

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

1. Type of Submission:

- ☐ Preapplication
- ☒ Application
- ☐ Changed/Corrected Application

2. Type of Application:

- ☒ New
- ☐ Continuation
- ☐ Revision
- Other (specify):

If Revision, select appropriate letter(s)

3. Date Received

4. Applicant Identifier:

DE-EE0009920

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

DE-SE0001841

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

a. Legal Name: North Carolina Department of Environmental Quality

b. Employer/Taxpayer Identification Number (EIN/TIN):
566000372c. UEI:
TFQVKH1E8Y41

d. Address:

Street 1: 1613 Mail Service Center

Street 2:

City: Raleigh

County: WAKE County

State: NC

Province:

Country: U.S.A.

Zip / Postal Code: 276991613

e. Organizational Unit:

Department Name:
NC Department of Environmental QualityDivision Name:
NC Weatherization Assistance Program

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: First Name: Tracy

Middle Name:

Last Name: Dixon

Suffix:

Title: Deputy Director

Organizational Affiliation: State Energy Office

Telephone Number: 9845006676

Fax Number:

Email: tracy.dixon@deq.nc.gov

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

9. Type of Applicant:

A State Government

10. Name of Federal Agency:

U. S. Department of Energy

11. Catalog of Federal Domestic Assistance Number:

81.042

CFDA Title:

Weatherization Assistance Program

12. Funding Opportunity Number:

DE-WAP-0002025

Title:

2025 Weatherization Assistance Program (WAP) Funding

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Statewide

15. Descriptive Title of Applicant's Project:

NC Weatherization Assistance Program 2025 State Plan (Annual)

APPLICATION FOR FEDERAL ASSISTANCE SF-424

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16. Congressional District Of:

a. Applicant: North Carolina Congressional District 02

b. Program/Project: NC-Statewide

Attach an additional list of Program/Project Congressional Districts if needed:

17. Proposed Project:

a. Start Date: 07/01/2025

b. End Date: 06/30/2026

18. Estimated Funding (\$):

a. Federal	7,598,803.00
b. Applicant	0.00
c. State	0.00
d. Local	0.00
e. Other	0.00
f. Program Income	0.00
g. TOTAL	7,598,803.00

19. Is Application subject to Review By State Under Executive Order 12372 Process?:

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372

20. Is the applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation)

No

21. By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to

☒ I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency

Authorized Representative:

Prefix: First Name: D. Reid

Middle Name:

Last Name: Wilson

Suffix:

Title: Secretary

Telephone Number: 9197078661

Fax Number:

Email: reid.wilson@deq.nc.gov

Signature of Authorized Representative: Signed Electronically

Date Signed: 09/16/2025

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-102

U.S. DEPARTMENT OF ENERGY



BUDGET JUSTIFICATION FOR FORMULA GRANTS

Applicant: North Carolina Department of Environmental Quality
Award number: SE0001841

Budget period: 07/01/2025 - 06/30/2026

1. **PERSONNEL** - Prime Applicant only (all other participant costs are listed in 6 below and form SF-242A, Section B. Line 6.f. Contracts and Sub-Grants).

Positions to be supported under the proposed award and brief description of the duties of professionals:

Position	Description of Duties of Professionals
Energy Conservation Rep	Responsible for performing prescribed subgrantee program monitoring activities to ensure compliance with contractual obligations and federal and state regulations governing the Weatherization Assistance Program and for providing training and technical assistance to subgrantees on an individual and group basis.
Energy Conservation Rep	Responsible for performing prescribed subgrantee program monitoring activities to ensure compliance with contractual obligations and federal and state regulations governing the Weatherization Assistance Program and for providing training and technical assistance to subgrantees on an individual and group basis.
Environmental Program Supervisor I	Supervisor for Fiscal Support and Administrative Specialist staff. Responsible for Fiscal planning support to Program Manager. Support for management reports. Responsible the monitoring of fiscal records to determine and ensure compliance with state and federal regulations for the subgrantees receiving funds as part of the Weatherization Assistance Program. Also, this position will provide training and technical assistance to prevent non-compliance and recommend appropriate steps to resolve problems.
Deputy Director	Assists with the oversight of the NC State Energy program that includes Weatherization, participates in program decisions, and approves contracts and expenditures
Program Manager	This is administrative and managerial position directing the activities of the Program. Duties include determine the work procedures, establish program goals and deadlines, organize the Program to achieve established goals, and perform related work as required. This position establishes the overall mission and policy for the Program as a whole. This position is responsible for seeing that operations and expenditures are within the grant guidelines and regulations
Grants Administrator	Manages subgrantee applications, contracts, and monthly reimbursements. This position is responsible for the initial review and reconciliation of subgrantee invoices, contract review and revision, contract amendment generation, grant restrictions and reporting; confidential information handling and protection, manage email listserv, email groups, assemble advisory groups and facilitate stakeholder meetings, serve as public hearing officer as needed, and develop and edit web page content.
Administrative Specialist	This position serves as administrative support for the Program. Generates budget expenditure reports and generates and reviews travel authorizations and reimbursement requests. Purchases and inventories supplies. Interfaces with the public seeking information on securing weatherization services

Administrative Specialist	This position serves as administrative support for the Program. Generates budget expenditure reports and generates and reviews travel authorizations and reimbursement requests. Purchases and inventories supplies. Interfaces with the public seeking information on securing weatherization services.
State Energy Director	Oversees the NC State Energy program that includes Weatherization, participates in program decisions, and approves contracts and expenditures.
Energy Conservation Rep	Responsible for performing prescribed subgrantee program monitoring activities to ensure compliance with contractual obligations and federal and state regulations governing the Weatherization Assistance Program and for providing training and technical assistance to subgrantees on an individual and group basis.
Grants Administrator	Responsible the monitoring of fiscal records to determine and ensure compliance with state and federal regulations for the subgrantees receiving funds as part of the Weatherization Assistance Program. Also, this position will provide training and technical assistance to prevent non-compliance and recommend appropriate steps to resolve problems; budget closeout and monthly reconciliations.
Fiscal Monitor	Responsible the monitoring of fiscal records to determine and ensure compliance with state and federal regulations for the subgrantees receiving funds as part of the Weatherization Assistance Program. Also, this position will provide training and technical assistance to prevent non-compliance and recommend appropriate steps to resolve problems; budget closeout and monthly reconciliations.
Other funding sources	Other funding sources for personnel include LIHEAP and HAARP funds.

Direct Personnel Compensation:

Position	Salary/Rate	Time	Direct Pay
Energy Conservation Rep	\$68,185.00	22.0000 % FT	\$15,000.70
Energy Conservation Rep	\$57,969.00	22.0000 % FT	\$12,753.18
Environmental Program Supervisor I	\$84,461.00	22.0000 % FT	\$18,581.42
Deputy Director	\$58,813.00	22.0000 % FT	\$12,938.86
Program Manager	\$84,432.00	22.0000 % FT	\$18,575.04
Grants Administrator	\$84,461.00	22.0000 % FT	\$18,581.42
Administrative Specialist	\$55,344.00	22.0000 % FT	\$12,175.68
Administrative Specialist	\$51,326.00	22.0000 % FT	\$11,291.72
State Energy Director	\$133,900.00	22.0000 % FT	\$29,458.00
Energy Conservation Rep	\$57,264.00	22.0000 % FT	\$12,598.08
Grants Administrator	\$64,862.00	22.0000 % FT	\$14,269.64
Fiscal Monitor	\$37,492.00	22.0000 % FT	\$8,248.24
Other funding sources	\$0.00	0.0000 % FT	\$0.00
Direct Pay Total			\$184,471.98

2. FRINGE BENEFITS

- a. Are the fringe cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and attach a copy of the rate agreement to the application.

- b. If a. above does not apply, please use this box (or an attachment) to further explain how your total fringe benefits costs were calculated. Your calculations should identify all rates used, along with the base they were applied to (and how the base was derived), and a total for each (along with grand total). If there is an established computation methodology approved for state-wide use, please provide a copy. Also, please fill out the table below with the Fringe Benefits Calculations.

Social Security - 7.65% of allocated salaries

Retirement, death and disability benefits - 19.34% of allocated salaries

Health Insurance - \$6700/yr of allocated basis (range 5%- 17.87%)

Health Insurance is not a percentage of the FTE salary. It is a set price of \$6,700 per person/year. As such, the percentage of Health insurance is calculated by the dividing \$6,700 by the rate/salary in the Personnel table, therefore the percentage per FTE is different.

Method:

Social Security + Retirement, death and disability benefits + Health Insurance x salary base = Fringe Rate %.

Fringe Benefits Calculations

Position	Direct Pay	Rate	Benefits
Energy Conservation Rep	\$15,000.70	36.8100 %	\$5,521.76
Energy Conservation Rep	\$12,753.18	38.5500 %	\$4,916.35
Environmental Program Supervisor I	\$18,581.42	34.9200 %	\$6,488.63
Deputy Director	\$12,938.86	38.3800 %	\$4,965.93
Program Manager	\$18,575.04	34.9300 %	\$6,488.26
Grants Administrator	\$18,581.42	34.9300 %	\$6,490.49
Administrative Specialist	\$12,175.68	39.0000 %	\$4,748.52
Administrative Specialist	\$11,291.72	39.9900 %	\$4,515.56
State Energy Director	\$29,458.00	31.9900 %	\$9,423.61
Energy Conservation Rep	\$12,598.08	38.6900 %	\$4,874.20
Grants Administrator	\$14,269.64	37.3200 %	\$5,325.43
Fiscal Monitor	\$8,248.24	44.8600 %	\$3,700.16
Other funding sources	\$0.00		
Fringe Benefits Total			\$67,458.90

3. TRAVEL

- a. Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel, please identify.

Purpose of Trip	Number of Trips	Cost Per Trip	Total
BPI Certification Training	3	\$1,200.00	\$3,600.00
Monitoring/Technical/Assistance visits to subgrantees	80	\$900.00	\$72,000.00
Asbestos & Lead training	3	\$700.00	\$2,100.00
Conferences, meetings	4	\$2,000.00	\$8,000.00
Monitoring Subgrantees fiscal	25	\$800.00	\$20,000.00
Travel Total			\$105,700.00

- b. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

All travel expenses are reimbursed on the basis of the state of North Carolina's travel regulations and allowable amounts for reimbursement and historical data.

NC WAP funds 20 agencies. Technical, Fiscal monitoring, and T&TA trips are planned.

Staff training will consist of USDOE and State-sponsored conferences.

The number of WAP personnel that are included in the travel estimate are 1 WAP Program Manager, 3 Technical staff, and 3 Fiscal staff, 1 Deputy Director, 1 State Director.

4. EQUIPMENT - Equipment is generally defined as an item with an acquisition cost greater than \$10,000 and a useful life expectancy of more than one year.

- a. List all proposed equipment below and briefly justify its need as it applies to the objectives of the award.

Equipment	Unit Cost	Number	Total Cost	Justification of Need
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- b. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify need. If the Equipment is being proposed as Cost Share and was previously acquired, please provide the source and value of its contribution to the project and logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.

There are no planned equipment purchases that are greater than or equal to \$5,000.

5. SUPPLIES - Supplies are generally defined as an item with an acquisition cost of \$10,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance.

- a. List all proposed supplies below, the estimated cost, and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

General Category	Cost	Justification of Need
General Office Supplies and Personal Protective Equipment	\$4,576.00	Work calendars, notebooks, pens/markers, calculators, paper, gas leak detectors, respirators, etc..
Laptops, Monitors, etc.	\$4,900.00	Laptops, monitors, headphones. (4 laptops @ 1,000 each; 3 noise-cancelling headphones @ 250 each; and 2 monitors @ 150/total)
Phone Service	\$4,928.00	Office and cell phones (ongoing monthly fees for office phones (\$150 per 10 staff members; purchase of 6 new cell phones for field/office work at \$600/each)
Materials and Supplies Total	\$14,404.00	

- b. Please provide a basis of cost for each item listed above and justify need. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Previous invoices, historical data

The Budgeted supplies are for WAP Staff Only

6. CONTRACTS AND SUBGRANTS - Provide the following information for New proposed subrecipients and subcontractors. For ongoing subcontractors and subrecipients, this information does not have to be restated here, if it is provided elsewhere in the application; under Name of Proposed Sub, indicate purpose of work and where additional information can be found (i.e weatherization subgrants, Annual File section IV.1).

Name of Proposed Sub	Total Cost	Basis of Cost*
Subgrantee H&S	\$865,573.00	Subgrantee H&S
Subgrantee TTA	\$534,064.00	Subgrantee TTA

Grantee TTA	\$705,767.00	Grantee Training and Technical Assistance for developing/modifying the new client database for the subgrantee network, hosting training activities, and procuring trainers to provide technical assistance to the Grantee for technical aspects of the program. (Per guidance from USDOE on 7/19/24, this item was removed from the "Other Direct Cost" line item and added to "Contracted Services".
Contractor Fee	\$614,541.00	Readiness Fund
Subgrantee Admin	\$569,911.00	Subgrantee Admin
Subgrantee Program Operations	\$3,765,087.00	Subgrantee Program Operations
Contracts and Subgrants Total	<u>\$7,054,943.00</u>	

*For example, Competitive, Historical, Quote, Catalog

7. OTHER DIRECT COSTS - Other direct costs are direct cost items required for the project which do not fit clearly into other categories. These direct costs may not be duplicative of costs included in the indirect pool that is the basis of the indirect rate applied for this project. Examples are: conference fees, subscription costs, printing costs, etc.

a. Please provide a General Description, Cost and Justification of Need.

General Description	Cost	Justification of Need
Office Space Fees	\$15,750.00	Office Space fees
Computer LAN fees	\$41,525.12	Software licenses such as MS 365, VPN licensing, Adobe Licensing, Approximately \$250/mo/user (\$3,000/yr/user) WAP Program Manager Admin Specialist x 2 Fiscal Monitor Energy Conservation rep x3 Licensing Fees for MS CARDS database 47,100
Newspaper Advertising (533286)	\$8,000.00	Public Hearing Notifications & Newspaper Ads for Procurement
Postage (53284)	\$1,000.00	Postage / Overnight Delivery svcs
Fiscal Audit	\$40,000.00	Fiscal Audit fee
Other Direct Costs Total	<u>\$106,275.12</u>	

b. Please provide a basis of cost for each item listed above. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Historical data.

All costs included in other costs are properly segregated from indirect costs, i.e. no double-dipping. All costs proposed are only being used in support of the WAP.

8. INDIRECT COSTS

a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.

The Indirect Cost Rate Agreement is between the United States Environmental Protection Agency and the North Carolina Department of Environmental Quality. The rate is based on the Division of Mining and Land Resources.

b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

The name and phone number of the individual responsible for negotiating the State's indirect cost rates.

Name: Jonathan Griffin

Phone Number: 9197078629

Indirect costs calculations:

Indirect Cost Account	Direct Total	Indirect Rate	Total Indirect
535640 - (DEQ Personnel Support [Outside our Office])	\$475,000.00	13.8000 %	\$65,550.00

Indirect Costs Total	<u>\$65,550.00</u>
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BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. SE0001841		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address North Carolina Department of Environmental Quality 1613 Mail Service Center Raleigh, NC 276991613		4. Program/Project Start Date 07/01/2025	5. Completion Date 06/30/2026

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. DOE 2023 WAP Formula Funds (Annual)	81.042	\$ 0.00		\$ 7,598,803.00		\$ 7,598,803.00
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 7,598,803.00	\$ 0.00	\$ 7,598,803.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRATI ON	(2) SUBGRANTEE ADMINISTRATI ON	(3) SUBGRANTEE T&TA	(4) PROGRAM OPERATIONS	
a. Personnel	\$ 184,471.98	\$ 0.00	\$ 0.00	\$ 0.00	\$ 184,471.98
b. Fringe Benefits	\$ 67,458.90	\$ 0.00	\$ 0.00	\$ 0.00	\$ 67,458.90
c. Travel	\$ 105,700.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 105,700.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 14,404.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 14,404.00
f. Contract	\$ 0.00	\$ 569,911.00	\$ 534,064.00	\$ 3,765,087.00	\$ 7,054,943.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 106,275.12	\$ 0.00	\$ 0.00	\$ 0.00	\$ 106,275.12
i. Total Direct Charges	\$ 478,310.00	\$ 569,911.00	\$ 534,064.00	\$ 3,765,087.00	\$ 7,533,253.00
j. Indirect Costs	\$ 65,550.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 65,550.00
k. Totals	\$ 543,860.00	\$ 569,911.00	\$ 534,064.00	\$ 3,765,087.00	\$ 7,598,803.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. SE0001841		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address North Carolina Department of Environmental Quality 1613 Mail Service Center Raleigh, NC 276991613		4. Program/Project Start Date 07/01/2025	
		5. Completion Date 06/30/2026	

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	\$ 7,598,803.00	\$ 0.00	\$ 7,598,803.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total
	(1) HEALTH AND SAFETY	(2) GRANTEE T&TA	(3) Weatherization Readiness	(4)	(5)
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 184,471.98
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00		\$ 67,458.90
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 105,700.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00		\$ 14,404.00
f. Contract	\$ 891,623.00	\$ 679,717.00	\$ 614,541.00		\$ 7,054,943.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 106,275.12
i. Total Direct Charges	\$ 891,623.00	\$ 679,717.00	\$ 614,541.00		\$ 7,533,253.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 65,550.00
k. Totals	\$ 891,623.00	\$ 679,717.00	\$ 614,541.00		\$ 7,598,803.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
State: NC Grant Number: SE0001841 Program Year: 2025

Name: **Action Pathways, Inc.**

Contact: Lonnie Ballard
UEI: U44LKJQ2AMM8

Address: 4525 Campground Road
Fayetteville, NC 28314-0000

DUNS: 625279708
Phone: (910) 485-6131
Fax: () -
Email: lonnie.ballard@actionpathways.ngo

Counties served: COLUMBUS County
CUMBERLAND County
BLADEN County
BRUNSWICK County
MONTGOMERY County
MOORE County
PENDER County
HOKE County
SAMPSON County
SCOTLAND County
ROBESON County

Tentative allocation: \$ 672,589.00
Planned units: 47
Type of organization: Local agency

Congressional districts served:	CD
	NC-07
	NC-06
	NC-08
	NC-04
	NC-02

Source of labor: Contractors

Name: **Blue Ridge Community Action, Inc.**

Contact: Stephanie Ashley
UEI: Y4RUBUMFJLS7
DUNS: 193915352
Phone: (828) 438-6255
Fax: () -
Email: sashley@brainc.org

Address: 800 North Green Street
Morganton, NC 28655-0000

Counties served: MECKLENBURG County
CALDWELL County
BURKE County
ALEXANDER County
CATAWBA County
GASTON County
STANLY County
UNION County

Tentative allocation: \$ 953,446.00
Planned units: 66
Type of organization: Local agency

Congressional districts served:	CD
	NC-05
	NC-10
	NC-12
	NC-11
	NC-09

Source of labor: Agency and Contractors

Name: **Blue Ridge Opportunity Commission, Inc.**

Contact: Dare Stromer
UEI: UD24BCPT57K3
DUNS: 099233934
Phone: (336) 667-7174
Fax: (336) 667-5920
Email: brocds@brocinc.com

Address: 710 Veterans Drive
Wilkesboro, NC 28659-0000

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
State: NC Grant Number: SE0001841 Program Year: 2025

Counties served:	WILKES County ALLEGHANY County ASHE County	Tentative allocation: \$ 122,431.00 Planned units: 9 Type of organization: Local agency Source of labor: Agency	Congressional districts served:	<u>CD</u> NC-05
<hr/>				
Name:	Cabarrus County Planning and Development Services Departmen		Contact:	Susie Morris
			UEI:	PF3KTEELMHV6
			DUNS:	086861630
Address:	65 Church Street Concord, NC 28025-0000		Phone:	(704) 920-2141
			Fax:	(704) 920-2227
			Email:	samorris@cabarruscounty.us
Counties served:	CABARRUS County	Tentative allocation: \$ 107,022.00 Planned units: 7 Type of organization: Unit of local government Source of labor: Agency and Contractors	Congressional districts served:	<u>CD</u> NC-08 NC-12
<hr/>				
Name:	Central Pines Regional Council		Contact:	Lee Worsley
			UEI:	LE7MADJMUAD1
			DUNS:	
Address:	4307 Emperor Blvd., Suite 110 Suite 110 Durham, NC 27703-0000		Phone:	(919) 558-9395
			Fax:	() -
			Email:	lworsley@centralpinesnc.gov
Counties served:	ORANGE County PERSON County CHATHAM County	Tentative allocation: \$ 143,084.00 Planned units: 10 Type of organization: Unit of local government Source of labor: Agency	Congressional districts served:	<u>CD</u> NC-04 NC-09
<hr/>				
Name:	Choanoke Area Development Association, Inc.		Contact:	Christopher Moody
			UEI:	FADKNNULH8K9
			DUNS:	075568618
Address:	120 Sessoms Drive Rich Square, NC 27869-0530		Phone:	(252) 539-4155
			Fax:	(252) 539-2048
			Email:	cmoody@nc-cada.org
Counties served:	HERTFORD County HALIFAX County MARTIN County NORTHAMPTON County BERTIE County EDGECOMBE County	Tentative allocation: \$ 131,127.00 Planned units: 9 Type of organization: Local agency Source of labor: Agency and Contractors	Congressional districts served:	<u>CD</u> NC-01 NC-03 NC-13

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
State: NC Grant Number: SE0001841 Program Year: 2025

Name:	Coastal Community Action, Inc.		Contact:	Catissa Head	
			UEI:	U23HEN775PW1	
			DUNS:	052770950	
Address:	303 McQueen Avenue		Phone:	(252) 223-1630	
	Newport, NC 28570-0000		Fax:	() -	
			Email:	catissa.head@coastalca.org	
Counties served:	DUPLIN County	Tentative allocation:	\$ 427,650.00	Congressional	CD
	CRAVEN County	Planned units:	30	districts served:	NC-01
	BEAUFORT County	Type of organization:	Local agency		NC-07
	CARTERET County				NC-03
	NEW HANOVER County				
	ONSLow County				
	PAMLICO County				
	JONES County				
		Source of labor:	Agency		

Name:	Community Action Opportunities, Inc.		Contact:	Vickie Heidinger	
			UEI:	P3T6V8ZV7EX7	
			DUNS:	074495532	
Address:	25 Gaston Street		Phone:	(828) 252-2495	
	Asheville, NC 28801-0000		Fax:	(828) 253-6319	
			Email:	vicki.heidinger@communityactionopportun	
Counties served:	TRANSYLVANIA County	Tentative allocation:	\$ 426,462.00	Congressional	CD
	POLK County	Planned units:	29	districts served:	NC-11
	RUTHERFORD County	Type of organization:	Local agency		NC-10
	CLEVELAND County				
	BUNCOMBE County				
	MADISON County				
	HENDERSON County				
	MCDOWELL County				
		Source of labor:	Agency and Contractors		

Name:	Economic Improvement Council, Inc.		Contact:	Landon Mason	
			UEI:	H2FFS2QKXB47	
			DUNS:	081423030	
Address:	712 Virginia Road		Phone:	(252) 482-4459	
	Edenton, NC 27932-0000		Fax:	() -	
			Email:	dr.landon.mason@eicca.org	

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Counties served:	TYRRELL County WASHINGTON County GATES County CURRITUCK County DARE County CHOWAN County CAMDEN County HYDE County PERQUIMANS County PASQUOTANK County	Tentative allocation: \$ 138,778.00 Planned units: 10 Type of organization: Local agency	Congressional districts served:	<u>CD</u> NC-01 NC-03
Source of labor: Agency				

Name:	Four Square Community Action, Inc.		Contact:	Sue Lynn Ledford
			UEI:	NEVAMDMM7DB5
			DUNS:	070623848
Address:	61 Milton Mashburn Drive Andrews Andrews, NC 28901-0000		Phone:	(828) 321-4475
			Fax:	(828) 321-3457
			Email:	Foursq@frontier.com
Counties served:	CHEROKEE County CLAY County GRAHAM County SWAIN County	Tentative allocation: \$ 102,351.00 Planned units: 7 Type of organization: Local agency	Congressional districts served:	<u>CD</u> NC-11
Source of labor: Agency				

Name:	Franklin-Vance-Warren Opportunity, Inc.		Contact:	Felicia Gregory Coleman
			UEI:	N3G9NE29S8R4
			DUNS:	159658236
Address:	180 S Beckford Drive Henderson, NC 27536-0000		Phone:	(252) 492-0161
			Fax:	(252) 492-6250
			Email:	feliciacoleman@fvwopp.com
Counties served:	GRANVILLE County NASH County FRANKLIN County WARREN County VANCE County	Tentative allocation: \$ 284,704.00 Planned units: 20 Type of organization: Local agency	Congressional districts served:	<u>CD</u> NC-13 NC-06 NC-02
Source of labor: Agency and Contractors				

Name:	I-Care, Inc.		Contact:	Bryan Duncan
			UEI:	X8NKBYKZFGE7
			DUNS:	185756244
Address:	1415 Shelton Avenue Statesville, NC 28677-0000		Phone:	(704) 872-8141
			Fax:	(704) 871-1299
			Email:	bryan.duncan@icare-inc.org

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Counties served:	IREDELL County LINCOLN County	Tentative allocation: \$ 111,534.00 Planned units: 8 Type of organization: Local agency Source of labor: Contractors	Congressional districts served:	<u>CD</u> NC-05 NC-10
Name:	Johnston-Lee-Harnett Community Action, Inc.		Contact:	Marie Watson
			UEI:	LB13HGN1QFE7
			DUNS:	153233663
Address:	1102 Massey St. Smithfield, NC 27577-0000		Phone:	(919) 934-2145
			Fax:	(919) 934-6231
			Email:	jlhca@jlhcommunityaction.org
Counties served:	JOHNSTON County LEE County HARNETT County	Tentative allocation: \$ 265,938.00 Planned units: 18 Type of organization: Local agency Source of labor: Contractors	Congressional districts served:	<u>CD</u> NC-07 NC-02 NC-04
Name:	Macon County		Contact:	Derek Roland
			UEI:	LLPJBC6N2LL3
			DUNS:	070626825
Address:	5 West Main Street Franklin, NC 28734-0000		Phone:	(828) 349-2025
			Fax:	() -
			Email:	droland@maconnc.org
Counties served:	MACON County	Tentative allocation: \$ 128,830.00 Planned units: 9 Type of organization: Unit of local government Source of labor: Agency	Congressional districts served:	<u>CD</u> NC-11
Name:	Mountain Projects, Inc.		Contact:	Patsy Davis
			UEI:	RDQFJ51NPBA5
			DUNS:	131413353
Address:	2177 Asheville Road Waynesville, NC 28786-0000		Phone:	(828) 452-1447
			Fax:	(828) 452-9454
			Email:	pdavis@mountainprojects.org
Counties served:	HAYWOOD County JACKSON County	Tentative allocation: \$ 100,823.00 Planned units: 7 Type of organization: Local agency Source of labor: Agency and Contractors	Congressional districts served:	<u>CD</u> NC-11

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Name:	Piedmont Triad Regional Council	Contact:	Matthew Dolge	
		UEI:	EQT8A46JAKH6	
		DUNS:	144190667	
Address:	1398 Carrollton Crossing Drive	Phone:	(336) 904-0300	
	Kernersville, NC 27284-0000	Fax:	(336) 761-2112	
		Email:	mdolge@ptrc.org	
Counties served:	GUILFORD County PERSON County CASWELL County ALAMANCE County DAVIDSON County FORSYTH County RANDOLPH County ROCKINGHAM County	Tentative allocation:	\$ 916,329.00	Congressional districts served:
		Planned units:	63	CD
		Type of organization:	Unit of local government	NC-13
				NC-05
				NC-06
				NC-12
		Source of labor:	Agency and Contractors	

Name:	Resources for Seniors, Inc.	Contact:	Kristen Brannock	
		UEI:	KNW1NGUMGBY3	
		DUNS:	097721898	
Address:	1110 Navaho Drive, Suite 400	Phone:	(919) 872-7933	
	Raleigh, NC 27609-0000	Fax:	(919) 872-6683	
		Email:	kristenb@rfsnc.org	
Counties served:	WAKE County DURHAM County	Tentative allocation:	\$ 447,836.00	Congressional districts served:
		Planned units:	31	CD
		Type of organization:	Non-profit organization	NC-01
				NC-02
				NC-13
				NC-04
				NC-06
		Source of labor:	Contractors	

Name:	TBD	Contact:	Helen Hossley	
		UEI:	MW7JDM7JAJP5	
		DUNS:		
Address:	217 West Jones Street	Phone:	(980) 384-6784	
	Raleigh, NC 27699-0000	Fax:	() -	
		Email:	helen.hossley@deq.nc.gov	
Counties served:	RICHMOND County	Tentative allocation:	\$ 77,916.00	Congressional districts served:
		Planned units:	5	CD
		Type of organization:		NC-08
		Source of labor:	Agency	

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Name: W.A.M.Y. Community Action, Inc.		Contact: Melissa Soto	
		UEI: HNQJSD9E3925	
		DUNS: 070628615	
Address: 225 Birch Street, Suite 2		Phone: (828) 264-2421	
Boone, NC 28607-0000		Fax: (828) 264-0952	
		Email: melissa@wamymcommunityaction.org	
Counties served:	MITCHELL County	Tentative allocation: \$ 88,465.00	Congressional CD
	AVERY County	Planned units: 6	districts served: NC-05
	WATAUGA County	Type of organization: Local agency	NC-11
	YANCEY County		NC-10
		Source of labor: Contractors	

Name: Wayne Action Group for Economic Solvency, Inc.		Contact: Patricia Beier	
		UEI: HN55F8DPG4C8	
		DUNS: 084169598	
Address: 601 E Royall Avenue		Phone: (919) 734-1178	
Goldsboro, NC 27534-0000		Fax: (919) 736-4268	
		Email: pbeier@wagesnc.org	
Counties served:	WAYNE County	Tentative allocation: \$ 392,686.00	Congressional CD
	WILSON County	Planned units: 27	districts served: NC-01
	PITT County	Type of organization: Local agency	NC-13
	LENOIR County		NC-03
	GREENE County		NC-07
		Source of labor: Agency	

Name: Yadkin Valley Economic Development District, Inc.		Contact: Kathy Payne	
		UEI: XGR4KGDGEMG93	
		DUNS: 083636316	
Address: 533 N. Carolina Avenue, Highway 601 1		Phone: (336) 367-7251	
Boonville, NC 27011-0000		Fax: (336) 367-3637	
		Email: kpayne@yveddi.com	
Counties served:	DAVIE County	Tentative allocation: \$ 335,225.00	Congressional CD
	YADKIN County	Planned units: 23	districts served: NC-13
	ROWAN County	Type of organization: Local agency	NC-05
	STOKES County		
	SURRY County		
		Source of labor: Agency	

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IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Action Pathways, Inc. (Fayetteville)	\$672,589.00 47
Blue Ridge Community Action, Inc. (Morganton)	\$953,446.00 66
Blue Ridge Opportunity Commission, Inc. (Wilkesboro)	\$122,431.00 9
Cabarrus County Planning and Development Services Department (Concord)	\$107,022.00 7
Central Pines Regional Council (Durham)	\$143,084.00 10
Choanoke Area Development Association, Inc. (Rich Square)	\$131,127.00 9
Coastal Community Action, Inc. (Newport)	\$427,650.00 30
Community Action Opportunities, Inc. (Asheville)	\$426,462.00 29
Economic Improvement Council, Inc. (Edenton)	\$138,778.00 10
Four Square Community Action, Inc. (Andrews)	\$102,351.00 7
Franklin-Vance-Warren Opportunity, Inc. (Henderson)	\$284,704.00 20
I-Care, Inc. (Statesville)	\$111,534.00 8
Johnston-Lee-Harnett Community Action, Inc. (Smithfield)	\$265,938.00 18
Macon County (Franklin)	\$128,830.00 9
Mountain Projects, Inc. (Waynesville)	\$100,823.00 7
Piedmont Triad Regional Council (Kernersville)	\$916,329.00 63
Resources for Seniors, Inc. (Raleigh)	\$447,836.00 31
TBD (Raleigh)	\$77,916.00 5
W.A.M.Y. Community Action, Inc. (Boone)	\$88,465.00 6
Wayne Action Group for Economic Solvency, Inc. (Goldsboro)	\$392,686.00 27
Yadkin Valley Economic Development District, Inc. (Boonville)	\$335,225.00 23
Total:	\$6,375,226.00 441

IV.2 WAP Production Schedule

Weatherization Plans	Units
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Total Units (excluding reweatherized)	441
Rewatherized 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	441
C Total Units Reweatherized	0
D Total Dwelling Units to be Weatherized and Reweatherized (B + C)	441
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	\$3,765,087.00
G Total Dwelling Units to be Weatherized and Reweatherized (from line D)	441
H Average Program Operations Costs per Unit (F divided by G)	\$8,537.61
I Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J Total Average Cost per Dwelling (H plus I)	\$8,537.61

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	441	29.3	12921	
Prior Year Estimate	386	29.3	11310	
Prior Year Actual	303	29.3	8878	

Method used to calculate savings description:

The energy saving calculations methodology estimates annual savings of 29.3 MBtu. This estimated according to funding allocation and adjusted average expenditure limit per unit allowed to weatherize a home.

IV.4 DOE-Funded Leveraging Activities

No DOE funds have been budgeted separately for leveraging activities at the State level.

IV.5 Policy Advisory Council Members

☐ Check if an existing state council or commission serves in this category and add name below

Angie Jaco	Type of organization: Non-profit (not a financial institution) Contact Name: Phone: 8283214475 Email: angie.jaco@foursq.org
Gary Smith	Type of organization: Non-profit (not a financial institution) Contact Name: Phone: 9199618925 Email: smithgk@mindspring.com
Kristen Brannock	Type of organization: Non-profit (not a financial institution) Contact Name: Phone: 9198727933 Email: kristenb@rfsnc.org

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Michael Blair	Type of organization: Unit of Local Government Contact Name: Phone: 3369040300 Email: mblair@ptrc.org
Robert Parrish	Type of organization: Other Contact Name: Phone: 9196161606 Email: Robertparrish7@gmail.com
Tara Bolen	Type of organization: Utility Contact Name: Phone: 8003433525 Email: Tara.bolen@duke-energy.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
04/25/2024	Advertised in Raleigh News & Observer 4/12/2024. Affidavit of Publication is attached in the SF 424 in item #19.

IV.7 Miscellaneous

Recipient Program Manager / Principal Investigator / Interim Business Officer

Tracy Dixon

Deputy Director

4345 Mail Service Center

Raleigh, NC 27699-4345

There are no known outliers for subgrantee production and funding allocations since the funding allocations are based on production and low-income Census data (51% of the allocation and 49% low-income population density based on 2022 ACS data (200% FPL)).

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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

As of the 2023 Census, approximately 670,823 North Carolina households and 3,195,199 individuals are at or below 200% of the federal poverty level.[1],[2] Subgrantees are responsible for determining if a household is eligible for NCWAP assistance. Every dwelling weatherized must meet both the client eligibility *and* building eligibility requirements.

DEFINITION OF INCOME

a) **INCOME:** Income means Cash Receipts earned and/or received by all household members over the age of 18 before taxes during applicable tax year(s) **but not** the Income Exclusions listed below in Section C. Gross Income is to be used, not Net Income.

b. **CASH RECEIPTS:** Cash Receipts include the following:

- o Money, wages and salaries before any deductions;
- o Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
- o Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments;
- o Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments;
- o Dividends and/or interest;
- o Net rental income and net royalties;
- o Periodic receipts from estates or trusts; and
- o Net gambling or lottery winnings.

c. **INCOME EXCLUSIONS:** The following Cash Receipts **are not** considered sources of Income for the purposes of determining applicant eligibility:

- o Capital gains;
- o Any assets drawn down as withdrawals from a bank;
- o Money received from the sale of a property, house, or car;
- o One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;

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- Tax refunds;
- Gifts, loans, or lump-sum inheritances;
- College scholarships;
- One-time insurance payments, or compensation for injury;
- Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
- Employee fringe benefits, food or housing received in lieu of wages;
- The value of food and fuel produced and consumed on farms;
- The imputed value of rent from owner-occupied non-farm or farm housing;
- Depreciation for farm or business assets;
- Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;
- Combat zone pay to the military;
- Child support,
- Reverse mortgages; and
- Payments for care of Foster Children.

• **Describe what household eligibility basis will be used in the Program**

Determining Eligibility Levels

INCORPORATION BY REFERENCE:

Determining Eligibility Levels incorporates WPN 25-3 by reference and includes any subsequent amendments or editions. All subsequent amendments or editions shall become effective immediately upon publication on the DOE's "Weatherization Program Notices and Memorandums" website:

<https://www.energy.gov/scep/wap/weatherization-program-notices-and-memorandums>

[1]<https://data.census.gov/table/ACSST5Y2022.S1702?q=S1702:%20POVERTY%20STATUS%20IN%20THE%20PAST%2012%20MONTHS%20OF%20FAMILIES&t=Income%20and%20Poverty&g=040XX00US37&y=2023>

[2]<https://data.census.gov/table/ACSST5Y2023.S1701?q=S1701:%20POVERTY%20STATUS%20IN%20THE%20PAST%2012%20MONTHS&t=Income%20and%20Poverty&g=040XX00US37&y=2023>

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Describe what household eligibility basis will be used in the Program

DETERMINING ELIGIBILITY LEVELS:

As defined in [10 CFR 440.3](#), low-income means that income in relation to family size which:

- a. Is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget (OMB), except that the Secretary may establish a higher level if the Secretary, after consulting with the Secretary of the United States Department of Agriculture (USDA) and the Secretary of Health and Human Services, determines that a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the Weatherization Program under Section 222((12) of the Economic Opportunity Act of 1964;
- b. Is the basis on which cash assistance payments have been paid during the preceding twelve-month period under Titles IV and XVI of the Social Security Act or applicable State or local law; or
- c. If a Grantee elects, is the basis for eligibility for assistance under the Low-Income Home Energy Assistance Act of 1981, provided that such basis is at least 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

Describe the process for ensuring qualified aliens are eligible for weatherization benefits

- Grantees are directed to review guidance provided by HHS under Low-Income Home Energy Assistance Program (LIHEAP). This Guidance can be found at: <http://aspe.hhs.gov/hsp/immigration/restrictions-sum.shtml>.

NC WAP does not require Subgrantees to verify citizenship or legal status. This is in accordance with the United States Department of Justice's Interim Guidance on Verification of Citizenship, Qualified Alien Status and Eligibility under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as applied to nonprofit agencies. Assumptions on citizenship or legal status based solely on race, creed, color, ancestry, or national origin are strictly prohibited.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

- Subgrantees must establish that dwellings are occupied by clients that are eligible to receive services and that proper authorization has been given to conduct work on the dwelling.
- Ownership of dwellings must be established by Subgrantees through the review and retention of real estate property tax records (*in the case of site-built dwellings*) or personal property tax records or title (*in the case of manufactured homes*).
- No client-occupied dwelling shall be weatherized if it is being offered for sale.
- No renter occupied dwelling shall be weatherized if it is being offered for sale unless it can be demonstrated that the residence will continue to be occupied by eligible tenants.
- No dwelling shall be weatherized if it is currently in foreclosure or if it is included in the bankruptcy of a client (*bankruptcy does not always include loss of the dwelling*).
- Subgrantees may also weatherize shelters. For the purpose of determining how many dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter will be counted as one unit. Prior to weatherizing a shelter, the Subgrantee is required to submit information to NCWAP for review and written approval by the Program Manager.
- Multifamily units do not comprise 20% or more of the total units reported annually under the annual "Program Year" funds. With the annual "Program Year" funds, any multifamily projects will be submitted to USDOE for approval.

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- Weatherization of non-stationary campers and trailers that do not have a mailing address associated with the eligible applicants shall not be allowed. The use of a post office box for non-stationary campers or trailers does not meet this requirement.

Describe Reweatherization compliance

- NCWAP client database determines if home has been previously weatherized within 15 years and the date. Subgrantees check the database to see if client address has been previously weatherized within 15 years. The database gives the address and the date.
- In accordance with 42 U.S. Code §6865(c)(2), housing units that were weatherized using USDOE or other federal funds may not be “re-weatherized” until the date that is 15 years after the completion date of the previous weatherization. Sub-grantees shall add a question to their weatherization applications asking if the home has been weatherized in the last 15 years. Other federal funds include sources such as LIHEAP, HUD, or USDA weatherization activities. Subgrantee must examine all submitted paperwork by the clients to determine if they have received weatherization services in the past and they must cross check the NCWAP client database. If so, the Subgrantee can determine if the work falls under the definition of weatherization. If the client did receive Federally funded weatherization services during that time frame, they shall be denied weatherization utilizing US DOE during the 15-year period.

Upon written approval by the Program Manager, it is acceptable for subgrantees to reopen closed client jobs to perform warranty repairs and/or services.

Describe what structures are eligible for weatherization

- Owner occupied and/or rental residential dwellings including single family homes, manufactured homes, multifamily homes and shelters are eligible to receive services.

Describe how Rental Units/Multifamily Buildings will be addressed

Multi-Family

Multifamily buildings are those containing five dwelling units or more. For multifamily buildings containing less than 25 units with units that are individually heated or cooled, NCWAP plans to apply to use the Multifamily Priority List and/or the USDOE approved energy audit such as Weatherization Assistant web-based (WAwab), TREAT, or REM to determine the proper work scope.

In order to weatherize an apartment, all units in the affected building must be weatherized. Standalone small multifamily housing (*duplexes, triplexes, and quadplexes*) does not require prior approval from NCWAP.

Groupings of four or more buildings on a single site that are owned by a single owner shall require prior approval from NCWAP.

Small multifamily units are eligible for weatherization, provided that they meet the eligible client occupation minimum:

- a. 50% of a duplex,
- b. 66% of a triplex, or
- c. 50% of a quadplex.

Additionally, Subgrantees may only count vacant units towards the 50% or 66% threshold when the building has been assisted by a state or federal program that restricts occupancy to households with incomes that qualify for the Program and where there is a reasonable expectation that the unit will be occupied by such a household within 180 days following completion of the project.

Costs on these properties are limited by the percentage of eligible clients multiplied by the maximum cost-per-unit average. Unlike single family homes, the maximum cost-per-unit is a hard limit. The cost limitation excludes health and safety expenditures.

The Grantee will follow the following procedures for multifamily:

- a. If reported multi-family dwellings containing five or more units make up **less than** 20% of the Grantee’s weatherized units, then the projects must be

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submitted for review and approval by USDOE prior to commencing work on the units; or

- b. If reported multi-family dwellings containing five or more units make up **more than 20%** of the Grantee's weatherized units, then the projects must be evaluated by a USDOE-approved energy audit tool (*i.e., WAwab, TREAT, REM, etc...*) prior to commencing work on the units. NCWAP will be requesting approval of alternative, USDOE approved computer modeling software for use by Subgrantees.

Renters are eligible for the weatherization program. Benefits of weatherization shall accrue primarily to the tenant. No rental dwelling unit shall be weatherized without first obtaining the written permission of the owner. Once the Subgrantee has entered into a Landlord Agreement with the owner, with the tenant as the third-party beneficiary, the Subgrantee may perform weatherization services on the unit.

The agreement must contain certain restrictions for the owner, such as a negotiable period of not less than two years for raising tenants rent due to weatherization, and not evicting the tenant if they comply with all ongoing obligations to the owner.

Lease-to-Own properties shall be treated as rental units until the ownership has been transferred.

Vacant units may be counted as eligible units if the owner agrees, in writing, to rent those units to eligible households upon completion of work, or within 180 days, whichever is sooner.

For a one-year period after the weatherization work on the unit is completed, rent cannot be increased, unless the increase is not related to weatherization services performed, as noted in 10CFR440.22(b)(3)(ii).

The NC WAP Program Manager must provide prior written approval for weatherization services on any property within the subgrantee weatherization network which is owned or rented by a subgrantee board member, staff member, or family member thereof.

Multi-Family Eligibility

Income eligibility has been expanded to categorically include HUD means-tested programs at or below 80% of Area Median Income (AMI) to better facilitate referral services for low-income households, reducing the burden on both the intake agencies and households trying to obtain services. (*Examples of HUD program but not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH), Section 8, etc.*).

The effort explored the overlap in incomes of the different households served through the various programs. The overlap is sufficient to consider "categorical income eligibility", defined across programs as automatically granting program eligibility to applicants who have already met the eligibility requirements of another agency's identified program.

Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file.

- a. Privately owned buildings receiving tenant-based assistance. Subgrantee must verify residents that hold Section 8 Housing Choice Vouchers through the property owners or residents themselves. Percentage of eligibility is determined by the ratio of these vouchers to total units.
- b. Public Housing Authority (PHA) operated buildings are 100% income eligible. [WPN 22-5](#) procedures must be followed to certify buildings.
- c. Privately owned buildings receiving project-based assistance in North Carolina. [WPN 22-5](#) procedures must be followed to certify buildings.
- d. Tenant by tenant income verification by obtaining necessary documents from each individual tenant.

Describe the deferral Process

Certain conditions may exist which make weatherization of certain dwellings unfeasible. In such cases, work for eligible households shall be deferred until the conditions can be adequately mitigated or corrected entirely. Prior to deferral, agencies shall evaluate utility, state, federal, or other programs for possible means which could help prevent the property from being deferred. When deferral conditions exist and cannot be mitigated, subgrantees shall notify the clients and attempt to pursue reasonable alternatives on behalf of the client, including making referrals. Deferrals and deferral reasons are tracked in NCWAP's client database.

Conditions requiring that a dwelling be placed on deferral status shall include but shall not be limited to:

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- a. The dwelling has been condemned or major dwelling mechanical systems have been "red tagged" by local or state code enforcement officials or utility providers.
- b. The dwelling 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.
- c. The primary heating system at the dwelling is non-functioning or is functioning improperly and is deemed unsafe and must be replaced, or major repairs are needed and there are insufficient resources available.
- d. Dangerous conditions exist due to high CO levels in combustion appliances which cannot be resolved within weatherization program guidelines.
- e. Moisture problems are so severe they cannot be resolved within program guidelines.
- f. Unsanitary conditions are present in the dwelling that may endanger the health and safety of dwelling occupants or weatherization personnel should weatherization work be performed.
- g. Household members report documented health conditions that prohibit the installation of insulation and other weatherization materials.
- h. Household members, guests, or pets maintained at the dwelling are uncooperative, abusive, or threatening to weatherization staff or contractors. This also includes denial of access.
- i. The extent and condition of lead-based paint or similar hazards in the dwelling may potentially create health and safety risks if weatherization work is performed.
- j. Illegal activities are being conducted in the dwelling unit.
- k. De-cluttering is limited to the attic and crawl spaces only. Any de-cluttering that would take more than 12 person hours is an automatic deferral.

Once a dwelling is placed on the deferred list, the subgrantee must have a policy in place that informs the applicant of the deferral appeal process.

V.1.3 Definition of Children

Definition of children (below age): 6

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.

V.1.4 Approach to Tribal Organizations

Assistance is made available to all low income residents of the State without regard to tribal organization status, to the extent that funding is available.

NC tribal organizations are treated as local applicants. Tribal Organizations Assistance is made available to all low income residents of the State without regard to tribal organization status, to the extent that funding is available.

V.2 Selection of Areas to Be Served

North Carolina's low-income weatherization network is made up of subgrantees, each with their own service area. In selecting subgrantees, NCSEO implemented a competitive application process to ensure low-income residents:

1. Have access to subgrantees that consistently meet program objectives, deliver high-quality work products, and exhibit excellent customer service.
2. Benefit from competition among potential subgrantees, ensuring the most effective entities are awarded to serve local communities.

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3. Are served by subgrantees that value programmatic accountability, integrity, and stewardship of federal funds.
4. Receive services that will include single-family and multi-family dwellings.

All applications were reviewed by an Evaluation Committee who assessed each application on its demonstrated strengths and weaknesses. Based on [federal regulations](#), applicants who possess a successful track record in administering a weatherization program received preference based on historical data, excluding the COVID FY20-21 and FY24-25 years.

V.3 Priorities

V.3. Priorities PY 25

Categorical Eligibility

The effort explored the overlap in incomes of the different households served through the various programs. The overlap is sufficient to consider “*categorical income eligibility*”, defined across programs as automatically granting program eligibility to applicants who have already met the eligibility requirements of another agency’s identified program.

Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file.

DOE Funds as Leverage

Subgrantees are encouraged to use all available funding to perform energy audits, client home upgrades, HVAC repairs/replacements, and related activities on homes that will be weatherized. For instance, utility weatherization programs that provide client information based on lists provided by the North Carolina Department of Health and Human Services or other HUD-means tested programs are categorically eligible (*see Section 2.01.2*). Weatherization projects involving utility funds with income eligible clients are considered complementary to NCWAP since they maximize programmatic impacts. Leveraging activities do not adversely affect funding subgrantee funding allocations from NCWAP or the overall ACPU.

Priorities and Wait List

In accordance with 10 CFR 440.16, subgrantees are required to give priority for weatherization services for persons meeting certain criteria. Priority is given to weatherizing dwelling units that contain a family unit which includes one or more of the following:

- a. elderly persons (*age 60 or more*),
- b. persons with disabilities,
- c. a child (*under the age of 6 or expectant mothers*),
- d. households that have a high energy burden (*over 15% of annual income expended on energy costs*), energy intensity (*energy usage per square foot*), and,
- e. households that are high residential energy users (*use electric strip heat as the primary heat source*).

A priority waiting list of households to be served is required to be maintained by each subgrantee using an automated statewide priority rating tool that assigns a greater number of points to households containing priority populations. This system assigns points to eligible clients based on criteria outlined in 10 CFR 440.16, in addition to other site-specific energy-related factors and the client's duration on the waitlist. Each subgrantee is required to report priority considerations through the client database, which provides the Grantee with information necessary to complete DOE’s quarterly reporting.

V.4 Climatic Conditions

Grantee uses heating degree day info and references:

<https://www.eia.gov/energyexplained/units-and-calculators/degree-days.php> EIA Degree Days Calculations document attached to SF424 in PAGE. Once approved by DOE, NCWAP will transition to the Weatherization Assistant web-based software that has assumptions that splits NC into climactic regions that

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determine the impacts to eligible weatherization units.

Most of North Carolina has a humid subtropical climate. The climate in the higher elevations of the Appalachian Mountains is subtropical highland. Climate varies with altitude, so the State's coastline is naturally warmer than the mountains in the west. During July, most of the state has an average daytime temperature of 90°F. During January, the daytime average temperature is near 50°F. When conducting a computerized audit, Subgrantees select the weather station closest to client's dwelling to ensure that climatic variations are considered with determining what is cost effective.

Maps of North Carolina's climate may be found at the following link:

<https://products.climate.ncsu.edu/climate/>

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

V.5.1 Technical Guides and Materials

All Subgrantee agreements and vendor contracts, will contain language which clearly documents the SWS for work quality outlined in WPN 22-4. All work is being performed in accordance to the DOE-approved energy audit procedures and 10 CFR 440 Appendix A.

NCWAP staff will provide via ShareFile technical guides and Materials for subrecipient use. Additionally, the subrecipients receive the guides and materials via DocuSign and are required to acknowledge receipt with strong encouragement to review the documents before the contracts are signed.

NCWAP staff will provide technical assistance on USDOE related matters to all weatherization programs. Technical assistance shall include but not be limited to the following:

- a. Provide guidance in use of regulations.
- b. Advise and assist in use of a computerized audit tool and/or USDOE-approved priority list for determining the cost effectiveness of weatherization measures.
- c. Provide information obtained from local programs on innovative and successful program methods that are readily adaptable to other projects.
- d. Provide monitoring of local projects to assure improvement in quality and services.
- e. Identify specific problem-solving techniques in areas of labor, transportation, administration, management, and financial control.
- f. Provide information on new materials, procedures, and processes for weatherization work.
- g. Coordinate efforts among federal, state, local and private entities to assure continued improvements in the effectiveness of weatherization projects.
- h. NCWAP shall address deficiencies that are identified by program review, audit, reports, regional or national reviewer or other sources.

Field guide types approval dates

Single-Family: 7/11/2022
Manufactured Housing: 7/11/2022
Multi-Family:

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: NEAT

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Approval Date:

Audit Procedure: Manufactured Housing
Audit Name: MHEA
Approval Date:

Audit Procedure: Multi-Family
Audit Name:
Approval Date:

Comments

- Comments: NC WAP plans to adopt the USDOE Region 2 priority list in a separate action for single family, manufactured, and multifamily dwellings to be used as an option.

V.5.3 Final Inspection

By signing the NCWAP Contract, the Subgrantee agrees that all NCWAP work including audits/testing, installation of energy conservation measures, health and safety measures, incidental repair measures, and final inspections must be performed in compliance with the NCWAP standards.

NCWAP shall require that certified QCI's be identified by the Subgrantee at the start of the grant period before work is performed. This certification shall be verified on the Building Performance Institute [Website](#).

Grantee monitoring shall confirm that only certified QCI's are performing final inspections prior to all DOE and LIHEAP closures. If monitoring reveals that the QCI is not adhering to the alignment with the Standard Work Specification (*SW/S*) or maintaining updated required certifications, a technical finding shall be issued to the Subgrantee which will require a Corrective Action Workplan. Additionally, training will be identified to remedy the deficiency with the QCI in question and additional Grantee monitoring will be required to a rate of 10% in subsequent fiscal years. (*See Quality Assurance Plan below*).

Prior to closure of DOE or LIHEAP jobs, a final inspection of the installed measures must be conducted by a Quality Control Inspector. Subgrantees may use an external third-party QCI if one of the following criteria are met:

- a. a certified QCI is not on staff;
- b. a certified QCI is on staff but is on extended leave for a period of four or more consecutive weeks; or
- c. all field staff have expired QCI licenses and provide NCWAP documentation that they are actively working to renew the licenses.

A Subgrantee may not contract their own QCIs to other subgrantees unless **each** of the following criteria are met:

- i. The subgrantee provides a written justification to the NCWAP Program Manager containing the proposed business need, scope of work, timeframe, and the total compensation.
- ii. The subgrantee meets or exceeding quarterly expectations for program expenditures and completed units.
- iii. The NCWAP Program Manager provides written approval of the request.

If a subgrantee is not adhering to this requirement, the NCWAP shall issue disciplinary action(s) as outlines in *NC WAP Standard Operating Procedures Manual*.

Each QCI is required to have an Energy Auditor Certification. North Carolina's subgrantees typically have QCI final inspectors on staff that are different from the initial auditor.

- a. QCI's shall possess the knowledge, skills and abilities in the National Renewable Energy Laboratory (*NREL*) Job Task Analysis for Quality Control Inspectors. All QCI's must be certified as a Home Energy Professional Quality Control Inspector.
- b. Subgrantees shall require new final inspectors to have QCI certification within one year of hire.
- c. Prior to "close out" of weatherization activities for a completed unit (i.e. DOE and/or LIHEAP), [WPN 22-4 \(Section 2\)](#) requires the following to be

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transcribed on the final inspection form for the QCI:

- o Printed Name
- o Signature
- o Certification Number
- o Certification Date

When a dwelling unit has undergone both a final subgrantee inspection and Grantee monitoring, the client file must contain two certified QCI inspection reports. Each report, one for the subgrantee's inspection and one for the grantee's inspection, must include the QCI's printed name, signature, certification number, and certification date.

In addition, all activities associated with “close out” are required to be reported in the NCWAP’s client database within the timeframes specified in other sections of this plan.

Dwelling Units Final inspections:

- a. All DOE and LIHEAP units require post installation inspection completed by a certified Quality Control Inspector. This must be performed by someone other than the person who installed the primary weatherization measures. The final Quality Control Inspector is encouraged not to also serve as the initial Energy Auditor for the same dwelling. If this is not possible, the Subgrantee shall be subjected to additional monitoring by the Grantee at a rate of 10% of completed units.
- b. Shall be aligned with the Standard Work Specifications (*SWS*) and the Subgrantee contracts and contractor agreements cite that work must align with the SWS.
- c. Must include the certification that any mechanical work performed, and that installed weatherization work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required by 10 CFR 440.21.
- d. To ensure all planned measures were performed and completed, the original energy audit, work order (*and subsequent change orders*), and all source documentation from the point of sale (i.e., invoices/receipts) previously submitted to the Subgrantee must be available during the final inspection.
- e. All source documents from the point of sale (*i.e., invoices/receipts*) must be reconciled with the work orders and must be paid by the Subgrantee before the job can be submitted for reimbursement to NCWAP.
- f. The Grantee reserves the right to require a subgrantee to produce all source documents from the point of sale (i.e., invoices/receipts) at final inspection if providing these documents has been problematic for that Subgrantee.

NCWAP has implemented a Quality Assurance Plan, a 3-Strike Removal Rule for QCI's that have repeat findings.

For Closed Jobs at Monitoring: If there are repeat findings from a QCI, additional training will be required. If after successfully passing additional training, the QCI continues to have repeat findings, NCWAP will not accept any final inspections signed by that QCI and the QCI will be required to complete the following steps:

Step 1: Counseling: NCWAP will schedule a counseling session with the QCI.

Step 2: Additional Training: As a result of counseling, the QCI must attend and pass mandatory additional training.

Step 3: Removal from QCI Final Inspections: If the QCI is unable or unwilling to perform to the standards set by NCWAP, they will no longer be allowed to conduct QCI Final Inspections for NCWAP for a minimum of two program years. After the completion of the two-year period, the employee may request to be reinstated into the role of QCI. The request to be reinstated must include the corrective action steps that were taken and justification. The request will be approved or denied by the NCWAP Program Manager.

NCWAP also reserves the right to reject work products from Energy Auditors, Quality Control Inspectors or contractors that have repeat findings.

Project Expense Summary Report

All weatherization projects are required to include a funding summary report in the client file. The funding summary report **must**, at minimum, include:

- a. Actual costs of each measure completed by program and contractual line item (*i.e., DOE; Program Operations; \$50.34*).
- b. Alternative funding source(s) utilized for each measure along with associated totals.

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- c. If a non-cost-effective measure is “bought down” using appropriate funding, the amount of the “buy down” must be indicated, funding source identified and explained on the funding summary report.
- d. If a non-cost-effective measure is completed and paid for completely using appropriate funding, the funding must be identified and explained on the funding summary report.

V.6 Weatherization Analysis of Effectiveness

Analysis of Effectiveness

Annually, it is required that Subgrantees are individually assessed for risk before weatherization contracts are awarded. The risk assessments are based on the previous year’s production and are performed to gauge each Subgrantee’s effectiveness in the areas including but not limited to:

- a. the extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion (i.e., spending, completed units, ACPU, etc.);
- b. the quality of work performed by the subgrantee (i.e., *field and desktop monitoring results*);
- c. the number, qualifications, and experience of the staff members of the subgrantee.
- d. turnover rates for key executive staff;
- e. the ability of the subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs;
- f. compliance with monthly financial reporting
- g. professional conduct towards external stakeholders (i.e., *NCWAP, clients, contractors, etc.*);

Any Subgrantee deemed to be medium or high risk based on the NCWAP’s assessment template must be evaluated for whether NCWAP should proceed with contracting activities or if another provider should be selected in their place.

Any Subgrantee deemed to be medium or high risk must complete a Corrective Action Plan (CAP) within 30-calendar days of receipt of Risk Assessment Notification Letter. At a minimum, the CAP must address: the root cause of the deficiencies; the organization sponsor; key supporting organizations (*if applicable*); descriptions of core components of each corrective measure; impediments/challenges to success; accomplishments to date; remaining near term actions; and specific, measurable, achievable, realistic, and timebound goals that will be taken to ensure improvement.

Once the NCWAP Program Manager reviews the CAP submittal, if further clarification is needed a follow-up letter will be sent via email to provide the subgrantee with additional feedback. However, if the NCWAP Program Manager reviews and approves the submittal, a written approval will be provided by NCWAP. Subgrantee effectiveness is evaluated through regular monitoring activities of the client database and financial reports containing progress towards project objectives. As noted above, any noted deficiencies are addressed with findings and corrective actions.

V.7 Health and Safety

Background

A major goal in weatherization efforts is to promote and establish a safe and healthy living environment for the clients. A portion of the Weatherization funds allocated to Subgrantees is targeted toward energy-related health and safety (*H&S*) measures. Each subgrantee is provided with a separate budget category for H&S expenses that is not included in the Average Cost Per Unit (ACPU) calculations nor the Savings to Investment Ratio (SIR) calculations for each project. North Carolina historically allocates up to 25% of its program operations budget to H&S measures, exceeding the USDOE’s 15% goal, to address the state’s historically higher-than-average H&S expenses. This increased allocation ensures sufficient funding to mitigate prevalent health and safety hazards in North Carolina’s housing stock, protecting low-income residents and maximizing the long-term impact of weatherization investments. North Carolina’s increased H&S budget allocation reflects the state’s significant need to address prevalent and often costly hazards in homes.

Common issues like improper appliance venting, limited disposal of hazardous materials, and minor mold/moisture repairs, equipment for worker protection (while on site at a client’s home), along with the expense of heating system repairs/replacements, drive substantial H&S costs. This higher funding level is essential to ensure that weatherization efforts achieve their intended goals.

Prioritizing these essential H&S measures allows for a holistic approach to weatherization, creating healthier and safer homes and workers while simultaneously

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improving energy efficiency. Per DOE guidance, NCWAP has developed a Health & Safety Plan (H&SP) and Standard Work Specifications (SWS) guidance tool for subgrantees, contractors, and weatherization crew members. These documents should be utilized for compliance purposes.

Based on 10 CFR 440.18, the purpose of H&S funds are to maintain the physical well-being of both the occupants and weatherization workers where:

- Costs are reasonable and align with the North Carolina Health & Safety Plan (H&SP) and Standard Work Specifications (SWS); or
- The actions must be taken to effectively and safely complete weatherization work or the actions are necessary as a result of weatherization work.

Management and Oversight

Management of these H&S funds are evaluated and tracked monthly via the financial reporting requirements. Often, subgrantee utilization of these funds are in conjunction with leveraged funds from other organizations.

NCWAP requires subgrantees to collect health information from clients to identify high-risk clients or H&S concerns. NCWAP deems clients as “*at-risk*” if they are: (1) over 65 years of age; (2) have disabilities; or (3) have pre-existing health conditions.

The WAP prioritizes client education across all aspects of home improvement, ensuring residents are equipped to maintain a safe and healthy environment. Upon assessment and during work completion, clients will receive training and materials tailored to their specific site. This includes guidance on the safe operation and maintenance of air conditioning and heating systems, including combustion safety, carbon monoxide awareness, and proper ventilation. Where relevant, clients will be informed about potential hazards such as asbestos, lead-based paint, and mold, with clear instructions on mitigation and safe handling, including relevant Environmental Protection Agency resources. Where applicable, educational materials will also cover safe disposal of hazardous materials, electrical safety, indoor air quality, proper use of gas appliances, pest control, radon awareness, and the importance of safety devices like smoke and carbon monoxide detectors. All client education efforts, including the provision of written guidance materials and any signed consent forms, ensuring that clients understand the potential hazards and necessary precautions for a safe and efficient home are located in the client file.

Subgrantee weatherization staff and auditors are trained specifically on the H&S guidelines that are located in the SWS and could be provided within various weatherization trainings by qualified providers outlined in the “*Training and Technical Assistance Plan*”. These training providers are local, state, regional, network-based, and/or web-based.

In the event that a home falls outside typical H&S measures listed above or in the H&SP, the subgrantee must submit a written request and receive written approval by NCWAP in order to properly evaluate and make determinations on a case-by-case basis. NCWAP will use staff expertise in areas such as building science and engineering judgement to make these written determinations based on USDOE regulations and guidance.

Incidental Repairs for Health and Safety

NCWAP allows subgrantees to spend funds to perform incidental repair measures (IRMs). These IRMs are considered minor repairs that are limited to weatherization and HARRP-based measures necessary for the effective performance or preservation of weatherization and heating materials, but not part of a standard installation. These measures must also be associated with a specific energy conservation measure (ECM) or group of ECMs. Weatherization funds shall not be used to install IRMs solely to protect existing materials in the dwelling.

Proper utilization of materials, methods, and payments associated with IRMs are evaluated during monthly financial reporting. IRMs must also be justified by written and photo documentation in the client file, which would be evaluated during the programmatic monitoring. Any noted deficiencies with IRM utilization are addressed with additional training and findings/corrective actions.

Dwellings that require IRMs must have a site-specific computerized audit in which the cost of the IRMs are added. This is to ensure that the **package of measures** do not reduce the **overall SIR** to less than 1.0. If the projected IRMs drop the total SIR below 1.0 with no other leverageable funds, the dwelling must be deferred, or the measure and incidental repair removed. If the measure and incidental repair is removed, it must be determined if weatherization services can be performed. The following defines minor, limited, and major repairs:

- a. Minor Repair – Less than \$200
- b. Limited Repair – Greater than \$200 but less than \$1,500
- c. Major Repair – Greater than \$1,500

Please note that IRM cost for any measures that do not meet the definition set forth in WPN 19-5 are subject to being questioned and potentially disallowed during the billing review process by NCWAP.

Incidental repair costs must be included in the job cost and SIR calculations.

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V.8 Program Management

V.8.1 Overview and Organization

NOTE: The system would not all the ability to insert Organizational Chart into this narrative. The organizational chart can be found in the uploaded application document.

The NCWAP is administered by the North Carolina Department of Environmental Quality (*NCDEQ*) Energy Office. The Weatherization Program Manager oversees the work of the NCWAP.

Low-income North Carolinians are faced with many multifaceted challenges including inflation, high energy and housing costs, and continued market impacts from the COVID-19 pandemic. The North Carolina Weatherization Assistance Program (*NCWAP*) aims to reduce these stressors by improving home energy efficiency, thereby fostering a healthier and more affordable life for North Carolina residents.

On April 10, 2024, The United States Department of Energy (*USDOE*) released its funding allocations for FY26 via WPN 25-2. As such, the NCWAP will receive \$6,699,655 of US Department of Energy funds for the purpose of enhancing energy efficiency in the homes of low-income families in all 100 counties of North Carolina. The NCWAP energy upgrades provide homeowners relief through energy savings and home improvements that support health and safety for North Carolinians.

The purpose of NCWAP is to install energy conservation measures in the homes of income-eligible persons, especially homes occupied by the elderly, persons with disabilities, and children. Funds are applied to the most cost-effective conservation measures, which are determined by conducting an on-site energy audit of the dwelling. Energy conservation measures funded through the program may range from air sealing and insulating single-family homes to replacing heating systems, windows, and doors. NCWAP assistance is eligible in many types of housing units, including single and multi-family housing, manufactured housing, and group homes. The program assists both property owners and renters and provides services in each of the state's 100 counties.

The North Carolina State Energy Office (*NCSEO*) implements NCWAP through subgrantees with expertise in energy conservation. These subgrantees provide energy conservation services using their own trained crews or by contracting work to qualified contractors. To achieve a successful NCWAP, NCSEO plans to build a more sustainable NCWAP workforce, improve and innovate the existing NCWAP, and surge the number of weatherized homes by a competitive application process.

The North Carolina Weatherization Assistance Program State Plan for USDOE is based on the rules contained within 10 CFR Part 440; 2 CFR Part 200; and all subsequent guidance contained in the USDOE Weatherization Program Notices (WPNs). It is the responsibility of the Subgrantee to know and be familiar with these rules and guidance. All [NCWAP](#) and [USDOE](#) rules and guidance may be found on their respective websites. At the beginning of the fiscal year, NCWAP's guidance documents will be sent to Subgrantees for signature acknowledgement that they have been reviewed by appropriate parties and understand where they may be located. In addition, NCWAP's financial assistance agreements incorporate the State Plan by reference to include all its requirements.

V.8.2 Administrative Expenditure Limits

Sec. 1011(g) of the Energy Act of 2020 (*Division Z of P.L. 116-260*) includes language that will amend 42 U.S. Code § 6865(a)(1) language on administrative funds. The USDOE administrative cost category is now at 15%.

USDOE will allocate the 15%, with a direct split between the Grantee and its Subgrantees. Not more than 7.5% may be used by the Grantee for such purposes, and not less than 7.5 % must be made available to Subgrantees.

The LIHEAP administrative cost category is 10% (*5% for the Grantee; and 5% for the Subgrantee*).

Consistent with past practices, USDOE includes the provision where a Grantee may provide in its annual plan an additional 5% for administration for recipients of grants of less than \$350,000. The Grantee must determine that such recipient requires the additional amount to effectively implement USDOE's administrative requirements.

USDOE 2025-2026 Allocations

Annual Formula Funds

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Annual formula funds can be used and should be used, in conjunction with other funding sources including private funds as necessary to complete projects. Subgrantees are reminded that the NCWAP is not a rehabilitation or general repairs program. Notwithstanding USDOE readiness funds, program policies strictly prohibit roof replacements, structural repairs, or other non-energy related rehabilitation work. Units requiring this type of repair should be referred to a rehabilitation program or the Subgrantee must use other sources of funds to cover these costs.^[1] Please note that the NCWAP's core purpose is to serve the low-income community. Therefore, the vast majority of grant funds must be used for direct services and activities that benefit our clients. While reasonable operating costs are permitted, expenses that disproportionately benefit the subgrantee organization rather than the individuals we serve are not allowable.

In accordance with 10 CFR 440.18, the average cost per unit (ACPU) must be maintained. The ACPU calculation is USDOE Program funds minus USDOE H&S expenditures divided by USDOE completions. The use of supplemental funding sources, readiness funds, or private funds is not taken into consideration when calculating the average cost per unit.

Note: The Weatherization Program Notices (WPNs) and federal regulations incorporated in this State Plan are incorporated by reference and include any subsequent amendments or editions.

Weatherization Readiness Funds

The use of Weatherization Readiness Funds (WRF) must result in a USDOE-funded completion within the subgrantee's contract term. Subgrantees must only use WRF on necessary repairs, cleanup, and remediation needs of the physical dwelling itself that, if left uncorrected, has led, or would lead to a deferral; and if corrected, will lead to a DOE completion.

Subgrantees often complete WRF repairs prior to retrofit work but it is acceptable for subgrantees to complete WRF repairs concurrently with retrofit work. Please see "*Supplement 2 – Readiness Plan*" for more information about allowable costs and required reporting.

Program Budget

BUDGET AND PRODUCTION PLANNING

Grantee Administration	\$569,910
Grantee Training and Tech. Assist.	\$679,718
Subgrantee Administration	\$569,910
Subgrantee Training and Tech. Assist.	\$534,064
Subgrantee Program Operations	\$3,765,088
Subgrantee Health and Safety	\$865,572
Subgrantee Readiness	\$614,541
Total:	\$7,598,803

Funding for the Program Year 2025 (PY25)

NCSEO (*i.e.*, Grantee) expects to receive approximately \$7.5million dollars for fiscal year (FY) 26 as awarded by the USDOE. NCSEO will allocate the funds to Subgrantee program operations, health and safety, training and technical assistance, and administration costs defined in detail below.

No more than Fifteen percent (15%) of the total PY25 contract will be reserved for administration by both the Subgrantee and Grantees, with up to 7.5% of that to be reserved for the Grantee to support the program buildout, implementation, monitoring, and evaluation over the contract period. In addition, NCWAP's health and safety allocation was derived from historical business needs and spending habits that are approximately at 25% of the program operations allocation.

Please note, the Grantee will manage Federal Funds in a prudent, effective, and efficient manner to accomplish program objectives and shall take the necessary steps to ensure that funds are expended within the grant project period.

Program funding is allocated by a formula which factors in the share of low-income households in each region based on the most recent Census data. In FY26,

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NCWAP will allocate funds based on the method used by USDOE to allocate Program funding to the States which includes the most recent census data, equity factors, **and** climate (*heating and cooling degree days*)[2]. The Program Manager will ensure that all counties receive an equitable distribution of funding.

[1] [WPN 19-5, "WAP Incidental Repair Measure Guidance, Including: Windows, Doors & Roofs"](#)

[2] [10 CFR 440.10 Allocation of Funds](#)

V.8.3 Monitoring Activities

Monitoring is the principal method by which NCWAP can identify areas within the Subgrantee's program operation and administration where assistance may be required. Up to 25% of administrative funds may be utilized by NCWAP for monitoring activities. NCWAP ensures that each Subgrantee is monitored during the current grant year. The results of these reviews and individual Subgrantee requirements will determine the need for Training and Technical Assistance (T&TA), additional monitoring, or future participation in the program.

A detailed monitoring plan is located in the PAGE Document Library entitled *WAP Monitoring Plan*.

"Grantee and Subgrantee will adhere to all DOE released monitoring guidance and WPN 24-4".

Below are the key improvements due to increased monitoring:

1. Client files have become more complete, and the forms contained within such files are more consistent statewide.
2. Work quality and accuracy is continuing to improve.
3. Financial transactions are more accurate, transparent, and maximize programmatic accountability.
4. Communication channels have increased to ensure programmatic requirements are known by subrecipients (*i.e., holding 1-on-1 training sessions, conducting statewide meetings, and providing technical assistance upon request*).

Monitoring – Quality Assurance

The NCWAP is dedicated to maintaining the highest standards of quality and compliance among its subgrantees. To this end, NCWAP employs a robust monitoring program, designed to evaluate both the fiscal and technical performance of each subgrantee. This comprehensive program ensures thorough evaluation of all program aspects at the subgrantee level, enabling NCWAP to accurately track performance throughout the contract period and tailor monitoring activities to provide appropriate training and technical assistance.

After completing the risk assessment and having a fully executed project contract, the subgrantee organization will begin work on their awarded project. Monitoring activities will be performed by DEQ to mitigate the risks associated with the grant. Subrecipients requiring follow-up activities and/or corrective actions will take precedence over those not requiring such actions. At least one monitoring phone call or desk audit will be conducted for subrecipients annually depending on risk level. DEQ considers this the standard and should time and resource capacity allow, additional monitoring reviews will be conducted.

Fiscal Monitoring:

In the realm of fiscal oversight, NCWAP diligently monitors subgrantee financial and administrative compliance. Monthly, NCWAP conducts desktop reviews of subgrantee billing and reimbursement requests outlined in the *NC WAP Standard Operating Administrative Procedures Manual*. Subgrantees are required to submit complete and accurate documentation for all weatherization expenses that is reviewed in full by NCWAP and approved by NCWAP prior to receiving reimbursement, ensuring transparent and accountable financial practices. Annually, Fiscal Analysts review subgrantee financial audits, issuing "Auditing Financial Findings" letters when necessary to address any relevant findings. Additionally, NCWAP's Fiscal Monitor schedules annual compliance reviews, conducting in-depth examinations of ledgers, budgets, accounting systems, and inventory lists related to the weatherization program. These fiscal monitoring efforts focus on ensuring that all expenditures are allowable and allocable, adhering to stringent financial regulations.

Technical Monitoring:

Complementing fiscal oversight, NCWAP's technical monitoring ensures the delivery of high-quality weatherization services based on the state plan, H&SP,

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T&TA plan, and SWS. Quality Control Inspectors (QCIs) conduct both desktop and onsite monitoring of completed dwelling units throughout the fiscal year, with the monitoring method approved by the Program Manager.

When problems or weaknesses are discovered as a result of a fiscal or technical monitoring visit, they shall be outlined in a monitoring letter to the Subgrantee with a list of findings, recommendations for resolving the problem, and an appropriate timetable for taking corrective action. This letter shall be issued within 30 days after the monitoring visit. The Subgrantee is required to respond to the findings letter with written corrective action plans to resolve the noted findings.

V.8.4 Training and Technical Assistance Approach and Activities

The purpose of T&TA funding within the NCWAP is to drive continuous improvement in efficiency, quality, and effectiveness by supporting activities that yield measurable results. Subgrantees are expected to prioritize T&TA investments in activities that directly contribute to tangible WAP improvements, such as maximizing energy savings, minimizing production costs, strengthening program management practices, obtaining necessary certifications (federal/state), and mitigating the risk of waste, fraud, and abuse. While WAP-specific conferences could be part of professional development, T&TA funds should primarily support activities that offer focused, sustained engagement and demonstrable impacts on program performance, including targeted training programs, on-site technical assistance, peer-to-peer learning exchanges, and the development of customized tools and resources.

Subgrantees should provide a plan of action to how they will utilize T&TA funds for outreach and training activities within the fiscal year as part of the annual application process. The need for structured training is the largest barrier to programmatic advancements.

In the event that the WAP Bipartisan Infrastructure Law (IIJA) program remains in effect, the NC WAP 5 Year IIJA Plan states that there will be free access to all WAP subgrantees for state and DOE-required certifications. Annual T&TA money would cover the cost of travel, lodging, meals, and parking to attend the certification training under the 5-Year IIJA program. Subgrantees may use an alternate IREC-accredited training provider. However, please note that training costs with any third-party providers must be paid directly out of the Subgrantee's T&TA budgets.

Weatherization Training has two categories: 1) Tier 1 Training—Comprehensive, occupation specific training that follows a curriculum aligned with the Job Task Analysis (JTA) for that

position and is re-certified every three years. Tier 1 training must be administered by, or in

cooperation with a training program that is accredited by a DOE-approved accreditation

organization for the JTA; and 2) Tier 2 Training—Single-issue, short-term, training to

address acute deficiencies in the field such as training conferences, monitor training, peer-to-peer training, and others.

Tier 1 Training and ensures that all Weatherization field staff receive ongoing training over a defined period of time, which can span multiple Program Years. Tier 2 training will be provided on an as-needed basis annually.

NCWAP Training Plan

Tier 1 Training: See WAP Training Plan and 5-Year Plan in SF 424 attachment.

Tier 2 Training below:

- MULTI-FAMILY TRAINING
- RESIDENTIAL ENERGY ASSESSMENT TOOL (On Electronic Tablet)
- WEATHERIZATION ASSISTANT TRAINING and PRIORITY LIST TRAINING (when new/online versions are released)
- ADMINISTRATIVE TRAINING (Weatherization 101 to contain fiscal and programmatic items)
- DAVIS BACON (How to fulfill requirements)
- BUILD AMERICA, BUY AMERICA (How to fulfill requirements)
- READINESS PLAN (How to fulfill requirements)
- MONTHLY FINANCIAL REPORTING (How to fulfill requirements)
- CLIENT DATABASE (How to fulfill requirements).

Subgrantees must ensure that any individual holding a staff position that requires certification must meet certification requirements by the deadline in this plan. If the individual fails to become certified when required, the staff are to be supervised until credential requirements are

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met. NC WAP will review and decide, on a case-by-case basis, to recommend to the Subgrantee that the individual either be allowed to remain in their position while pursuing their certification or be assigned to another position.

Percent of overall trainings

Comprehensive Trainings:	80.0
Specific Trainings:	20.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	34.0
Percent of budget allocated to Crew/Installer trainings:	33.0
Percent of budget allocated to Management/Financial trainings:	33.0

V.9 Energy Crisis and Disaster Plan

In the event of a declared natural or manmade disaster (those in which the President or the Governor of the state of North Carolina has declared the event an Emergency), North Carolina will allow Subgrantees to assist their eligible clients with weatherization funds to the extent that the services are in support of eligible weatherization work. The allowable expenditures under the NCWAP are limited to include the following:

The purchase, delivery, and installation of weatherization materials and,

The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective and,

The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials.

All materials utilized must be listed in 10 CFR Part 440 Appendix A. To the extent that the services are in support of eligible weatherization (or permissible re-weatherization) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost.

In a declared federal or state disaster, subgrantees may return to a unit previously reported as a completion to the Department of Energy that has been “damaged by fire, flood or act of God and repair of the damage to weatherization materials is not paid for by insurance”, per 10 CFR 440.18(f)(2)(ii).

Local authorities must deem the dwelling unit salvageable as well as habitable and the damage to the materials must not be covered by insurance or other form of compensation. In these cases, the work can be addressed without prior approval or any special reporting.

North Carolina will also follow the provisions of its Energy Security Plan to assist with preventing prolonged outages or disruptions of essential utilities.^[1] In addition, it will follow the provisions of its “Climate Risk Assessment and Resilience Plan” to bolster efforts that build resilient infrastructure and communities.^[2]

Please note that the ACPU limit and other budgetary maximums continue to apply during disaster or disruptive events.

[1] <https://deq.nc.gov/media/21186/download>

[2] <https://files.nc.gov/ncdeq/climate-change/resilience-plan/2020-Climate-Risk-Assessment-and-Resilience-Plan.pdf>