

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009995		2. Program/Project Title Weatherization Assistance Program: Bipartisan Infrastructure Law	
3. Name and Address STATE OF MINNESOTA 85 7th Place East, Suite 280 St. Paul, MN 551012198	4. Program/Project Start Date 07/01/2022		
	5. Completion Date 06/30/2027		

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	\$ 0.00		\$ 76,218,512.00		\$ 76,218,512.00
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 76,218,512.00	\$ 0.00	\$ 76,218,512.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) COMMERCE ADMINISTRATI ON	(2) COMMERCE T&TA	(3) COMMERCE LEVERAGING	(4) SP ADMINISTRATI ON	
a. Personnel	\$ 975,000.00	\$ 3,795,000.00	\$ 1,025,000.00	\$ 0.00	\$ 5,795,000.00
b. Fringe Benefits	\$ 292,500.00	\$ 1,138,500.00	\$ 307,500.00	\$ 0.00	\$ 1,738,500.00
c. Travel	\$ 50,000.00	\$ 250,000.00	\$ 20,000.00	\$ 0.00	\$ 320,000.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 30,000.00	\$ 100,597.00	\$ 287.00	\$ 0.00	\$ 130,884.00
f. Contract	\$ 1,479,816.00	\$ 2,804,000.00	\$ 1,497,481.00	\$ 7,431,303.00	\$ 65,649,755.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 750,000.00	\$ 250,000.00	\$ 10,000.00	\$ 0.00	\$ 1,010,000.00
i. Total Direct Charges	\$ 3,577,316.00	\$ 8,338,097.00	\$ 2,860,268.00	\$ 7,431,303.00	\$ 74,644,139.00
j. Indirect Costs	\$ 424,156.00	\$ 988,634.00	\$ 161,583.00	\$ 0.00	\$ 1,574,373.00
k. Totals	\$ 4,001,472.00	\$ 9,326,731.00	\$ 3,021,851.00	\$ 7,431,303.00	\$ 76,218,512.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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	5. Completion Date 06/30/2027		

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		\$ 0.00	\$ 0.00	\$ 76,218,512.00	\$ 0.00	\$ 76,218,512.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) SP T&TA	(2) SP PROGRAM OPERATIONS	(3) SP HEALTH AND SAFETY	(4) SP LIABILITY INSURANCE & FINANCIAL AUDITS	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,795,000.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,738,500.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 320,000.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 130,884.00
f. Contract	\$ 3,997,170.00	\$ 36,690,368.00	\$ 6,575,997.00	\$ 573,620.00	\$ 65,649,755.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,010,000.00
i. Total Direct Charges	\$ 3,997,170.00	\$ 36,690,368.00	\$ 6,575,997.00	\$ 573,620.00	\$ 74,644,139.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,574,373.00
k. Totals	\$ 3,997,170.00	\$ 36,690,368.00	\$ 6,575,997.00	\$ 573,620.00	\$ 76,218,512.00
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		\$ 0.00	\$ 0.00	\$ 76,218,512.00	\$ 0.00	\$ 76,218,512.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) SP LEVERAGING	(2)	(3)	(4)	
a. Personnel	\$ 0.00				\$ 5,795,000.00
b. Fringe Benefits	\$ 0.00				\$ 1,738,500.00
c. Travel	\$ 0.00				\$ 320,000.00
d. Equipment	\$ 0.00				\$ 0.00
e. Supplies	\$ 0.00				\$ 130,884.00
f. Contract	\$ 4,600,000.00				\$ 65,649,755.00
g. Construction	\$ 0.00				\$ 0.00
h. Other Direct Costs	\$ 0.00				\$ 1,010,000.00
i. Total Direct Charges	\$ 4,600,000.00				\$ 74,644,139.00
j. Indirect Costs	\$ 0.00				\$ 1,574,373.00
k. Totals	\$ 4,600,000.00				\$ 76,218,512.00
7. Program Income	\$ 0.00				\$ 0.00

**U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET**

(Grant Number: EE0009995, State: MN, Program Year: 2022)

IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Arrowhead Economic Opportunity Agency, Inc. (Virginia)	\$4,021,867.00 335
Bi-County Community Action program, Inc. (Bemidji)	\$2,142,496.00 177
Community Action Partnership of Ramsey & Washington Counties (Saint Paul)	\$7,414,064.00 620
Dakota County Community Development Agency (Eagan)	\$2,656,844.00 220
Fond Du Lac Reservation Business Committee (Cloquet)	\$162,017.00 11
Inter-County Community Council (Oklee)	\$1,104,023.00 90
KOOTASCA Community Action, Inc. (Grand Rapids)	\$1,123,698.00 92
Lakes and Pines Community Action Council, Inc. (Mora)	\$3,168,678.00 263
Mahube-OTWA Community Action Partnership, Inc. (Detroit Lakes)	\$3,687,793.00 307
Mille Lacs Band of Ojibwe Indians (Onamia)	\$184,404.00 13
Minnesota Valley Action Council (Mankato)	\$2,656,420.00 220
Northwest Community Action, Inc (Badger)	\$727,208.00 59
Prairie Five Community Action Council, Inc. (Montevideo)	\$782,412.00 63
Semcac (Rushford)	\$3,574,288.00 297
Southwestern Minnesota Opportunity Council, Inc. (Worthington)	\$891,262.00 73
Sustainable Resources Center (Minneapolis)	\$8,283,394.00 693
Three Rivers Community Action, Inc. (Zumbrota)	\$1,124,910.00 92
Tri-County Action Programs, Inc. (SC) (Waite Park)	\$3,083,937.00 256
Tri-County Community Action, Inc. (LF) (Little Falls)	\$2,120,626.00 176
United Community Action Partnership (Marshall)	\$2,455,360.00 204
West Central Minnesota Communities Action, Inc. (Elbow Lake)	\$2,457,974.00 204
White Earth Reservation Tribal Council (Waubun)	\$439,529.00 35
Wright County Community Action, Inc. (Maple Lake)	\$1,005,254.00 82
Total:	\$55,268,458.00 4,582

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WEATHERIZATION ANNUAL FILE WORKSHEET**

(Grant Number: EE0009995, State: MN, Program Year: 2022)

IV.2 WAP Production Schedule

Weatherization Plans		Units
Total Units (excluding reweatherized)		4,582
Reweatherized Units		0
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	4,582
C	Total Units Reweatherized	0
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	4,582
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	\$36,690,368.00
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	4,582
H	Average Program Operations Costs per Unit (F divided by G)	\$8,007.50
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$8,007.50

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	4582	29.3	134253
	Prior Year Estimate	1196	29.3	35043
	Prior Year Actual	976	29.3	28597
Method used to calculate savings description:				

IV.4 DOE-Funded Leveraging Activities

<p>Leveraging Plan WAP BIL</p> <p>During preparation for the WAP BIL application, Minnesota engaged Service Providers (sub-grantees), community organizations, utilities, and other stakeholders to discuss opportunities for increased partnerships and leveraging funds as methods for expanding services to income-eligible Minnesotans and to increase the number of households served. This input was considered and incorporated in the development of this Leveraging Plan.</p> <p>1. <u>Service Provider Education, Planning, and Training on Leveraging Activities</u></p> <p>Throughout the WAP BIL grant term, Minnesota will partner with Service Providers to identify and implement ways of maximizing leveraged funds and partnership opportunities to support the weatherization of homes.</p> <p>Through the stakeholder engagement process in association with the WAP BIL file development, Minnesota and Service Providers met for an all-day WAP BIL planning session. During that planning session, it was identified that additional communication on what is allowable and possible using Leveraging Funds provided through the weatherization program, as well as an understanding of how to further implement leveraging activities, would be beneficial.</p> <p>It was also acknowledged that effective partnerships can be maximized when driven at the local level with state-provided technical and financial support.</p>

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Based on this information, Minnesota is proposing a **Framework for Effective Planning** approach to offer Service Providers the resources, knowledge, and skills to maximize leveraging and partnership opportunities and provide additional services to income-eligible Minnesotans.

The **Framework for Effective Planning** approach starts with training and planning workshops, includes the development of local plans, and concludes with the implementation of the plan with provided resources. The framework goes beyond traditional *Leveraging* and is meant to recognize the skills throughout – and outside – the network, as well as the benefits of peer learning in all aspects of the WAP BIL planning, which can be tapped for increased equitable implementation and greatest effectiveness.

Framework for Effective Planning Workshops

Workshops, up to six over the course of the first year, will be offered on various topics under the WAP BIL plan including information on allowable expenses and activities that can be implemented with allocated Leveraging Funds. These sessions will also include an opportunity for Service Providers to share best practices between organizations and provide a template for a localized plan and the technical assistance in developing the plan.

Minnesota will engage with Weatherization Coordinators and other appropriate staff at Service Provider agencies, to increase their knowledge about allowable activities and expenses with allocated DOE WAP Leveraged Funds. Through case studies, sharing of best practices, tips for building partnerships with Community-Based Organizations, and a review of the relevant regulations, Minnesota will grow the collective knowledge of the Network in pursuing Leveraged Funds, building on the partnership activities already in place, and initiating new partnerships to serve income-eligible households.

Minnesota will further provide the tools and templates to create a local plan. Working with Service Providers to identify local opportunities, internal barriers, staff capacity, and organizational priorities, Minnesota will support Service Providers in developing plans that reflect the priorities and opportunities for local decision-making and accountability for grant funds.

Next, Service Providers will be offered up to \$50,000 annually to implement the steps in the local plan. Examples of uses of Leveraging Funds include (but are not limited to):

- Development of relationships with Utilities in order to build low-income CIP/ECO use of funds in WAP-served households.
- Partnerships with AmeriCorps Programs – or other service-based organizations- to assist in developing in-kind contributions to increase client education or other services.
- Grant writing to foundations to meet program gaps or address program inequities.
- Time spent implementing and tracking other locally driven partnerships.

With the provided training and the developed plan, Service Providers will be prepared to utilize the resources effectively and increase services for their clients.

2. Partnership Development to Support Equitable Services

Minnesota will also continue to develop partnerships around the Weatherization Assistance Program. Our goal is to increase equity in our delivery of services and leverage additional resources to deliver services to more households and more comprehensive services to those households.

Place-Based Implementation of WAP

Using the previously described **Framework for Effective Planning**, Minnesota will offer Service Providers the opportunity to learn, plan, and implement strategies around Community-Based or Place-Based Implementation of the Weatherization Assistance Program. A place-based or community-based weatherization initiative is a form of building community-based trust relationships and micro-targeting weatherization outreach or services in order to address a historically underserved geographic area or particular demographic group.

Through education and the development of the local plan, Service Providers can then seek the ability to address and prioritize populations on a geographic basis within the other eligibility requirements of the program. This will allow WAP to address program-based inequities and serve Disadvantaged Communities, as well as those neighborhoods or demographic groups historically underserved by MN WAP, more equitably. It will also allow for efficiency in services where bulk-buy or bundled services allow contractors to bid for a group of jobs, lowering the overall cost of service through efficiencies of scale and decreased travel expenses.

Data-informed Equity Mapping or “WAPMap”

The current Beta version of [WAPMAP](#) is an online, interactive tool with data such as the percentage of the population in poverty (<100% FPL) or eligible for WAP (< 200%), the percent of the population identifying as Black, Indigenous, or people of color, the average energy burden for households in poverty, the location and size of manufactured home parks, and the location of Opportunity Zones and the Social Vulnerability Index (SVI). Layers displaying various geographic boundaries can be selected to display on WAPMAP, including utility service territories, tribal lands for the 11 Tribal Nations who share geography within Minnesota boundaries, and the historically red-lined neighborhoods within Minneapolis, St. Paul, Rochester, and Duluth.

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Equity gap analysis of WAP's historical performance, in combination with WAPMAP census-tract information, will allow for more targeted WAP efforts to better deliver equitable service to historically underserved communities and those most in need.

As outlined in Minnesota's Formula DOE State Plan, the new private WAPMAP tool will allow layering-in of weatherized, deferred, and waitlisted WAP household locations, to allow Minnesota staff to identify historical service levels in recognized Equity Gap target areas and design initiatives to address the gaps.

Increasing Equity-Based Program Access

Using the previously described *Framework for Effective Planning*, Minnesota will offer Service Providers the opportunity to learn, plan, and implement strategies around issues of service equity. Specifically, two workshops with educational content, case studies, best practices, and which allow Service Providers to develop local plans, will focus on topics such as:

- Expanding services to underserved clients including Understanding Justice 40, Tribal considerations, defining and reaching Disadvantaged Communities, and rural/remote populations.
- Expanding services to Renters including Partnering with HUD, NOAH properties, MN Housing, and addressing barriers to reaching more renters.

The content of these workshops and the resulting local plans will focus on improving the delivery of services to categories of clients where historical Equity Gaps exist.

Policy Advisory Committee Expansion

The Policy Advisory Committee (PAC) also participated in the stakeholder engagement process in the development of the WAP BIL. Through this engagement, the PAC identified multiple areas where additional representation would benefit the ongoing evolution of the Minnesota Weatherization Assistance Program and leverage the resources of members.

PAC members identified a desire to expand the PAC to better represent the communities served by WAP as well as stakeholders influenced by policy decisions such as health care, housing regulatory associations, real estate, advocacy, seniors, people with disabilities, municipal or cooperative utilities, etc.

PAC members also expressed interest in membership representative of households served by the Weatherization Assistance Program. In the interest of bringing a client perspective to the Policy Advisory Committee, Minnesota will initiate a stipend program to both remove barriers to participation and recognize the importance of the perspectives brought forth by those that have directly experienced the program. The stipends will follow current state stipend/procurement rules.

The state will also utilize the PAC to continue to develop methods or strategies to increase both the equity and leveraging of the diverse resources within Minnesota.

3. Supporting Implementation of Innovative Approaches for New Relationships and Funding Opportunities

In addition to supporting locally driven leveraging activities, Minnesota Leveraging Staff will continue to research and pursue funding opportunities and new partnerships in order to eliminate barriers to providing comprehensive service.

Pursue State-Level Funding

Minnesota will continue to pursue State Funding to address deferrals, outreach, and training needs. During the last legislative session, Minnesota was poised to allocate a significant amount to address the most common issues that cause weatherization deferral in Minnesota and to increase the training of pre-weatherization staff. While legislation passed the Conference Committee, it was not fully passed into law. However, it is anticipated that the work that the State and numerous stakeholders, including bipartisan support from legislators. Minnesota expects this will provide opportunities for long-term funding to address program gaps.

Part of this collaborative approach was enhanced through the Weatherization Working Group, an informal cross-sector group of diverse stakeholders that developed both legislative and programmatic recommendations for MN WAP to pursue.

Assessment

The funds utilized for leveraging activities at the local or state level are set forth by DOE with the expectation of 1:1, meaning for every federal dollar spent, no less than one dollar in non-federal funds is leveraged. It is the goal of Minnesota to leverage \$2 for every \$1 in federal funding reserved for leveraging activities. All leveraging will be tracked and assessed towards the goal over the course of the life of the WAP BIL Funding. In addition to funding, increased partnerships, volunteerism, and in-kind donations will be tracked through a Customer Relations Management (CRM) tool and as such has budgeted funding to develop the CRM

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tool.

Minnesota Staffing:
Minnesota will engage several staff members to conduct the activities highlighted here. Some of these positions have already been funded via DOE Formula Funds and some will be funded through BIL.

The following positions are existing positions within the team:

Lead Projects Developer: This position is partially funded with WAP Formula Funds and is being modified to focus on the development of new, innovative initiatives for the WAP.

Senior Training & Outreach Specialist: Funded with non-DOE resources, this position exists to ensure effective communication and partner relations with the existing network and to expand relationships with additional training and outreach providers.

Senior Projects Administrator: Leveraging Projects & Data: Partially funded with Formula DOE Funds, this position exists to lead project management efforts related to leveraging and innovation initiatives that address targeted needs associated with the Weatherization Assistance Program (WAP). This position also leads analysis efforts for WAP regarding the unmet needs of the client community.

Three additional positions will be added to the Minnesota Weatherization Team using the WAP BIL Funding.

Equity, Innovation, & Outreach Coordinator: This new position will lead leveraging activities for the Energy Equity Team with a particular focus on equitably increasing the number of income-eligible households with access to efficiency and renewable energy resources through WAP. This position will also lead the pursuit of funding for increasing the breadth and depth of services. This position will be supported by WAP BIL Funding.

Senior Project Administrator: Utility+ Partnerships: This position will focus on growing Utility Partnerships across Minnesota both by working directly with Utilities and their Conservation Improvement Programs (CIPs) and by supporting Service Providers as they develop relationships with CIPs.

Systems Administrator: This position will focus on the development and use of WAP-specific technological resources, including the CRM, WA, and other database/software systems utilized by the State or the Network of Service Providers.

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: Carter Dedolph Phone: 6123214412 Email: carter_dedolph@centerpointenergy.com
Citizens Utility Board	Type of organization: Non-profit (not a financial institution) Contact Name: Brian Edstrom Phone: 65130047016 Email: briane@cubminnesota.org
Clean Energy Resource Team	Type of organization: Non-profit (not a financial institution) Contact Name: Joel Haskard Phone: 6126258759 Email: haska004@umn.edu
Fond Du Lac Reservation Business Committee	Type of organization: Indian Tribe Contact Name: Joan Markon Phone: 2188782658 Email: joanmarkon@fdlrez.com
Fresh Energy	Type of organization: Non-profit (not a financial institution) Contact Name: Mari Ojeda Phone: 6517267567 Email: ojeda@fresh-energy.org
Great River Energy	Type of organization: Utility Contact Name: Jeff Haase Phone: 7634456106 Email: jhaase@greenergy.com
	Type of organization: For-profit or Corporate (not a financial institution or utility)

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(Grant Number: EE0009995, State: MN, Program Year: 2022)

Home Performance Strategies	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: Michelle Gransee Phone: 6515391855 Email: michelle.gransee@state.mn.us
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
Tri-County Community Action, Inc. (LF)	Type of organization: Non-profit (not a financial institution) Contact Name: Jason Foy Phone: 3206320561 Email: Jason.foy@tccaction.com
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: Becky Billings Phone: 6123305500 Email: becky.j.billings@xcelenergy.com
Xcel Energy	Type of organization: Utility Contact Name: David Hueser Phone: 6123306581 Email: david.a.hueser@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
09/09/2022	On September 9, 2022, notice of a Virtual State Plan public hearing was sent to all WAP Service Providers and subscribers of the WAP Wire and Conservation Improvement Program newsletters, which focuses on utilities (9,700). The draft copy of the PY22 WAP BIL State Plan was posted on the Commerce website on September 9, 2022 and a link to the posting was included in the Notice. Two Virtual Public Hearings took place on September 19 at 11:00 PM and 2:00 PM via WebEx to comply with the public hearing requirements in 10 CFR 440.14 and COVID-related guidance from DOE.

IV.7 Miscellaneous

Note: In order to maintain a consistent application of program rules, any modifications made to the WAP BIL Master File will be incorporated as rules for all DOE funding except where specifically delineated.	
Recipient Business Officer:	
Prefix:	Ms.
First Name:	Amy
Middle Name:	

**U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM (WAP)
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(Grant Number: EE0009995, State: MN, Program Year: 2022)

Last Name: Trumper
Suffix:
Title: Chief Financial Officer
Telephone Number: (651) 539-1517
Fax: (651) 539-0109
Email: amy.trumper@state.mn.us

Recipient Principal Investigator:

Prefix: Mr.
First Name: David
Middle Name:
Last Name: Ramstad
Suffix:
Title: Energy Equity Programs Supervisor
Organization Affiliation: Department of Commerce/Div. of Energy Resources
Telephone Number: (651) 539-1866
Fax Number:
Email: David.ramstad@state.mn.us

Davis Bacon Act Compliance

As noted in the Leveraging Plan included previously, Minnesota intends to invest time early in the WAP BIL funding term to help Service Providers determine their capacity to weatherize both increased numbers of single-family and multifamily units. In those discussions around capacity, Davis Bacon Compliance will be described and discussed as one factor to consider when agencies determine their ability to complete five unit plus multifamily jobs.

Service Providers who determine that they have the ability to commit to weatherizing five unit plus multifamily jobs will receive support directly from Minnesota in addressing Davis Bacon Act requirements. Minnesota will provide training which is aligned with forthcoming DOE guidance on developing the systems to gather, track, and report on wages as they relate to prevailing wages on similar jobs.

For those Service Providers who determine they do not have the capacity, another Service Provider or an outside contractor will be brought in to develop multifamily projects following appropriate procurement processes. In the case where the provider is one of the current Service Providers in the network, the above training will be implemented. For a new provider, the anticipation is an eligible firm would have existing systems in place for gathering the required wage information.

In either case, the Program Management software currently in development will provide the system to track the required information and will also be based on the guidance anticipated from the DOE.

Buy American Provisions

Minnesota is prepared to implement the Buy American Provisions per Department of Energy guidelines when they are available. Using our current communication channels, Minnesota will provide guidance to the Service Provider Network on the appropriate process and documentation to ascertain and document compliance. This guidance will be reinforced at the mid-year Policy Roll-out generally scheduled for January. The software currently used to house Contractor eligibility documentation will also be used to store Buy American Provision documentation.

Fuel Switching

Minnesota has been approved to authorize Fuel Switches locally since 2016. These are reviewed on a case-by-case basis to determine cost effectiveness and reasonableness in the given circumstances.

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

(Grant Number: EE0009995, State: MN, Program Year: 2022)

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 (Minnesota) uses a combined LIHEAP/WAP application to determine eligibility for both the Energy Assistance (LIHEAP) and Weatherization Assistance Programs (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

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 stated above, 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.

When Minnesota or its sub grantees certify that applicants have met the income requirements of HUD means-tested programs according to WPN 22-5, the method of verification of eligibility will be included in the client file.

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

As noted, the Minnesota Department of Commerce (Minnesota) uses a combined LIHEAP/WAP application to determine eligibility for both the Energy Assistance (LIHEAP) and Weatherization Assistance Programs (WAP). All potential recipients of WAP services are asked to provide information that ensures they are eligible as described. Per Energy Assistance Program Policy Manual FFY23 produced by the Minnesota Energy Assistance Program, qualified aliens may provide an alternative to a Social Security number to meet this requirement.

[FFY23 EAP Policy Manual \(mn.gov\)](#)

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

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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 preapproved by the Minnesota Department of 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 nonmobile 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 multifamily 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, multifamily buildings are checked against household eligibility requirements, and the expenditure limits for Weatherization work in the building are verified.

When Minnesota or its sub grantees certify that applicants have met the income requirements of HUD means-tested programs according to WPN 22-5, the method of verification of eligibility will be included in the client file.

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

Minnesota maintains a centralized previously weatherized list in the production management software used by all Service Providers. This centralized list captures all homes previously weatherized using DOE funds in Minnesota and is based on the historical previously weatherized lists of all active and past Service Providers. Service Providers verify previously weatherized status via the software to ensure current eligibility prior to undertaking Weatherization work on the home. Weatherized Households are added to the list as Weatherization work is completed.

With re-weatherization guidance from DOE, Minnesota adjusted procedures accordingly. Specifically, the production management software has been programmed to address the rolling 15-year time frame and allows only qualified homes to progress through the weatherization process.

Minnesota will also verify previously weatherized houses completed by HUD, HHS and USDA per the forthcoming DOE guidance.

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Describe what structures are eligible for weatherization

Structures that are eligible for weatherization include single-family, manufactured homes, and multifamily buildings. Minnesota has approved audits for single-family (2021), manufactured homes (2021), and multifamily buildings (2019). Nontraditional dwelling types such as shelters and mixed-use buildings may be allowed but must be reviewed and approved by Minnesota prior to weatherization to ensure that the dwelling meets program regulations. (Section 3.4 of the Minnesota Weatherization Assistance Program Policy Manual addresses mixed-use buildings.) If deemed necessary, Minnesota will seek approval from the USDOE Project Officer for the weatherization of a nontraditional dwelling. Single-family structures must be occupied prior to weatherization. The weatherization of non-stationary campers and trailers that do not have a mailing address associated with the eligible applicant is not allowed per DOE regulation.

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 12/31/2025. 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 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, property owners 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, Minnesota approval is required prior to beginning weatherization work.

Service Providers and property owners are required to sign a Property Owner Agreement prior to the start of weatherization work which must contain several elements:

- The Property Owner Agreement must contain written permission of the building owner (or agent) for Weatherization service personnel to undertake weatherization work on the building.
- The Property Owner Agreement must state that rent on WAP weatherized properties (those using USDOE funds) cannot be increased because 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."
- Property Owner 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, Minnesota, or both if concerns arise over the agreed upon terms of the Property Owner Agreement. Property Owners, in response to such complaints, shall demonstrate that the rent increase concerned is related to matters other than the weatherization work performed.

During Annual Administrative Monitoring, Minnesota confirms that each Service Provider has a Property Owner Agreement in place and that it follows Minnesota WAP Policy.

Eligibility for each building in a multifamily 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 22-12).

Minnesota requires the property owner to financially contribute to the weatherization of a multifamily

property with five or more dwelling units, except in cases where the property owner also qualifies for weatherization services. Service Providers have discretion in setting the level of contribution. Local Service Providers may choose to require a property owner contribution when weatherizing rental properties containing

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2-4 units. Property owner participation may be used to buy down a Savings to Investment Ratio (SIR).

Property owner contributions for single dwellings may not be required but can 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.

As part of the WAP BIL funding, Minnesota will offer additional training to support Service Providers in developing their multifamily weatherization project management expertise as outlined in the Leveraging Plan (see Annual Plan) and the WAP BIL Workbook. Minnesota will engage an additional Service Provider for those agencies unable to commit the necessary resources to multifamily weatherization projects (as outlined in WAP BIL Workbook).

Describe the deferral Process

There are conditions or situations when an eligible dwelling unit should not be immediately weatherized, but rather deferred until unacceptable conditions are mitigated. A deferral determination may be made during the eligibility process, during the audit, or after weatherization work has begun.

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. Weatherization work will be postponed until the problems are resolved or alternative resources are found to address the hazards.

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 is 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 are required to track deferred units and deferral reasons in a centralized location in the production software (currently FACSPRO). This is also the software that tracks eligibility and so those records are connected through the software. The record for each deferred household is assigned a deferral reason which may include vermiculite, clutter, structural repair issues, etc.

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

- The dwelling was weatherized less than 15 years prior to the current date;
- 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 energy modeling software tool. Service Providers must then defer that dwelling per WPN 19-4 attachment 8 unless approval from Minnesota 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 that 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;
- 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 that contain vermiculite insulation, as all vermiculite insulation is assumed to contain asbestos, and are unable to be remediated based on lack of

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funding or available contractors.

- The cost to weatherize a home is so significant that it will negatively impact the Service Provider's ability to meet the statewide average cost per dwelling. Minnesota 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.

Additional information about deferral process can be found in the Minnesota Weatherization Assistance Policy Manual Section 3.8 (Policy Manual attached).

A client whose home is deferred must be informed of their right to appeal per the client appeals policy outlined in policy Minnesota Weatherization Assistance Policy Manual Section 1.6.

As noted in other places in this application, Minnesota continues to work to create partnerships to reduce the number of deferred units. To date, Minnesota has been successful in addressing the largest single cause of deferrals in our state: vermiculite. Through funding from the State and now Utilities, Minnesota has established the Healthy AIR fund which Service Providers can access to address vermiculite remediation rather than defer homes.

Additionally, Minnesota sought and was recently awarded an Enhancement and Innovation Grant by the Department of Energy which will support the WIRED Access initiative. This initiative will remediate roofing and electrical system barriers that would otherwise result in up to 85 homes being denied services and will focus on homes specifically in historically red lined districts.

As outlined elsewhere, Minnesota will also continue to work with Service Providers to increase partnerships and support for initiatives that reduce deferrals via the **Framework for Effective Planning** workshops and other efforts.

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 nonprofit organizations.

In addition, in PY22 Minnesota has requested and been approved by DOE, to begin implementation of Community or Place-Based Weatherization as outlined below.

Community or Place-Based Implementation of WAP

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Using the *Framework for Effective Planning*, Minnesota will offer Service Providers the opportunity to learn, plan, and implement strategies around Community-Based or Place-Based Implementation of the Weatherization Assistance Program. Through education and the development of the local plan, Service Providers can seek the ability to address and prioritize populations on a geographic basis within the program's other eligibility requirements.

Process

To ensure that the approach improves service equity, Service Providers will work with the State on developing a data-driven community-based or place-based local plan. Planning will include a review of past service by the Service Provider compared to income and housing-related data for their territory. It will include digging into the data to identify potential inequitable historical service based on realities such as potential language barriers in a particular neighborhood or long-standing deferral rates based on poor housing stock. After this analysis, Service Providers will develop a local plan for the five years to ensure that over the course of the WAP-BIL multiple areas throughout the Service territory can be served.

Within this Community or Place-Based Weatherization approach, Service Providers will maintain compliance with client eligibility, client priorities, and dwelling eligibility requirements. Service Providers will identify likely prospects for Community or Place-Based Weatherization. Factors for consideration may include past underservice, geographic isolation, Justice40 communities, and concentrated areas of poverty. Potential Community or Place-Based weatherization sites may include manufactured home parks, multi-family areas, senior communities, tribal nations, or communities that are home to distinct language or cultural groups.

Once a geographic or population-based area is identified for service, individual income-eligibility will be determined for each household to be served. Unless eligible under WPN 22-5 which allows for HUD determination, Services Providers will use the existing Energy Assistance Program application process (as outlined in the WAP BIL application), in order to verify household income. Each household must meet income-eligibility requirements as currently established.

Once income-eligibility is determined, consideration will first be given to priority households in alignment with current policy. That is, all households with children, members with disabilities or with elderly members or households experiencing high energy use or high energy burden in the targeted area must be served before non-priority households can be served. In fact, priority classifications may be one of the factors used to determine Community or Place-Based populations to be served. However, in cases where other priority clients can still be served in a program year, non-priority clients can be bundled with priority clients (moving them up the list) in order to increase efficiencies and ultimately serve more households or serve households more deeply.

Once household eligibility and priority are established, each individual home to be served, whether rental or owned, must be assessed for dwelling eligibility. This will be done following MN WAP's current policy and procedures including proof of ownership or property owner agreement, previously weatherized, SHPO verification, etc.

Advantages

The advantages of Community or Place-Based weatherization are twofold: 1) It allows for micro-targeting areas to expand service to traditionally underserved populations due to programmatic, cultural, geographic, or language barriers; 2) It provides efficiency of service, allowing for SIRs to be gained by bundling multiple houses together that otherwise may not receive service due to inequities such as distance from the home office of the Service Provider. For rural Minnesota, this can mean advantages for communities that have been underserved because of low-population density or geographic isolation.

Outreach: When seeking to serve specific Community or Place-Based populations, another benefit is that Service Providers can concentrate their outreach efforts with language-specific literature. In addition, neighbors talk with neighbors and respected figures within cultural or linguistic communities can help explain the value of weatherization interventions and build trust in potential clients.

Economies of Scale: Given that some of Minnesota's Service Providers are hindered in serving their communities because of geographic isolation, community or place-based weatherization provides an opportunity to take advantage of economies of scale and deliver service to more clients. Procurement processes will be conducted in line with current federal, state, and program requirements. However, rather than bid one job at a time, Service Providers will have the opportunity to bid multiple jobs in a geographic region. This may drive down costs and certainly will build the contractor relationships with the weatherization program, while expanding the base of clients that can be served.

V.3 Priorities

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

- Children under 19;
- Persons with disabilities;

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- Elderly persons;
- A high-energy burden;
- 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, Minnesota updated 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 documented 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 communicate to Minnesota the household prioritization criteria they will use and then select from eligible applicants in their Service Area based on the prioritization system they have documented. Minnesota staff monitor for performance against goals during the annual Administrative Monitoring visit.

Place-Based Implementation of WAP

Under WAP BIL funding, Minnesota will offer Service Providers the opportunity to learn, plan, and implement strategies around Community-Based or Place-Based Implementation of the Weatherization Assistance Program. This approach allows for micro-targeting weatherization outreach or services in order to address historically underserved geographic areas or particular demographic groups.

Using the *Framework for Effective Planning* approach (education and the development of the local plan), Service Providers can address and prioritize populations on a geographic basis within the other eligibility requirements of the program. This will allow for WAP to address program-based inequities and serve Disadvantaged Communities and neighborhoods or demographic groups historically underserved by MN WAP, more equitably. It will also allow for efficiency in services where bulk-buy or bundled services allow contractors to bid for a group of jobs, lowering the overall cost of service through efficiencies of scale and decreased travel expenses.

V.4 Climatic Conditions

Minnesota has a continental type of 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 and adjusts for client’s specific climatic conditions and fuel costs as appropriate.

Annual	Heating Degree Days	Cooling Degree Days
Duluth	9818	180
International Falls	10487	249
Minneapolis	7981	682
Rochester	6734	425

(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

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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). Minnesota provides Service Providers with “RETROFITTING MINNESOTA: STANDARD WORK SPECIFICATION-ALIGNED FIELD GUIDE” ([Retrofitting Minnesota -- SWS-Aligned Field Guide for Weatherization Crews \(mn.gov\)](#)), which contains information about audits/testing, installation of energy conservation, health and safety, and incidental repair measures, final inspections, and the Minnesota SWS Variances. The Field Guide was approved and went into effect in January 2021 and the [Minnesota variances](#) were updated and reapproved by DOE in August of 2018 and went into effect January 17, 2019. A multifamily field guide based on NREL’s Multifamily SWS also was approved by DOE and went into effect January 2021.

All sub-grantee Service Provider contracts contain the following 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 Approved SWS Variances.”

Minnesota WAP Sub-Grantee Contracts

Sub-grantees (MN Service Providers) have access to the WAP Policy Manual, Field Guide, and a number of other documents and information resources at the [provider-facing weatherization site](#). 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 inbox 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 the terms, conditions, and specifications of the agreement.
3. Contractors complete work that is in accordance with the policies in the MN WAP Policy manual.

These contracts include acknowledgment that their contractors have read and acknowledged the expectations for work quality including the Minnesota WAP Policy Manual, Retrofitting Minnesota Standard Work Specification-Aligned Field Guide, 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.

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

- Grantee-administered fuel switching authority 2/10/2016
- LED lighting approved by DOE 4/8/2016
- Spray foam as an insulation material 9/4/2018
- NEAT/MHEA ECM lifetimes 3/20/2019
- Refrigerators 7/9/2019
- Domestic hot water (DHW) heater replacements 7/9/2019
- Single-Family Solar photovoltaics (PV) as a pilot 9/5/2019
- ECM Furnace Motor Replacements 4/13/2021
- Photovoltaic Systems (PV) within the constraints of the NEPA waiver 7/26/2021

Field guide types approval dates

Single-Family: 2/10/2021
Manufactured Housing: 2/10/2021
Multi-Family: 2/10/2021

V.5.2 Energy Audit Procedures

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Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family Audit Name: Approval Date: 2/10/2021

Audit Procedure: Manufactured Housing Audit Name: Approval Date: 2/10/2021

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

Comments

<p>All dwellings scheduled for weatherization must have a comprehensive energy audit that treats the dwelling as a whole system. Minnesota has received approval from the Department of Energy to use the current version of Weatherization Assistant (v. 8.11.0.1) through 2026. Prior to that expiration however, Weatherization grantees will migrate to the online version of Weatherization Assistant (WA). Migration to the online version does not require additional approval from DOE.</p> <p>Weatherization measures for a dwelling are considered cost-effective if the Savings to Investment Ratio (SIR) is 1 or greater for each measure and for 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 twenty-four units for specific building types.</p>

V.5.3 Final Inspection

<p>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 workmanlike 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.</p> <p>At the beginning of each program year, Service Providers will provide Minnesota the names and BPI certification numbers of the QCIs they intend to use for final inspections. Minnesota will maintain a current list of QCIs to ensure that adequate numbers are available to inspect all jobs statewide.</p> <p>Minnesota uses monitoring forms that are provided to Service Providers prior to monitoring visits (included in attachments to SF-424). These forms are structured to ensure compliance with the work quality requirements outlined in WPN 22-4 Section 1.</p> <p>Service Providers will provide QCI-certified inspections according to the following protocol:</p> <p>Independent QCI: A final inspection on every home will be conducted by a QCI who was not involved 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 Minnesota by a certified QCI. Minnesota will conduct field monitoring visits of at least five percent of all completed units.</p> <p>Minnesota also conducts desk monitoring to ensure that QCIs are performing final inspections.</p> <p>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, Minnesota may choose to allow the following, in accordance with WPN 20-4:</p> <p>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 Minnesota 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.</p> <p>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. Minnesota may choose to reduce the respective Service Provider Training and Technical Assistance allocation to cover the expense of increased monitoring.</p> <p>In the PY22 Formula State Plan, Minnesota also initiated a Quality Control Inspector Mentoring Program. Under this initiative and with prior approval, Service Providers may designate QCI mentees and during the designated time period, mentees may conduct final inspections with oversight from the QCI mentor. The mentor will be responsible for reviewing all mentee's field inspections and providing on-the-job training. While this approach is in place, Minnesota field monitors will monitor a minimum of 10% of units inspected by the mentee.</p>

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Disciplinary Actions: If a QCI is found to be negligent, either through repeat findings or gross negligence in their duties, Minnesota, 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

Diversity, Equity, and Inclusion Objectives

The shared value of the Energy Equity Programs Team which delivers the Weatherization Assistance Program, is to serve income eligible, underserved Minnesota residents in an equitable manner. In the interest of that goal, Minnesota has begun by making attempts to better understand the full universe of income-eligible clients in Minnesota and where we have served well and where there are gaps in weatherization service.

However, our current program management systems and software have made gathering, managing, and analyzing available information particularly challenging. To that end, Minnesota will continue to build out systems that allow for more efficient and through understanding of our client base and our gaps in service.

When this is complete, Minnesota will invest in program analysis (anticipated in 2025) that gauges the effectiveness of our energy conservation efforts as well as our outreach efforts.

Realized energy savings studies

Minnesota is not currently participating in any realized energy savings studies. Because Minnesota has over 200 utilities, bill analysis and comparison is not a feasible strategy for understanding weatherization's effectiveness.

How is the effectiveness of Service Provider weatherization assessed?

Minnesota conducts both administrative and field monitoring, 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 monitoring, interviews with WAP staff (coordinators, fiscal staff, energy auditors, final inspectors, crews, and contractors), onsite visits to homes that have received WAP services, and regular desk monitoring of Service Provider production and spending statuses.

How are training needs being assessed and how are comparisons used in the development of T&TA activities and priorities?

Training needs are assessed in a number of ways. Minnesota conducts surveys with all Service Providers on their anticipated training needs at least twice each year. Minnesota 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.

The staff also gathers feedback from Service Providers through email, phone, and regular meetings of the MN Weatherization Advisory Group (MWAG).

If Minnesota determines a Service Provider is not meeting goals, additional monitoring may take place in conjunction with responsive trainings to address barriers. As themes emerge, comprehensive trainings will also be scheduled. All T&TA activities are outlined in section V.8.4.

How is the Grantee incorporating monitoring feedback?

In PY19, Minnesota hosted a DOE technical monitoring visit and continues to implement two key items from that visit: improvement to monitoring processes and identifying specific and relevant trainings and technical assistance opportunities for sub-grantees.

Specifically, the technical monitoring process was updated to include review of individual audits, Service Provider audit libraries, and audit inputs.

Minnesota's field monitors use a combination of observing the Service Provider staff conduct diagnostics tests in the houses monitored and conducting the tests themselves with the goal of independently verifying numbers.

Minnesota has also and will continue to 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?

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

Minnesota receives feedback from the sub-grantee network in two ways. Our service provider network meets regularly as the Minnesota Weatherization Advisory Group (MWAG).

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The co-chairs of MWAG lead these meetings, gather feedback from members and funnel that feedback to the Minnesota Energy Equity Programs Supervisor. To close the feedback loop, the Program Supervisor is given the opportunity to address MWAG to respond 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. Past impacts have included network input on policy development and improved clarity and communication in monitoring activities.

Minnesota also reviews the full scope of monitoring issues encountered by the administrative and field monitors. Where trends or consistent issues are identified, consideration will be given to the appropriate response which may include communication pieces, individualized technical assistance, or formal training. This review may also instigate additional focus in monitoring or additional resources for monitors to provide as technical assistance during visits.

How is the Grantee tracking Service Provider performance reviews?

Minnesota utilizes a monitoring module within the program management software 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 the program management software within an additional thirty days. Minnesota staff then review and either close the issue or ask for additional action. Monitoring reports are stored in the program management software and are accessible to Service Providers and Commerce weatherization staff.

Administrative monitoring is managed in a similar manner outside of the program management software: 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.

Minnesota seeks to connect the monitoring results directly with required or recommended training or technical assistance during generation of the monitoring report.

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.

Under the WAP BIL Funding, Minnesota will also be initiating an In Progress Training and Technical Assistance Program. This will provide Service Providers with hands-on, on-demand training as auditors, crews, and contractors work through weatherization steps.

Minnesota anticipates that this approach will provide deeper learning for those engaged and avoid monitoring findings and disallowed costs.

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

Minnesota continues to develop and offer trainings to address monitoring issues. 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 staff to identify any systematic issues among shared Service Providers, with consistency and resolution.

Minnesota'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?

As outlined throughout the application, Minnesota intends to add a number of positions to both address the increased weatherization funding and to build the weatherization network.

Are there technical and financial systems that have been reviewed?

Minnesota uses the FACSPRO system to streamline many fiscal, administrative, and technical aspects of the program for both Commerce and Service Provider staff. The additional development and implementation of a program management software is solely dedicated to adding efficiency and effectiveness to weatherization work in Minnesota.

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

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

Please see attached Health and Safety Plan.

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V.8 Program Management

V.8.1 Overview and Organization

The Minnesota Department of Commerce serves as the statewide administrator of Minnesota's Weatherization Assistance Program (WAP). The 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. Grouping these programs (especially LIHEAP and CIP) provides the best opportunities for coordination of programs affecting low-income households.

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

The WAP staffing contingent currently consists of a program supervisor, a leveraging specialist, a leveraging projects assistant, two administrative monitors, four field monitors, a training and technical assistance principal, and training and outreach specialist, and a program administrator. The Weatherization team is overseen by the State Energy Office Director. Additional dedicated resources include a grants specialist and part-time accounting specialist.

As noted in the WAP BIL Workbook and the submitted Budget, due to the rapid expansion of the program, a new structure is being implemented with the state Energy Equity Programs supervisor (WAP Director) and three new coordinator positions: a Program Coordinator, Technical Proficiency Coordinator, and Equity & Innovation Coordinator. This structure will provide staff support and communication while the team grows from 12 to 20. New staff resources planned for WAP BIL include: two technical monitors, a field trainer, a training contracts administrator, a systems administrator, and a second project manager for leveraging utility and other additional resources. These additional staff will support the increased training and monitoring needs as well as leverage additional resources and ensure service is provided in an equitable way.

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

V.8.2 Administrative Expenditure Limits

In PY22 WAP BIL, Commerce will retain 5.25% of USDOE Program Year funds for statewide program administration. The remaining 9.75% will be allocated to sub-grantees by the allocation formula.

Sub-grantees who receive less than \$350,000 in USDOE funds receive up to an additional 5% for administrative purposes. The additional funds will come from the sub-grantee's program allocation and will be inversely prorated according to the amount of USDOE funds received. The higher a sub-grantee allocation, the less the sub-grantee will receive in additional administrative dollars. The prorated 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.

Because work with Service Providers has a broader focus than just compliance, TTA dollars support activities in this area. 34% of all admin/TTA funds are allocated for monitoring activities.

Monitoring strategies include the following:

Weatherization Inbox: Service Providers are encouraged to submit weatherization program or policy questions to Minnesota staff via a group email box. 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 an ongoing review of monthly programmatic data submitted by Service Providers. Examples of reviewed data include number of units completed, number of units in progress and blower door readings. Fiscal data is also reviewed and includes Service Provider monthly expenses and cash requests against allocations.

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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. Minnesota's Senior Accounting Officer reviews the audits for any internal control issues, crosscutting findings, or management issues.

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

Field Monitoring: Technical monitors visit no less than 5% of completed weatherized units with at least one visit to each contracted Service Provider annually. All Minnesota field inspections are conducted by a certified Quality Control Inspector who ensures compliance with the Standard Work Specifications.

PY22 Monitoring Visit Details and Tentative Schedule

(Details originally included in DOE Formula Weatherization Assistance Program for Low Income Persons Application.)

Administrative and Field Monitoring visits are scheduled typically from August through May to best fit the demands of the program year. Due to COVID-19 safety protocols, administrative and some components of field monitoring have been conducted virtually in PY22, which will continue.

In the interest of maximizing staff preparation for visits and supporting the monitoring team efforts, Field and Administrative Monitors have aligned their visits starting in PY22. This alignment allows for cross-team conversations and a more fulsome understanding of each Service Provider's approach as well as contributes to consistency in monitoring and provides enhanced technical assistance opportunities.

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 which provides 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.

2. Review

Administrative Monitors review the pre-visit information with Weatherization staff of 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 Client/Household eligibility, internal controls related to financial management and operations, and procurement procedures.

Household file reviews: Administrative monitors randomly sample files prior to visits to demonstrate compliance with DOE, Minnesota, 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. Monitoring Report

Monitors review all site documentation, discuss outstanding issues with the monitoring team, and generate a monitoring report. This report includes 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 onsite field visit per year, with a minimum of 5% of all weatherized households monitored statewide. All Minnesota field inspections are conducted by certified State Quality Control Inspectors.

1. Pre-Visit Review

Minnesota staff reviews household files for required data, forms, signatures, bids, invoices, and other documentation. Field Monitors also review audits for the households monitored including data inputs and audit library spot checks to determine if they are current.

2. 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 accuracy of energy audits, Training & Technical Assistance activities and needs, and 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. Field

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Monitors also spot check ASHRAE measurements and calculations. All 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 (either in person or virtually). 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 and include information on compliance issues as well as observations on best practices or client satisfaction.

Issue Resolution

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 and documented including the date and number of all visits by the monitors, any findings, concerns, or other issues, and resolution.

Corrective Action/Removal

In the event that a Service Provider remains out of compliance following monitoring or other interventions, Minnesota will follow the Corrective Action Process outlined in the Minnesota Weatherization Program Policy Manual (attached to this application) and as noted below.

Minnesota 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.

With or without a Corrective Action Plan in place, Minnesota may take one or more of the following actions in response to noncompliant activity, as appropriate:

- Conduct additional monitoring visits;
- Impose additional training or technical assistance requirements on the Service Provider;
- Require additional, more detailed financial reports;
- Make payments to the Service Provider on a reimbursement basis only;
- Withhold cash payments to the Service Provider, on a temporary basis, pending correction of deficiencies or until stated performance benchmarks are reached;
- Disallow costs for noncompliant activities and/or expenses;
- Suspend or terminate the current contract, either wholly or partially;
- Withhold further contracts with the Service Provider, or;
- Institute other actions as needed.

If a Corrective Action Plan is necessary, Minnesota will work with the Service Provider to resolve issues.

In the case that a Service Provider continues to be out of compliance and, with or without a Corrective Action plan in place, Minnesota 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 noncompliance issues are still not resolved, or the severity of the noncompliance warrants such activity, Minnesota may terminate a Service Provider's WAP contract upon 30 days written notice. Minnesota 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.

WAP BIL Monitoring Schedule

The monitoring schedule is included in the WAP BIL Workbook. The intended quarter is provided for each visit (field and administrative) for PY22. In the interest of spacing monitoring visits over the multi-year grant, monitors attempt to schedule monitoring visits to Service Providers in a similar time frame each year.

Monitoring Initiatives Under WAP BIL Funding

While the principles and the core activities of monitoring will remain the same, WAP BIL funding will allow Minnesota to modify approaches and deepen interactions in order to provide additional support to the Service Provider network.

Administrative Monitoring

With two administrative monitors currently, Minnesota administratively monitors all Service Providers (23) annually. Minnesota does not intend to increase the number of administrative monitoring visits to each service provider annually but will build the capacity to identify and address "pre-corrective" action agencies and provide support services to help them avoid corrective action.

At this point, Minnesota uses the annually conducted Risk Assessment as well as monitoring visits to identify Service Providers that are beginning to move towards the high-risk

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category. Whether because of staffing changes, need to develop internal controls, or blind spots in policy implementation, these agencies are not yet candidates for corrective action but are moving in a direction that raises concerns and warrants extra attention.

WAP BIL funding will allow Minnesota to dedicate additional time to two to three Service Providers. Meeting monthly, addressing either monitoring issues or issues of concern to the Service Provider, and directly connecting with training resources, this dedicated time will provide the extra support needed to avoid more significant problems which may lead to Corrective Action.

Field Monitoring

Increased production will call for increased in-home field monitoring. While the minimum DOE requirement is that 5% of homes receive a technical monitoring visit from a certified QCI inspector, Minnesota has always aimed higher and generally achieved monitoring of 7-8% of the homes weatherized in Minnesota each year.

Each service provider will continue to receive field monitoring annually but as noted in the WAP BIL Workbook, smaller agencies may alternate between being monitored to meet DOE Formula goals and WAP BIL goals.

In-Progress Training and Technical Assistance

WAP BIL provides Minnesota the opportunity to develop an In-progress Training and Technical Assistance Program. With the intention of providing, on-demand, in-person, hands-on direction, a qualified field technician and certified QCI will be deployed to interact with auditors, crew, and contractors to advance the work of weatherization.

Provided in a context of learning and in the moment, Minnesota anticipates that this In-Progress Training and Technical Assistance will provide longer and deeper learning for those engaged and avoid monitoring findings and disallowed costs. Perhaps even more valuable, these interactions will result in better weatherization services for our clients.

Fiscal Reconciliation

WAP BIL will also give Minnesota the capacity to expand fiscal monitoring. Currently, Minnesota reviews audits, initiates management letters as needed, and tracks all Financial Status Reports and Cash Requests as well as conducts fiscal reconciliation for a limited number of Service Providers annually. Under WAP BIL, Minnesota will be able to add to the number of fiscal reconciliations conducted annually.

Minnesota Monitoring Staffing

Given the additional demands of WAP BIL, Minnesota is making shifts to the current staffing plan. Driven both by increased production and by a desire to work differently, staffing needs will adjust as well.

More details are available in both the WAP BIL Workbook and the Budget, but below is a comparison of current monitoring staffing and our intended structure.

Current Monitoring Staff	Monitoring Staffing Plan
Energy Equity Programs Supervisor	Energy Equity Programs Supervisor
Field Monitors (4)	Field Monitors (6)
Program Administrator	Program Administrator
Administrative Monitors (2)	Administrative Monitors (2)
	Technical Proficiency Coordinator (NEW)
	Program Coordinator (NEW)

The two new Coordinator positions will provide capacity and leadership to monitoring efforts. Adding two Field Monitors adds capacity. In addition, the current training and outreach positions will be supported with additional staffing resources for in-progress training (field trainer) and training contracts.

V.8.4 Training and Technical Assistance Approach and Activities

The Training and Technical Assistance Plan is attached and aligns with Minnesota's PY22 DOE Formula Funding Training and Technical Assistance Plan.

WAP BIL Funding gives Minnesota an opportunity to pursue a number of additional training and technical assistance initiatives that will build skills in the Minnesota Weatherization Service Provider Network and result in improved services for our clients.

In-Progress Training and Technical Assistance

WAP BIL provides Minnesota the opportunity to develop an In-Progress Training and Technical Assistance Program. With the intention of providing, on-demand, in-person, hands-on direction, a qualified field technician and certified QCI will be deployed to interact with auditors, crew, and contractors to advance the work of weatherization.

Provided in a context of learning and in the moment, Minnesota anticipates that this In-Progress Training and Technical Assistance will provide longer and

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deeper learning for those engaged and avoid monitoring findings and disallowed costs. Perhaps even more valuable, these interactions will result in better weatherization services for our clients.

Technical Assistance Liaison Multifamily

Based on the Solar Technical Assistance Liaison model, Minnesota will engage a multifamily focused Technical Assistance Liaison to guide, educate and support Service Providers as they approach multifamily projects.

Using the plans designed in the *Framework for Effective Planning* workshops (see Leveraging Plan), Service Providers will identify their needs in this area and then have the opportunity to connect with the Multifamily Technical Assistance Liaison. The role of the Liaison will include technical mentoring, project management, fund braiding, and process support.

Working with the Liaison will allow Service Providers to increase their ability to address complex multifamily projects, build multifamily experience and skills, and still keep focus on the demands of an increased production schedule.

Client Education and Outreach Resources and Toolkit

As outlined in the Leveraging Plan, Minnesota is developing tools to help identify geographic areas and populations that have historically been underserved by the Weatherization Assistance Program. A parallel project is to develop client education and outreach materials so that once we identify the communities we want to engage, we have the tools to do so.

The Client Education and Outreach Resources and Toolkit will build on the successful client education videos Minnesota developed in the last two years by providing materials to both recruit potential candidates and educate those candidates about weatherization, energy conservation, and climate resiliency in their homes.

Program Analysis

Minnesota remains interested in demonstrating the value of energy conservation to low-income households but has been limited for a number of reasons associated with data gathering and data management. As outlined below, Minnesota will engage in development of a Program Management Software Tool.

It is anticipated that improved data management will provide an opportunity for additional program analysis around the value of weatherization to the households we serve as well as to the broader community.

Crawlspace Barrier Pilot and Study

Minnesota will partner with the University of Minnesota Center for Sustainable Building Research to complete a Crawlspace Ground Moisture Barrier Study with the intention of implementing appropriate practices within the Weatherization Assistance Program.

Program Management Software Tool

Minnesota will develop a Program Management Software Tool that will provide our Service Provider network with enhanced ability to manage clients and weatherization jobs, share household files, receive and accept monitoring reports, and submit financial reports among other things.

Contractor portal

Minnesota will also develop a centralized Contractor Portal intended to help Service Providers connect with building shell, mechanical, and other contractors. The portal will support adherence to procurement processes while facilitating the connection between weatherization providers and qualified contractors.

Learning Management Expansion and Customization

Minnesota will expand our current Learning Management system to further automate and customize training for the unique needs of Service Providers in Minnesota. Accessible to all weatherization staff across the state, the system will be built out to provide simple access, clear learning tracks, and easily trackable results.

Training Pathways

The Training Pathways Initiative will build out distinct tracks for various positions within the Service Provider and Contractor network. Managed within the Learning Management System, the Pathways will lay out clear and distinct learning modules within proscribed timeframes intended to provide touchstones as new weatherization staff learn the aspects of their various roles.

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Tracks will be designed for auditors but also Weatherization Coordinators, administrative staff, fiscal staff, and even Executive Directors. Each position will have a clear Pathway, with more or less touches dependent on that position’s specific needs.

While Service Providers will continue to do much of the day-to-day hands-on training around local procedures, Minnesota can provide core pieces including history of weatherization, core principals of weatherization, how-to for the energy modeling software, client relations, and braiding of funds.

The Pathways also provide a map of touchpoints over time allowing for reinforcement of key principals and learning objectives across a weatherization staff member’s first year of service. Assessments and check-ins aligned with the Pathways and administered through the Learning Management System also allow for reinforcement of key learnings or for opportunities for revisiting past learnings.

Additional BPI BA, HEP EA and QCI Certification Training

As outlined in the attached Training and Technical Assistance Plan, Minnesota intends to add additional BA, HEP EA and QCI Certification Training to meet the demand resulting from additional WAP BIL Funding.

In the interest of building the workforce as we ramp up to new levels of weatherization, Minnesota would like to shift to a model in which we train individuals both in the network and destined for the network.

To that end, Minnesota will open up the certification classes to staff members in the network. Next our certification classes will be offered to individuals expressing an interest in joining the weatherization network and willing to commit to two year of service with a weatherization provider. Finally, any remaining room in our certification courses will be opened up to other agencies in need of the same certifications. Those organizations would pay for their enrollment which then returns to the weatherization coffer but allows classes to move forward at capacity.

Staffing

As with the Monitoring and Leveraging lanes, Minnesota intends to add new team members to our current training staff.

Current Staff:

Training & Technical Assistance Specialist: Currently funded under DOE Formula Funds, this position exists to provide lead direction for training and technical assistance efforts for the Service Provider Network, provides day-to-day training and technical assistance and coordinates the annual training workplan including budget and reporting.

Senior Training & Outreach Specialist: Currently funded by other sources, this position exists to provide technical policy assistance and training for the MN Weatherization Assistance Program while also serving as a communication liaison, acting as the initial point of contact for service provider inquiries, and coordinating dissemination of recurring communications.

New Positions:

Technical Field Trainer: Included in the WAP BIL budget, the Technical Field Trainer will head up the In-Progress Training and Technical Assistance efforts. Meeting with Service Providers and contractors, this position will walk through the procedures and key principals of weatherization, providing hands-on demonstrations.

Training Contracts Administrator: This position will process the necessary contracts as outlined in this plan and in the budget and WAP BIL Workbook and ascertain that all procurement procedures are followed. This position is supported with non-DOE funding.

Percent of overall trainings

Comprehensive Trainings:	19.0
Specific Trainings:	81.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	53.0
Percent of budget allocated to Crew/Installer trainings:	21.0
Percent of budget allocated to Management/Financial trainings:	26.0

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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 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 pre-disaster 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 area as a priority as long as the households are eligible, meet one of the priorities established in regulation, and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

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:

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- 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 that will exceed the \$1,000 per unit limit, will be reviewed by Commerce on a case-by-case basis.