (sometimes referred to as a vendor) is dependent on how the Grantee plans to involve them in the grant. E&I Grantees should refer to [2 CFR 200.331](#) for more information on subrecipient and contractor determinations. Ensure all applicable grant requirements and policy provisions are included in all subrecipient or contractor awards.
- **Vehicles and Equipment** – Grantees must follow the process, including Federal approval of purchases, outlined in [WPN 17-6: Property Acquired Under the Weatherization Assistance Program \(WAP\) Including Vehicle and Equipment Purchases](#).
- **Cost Principles** – See [2 CFR 200 Subpart E](#) for detailed information on allowable costs with federal funds.

Many trainings and resources are available to guide Grantees in compliance with [2 CFR 200](#). DOE recommends Grantees review and utilize the “[Weatherization Assistance Program Financial Management Toolkit](#),” a DOE-developed universal training curriculum. The curriculum provides explanations of policies, protocols, regulations, and procedures related to budget revisions, procurement, health and safety measures, financial management systems, and other topics relevant to WAP. For additional technical assistance, please contact your DOE E&I Project Officer.

IMPLEMENTATION: E&I projects must be coordinated with the WAP Grantee and/or Subgrantee. WAP's aim is to expand the reach of E&I funds and maximize the benefits of the Program with a goal of at least a 2:1 ratio of leveraged resources to DOE awarded funds, which may include federal funds (non-DOE funds) and/or leveraged non-federal funding, financial contributions, volunteer labor, in-kind donations, and other resources provided by partner organizations.

Moreover, per the E&I authorizing statute, recipients of E&I funds are permitted to use those funds in conjunction with standard Weatherization funds received via WAP. For example, E&I funds may be used to make a particular dwelling weatherization-ready, followed by utilization of the annual or Bipartisan Infrastructure Law (BIL) Weatherization funds to implement weatherization measures in the same dwelling. If a recipient has any concerns or questions regarding the braiding of E&I funds with annual or BIL funds, they should contact their DOE Project Officer.

E&I Grantees must follow their approved SOPO and certain applicable WAP regulations, including compliance with applicable federal statutes and rules, not limited to [42 USC 6864](#) and [2 CFR 200](#). Although the E&I statute has not been codified in [10 CFR 440](#), WAP rules generally apply with some exceptions as outlined in the E&I FOA, including:

- **Average Cost Per Unit (ACPU):** E&I funds are **not subject to the WAP ACPU** requirements.
- **Reweathering:** All work performed in homes using E&I awarded funds will **not** be subject to the 15-year "reweathering" requirement outlined in Section 1011(h) of the Energy Act of 2020. Dwelling units previously weatherized by WAP, Department of Health and Human Services (HHS) Low-Income Home Energy Assistance Program (LIHEAP), Department of Housing and Urban Development (HUD), or Department of Agriculture (USDA) are eligible for E&I-related activities.
- **Savings-to-Investment Ratio (SIR):** E&I measures are **not** subject to SIR requirements; however, inclusion of E&I funds does not absolve other funding sources from following their own requirements (e.g., all funds from DOE annual formula award remain subject to SIR requirements, LIHEAP funds must follow the LIHEAP state plan and policies, etc.) in the installation of measures. While SIR requirements are suspended for the E&I funded measures, Grantees should include components outlined in the Technical Description of the award application outlining the methods being used for estimating and measuring non-energy impacts and community benefits.
- **Health and Safety (H&S):** E&I funds used for health and safety measures are **not** subject to the cost restrictions outlined in WAP annual formula-funded program ([WPN 22-7](#)).

The following guidelines are applicable to E&I projects. Where appropriate, WAP policies and procedures are referenced.

- **Administrative Costs:** As noted in the FOA and per [42 USC 6864d\(b\)\(8\)](#), up to 15% of the E&I award may be used for planning, management, and administration.
- **Ensuring Priority of Service ([10 CFR 440.16\(b\)](#)):** In selecting projects, E&I Grantees must ensure the WAP priority categories are included in the selection criteria of recipients. Consideration of “high residential energy users” and “households with a high energy burden” (as defined in [10 CFR 440.3](#)) may be in combination with other priority categories of elderly, persons with disabilities, or families with children (Additional information and resources can be found in [Weatherization Memorandum 094: Reminder of Client Priority – High Energy Burden in Weatherization Assistance Program.](#))
 - One objective of WAP E&I is to deliver at least 40% of investments and benefits to disadvantaged communities. The following resources may assist E&I Grantees in efforts to target disadvantaged communities – DOE’s [Justice40 Initiative](#), the [Energy Justice Mapping Tool - Disadvantaged Communities Reporter](#), and the [Climate & Economic Justice Screening Tool \(CEJST\)](#)
- **Performing Final Inspections ([10 CFR 440.16\(g\)](#)):** E&I Grantees are responsible for inspections on 100% of completed E&I work. Final inspectors must be trained and have applicable state/local credentialing but inspecting E&I work does **not** require Home Energy Professional (HEP) Quality Control Inspector (QCI) certification.
 - A unit is not considered completed until the E&I Grantee, or authorized representatives, have performed a final inspection to ensure compliance and quality of installation. Records of such inspections must be maintained by the E&I Grantee and be available at the request of DOE.
 - When E&I funds are braided with DOE WAP or BIL funds, the WAP E&I final inspection may be conducted by the same individual that completed the WAP Quality Control Inspection. DOE encourages streamlining processes and minimizing trips to client homes when feasible. However, depending on sequence of E&I project plans, it is allowable to complete an inspection of E&I work independent of (prior to or after) the WAP Quality Control Inspection. Grantees should consult with their DOE Project Officers on project-specific questions related to final inspections.
- **Weatherization Standards and Energy Audit Procedures:** As outlined in the FOA award requirements, E&I funded completions **must also** receive a whole-house energy efficiency retrofit aligned with DOE WAP rules and guidance. The retrofit may occur prior to, concurrent with, or as soon as possible after the E&I investment, depending on the project plan.
 - The energy efficiency retrofit must meet all DOE requirements related to cost-effectiveness and use of a DOE-approved energy audit tool or priority list. For additional details see the most recent energy auditing and priority list guidance

outlined in [WPN 19-4: Revised Energy Audit Approval Procedures, Related Audit, and Material Approvals](#) and [WPN 22-8: Streamlining the Energy Audit Process—Optional Regional Weatherization Priority Lists](#).

- All work performed in homes using WAP E&I and WAP formula awarded funds must align with the [Standard Work Specifications](#) (SWS) or a DOE-approved Field Guide, and applicable State and local codes.
- **Client Eligibility and WAP Subgrantee Coordination:** Client eligibility must be verified according to the policies and procedures described in a currently approved WAP Grantee DOE Plan. E&I Grantees shall work with the relevant state weatherization agency to ensure compliance with WAP Grantee policies and procedures. E&I Grantees, if qualifying clients directly, should be aware of the following related guidance documents:
 - **Income Eligibility:** [WPN 23-3: Federal Poverty Guidelines and Definition of Income](#) includes current income eligibility. Grantees should use these income levels in the Program from the effective date of this Guidance until updated in subsequent policy documents.
 - **Categorical Eligibility:** [WPN 22-5: Expansion of Client Eligibility in the Weatherization Assistance Program](#). In addition to eligibility outlined in [WPN 22-3](#), WAP includes provisions to allow categorical approval for applicants eligible for HHS LIHEAP and those eligible for HUD means-tested programs.
 - **Client Release:** [WPN 10-8: Weatherization Guidance on Maintaining the Privacy of Recipients of Services](#). Since all households receiving E&I-funded measures must be referred to the local weatherization agency for full weatherization services, E&I Grantees must ensure a client release is signed prior to sharing any sensitive information.
- **Building Eligibility:** E&I Grantees should also be aware of the following policies related to building eligibility requirements:
 - **Dwelling Unit:** A unit means a house, including a stationary manufactured home, or an apartment.
 - **Single Family buildings** are defined as rental or owner-occupied buildings with 1 to 4 units.
 - In 2-to 4-unit buildings, at least 50% of the dwelling units must be occupied by income-eligible households. The units are reported in the “2-4 Units” category on the reporting form.
 - **Multifamily Weatherization:** Multifamily buildings are defined as rental or owner-occupied buildings with 5 or more units. DOE policy allows for treatment of the full building as long as 66% of the units are occupied by income-eligible households. [WPN 22-12: Multifamily Weatherization](#).
 - **Renter-Occupied Units:** The E&I Grantee must establish procedures for renter-occupied units to ensure that the benefits of weatherization accrue primarily to the

low-income households occupying the building, protect against displacement of low-income households, and require the building owner or representative to sign a detailed work agreement prior to installation of any WAP or E&I measures.

[WPN 22-13](#): *Weatherization of Rental Units*.

- **Training and Technical Assistance:** Individuals shall be trained to implement E&I services in accordance with all applicable federal rules and DOE procedures. Training shall be aligned with WAP installation standards and Program requirements including energy auditing guidelines and SWS. For additional details see [WPN 22-4](#), *Quality Work Plan Requirement Update*.
 - Training shall follow the [Guidelines for Home Energy Professionals](#) or other industry standards such as registered apprenticeships.
 - Coordinating with an accredited training provider is preferred but not required for E&I training. Grantees must follow project plans and notify DOE of any changes in training providers.
- **DOE Monitoring:** DOE performs desktop reviews as well as onsite visits. Per the FOA requirements, DOE's authorized representatives must review project accomplishments and management control systems and, if needed, provide technical assistance. DOE monitoring will be performed in a manner that does not unduly interfere with or delay the work. DOE will publish additional guidance for E&I Grantees in 2023 describing the monitoring procedures and will share checklists with Grantees prior to desktop reviews and site visits.
 - **E&I Grantee Monitoring of Subrecipients:** Grantees are responsible for quality assurance and oversight of subrecipients and contractors. Grantees must assure compliance with applicable laws and rules, quality workmanship, appropriate assignment of work, and tracking of financial resources.
- **Evaluation:** E&I Grantees will be required to participate in DOE-funded E&I evaluations to assess project outcomes, community benefits, and inform the future design and management of both E&I grants and the larger WAP. Detailed plans surrounding the studies/assessments will be provided in future communications with the E&I Grantees.
 - If a Grantee receives a data or evaluation request from an organization other than the DOE WAP, the Grantee must notify the DOE Project Officer prior to participation. More information can be found at [WAP Memorandum 020](#): *Clarification on DOE Evaluation Studies vs. Independent Studies*.
- **Record Retention and Client Files:** Record retention requirements are outlined in the Terms and Conditions of the E&I award. Grantees reporting completed E&I units shall keep a file for each client or building with all applicable records and make files available to DOE on request. See the following guidance for recommendations and an optional client file checklist template: [WAP Memorandum 010](#): *Quality Management Plan - Record Keeping and Reporting*.

- **Grant Reporting:** The following E&I reports are required as part of the E&I grant award. All reporting must be submitted through PAGE, on time, in accordance with the Terms and Conditions of the Grant. Technical Assistance is available, reach out to your DOE Project Officer to request TA with grant reporting.
 - **E&I Quarterly Program Report (QPR):** The QPR captures outlays, production, and performance measures. E&I Grantees are required to report total outlays and production, and the outlays and production in disadvantaged communities (DACs) based on the DAC definition in the approved SOPO. E&I Grantees should review the QPR instructions carefully prior to PAGE submission to ensure timely acceptance.
 - E&I units may only be reported to DOE after the final inspection of the E&I measures are completed.
 - If braiding E&I funds with DOE WAP or BIL funds, the unit must be reported in both the WAP Quarterly Production Report (QPR) and E&I QPR following completion of each project type. Unit completions do not need to be reported in the same quarter or program year.
 - E&I Grantees without production in their work plans (e.g., workforce development) will leave the production portion of QPR blank.
 - **E&I Annual Report:** The Annual Report encompasses activities completed during the previous year, including successes, challenges, lessons learned, SOPO tasks and milestones, training & technical assistance, monitoring, leveraged funds, Diversity Equity, and Inclusion, and Justice40. Grantees should review the Annual Report instructions carefully to ensure timely acceptance.
 - **National Environmental Policy Act (NEPA) and Historic Preservation Reporting** – Grantees are required to complete an Annual Historic Preservation Report. In addition, some E&I grants will require quarterly NEPA logs. See E&I award Terms and Conditions for details. General information is available on the NEPA site [here](#). Additional training and technical assistance will be provided by DOE.

Additional guidance for close out of the E&I grants and final reports will be published during the final year of the grant period.

CONCLUSION: This is a historic moment for WAP. In addition to creating new opportunity for enhancing benefits realized in disadvantaged communities, the E&I Grants also create opportunity to look closely at varying approaches, aiming to identify where DOE can adjust and explore additional flexibilities that would benefit the national WAP.

WAP has changed and continuously improved over the years; however, what remains constant since the inception of the Program is captured in WAP's enabling statutory language – “...to aid those persons least able to afford higher utility costs and to conserve needed energy.” DOE looks forward to working with the WAP E&I Grantees and thank you for contributing to this purpose.

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