

NASCS

National Association for State Community Services Programs

WAP Leveraging and Collaboration Models

NASCSP Island Grantee Training| May 13-15, 2025



Session Overview

Federal Coordination

Braiding Leveraged Funds

Discussion

LIHEAP and Weatherization



Federal Program Coordination

Interagency Collaboration

1984: DOE and HHS (LIHEAP) began collaborating on eligibility requirements.

2010: DOE and HUD signed Memorandum of Understanding to explore alignment and streamline services.

2019: Congress directed DOE to collaborate with partners at HHS, HUD, and other agencies.

2022: Collaboration expanded to include HUD.

2024: MOU signed by DOE, HHS, HUD and USDA.

Memorandum Of Understanding

PURPOSE

- Coordinating and improving the efficiency and effectiveness of federal weatherization and home energy retrofits.
- **Collaboration Areas:**
 - ▶ Data sharing
 - ▶ Property Lists
 - ▶ Braiding Federal Funding and Aligning Federal Processes
 - ▶ Referral Processes
 - ▶ Workforce Development
 - ▶ Cross-Program Training
 - ▶ Promotion and Outreach
 - ▶ Increase Multifamily Weatherization



Peer Exchange

- Do you align your LIHEAP income eligibility with the 200% poverty income as WAP?
- What do you include in your state plan as Categorical Eligibility?
 - LIHEAP
 - HUD
 - USDA

WAP PY 2022 Funding Report

- NASCSP surveys the WAP Grantees each year and works with NCAP to provide a comprehensive summary report of WAP funding.
- It catalogues the amount and sources of funding available as of PY 2022 and some production of the WAP Grantees.
- 51 of 56 Grantees voluntarily responded to the NASCSP funding survey in PY 2022.

Increasing Energy Efficiency ~ Increasing Health & Safety

WEATHERIZATION ASSISTANCE PROGRAM

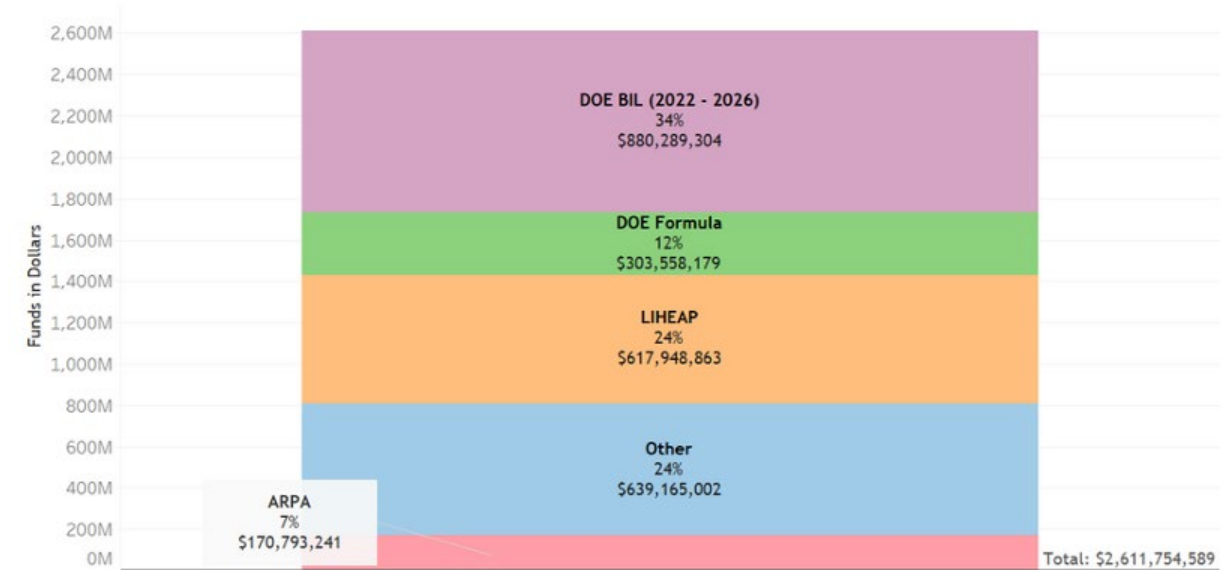
FUNDING REPORT
PROGRAM YEAR
2022



WAP Funding By Sources

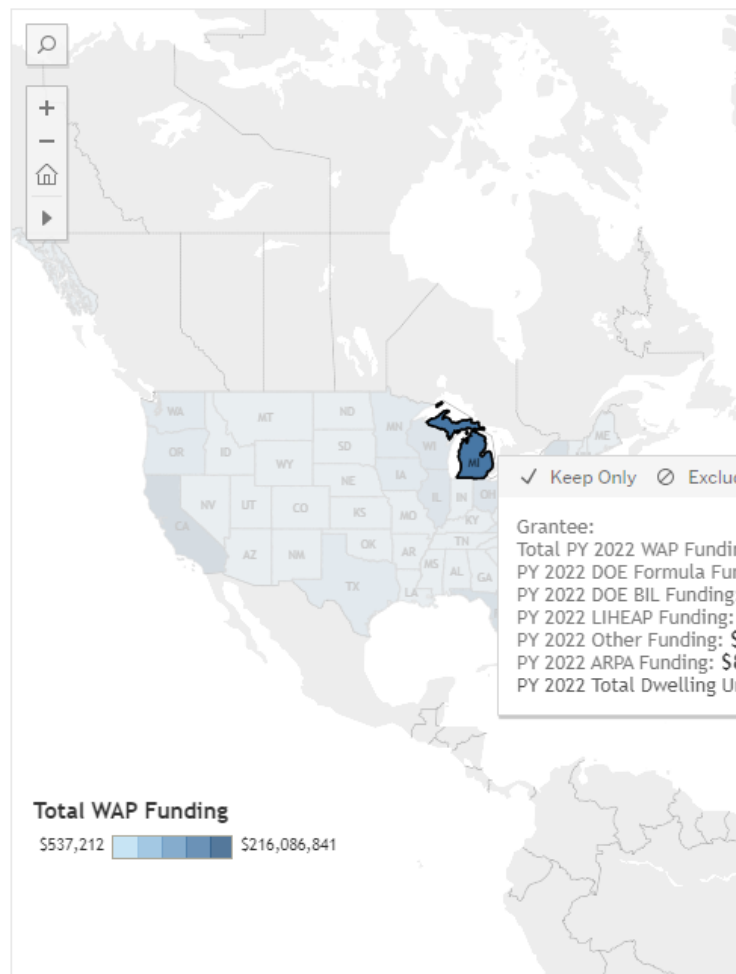
- NASCSP PY 2022 Survey collected data on five WAP funding sources
- Total of **\$2.6B**
- **68,968** units Weatherized
- Prior to IIJA (BIL) funds, LIHEAP has been the largest source of Federal funding in the WAP.

Figure 1: WAP Funding by Source 2022

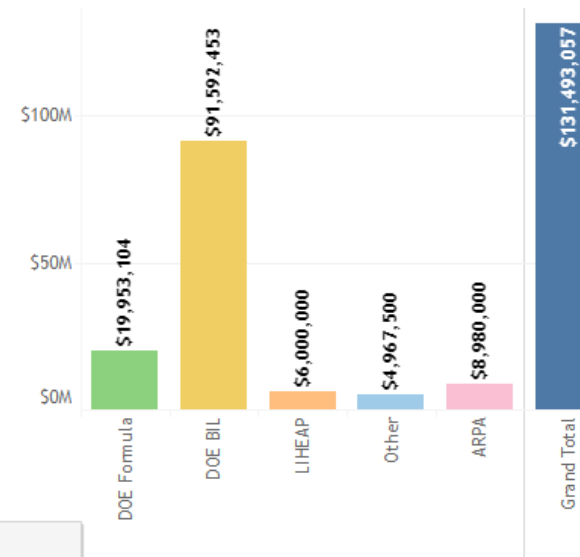


Interactive Annual Funding Dashboard

PY 2022 WAP Funding



Amount of Funding



✓ Keep Only ✗ Exclude 🔍

Grantee: **Michigan**
Total PY 2022 WAP Funding: **\$131,493,057**
PY 2022 DOE Formula Funding: **\$19,953,104**
PY 2022 DOE BIL Funding: **\$91,592,453**
PY 2022 LIHEAP Funding: **\$6,000,000**
PY 2022 Other Funding: **\$4,967,500**
PY 2022 ARPA Funding: **\$8,980,000**
PY 2022 Total Dwelling Units Completed: **1,493**



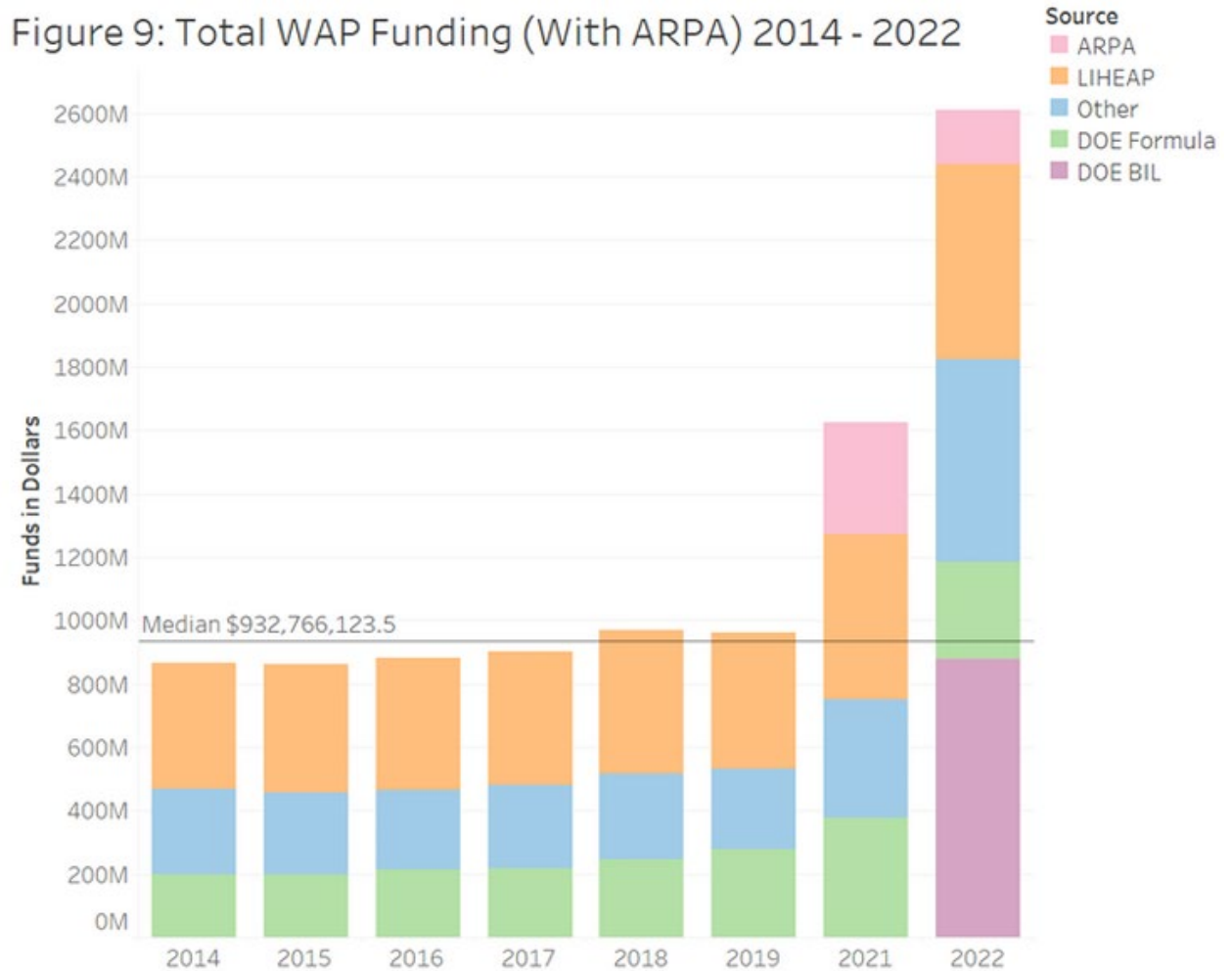
1,493
houses weatherized

WAP Funding by Sources

Weatherization is funded by a number of sources, including:

- DOE Formula
- DOE BIL
- LIHEAP
- ARPA
- Other (HUD, USDA, EPA, State, Utility, Misc., etc.)

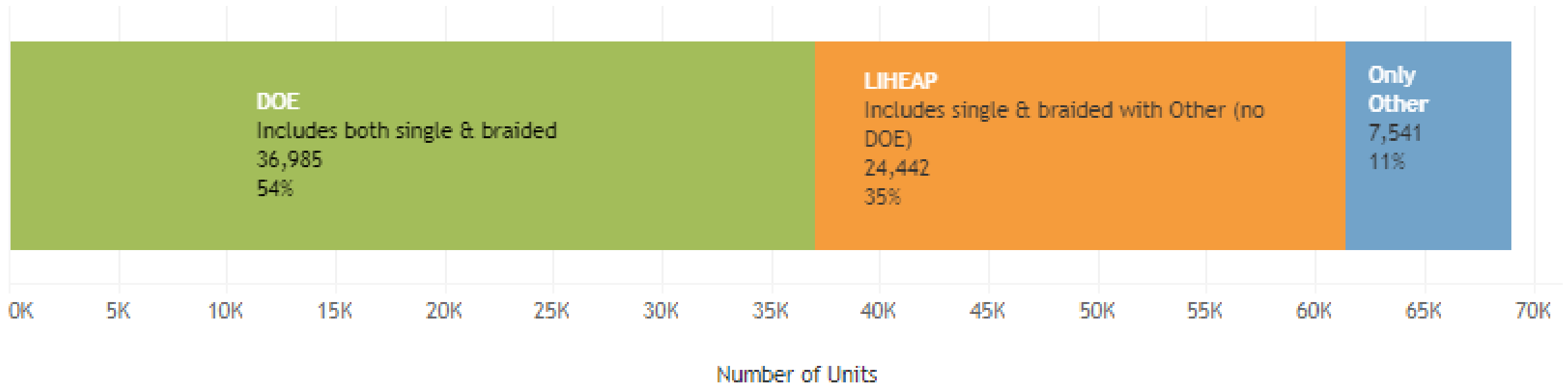
Figure 9: Total WAP Funding (With ARPA) 2014 - 2022



Braided Production

- 88% Grantees reported braiding funds in PY 2022.

PY 2022 National Production by Funding Source





Braiding Leveraged Funds

Program Rules & Guidance

10 CFR 440.1 – Purpose and Scope

- “To increase the energy efficiency of dwellings owned or occupied by low-income persons or to provide such persons renewable energy systems or technologies, reduce their total residential expenditures, and improve their health and safety.”

10 CFR 440.21(d) – Energy Audit Procedures

- Except for materials to eliminate health and safety hazards, each individual weatherization material and package of weatherization materials installed in an eligible dwelling unit must be cost-effective.

Braiding: Flexibility provided while remaining compliant with DOE rules

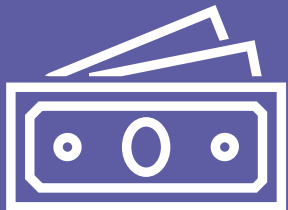
- Leveraged funds can pay for measures with SIR <1.0.
- WPN 22-9 provides guidance on managing multiple funds in weatherization.

Leveraged Funding in WAP



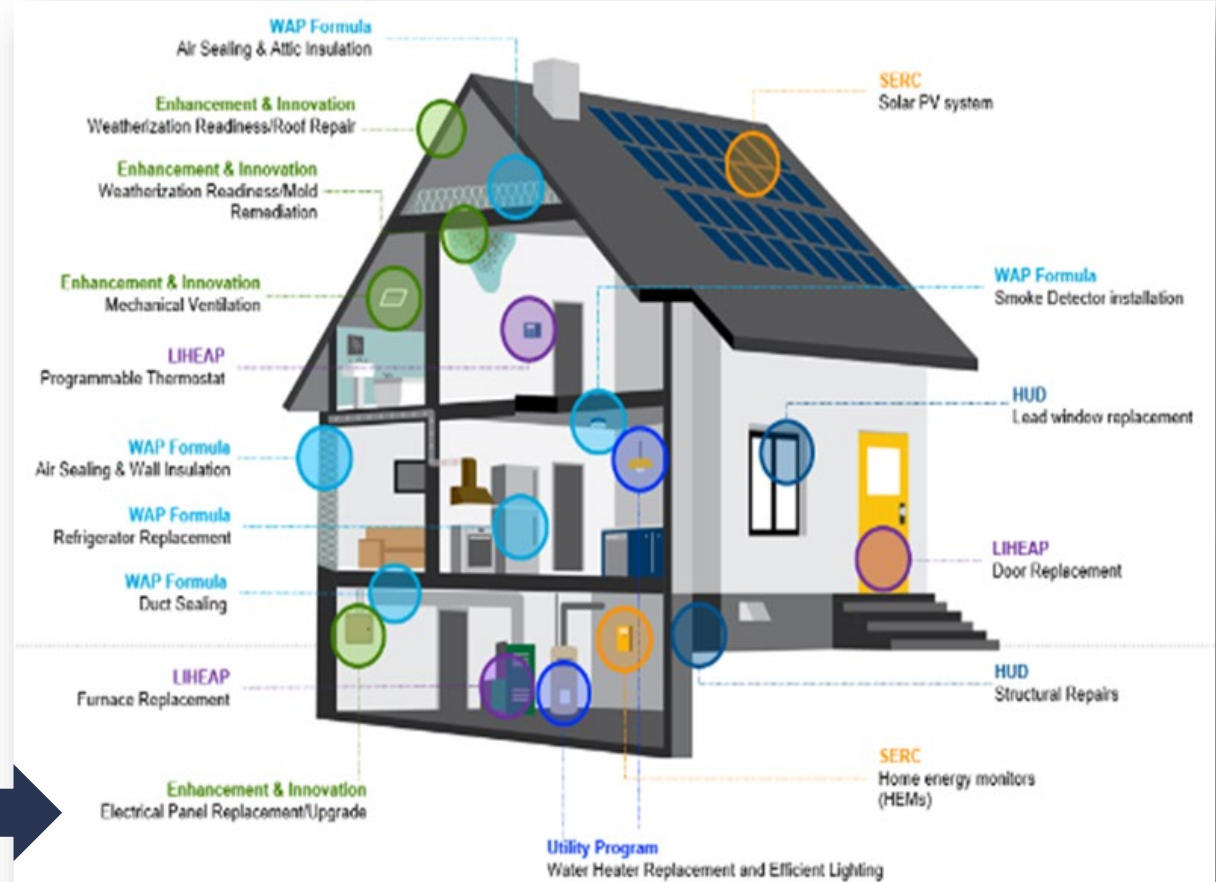
LEVERAGING ACTIVITIES:

Activities that support securing and administering non-DOE funding for weatherization



LEVERAGED FUNDING:

Federal and non-federal funding secured to supplement DOE WAP



BRAIDING FUNDS:

Utilizing two or more funding sources on a job. Each funding source can be isolated from all others in financial/accounting and reporting systems.

Leveraging Activities

According to WPN 22-9:

Up to 15% of the DOE allocation can be used for leveraging activities (10 CFR 440.14(c)(6)(xiv)) including:

- Holding meetings
- Facilitating matching funds
- Negotiating contracts, MOUs, etc.
- Developing program design
- Providing technical assistance

Grantees are encouraged to generate at least one non-Federal leveraging dollar for every DOE dollar expended.

Grantee Leveraging Activities

Funds retained at state/territory for oversight and administration of activities.

Subgrantee Coordination

Funds provided to a Subgrantee or other organization that serves as an administrative agent and coordinates leveraging activities on behalf of all Subgrantees.

Subgrantee Allocations

Funding provided to each Subgrantee to support administrative costs for leveraging activities.



Rules For Reporting DOE Units

- ▶ Household is income eligible (e.g., 200% federal poverty level).
- ▶ Dwelling is eligible (e.g., type of structure included in DOE Grantee Plan)
- ▶ Savings to Investment Ratio (SIR)
 - ▶ Cumulative SIR 1.0 or greater
 - ▶ Measures with DOE funding applied contain measure SIR of 1.0 or greater, or an approved priority list has been applied.
- ▶ Measures Installed
 - ▶ Can not skip conservation measures
 - ▶ Can not refuse necessary health and safety ventilation/IAQ measures

Allowable Braiding of Funds

WAP BIL Grants

Grantees can weatherize a home using WAP BIL grant funds WITH the following grants generated from BIL or Annual appropriations (if awarded):

- Sustainable Energy Resources for Consumers Grant (SERC)
- Enhancement & Innovation Grant (E&I)
- Weatherization Readiness Funds (WRF)

WAP Annual Grants

Grantees can weatherize a home using annual DOE WAP grant funds WITH the following grants generated from BIL or Annual appropriations (if awarded):

- SERC Grant
- E&I Grant
- CSPP Grant
- WRF



Allowable Braiding of Funds

Allowable Braiding of WAP Funds

- When DOE funds are braided, measures must be paid, in full, with a single DOE funding type and are not to be co-funded with multiple DOE WAP-funding types
- Co-funding measures with other fund sources (LIHEAP, utility funding, etc.) is allowed
- Costs must be documented in the file

Allowable Braiding of Weatherization Readiness Funds (WRF)

- Can be utilized in annual formula and BIL-funded WAP projects.
- Can be used to co-fund WRF measures
- Must result in a DOE dwelling unit completion as defined in -1
- Costs must be documented in the file.



Leveraged Funds

- Pair up with (2) other Island Grantees
- Do you have Leveraged Funds in your State Plan?
- How is this working?
- What percentage of your state plan funds?

Braiding Funds

- What are your braided funding sources?
 - Federal
 - Non-Federal
- Did you secure any of the Competitive Funding?
 - SERC
 - E&I
- What challenges are you having with your braided funding sources?
- What is working well for you?

Group Discussion: Interview your neighbor



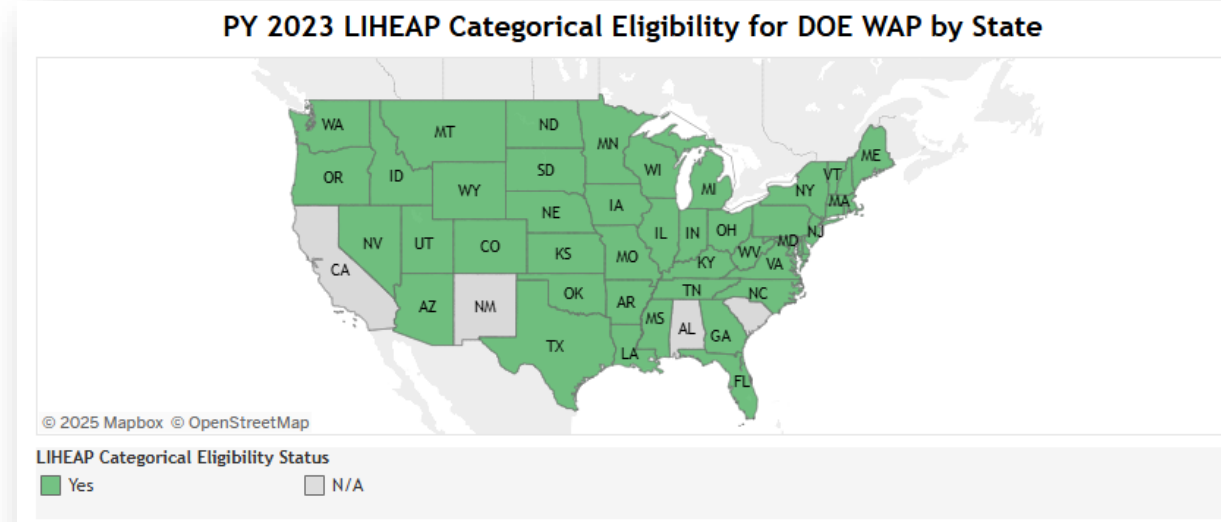
Streamlining with LIHEAP

Methods to Streamline Leveraging LIHEAP and WAP

- Include categorical eligibility in your WAP Grantee Plan
- Include all eligible measures your Subgrantees are likely to do in your WAP Grantee Plan and energy audit approval as well as your LIHEAP model plan. This includes energy efficiency measures, health and safety, weatherization readiness and renewables
- Include flexibility in LIHEAP model plan such as ACPU, Savings to Investment ratio, re-weatherization date, high H&S limits, etc.

LIHEAP Categorical Eligibility

- 10 CFR 440.22(a)(3): Allow inclusion of households that are income eligible for LIHEAP
 - 93% of Grantees implemented LIHEAP categorical eligibility.
 - You **MUST** include LIHEAP Categorical eligibility in your Master File of your DOE WAP State plan.



LIHEAP Transfer

Most LIHEAP grant recipients administer a LIHEAP weatherization program and transfer funds to a WAP grant recipient or subgrant agency.

- ▶ A LIHEAP grant recipients may allocate up to 15% of total LIHEAP funds to weatherization.
- ▶ A LIHEAP grant recipient may request a waiver from the U.S. Department of Health and Human Services (HHS) to increase the transfer amount up to a maximum of 25% of total LIHEAP funds.
- ▶ HHS can only approve waivers from April 1 – September 30

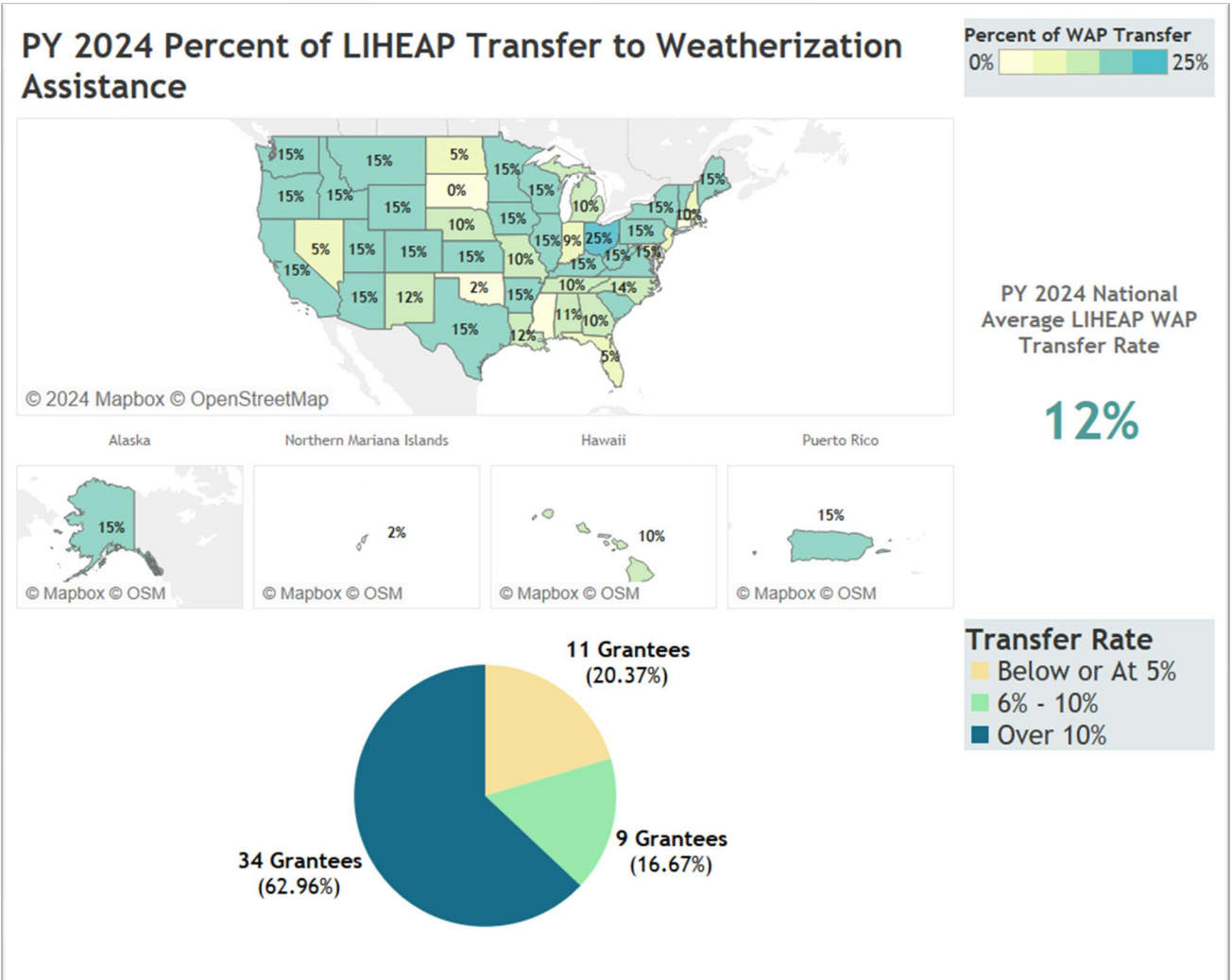
LIHEAP weatherization funds can be:

- Administered directly by the LIHEAP grant recipient, or
- Passed to another state agency, which administers the DOE Weatherization Assistance Program.



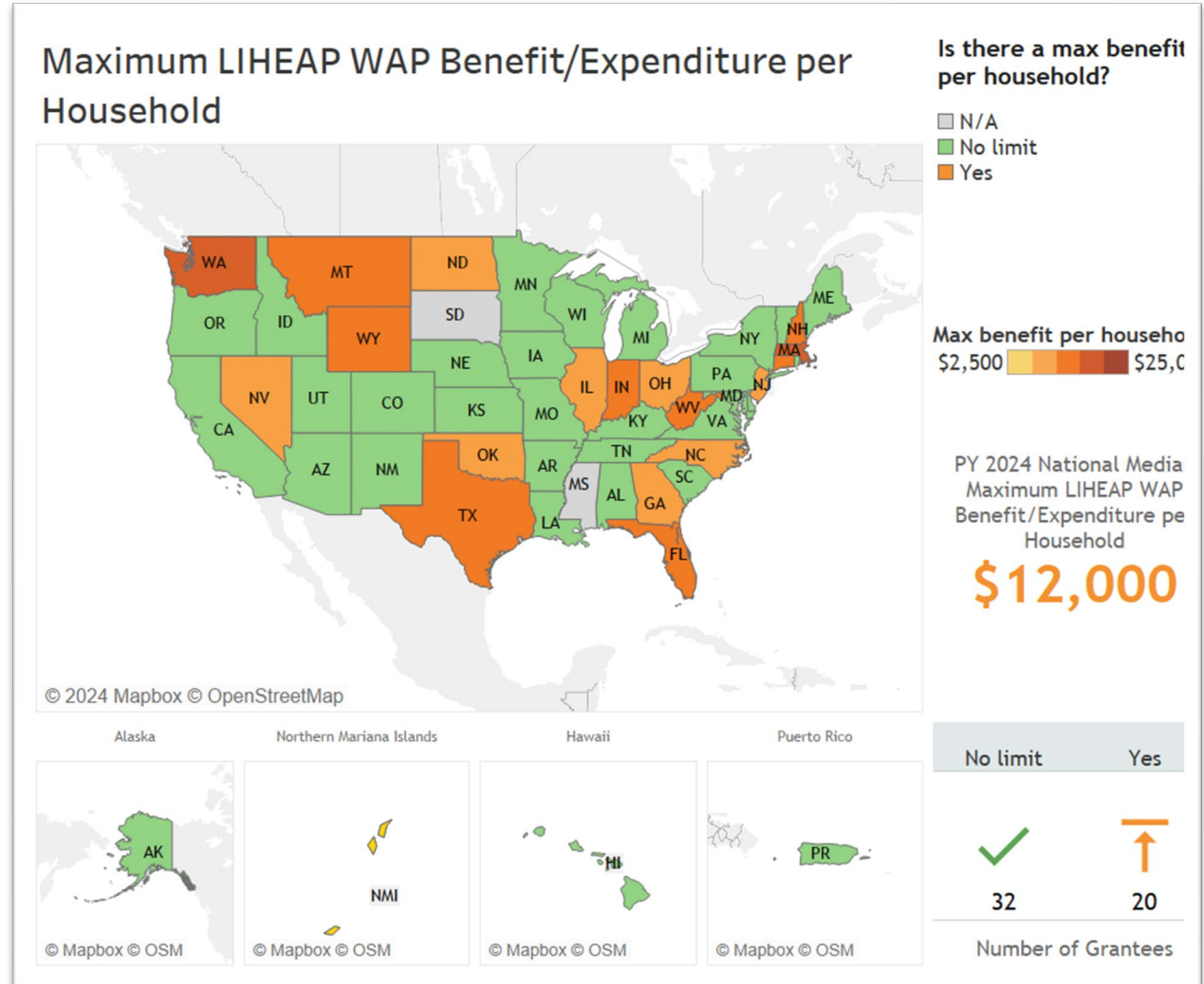
PY 2024 LIHEAP Transfer Rate

- ▶ 63% of Grantees transfer over 10% of their LIHEAP funds to WAP.
- ▶ PY 2024 National average LIHEAP WAP transfer rate is 12%.



Max LIHEAP WAP Benefit/Expenditure per Household

- 32 Grantees do not limit the amount of LIHEAP funds that can be expended per household.
- Of the 20 Grantees who specified a maximum LIHEAP benefit amount, the median amount is **\$12,000**.



Group Discussion

- Which Island Grantee has the largest LIHEAP transfer percentage?
- How is your collaboration currently going with your LIHEAP office?
- Do you limit your ACPU in LIHEAP?
- Other flexibilities that you use LIHEAP funds for?

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2025 LIHEAP State Plan Examples

	American Samoa	Northern Mariana	Hawaii	Puerto Rico
Transfer Percentage	15%	2%	15%	5%
Income Eligibility	Aligns with WAP – 200%	Does not align with DOE – 110%	Aligns with WAP – 200%	60% SMI
Rules	Mostly LIHEAP	Entirely LIHEAP	Mostly DOE	Mostly DOE
ACPU limit	None	None	None	No
Type of LIHEAP assistance (not exhaustive)	WAP audits, Cooling systems repair / replacement, major appliance replacement,	WAP audits, Cooling systems repair / replacement, CFL, Rooftop solar, Doors	WAP audits, insulation, Water conservation, Cooling system and major appliance Repair/replace, roof repair, windows and doors	WAP audits, insulation, Water heaters, Cooling system and major appliance Repair/replace, roof repair, rooftop & community solar, windows and doors
Other	No WRF specified.	Stove replacement & Reweatherization	Solar Hot Water Heaters	Solar PV; Entire Multi-Family – 66% of units eligible

LIHEAP Model Plan

Estimated Funding Allocation, 2604(C), 2605(k)(1), 2605(b)(9), 2605(b)(16) - Assurances 9 and 16		
1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: The total of all percentages must add up to 100%.	Percentage (%)	Prior year totals
Heating assistance	26.00%	26.00%
Cooling assistance	26.00%	26.00%
Summer crisis assistance	12.00%	24.00%
Winter crisis assistance	12.00%	0.00%
Year-round crisis assistance	0.00%	0.00%
Weatherization assistance	11.00%	11.00%
Carryover to the following federal fiscal year	2.00%	2.00%
Administrative and planning costs	10.00%	10.00%
Services to reduce home energy needs including needs assessment (Assurance 16)	1.00%	1.00%

Section 1: Program Components

LIHEAP Grant Recipients provide a Model Plan to HHS by September 1

- Section 1 of the LIHEAP Model Plan indicates the % of the LIHEAP funds to be transferred for weatherization.

5.2 Do you enter into an interagency agreement to have another government agency administer a WEATHERIZATION component? <input type="radio"/> Yes <input checked="" type="radio"/> No
5.3 If yes, name the agency and attach a copy of the Internal Agreement or Contract.
5.4 Is there a separate monitoring protocol for weatherization? <input checked="" type="radio"/> Yes <input type="radio"/> No
WEATHERIZATION - Types of Rules
5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)
<input type="checkbox"/> Entirely under LIHEAP (not DOE) rules
<input type="checkbox"/> Entirely under DOE WAP (not LIHEAP) rules
<input type="checkbox"/> Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ (Check all that apply):
<input type="checkbox"/> Income Threshold

Section 5: Weatherization Assistance

Section 5 of LIHEAP Model Plan covers:

- Eligibility
- Rules
- Average Cost per Unit
- Type of LIHEAP Assistance (Allowable LIHEAP WAP measures)

LIHEAP Model Plan: Section 5

“Designate the Income Eligibility Threshold Used for the Weatherization Component.”

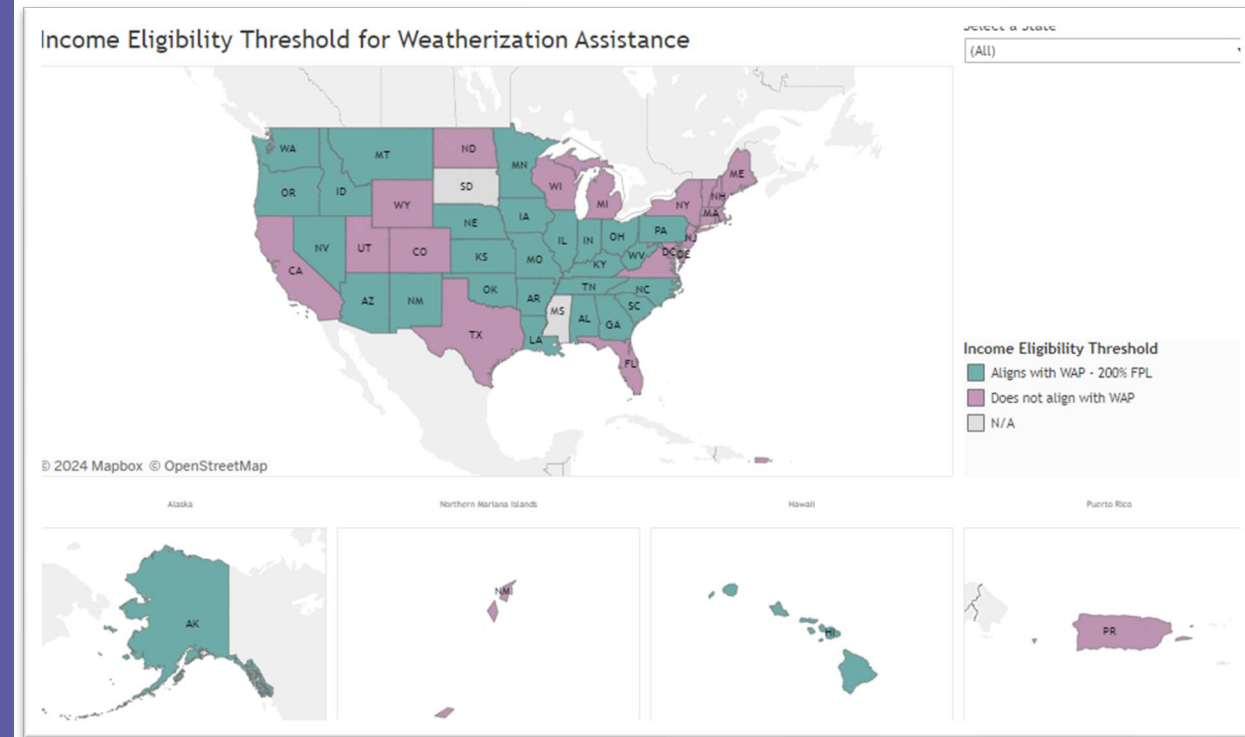
LIHEAP grant recipients may choose to remain at the LIHEAP eligibility threshold (up to 150% of Federal Poverty Guidelines, FPG) or align with DOE WAP.

- LIHEAP grant recipients often select 200%, to align with DOE WAP eligibility threshold.
- Some grant recipient select 60% of State Median Income (SMI).
- In all but 2 instances, grant recipients selecting 60% SMI, that dollar figure is above the 200% FPG.

(Note: DOE allows categorical eligibility. If a family qualifies for LIHEAP under the Grantee eligibility guidelines, they automatically qualify for WAP, even if that income threshold is above 200%.)

Income Eligibility

- Approximately 60% of Grantees designate the income eligibility threshold used for WAP.
- 200% of Federal poverty guidelines
- DOE WPN 24-3



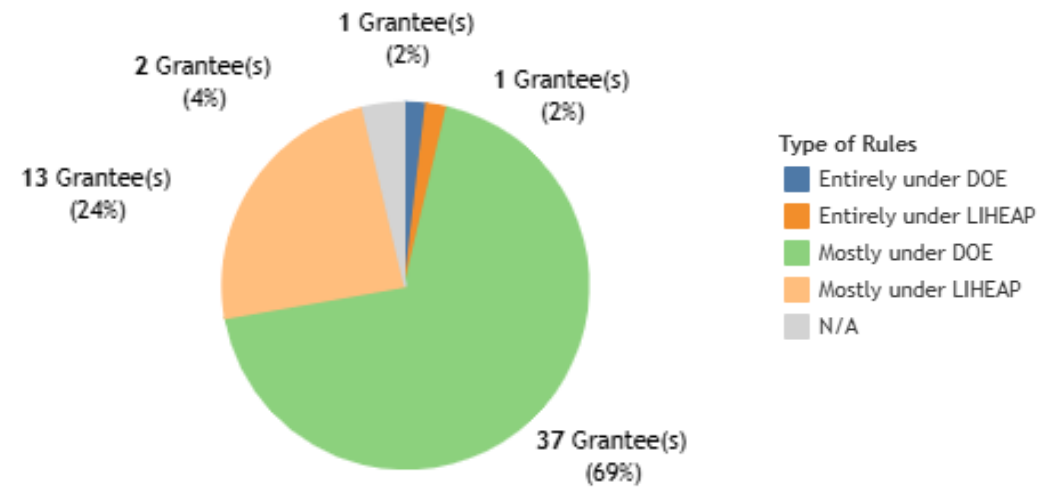
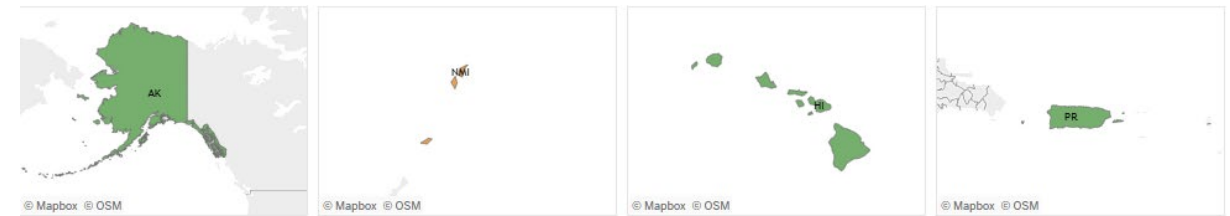
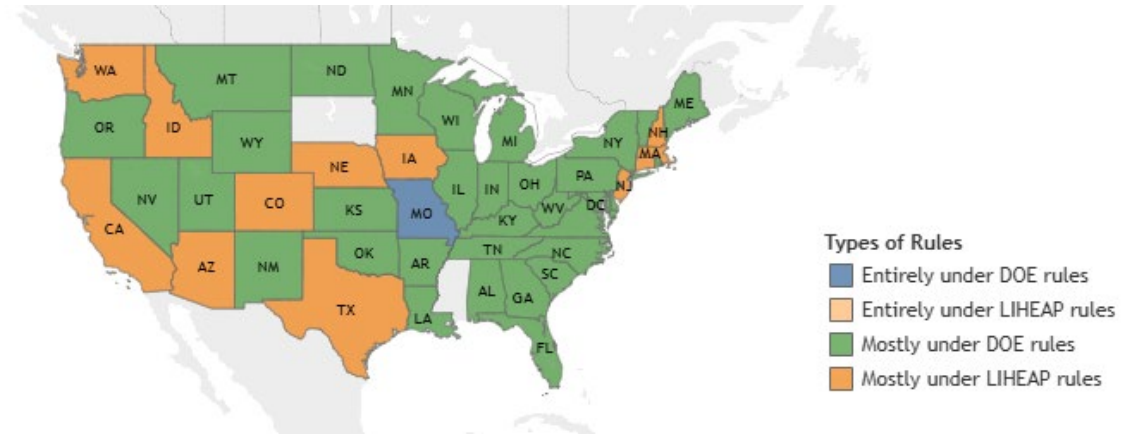
LIHEAP Model Plan: Section 5

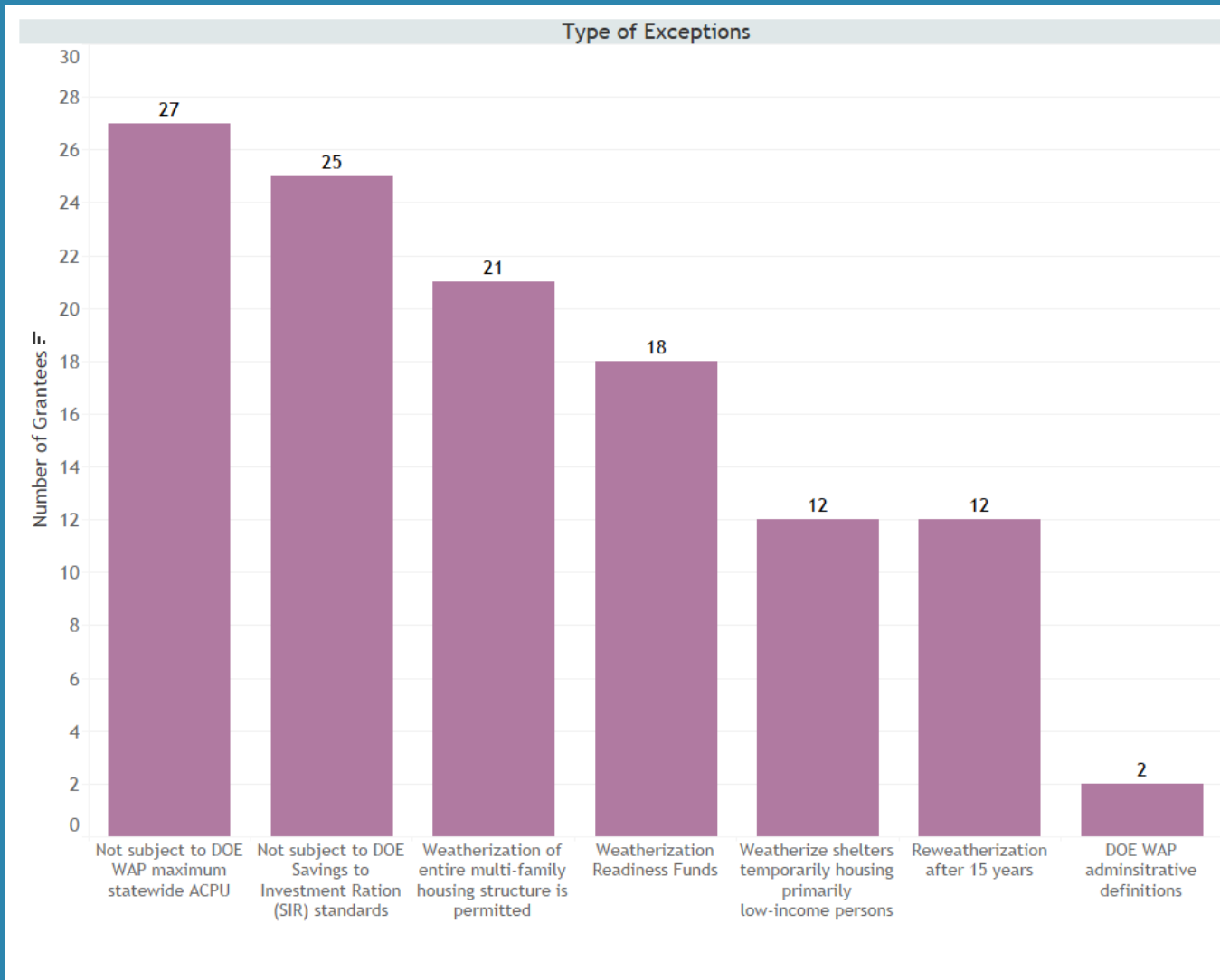
LIHEAP Model Plan outlines what rules the LIHEAP weatherization funding must follow:

- Entirely LIHEAP Rules
- Entirely DOE WAP Rules
- Mostly LIHEAP Rules
 - With option to identify pieces where they will follow DOE instead.
- Mostly DOE Rules
 - With option to identify pieces where they will follow LIHEAP instead.
- <https://liheapch.acf.hhs.gov/stateplans.htm>

Section 5: WEATHERIZATION ASSISTANCE			
Eligibility, 2605(c)(1)(A), 2605(b)(2) - Assurance 2			
5.1 Designate the income eligibility threshold used for the Weatherization component			
Add	Household Size	Eligibility Guideline	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	200.00%
5.2 Do you enter into an interagency agreement to have another government agency administer a WEATHERIZATION component? <input checked="" type="radio"/> Yes <input type="radio"/> No			
5.3 If yes, name the agency and attach a copy of the Internal Agreement or Contract. Department of Labor and Industrial Relations, Office of Community Services Weatherization Program			
5.4 Is there a separate monitoring protocol for weatherization? <input checked="" type="radio"/> Yes <input type="radio"/> No			
WEATHERIZATION - Types of Rules			
5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)			
<input type="checkbox"/> Entirely under LIHEAP (not DOE) rules			
<input type="checkbox"/> Entirely under DOE WAP (not LIHEAP) rules			
<input type="checkbox"/> Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ (Check all that apply):			
<input type="checkbox"/> Income Threshold			
<input type="checkbox"/> Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days			
<input type="checkbox"/> Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).			
<input type="checkbox"/> Other - Describe:			
<input checked="" type="checkbox"/> Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ (Check all that apply.)			
<input checked="" type="checkbox"/> Income Threshold			
<input checked="" type="checkbox"/> Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.			
<input checked="" type="checkbox"/> Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.			
<input checked="" type="checkbox"/> Other - Describe:			
Re-weatherization defined as any home or dwelling unit that was previously weatherized, and there is no funding limit. Re-weatherization shall be allowed.			
Stove replacement is allowed as a health and safety issue.			

FY 2024 LIHEAP WAP Rules



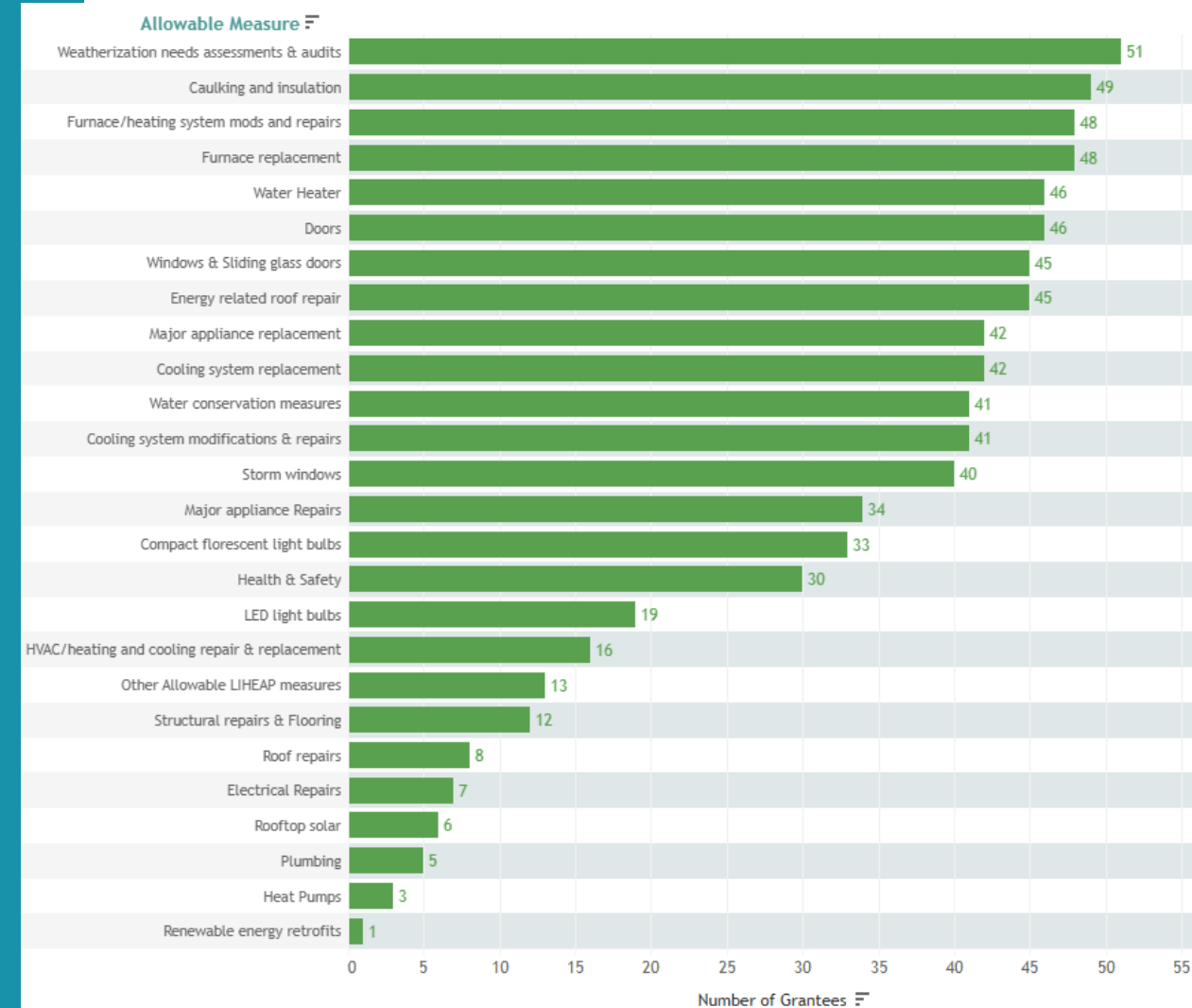


Common Exceptions

- Average cost per unit
- Savings to investment ratio
- Weatherization of entire MF housing structure is permitted
- Use of HHS funds to address healthy home issues and deferral remediation (Weatherization Readiness)

Benefits to Households & Programs

- Deeper retrofits allow for greater savings in energy cost reduction to low income families.
- Combining of funding sources provides much needed flexibility to state and local implementers to install both energy efficiency measures and address a myriad of health and safety issues.
- Combining LIHEAP and WAP funds compliments the federal purpose of both programs. LIHEAP does a good job at lowering energy burden and WAP does a good job at lowering energy used. When the funds are combined in one dwelling it has a powerful effect on the energy use and cost for a low income household.



LIHEAP Resources

- [LIHEAP website](#)
- [LIHEAP Clearinghouse](#)
- [LIHEAP State Model Plans](#)
- [LIHEAP State Contacts](#)
- [LIHEAP Federal Contacts](#)
- [NASCSP LIHEAP WAP Info & Resources](#)

NASCSP Weatherization Readiness Funds (WRF) Toolkit



Members Only

Weatherization Readiness



Weatherization Readiness Fund Toolkit (11/17/2023)

+ WRF Program Guidance

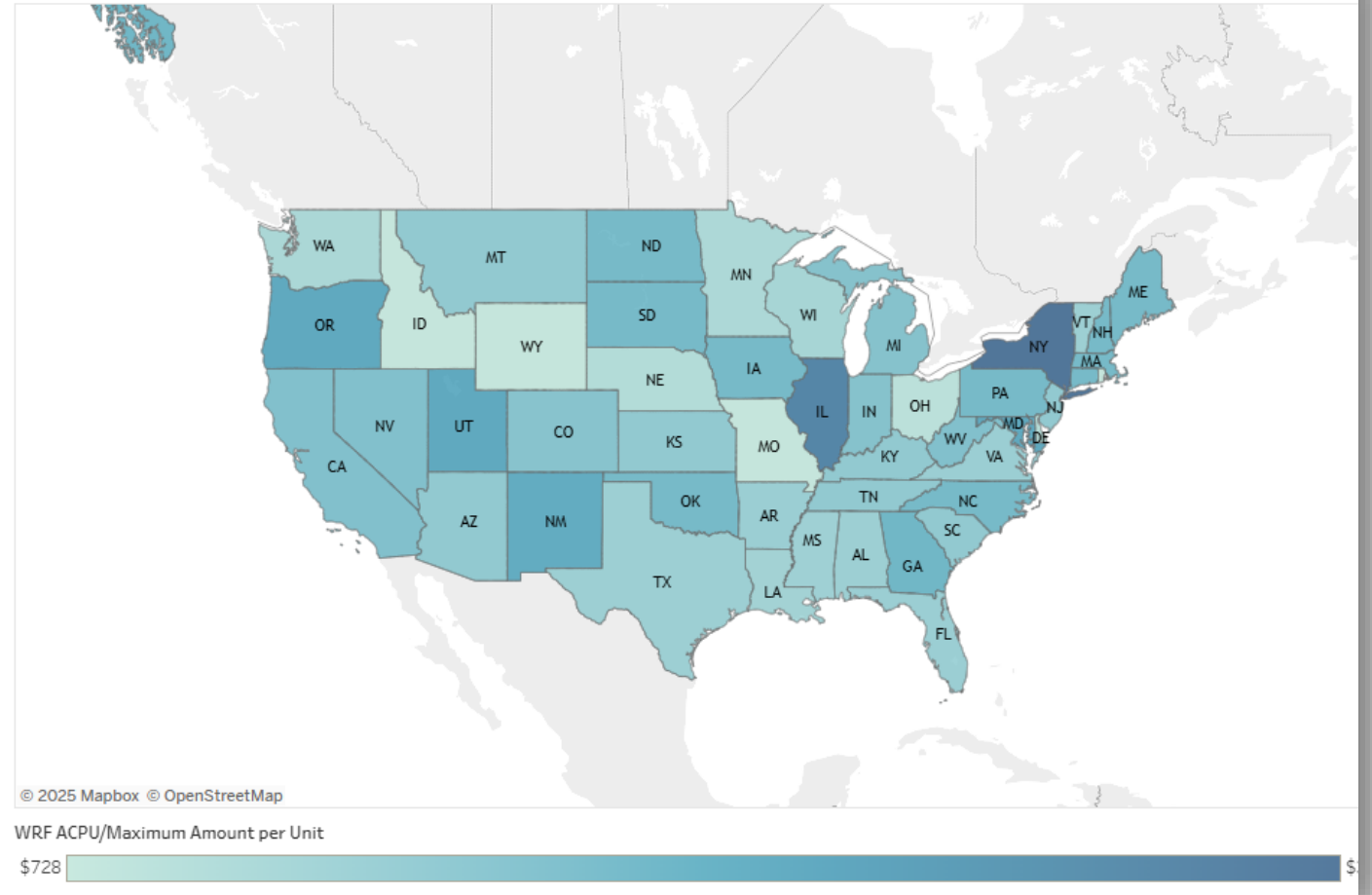
+ 2022 WRF Plans

+ WRF Resources

Weatherization Readiness Funds ACPU

- Of 55 Grantees, **28 Grantees (51%)** specified an **ACPU** for WRF.
- **21 Grantees (38%)** specified a max amount or “cap” for WRF.
- The median WRF ACPU/Max Expenditure was **\$11,000**.

PY 2023 Weatherization Readiness Funds (WRF) ACPU/Maximum Expenditure Per Unit



WRF Peer to Peer Exchange

Please Partner up with another Island Grantee

- How does your WRF program designs align with your partners?
- How do your WRF program design different from your partner?
- What success or challenges did your partner see with implementing the new WRF funds?