Chapter 3

Energy Vendors

Energy vendor participation is essential to efficient operation of the Energy Assistance Program (EAP).

Energy vendors roles include providing energy cost information, applying payments, working with Service Providers and EAP households in emergency situations, conducting outreach and referring customers in need to the program. Energy vendors establish agreements with EAP Service Providers, develop communication processes and use the web-based eHEAT system to perform these functions. The rules are guided by the Low Income Household Energy Assistance Program (LIHEAP) law, the *EAP Policy Manual,* and related state regulations.

eHEAT (Electronic Household Energy Automated Technology) is Internet-based software centralizing program activity for Service Providers and energy vendors. eHEAT has information about the household's program eligibility and payments. Energy vendors use eHEAT to supply consumption information, view or download payment information, verify customer's program participation and initiate refunds. With custom programming by the energy vendor, consumption and payment information can be uploaded and downloaded by energy vendor's systems. Energy vendors register for eHEAT through the Service Provider.

Intention

Enable Service Providers and Energy Vendors to work together to exchange information, execute payments and ensure program resources are effective in assisting households in need to reduce health and safety risks, no heat situations and energy costs.

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- Consumption and Cost Information Requirements
- Payment Requirements
- Energy Assistance Benefits
- Agreement, Internal Controls, Registration & Participation Requirements
- Energy Vendor Monitoring & Reporting Requirements
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Consumption and Cost Information Requirements

Energy vendors must provide accurate dwelling consumption information (including date, cost and unit) for each EAP applicant who is their customer. Cost information is used to determine households' grant amounts. By signing the application the households gives consent to fulfill this request.

Energy vendors provide consumption information using eHEAT. At times, the energy vendor may report consumption information directly to the Service Provider when speed is necessary or the energy vendor does not use eHEAT. Consumption is reported "in bulk" during the summer. Referred to as "Annual Consumption," the energy vendor completes dwelling consumption records for the coming program year for households who received EAP the previous winter. During normal program operations energy vendors must provide consumption information for individual households as they apply. Refer to the screen shots below for entering individual households' consumption during the program year.

Consumption Data Specifications

The consumption data includes the date range, cost and units of energy, fuel type and usage for a household's dwelling including:

- Up to 12 consecutive months
- Any 12 consecutive months between June 1, 2014 and September 30, 2015
- Beginning and ending dates for the consecutive consumption data.
- Taxes and fees if typically a part of the heating bill

The consumption data for a household excludes:

- Penalties for late payment
- Interest
- Leak or pressure test fees
- Trip charges not part of a normal delivery
- Short notice deliveries
- Tank rental
- Merchandise, etc.

When 12 consecutive months of consumption data between June 1, 2014 and September 30, 2015 is unavailable, use the following examples to provide the residence's consumption:

- If less than 12 months of consumption data exists for the residence, report the available cost and the actual beginning and ending dates of the available consumption data.
- If no consumption exists for the residence, report as "unavailable."
- For connected utilities: If energy service was disconnected for 30 days or more during the 12 month consumption period, the consumption date range must be changed to indicate less than 12 months of service. For example: A household has been a long term customer and between June 1 and May 30 they were disconnected for the months of December and January. Report a date range of less than 12 months (June 1 to March 30). Report consumption costs for only the 10 months of connected service. It is important that the date range is less than 12 months in this situation.
- For connected utilities: If it is known a household voluntarily has their energy service disconnected for a period of warm weather months, attempt to identify 12 consecutive months of actual usage within the allowed range of June 1, 2014 and September 30, 2015. If 12 consecutive months of actual usage costs do not exist in the allowed 16 months, report a date range of 12 months, and enter the total consumption for those months (even though it includes months of voluntary shut off with no energy usage). Entering a date range of 12 months, even when the household is voluntarily disconnected for a period of time, most accurately represents the household's annual energy costs.

- For delivered fuels: If a household has a customer account for 12 consecutive months, report the entire 12-month period. Do not just show the first and last delivery dates. For example: A household has been a long term customer and received three LP deliveries (9-1, 12-1 and 3-1) between June 1 and May 30. The correct date range is June to May.

Consumption data must be in the typical unit of measure used by the industry:

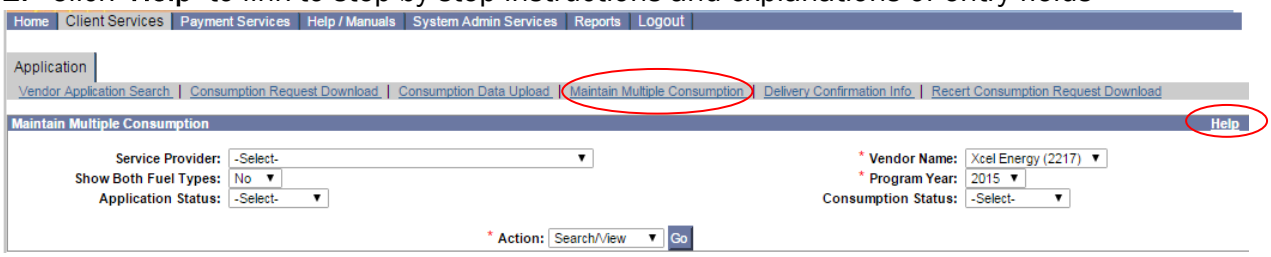
Natural gas:..... ccf
Wood:..... cords
Oil:..... gal
Liquid Propane Gas:....gal
Electricity:..... kWh

Energy vendors must be able to reproduce the cost information they provided on each household for audit purposes, upon request.

Entering Household Consumption During the Program Year

Energy Vendors must supply consumption throughout the program year. To provide household consumption follow these steps (for bulk/annual consumption procedures contact your local Service Provider):

1. Go to '**Client Services**' menu > '**Maintain Multiple Consumption**' tab
2. Click '**Help**' to link to step by step instructions and explanations of entry fields



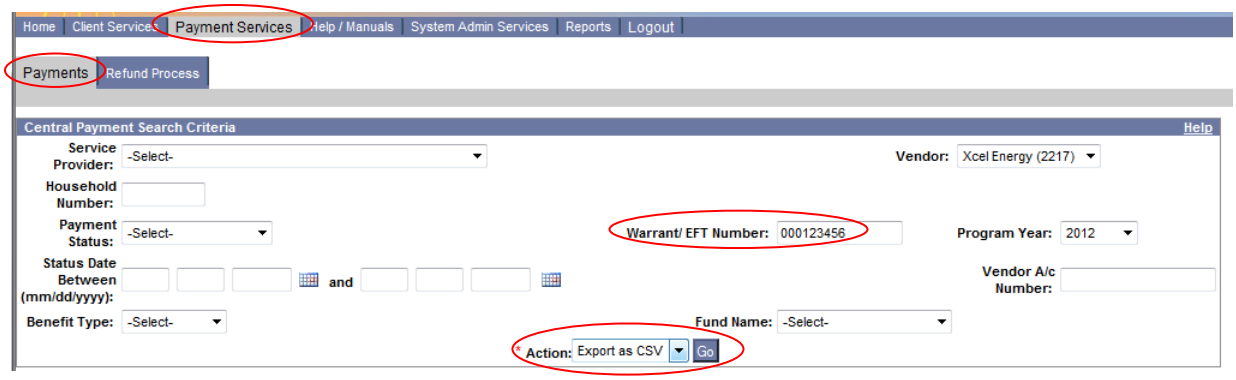
Payment Requirements

Energy vendors receive payments authorized by Service Providers on behalf of eligible households. The two types of benefits can be distributed in up-to four "Primary Heat" payments and up-to four "Crisis" payments. Payments are initiated in eHEAT by Service Providers. The Service Provider will always provide a household's Primary Heat payment(s) before Crisis payments. The payments are processed through the Minnesota Management & Budget department payment services by Electronic Fund Transfer (EFT) to the energy vendor bank account or mailed as a warrant. Energy vendors credit EAP payments to the designated account.

Searching eHEAT for Payments

To search in eHEAT for payments received, follow the steps below:

3. Go to **'Payment Services'** menu > **'Payments'** tab
4. Enter the **'Warrant/EFT Number'** in field (do not fill in any other search criteria) on the 'Centralized Payment Search Criteria' screen
5. In the **'Action'** pull-down, select **'Export as CSV'** then Click **'Go'** button



Payment Questions

Search eHEAT for payments received following the instructions above. The search will specify the individual payments for each household's account.

If the total of all individual payments doesn't match the full payment amount you received from the State of Minnesota, please contact the State of Minnesota SWIFT help desk hotline at 651-201-8100 (when prompted, select option 2). SWIFT handles payments for all State Departments and can assist in identifying the full payment amount.

All other questions regarding payments should be directed to the Service Provider. In some cases if the Service Provider cannot resolve your question, they may refer you to the Department of Commerce.

Assignment of Payments

Energy vendors must apply EAP payments only to the accounts of households designated for payments by EAP. Payments may only be used for the costs of home heating, as required by federal law. EAP payments cannot be used to pay for other items such as service contracts, water, sewer, garbage, cable, internet, telephone, gasoline, machine parts, engine oil, or other merchandise. Energy vendor EAP payment records must match the Service Provider's payment records. Charges against credits must be verifiable. If non-EAP credits exist on an account, the EAP payment must be applied first. If the household account is active, EAP benefits must remain on the household account, unless the household discontinues as a customer or a refund is requested by the Service Provider. In each case, refunds must be made to the Energy Assistance Program. (See **Refunds** section below)

Households may elect through their EAP application to have a portion of their Primary Heat benefit paid to their non-heating electric energy account. This option exists because non-heat electricity is most often crucial to operating a heating unit.

The energy vendor is responsible for applying EAP payments correctly for heat and non-heat electric payments. If the energy vendor provides multiple utility services, including both heating and electric non-heating energy, and their billing system does not allow for separation of the two, they must notify their EAP Service Provider of their method to assure payments are correctly applied. Disconnections should not occur as a result of an energy vendor failing to appropriately apply EAP payments.

Name on Energy Accounts

The name on the household energy vendor account should match the name of a household member listed on the EAP application. If the name on the household energy account is not a household member's name, EAP expects the Service Provider to get assurance the grant is going to intended recipients at the intended address. To get assurance, Service Providers will follow this procedure and energy vendors are expected to assist the Service Provider as needed in these cases:

- Contact household and ask why the account is not in a household members' name.
- Ask the household to get a household name on account. If there are barriers, the Service Provider will assist the household to remove these barriers.
- If unable to get the account in a household member's name, the Service Provider will verify the reason the household names do not match and ensure the account is for the address of the household (e.g., confirm with vendor or landlord).
- If a match of the account address and the household address cannot be verified, the Service Provider will deny the household for insufficient information.
- The Service Provider will make notes in eHEAT.

Ownership of Assistance

EAP funds always belong to the program. The EAP benefit is provided to the household with the intention to purchase energy. At the end of the program year, any unspent EAP benefits must remain on the household account for future energy costs. Households cannot request cash refunds.

If a household discontinues as a customer, the energy vendor should follow refund policies to return any unused EAP funds to the program. Energy vendors should never use unclaimed property procedures for EAP funds.

Note: For delivered fuels, once fuel is delivered to the dwelling it becomes property of the household.

Refunds

Energy Vendors must refund unused EAP payments back to the program if at any point the household discontinues as a customer or at the request of the Service Provider. The refund must be made within 10 days of the energy vendor's termination of the account or the Service Provider request.

Refunding Current Program Year Benefits

Current program year refunds should be entered in eHEAT if an energy vendor is an eHEAT user. eHEAT reconciles the refund by deducting the refund amount from subsequent payments. If the energy vendor does not receive a subsequent payment from EAP, the energy vendor may be required to send a check to reconcile accounts. Call the Commerce fiscal office with questions regarding this process at 651-539-1523.

If an energy vendor does not use eHEAT, they must return EAP funds to Commerce by check.

Refunding Prior Program Year Benefits

All prior program year refund amounts must be returned to Commerce by check. Include with the check:

- The household's name.
- eHEAT household number.
- The amount of refund for the household (if multiple households are in one check).
- Refund reason.

Mail the check to:
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198
ATTN: Alex Larson

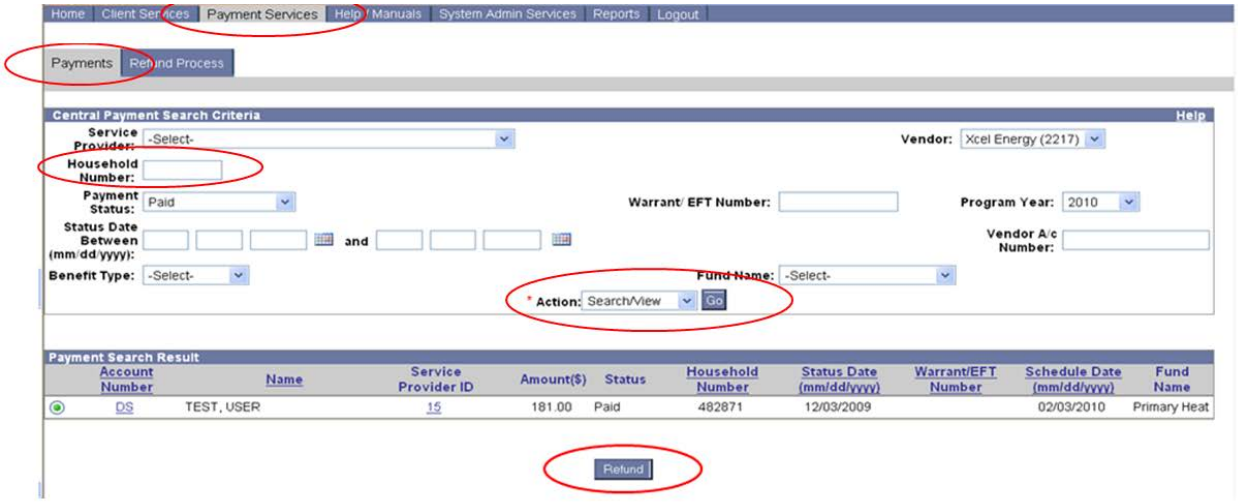
EAP funds always belong to the program; see the **Ownership of Assistance** section above for more detail.

Entering Refunds in eHEAT

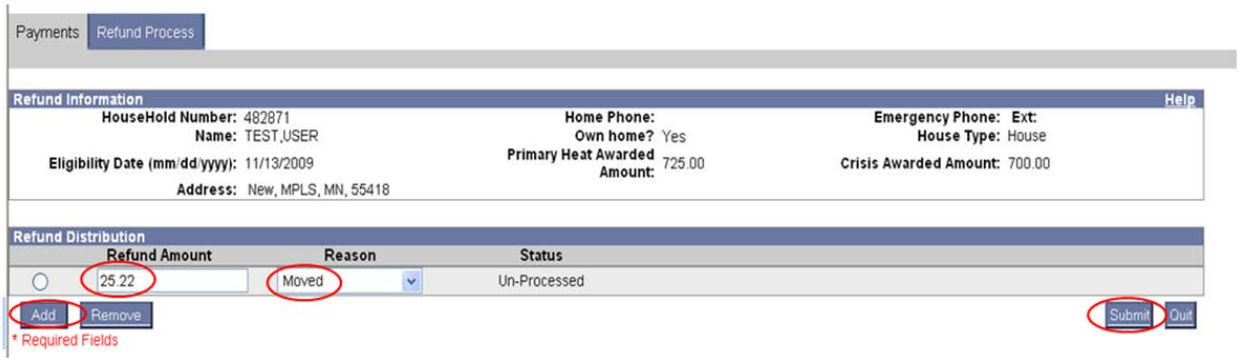
After ensuring a refund meets the guidelines described above, the energy vendor should follow the steps below to enter a refund in eHEAT and contact the Service Provider with any questions:

1. Go to **'Payment Services'** menu > **'Payments'** tab.
2. Enter the household number for the customer receiving the refund. Then click the '**Go**' button at the bottom of the screen.
3. Click the radio button next to the account number for any payments for that household.
4. Click the '**Refund**' button. The '**Refund Information'** screen will appear.
5. Click the '**Add**' button.
6. Enter refund amount in '**Refund Amount**' field and enter refund reason in '**Reason**' field.
7. Click the radio button and then click the '**Submit**' button.
8. A message asks to confirm the refund, click '**ok**' to confirm.
9. A green status message should show '**Refund record saved successfully**'.

Accessing 'Vendor Refund' Screen (steps 1-4)



Adding and Entering a Refund (step 5-10)



Payments Made in Error

An energy vendor suspecting a household received assistance in error must report the issue to the Service Provider. If the Service Provider determines a payment was made in error and determines the action requires the energy vendor to refund the payment, the energy vendor should follow refund instructions to return the funds to EAP.

Energy Assistance Benefits

The energy assistance program provides Primary Heat and Crisis benefits as described in this section as well as Furnace Repair and Replacement services as described in Chapter 8 – *Energy Related Repairs* of the *EAP Policy Manual*. Households, Service Providers and energy vendors each play a unique and important role in ensuring accurate and efficient program services and delivery. The Service Provider ultimately determines benefits and approves fuel deliveries. The program cannot pay for deliveries made at the discretion of the household and energy vendor.

Collaboration and Outreach

The energy vendor must work with Service Providers to:

- Identify potential applicants for EAP.
- Refer potential applicants for EAP Emergency Services including Crisis and Energy Related Repair.
- Avoid charges and fees to maximize public resources whenever possible.

Primary Heat

The Primary Heat benefit addresses low income households' ability to maintain affordable and continuous energy by providing grants to lower their energy burden.

Primary Heat payments can be used for:

- Future fuel costs.
- Arrearages and current bill amounts for electricity and heating fuels.
- Delivered fuel or emergency fuel.
- Fees including pressure tests, leak seek, line bleeding, tank setting, tank rental, membership, after hours delivery costs, reconnection and service deposits.
- Removal of load limiters.
- Previous energy vendor (see Chapter 10 – *Benefit Payments and Refunds*).

The Service Provider will always provide a household's Primary Heat payment(s) before Crisis payments.

Crisis

EAP Crisis benefits are used to prevent shut-off of residential energy, reinstate service of residential energy, and enable delivery of residential fuel. Crisis requests must be addressed immediately to avert life threatening and no heat situations. Households must request Crisis assistance by contacting the Service Provider. Service Providers determine household's eligibility and notify energy vendors to deliver benefits.

Crisis Eligibility Requirements

To receive a Crisis benefit, a household must be occupying the dwelling at the time the Crisis is requested and the benefit is determined and must be in one of the following situations:

- Heat or electric currently shut off.
- Have a current heat or electric disconnection notice.
- Have less than 20% in fuel tank and refusal to deliver.
- Be a senior with a past due or current energy bill.
- Have less than one week biofuel (e.g., corn pellets, wood).
- Be on a load limiter or have received notice of being put on a load limiter

Amount of Crisis Benefit

The amount of the Crisis benefit is:

- For connected utilities: the current balance (including any fees) up to $500.
- For delivered fuels: Up to $500 ("standard delivery amount") minus any amount that would leave a credit on the household's account. The benefit can pay for fuel, the current balance and fees.
- For self-supplied biofuel: $250.

If the amount needed to resolve the emergency is less than the maximum crisis benefit, the payment amount is rounded up to the nearest dollar to ensure resolution of the emergency. For example: if the amount needed to resolve the emergency is $193.56 the correct payment amount is $194.00. The intent is that Crisis payments should not result in a credit on the household's account. However, due to rounding as explained above, Crisis payments to energy vendors may result in a small credit of less than $1.00. If an energy vendor identifies a Crisis payment that creates a credit over $1.00, it should be immediately reported to the local Service Provider.

Crisis Information Requirements

Energy vendors are required to provide household account and crisis situation information upon Service Provider request. The Service Provider uses energy vendor information to verify and document the household's situation to determine Crisis eligibility and benefits.

Connected energy vendors may be asked to provide information such as:

- Energy account past due and current balance owed amounts.
- Fees not included in energy account balance owed, if any.
- Date the heat or electric service was shut off.
- Scheduled disconnection date.

Delivered fuel energy vendors may be asked to provide information such as:

- Price per gallon.
- Past due or credit amount.
- Fees not included in past due amount, if any.
- Last delivery date.
- Amount or gallons of last delivery.
- Tank size.
- Estimated fuel remaining.
- Refusal to deliver status.
- Annual consumption.
- If the tank is currently empty.

Post-Delivery Verification

After every Crisis fuel delivery the delivered fuel energy vendor must provide the Service Provider verified details of the delivery in a timely manner. This information may be provided in multiple ways. Energy vendors may enter delivery information directly in eHEAT (see below for instructions), complete a *Crisis Fuel Post Delivery Verification* form (Appendix 3E), or provide proof of delivery in the form of a delivery ticket, email, phone call or fax. Required post-delivery information includes:

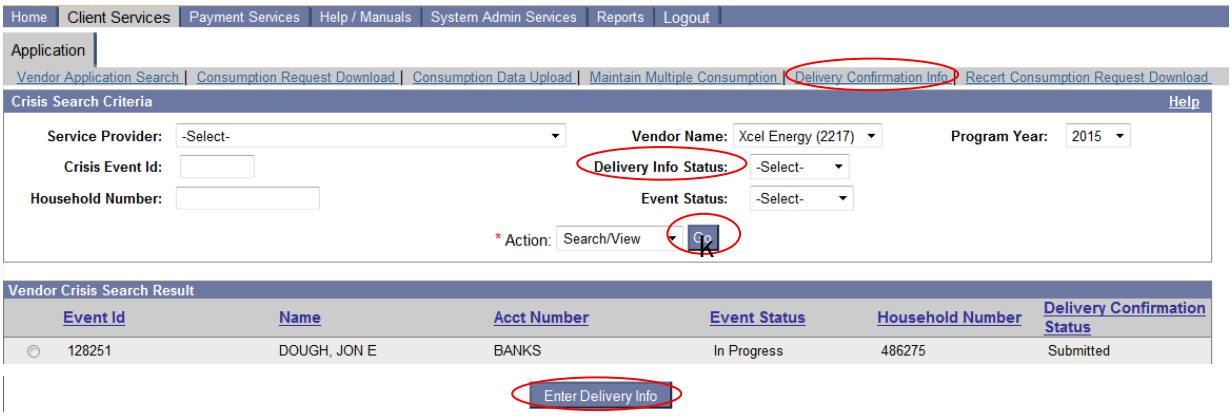
- Percentage of fuel in tank prior to fuel delivery.
- Delivery date.
- Gallons delivered.
- Price per gallon.
- Actual fees and other charges.
- Total cost of delivery.

Entering Post-Delivery Information in eHEAT

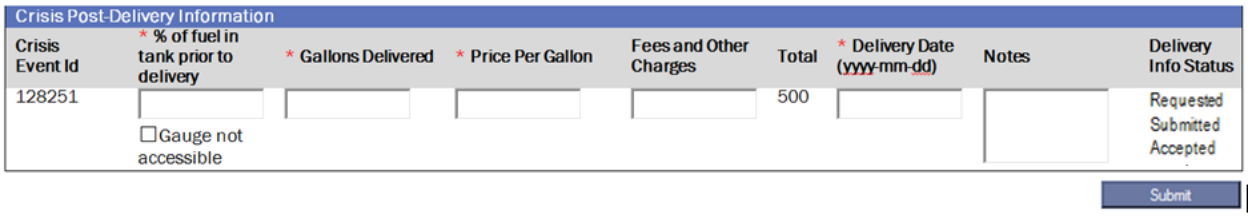
To use eHEAT to submit post-delivery information following these steps:

1. Go to **'Client Services'** menu > **'Delivery Confirmation Info'** tab.
2. Select **'Requested'** in the **'Delivery Info Status'** field.
3. Click the **'Go'** button. All households' events needing post-delivery information will appear.
4. Click the radio button to the left of the specific household event.
5. Click the **'Enter Delivery Info'** button. The **'Crisis Event Information'** screen will appear.
6. Enter actual post-delivery information in each field then click the **'Submit'** button.
7. A green status message above the household's program information should show **'Event saved successfully'.**

Accessing 'Delivery Confirmation Info' Screen (steps 1-5)



Entering Post-Delivery Information (steps 6-8)



Verifying Crisis Payments before applying to household's account

Energy vendors have a role in assuring accurate benefits are applied to household accounts. Before a Crisis payment is applied to a household's account, the energy vendor should ensure the Crisis payment will not generate a credit on the account of more than $1.00.

If an energy vendor questions a household's eligibility for a Crisis payment, report it immediately to the Service Provider or when appropriate to the Department of Commerce.

Process to Reduce Ineligible Crisis Deliveries

The following process is intended to reduce the delivery of Crisis fuel when a household reporting an energy emergency mistakenly has more than 20% fuel in their tank. Although it is often difficult for a household or an energy vendor to determine the amount of fuel in the tank prior to a fill, delivered fuel energy vendors play an important role in assuring proper Crisis benefits are provided.

Within this process, there is leeway for fuel delivery if the delivery truck goes out and the household's tank is between 20% and 30% full.

Process and Energy Vendor's Role

- Household requests Crisis assistance from the Service Provider and makes an effort to obtain an accurate tank reading
- The Service Provider contacts the energy vendor to confirm account information
- The Service Provider and energy vendor work together to determine a reasonableness of delivery need. If determined reasonable, the Service Provider instructs the energy vendor to send a fuel truck out for delivery with the following instructions upon arrival:
    - If the tank is <u>below 30% (3/10 of tank)</u>, provide fuel according to Service Provider instructions.
    - If the tank is <u>over 30%</u>, do <u>not</u> put Crisis fuel in the tank.

    - Notify the Service Provider.
    - Place the trip charge on the household's energy vendor account.
    - The Service Provider pays the energy vendor for the trip charge with household's available Primary Heat funds. If no Primary Heat funds are available, the trip charge is paid with the household's Crisis funds.
    - The Service Provider may request to have the truck driver, while still at the dwelling, provide any remaining Primary heat funds after deducting any trip charges.
- Contact the Service Provider if issues arise when applying this procedure.

Early Notification of Payment and Emergencies

Energy vendors use earlier notification by developing communication methods with the Service Provider. Using a common meaning of eHEAT payment status is an efficient means to achieve early notification because it reduces the need to manage other forms of communication and is in real-time. Energy vendors must supply EAP Service Providers with a 24 hour emergency contact number to address after hours emergencies. This requirement enables Service Providers to comply with LIHEAP Law, Section 2604(c) requiring EAP to provide some form of assistance within 18 hours after an eligible household in a life-threatening situation applies for crisis benefits.

Often a shut-off can be averted or a reconnection initiated if the Service Provider offers "early notification of a payment." Along with averting risk to the household, early notification can save the energy vendor the cost of a disconnection and expenses to the program for reconnection and other fees.

One form of early notification is eHEAT payment status. When addressing household energy emergencies, when possible, energy vendors should accept payment authorization by using the payment status in eHEAT of 'Payable' or by telephone, e-mail or fax. Energy vendors must either check eHEAT regularly to ensure timely service or have alternative systems for timely service to households who are eligible for EAP services.

Authorization can include service deposits, requests for emergency fills of delivered fuels, removal of load limiters and continuation or reconnection of connected utilities.

Deliver remaining EAP benefit

Delivered fuel energy vendors should deliver any EAP benefit remaining on the household's account before September 30, 2016. The delivered fuel energy vendor is responsible for ensuring the EAP household still lives in the dwelling before delivering their benefit. To avoid additional costs, delivery may be made during the delivered fuel energy vendor's regular delivery route. If unable to deliver remaining EAP benefit, encourage households to leave the balance on the account for the upcoming heating season.

Agreement, Internal Controls, Registration & Participation Requirements

The Agreement Between Energy Vendor and Service Provider

The *Agreement Between Energy Vendor and Service Provider* specifies the requirements to receive EAP payments to an energy vendor's customer accounts. Signing the agreement

establishes formal expectations for both parties. The agreement details the roles of the program and energy vendor including applying payments, communication, eHEAT security administration, data practices and agreement to follow the policies outline in the *EAP Policy Manual*. An agreement must be signed by each energy vendor for each Service Provider in order to receive payments on behalf of a household. See *Appendix 3A - Agreement Between Energy Vendor and Service Provider*.

Upon request, energy vendors must provide a written price list for normal and customary services for home energy costs. This information can be provided using the *Appendix 3F - Energy Vendor Price List* form.

Changing the language of the energy vendor agreement is possible if the changes do not alter its essential meaning or intent. If changes altering the meaning or intent are necessary, those changes must be approved in advance by the Department of Commerce (Commerce).

Energy Vendor Internal Controls Responsibility

Service Providers, energy vendors, and households are part of a Coordinated Responsibility Model that explains the responsibility of each party to ensure accuracy, effectiveness, efficiency, and integrity of EAP services. Energy vendors have a role in assuring accurate benefits are provided through consumption reporting, household account and billing status information and benefit delivery. Inaccurate consumption or account balance information can affect the accuracy of a benefit and put the integrity of the program at risk.

In addition, energy vendors should conduct EAP activity control measures to prevent and detect discrepancies, non-compliance, and other issues that may occur:

- Conducting control measures, if possible, before applying a payment to a household's account will provide assurance that an accurate benefit is being provided.
- Conducting post-payment control measures, if possible, will assist to identify any issues not previously detected.

Energy vendors should conduct routine control measures to identify situations and to ensure compliance:

- Account credits: Crisis payments don't create a credit over $1.00 on a household's fuel account.
- Account for an unoccupied dwelling: Payments are applied to only active accounts at occupied dwellings.
- Households that have discontinued as customers: Refunds to EAP are within 10 days of the change.
- Questionable payments: Payments are questioned if they appear abnormal to EAP practices.
- Two EAP households' payments to one account: Only one EAP household's payments are applied to one account.

Contact the Service Provider with questions or if an issue is identified. Energy vendors have a duty to report any known suspected fraud, error or abuse. If a pattern of payments does not appear to comply with EAP policies, please report concerns to the Commerce by email at eap.mail@state.mn.us.

Energy Vendor Registration and Change of Energy Vendor Information

An energy vendor must be registered in eHEAT which includes being registered with Minnesota Management & Budget (MMB) to receive an EAP payment on behalf of an applicant. An energy vendor is established in eHEAT by submitting the Appendix 3G - *Energy Vendor Registration for EAP Payments* form to the Service Provider. The Service Provider must submit energy vendor information to eheat.doc@state.mn.us.
Energy vendor registration information must include:

- Energy vendor legal Business Name (TIN Name).
- Vendor Name Doing Business As (if appropriate).
- Business Location and Mailing Address.
- Business Phone Number.
- Contact Person.
- Service Provider Referral.
- Federal Tax Number.
- Completed IRS Form W-9.
- State Identification Number (nine digit number).
- If the Business is a Corporation, Partnership or Individual SSN.
- Minnesota Management & Budget (MMB) Vendor ID Number (if already an approved MMB Vendor): 11 digit number.

An energy vendor eHEAT payment is executed using an MMB Vendor Registration Number, an eleven digit number assigned by MMB. By registering with eHEAT, Commerce can register the energy vendor with MMB. MMB does not register energy vendors for eHEAT.

To change information the energy vendor must record the information in the same format and submit it to a Service Provider (i.e. change of address, change payment information, mergers, or buyouts). The Service Provider will email updated information to eheat.doc@state.mn.us to inform Commerce.

Implement and Maintain eHEAT Security Policies

Energy vendors are required to have processes in place to manage eHEAT access to ensure only current, authorized users have eHEAT access. Users must only have access to eHEAT functions necessary for their work assignments.

Off-Boarding Process

Energy vendors are required to immediately disable users when needed. If the energy vendor's eHEAT Administrator needs to be disabled, send email to eheat.doc@state.mn.us. Energy vendors should have off-boarding (staff leaving employment) procedures in place, for example an off-boarding check-list, that includes disabling eHEAT access.

eHEAT Access Check

The energy vendor eHEAT Security Administrator should conduct routine eHEAT access check to ensure only the appropriate users are active in eHEAT. There are three user statuses in eHEAT:

- **Active**: user has access to eHEAT.
- **Inactive:** user does not have current access to eHEAT due to inactivity for over 60 days. User needs to be reactivated by an eHEAT Administrator to regain access.

- **Disabled:** user has no access to eHEAT. eHEAT continues to list every user that had eHEAT access.

The energy vendor eHEAT Security Administrator's authorization includes:

- Limiting access to authorized personnel only.
- Ensuring each user is assigned a unique user ID.
- Ensuring email addresses associated with each user ID are current.
- Creating new roles that combine functions in eHEAT for staff positions.
- Editing existing users' roles as new functions are assigned or no longer performed.
- Immediately disabling eHEAT administrators and users:
  - Upon permanently leaving a position requiring eHEAT access.
  - Upon administrative leave or suspension.
  - When no longer employed by the energy vendor.
  - If on other leave, laid off, on an extended vacation, or reassigned to non-EAP duties for 30 days or longer.
- Assuring the private data provided by eHEAT functions to employees is appropriate for their job and responsibilities.

Energy Vendor Sold, Merged or Out of Business

Energy vendors should notify the Service Provider of significant changes to their business. The Service Provider is also responsible for ensuring an energy vendor receiving eHEAT payments is a functioning business. If an energy vendor goes out of business during the EAP program year with EAP funds on accounts, the funds need to be recaptured by the program and forwarded to the household's new energy vendor. The Service Provider must work with the energy vendor to facilitate the return of funds. If the Service Provider is unable to contact the energy vendor or the energy vendor does not respond, the Service Provider must contact the appropriate local municipal or county attorney.

Non-Cooperating Energy Vendors

If an energy vendor does not agree to the terms of the energy vendor agreement, the Service Provider must attempt to solicit the energy vendor's cooperation and explain the implications of refusing to sign or abide by the terms of the agreement. If an energy vendor is non-cooperative they may not receive program payments on behalf of their customers from all EAP Service Providers in the delivery system. The Service Provider may contact Commerce for assistance to solicit the energy vendor's cooperation.

When an energy vendor refuses to sign or abide by the terms of the energy vendor agreement, the Service Provider can request that the energy vendor be designated non-cooperative. The Service Provider **must** notify the Commerce at once by e-mail (eap.mail@state.mn.us), letter or fax. This correspondence must be addressed to the Service Provider's Program Performance Auditor and describe the following:

- Energy vendor name and address.
- Reason(s) the energy vendor is not cooperating.
- Approximate number of households affected.
- How the Service Provider will serve the households.

Commerce reviews the circumstances to validate the request for non-cooperative status and may make attempts to resolve issues directly with the energy vendor. If an energy vendor is

designated as non-cooperative in the eHEAT 'Energy Vendor Profile', payments for households with this energy vendor go directly to the household. Non-cooperative designation is considered to be a serious matter.

Energy Vendor Monitoring & Reporting Requirements

Monitoring energy vendors is essential to ensure program quality and integrity. An EAP energy vendor is bound by the requirements of the LIHEAP Act and the Energy Vendor Agreement. Monitoring can also ensure energy vendors follow these rules. Service Providers are required to monitor energy vendors.

Correct energy costs and consumption are an essential part of determining the appropriate benefit to the household because benefit levels are based partly on the actual heating cost for the previous year. Energy vendors must be able to reproduce the account balance and energy cost information they provided on each household upon request. Monitoring helps ensure cost and consumption information provided by the energy vendor was accurate and true and payments were appropriately applied. Energy vendors must contact the Service Provider if for any reason the consumption amount needs to be changed after original submission.

Access to Records

Energy vendors must allow the Service Provider and Commerce access to their records for compliance monitoring. Monitoring includes verifying transactions between the energy vendor and the Service Provider. This includes but is not limited to cost information, application of payments to household accounts, billing to eligible households, providing equal services to EAP eligible households, and any or all other activities agreed to in the *Energy Vendor Agreement*.

When selected by the Service Provider for compliance monitoring, the energy vendor will receive a *Monitoring Report Cover Letter* (Appendix 3B) explaining the process. The energy vendor must complete the *Energy Vendor Monitoring Report* (Appendix 3C) and supply requested records. The Service Provider utilizes the Appendix 3D - *Energy Vendor Monitoring Report SP Review Tool* (Appendix 3D) to assess compliance and analyze records.

Leveraging

Leveraging requires energy vendors to Identify benefits given to low-income customers. Leveraging information helps Commerce get additional money through the Leveraging Incentive Program. The federal funds received as a result are then available to help pay heating bills for low-income customers.

Only report benefits for which you have back-up documentation. It is best to report a small amount of benefit than none at all. Benefits can only be counted if provided to low income customers exclusively, not to all customers. Benefits may include:

- Waiver of reconnection charge.
- Discount on price of fuel.
- Waiver of deposit.
- Cash donations to a company fuel fund for payment of crisis assistance to low income households.
- Donations of coats, blankets or quilts to be given to low income households.

Do not include EAP payments. Do not include low-income CIP information you have reported to the CIP/Special Projects Division of the Minnesota Department of Commerce.

Legal Requirements

Energy vendor involvement is subject to federal and state statute and regulation. Federal, Commerce or Service Provider officials may audit energy vendor records pertaining to EAP. Audits may occur for program activity up to three years after the program year has closed and until action conducted during this period has ended.

Non-Discrimination

Energy Vendors cannot penalize or discriminate against customers for participating in EAP. The law [P.L 97-35, Sec. 2605(b) (7) (C)] states that an EAP eligible household must not be treated adversely or differently from other households because of receiving EAP assistance and energy vendors will not discriminate in services provided to the eligible household on whose behalf payments are made. Oil and propane dealers are required to comply with the Discrimination Prohibition in Minn. Stat. §325E.027.

Services available to an energy vendor's customers in general cannot be denied to a household solely because of the household's EAP eligibility. These services may include:

- Availability of price and fee list.
- Deferred payments.
- Budget payment plans.
- Conditions of sale, credit, delivery or price.
- Discounts for cash or prompt payment.
- Any service designed to benefit or assist the energy vendor's customer.

In addition, propane dealers are required to comply with the following: Price and Fee Disclosure, Budget Payment Plan, Propane Purchase Contracts, and Terms of Sale in Minn. Stat. §§216B.0992 - 0995.

It is not discrimination under the statute to provide additional benefits for households receiving EAP services. Additional benefits, especially those that increase the buying power of EAP grants, are desirable and encouraged and can be included as leveraging activities.

Data Privacy

Energy vendors are responsible for data privacy. The application and eligibility status of households is classified as private data under the Minnesota Government Data Practice Act (Minn. Stat. 13.01 et seq.). Energy vendors, Service Providers and Commerce must take appropriate steps to ensure the identity of EAP applicants and their household members remain private. Immediately report possible violations to Commerce.

Only use EAP household numbers to identify a household when communicating via email with the Service Provider. Secure email can be used to provide additional household identification information (such as names or address).

Sharing EAP Private Data With Energy Vendors

Applicants sign the EAP application to authorize use of their private data to determine eligibility and provide EAP services. This authorization is documented in the household's file. New uses of the data contained in the EAP application or the household's file require a new authorization from the data subject.

The household data collected by EAP has restricted uses. Generally, an EAP household's consent allows their data only to be used for determining and delivering EAP services. Use of EAP household private data details are in *Your Rights and Responsibilities Privacy Notice* (also known as the *Privacy Notice*) and the "Consent and Signature" Part of the *Minnesota Energy Programs Application* provided to the households.

EAP only requests information necessary to provide services. This is as required by the federal Privacy Act of 1974 and the Minnesota Government Data Practices Act (MGDPA), Minn. Stat. 13. Under the Privacy Acts, energy vendor, Service Provider, and Commerce staff should only be provided the private data necessary to perform their duties for the purposes listed in the *Privacy Notice*. The MGDPA, under Minn. Stat. §13.055, subd.1. (d) states: "Unauthorized person" means any person who accesses government data without a work assignment that reasonably requires access, or regardless of the person's work assignment, for a purpose not described in the procedures required by section 13.05, subdivision 5."

EAP data provided to energy vendors are limited to information necessary to obtain energy vendor account and consumption information and to allow energy vendors to apply EAP benefits to customer accounts. The household data required are available to energy vendors through the energy vendor's access to eHEAT. The information is needed to verify the household's EAP eligibility and the amount to apply to the household's or the household landlord's account.

To illustrate, EAP collects data on household income and household size, but these data are not required to apply EAP payments to customer accounts. Therefore, these data are not be provided to the energy vendor, with the exception that EAP allows energy vendor employees working with affordability programs to request additional EAP private data if the household has agreed to participate in an affordability program.

The energy vendor must obtain an *Informed Consent for Release of Data* signed by the household before requesting EAP household data for any other use or program.

Additional information is available Chapter 13 - *Data Practices and Records* of the *EAP Policy Manual*.

Safe At Home Program

EAP follows the guidelines of the Safe at Home (SAH) program which is offered by the Secretary of State's office in collaboration with local victim service providers and became effective September 1, 2007. SAH helps survivors of domestic violence, sexual assault, stalking, or others who fear for their safety establish a confidential address. SAH allows its participants to go about their lives, interacting with public and private entities without leaving traces of where they live to keep their abuser from locating them.

Participants use an SAH assigned address and their correspondence is forwarded to their actual mailing address by the Secretary of State's office. SAH participants cannot be required to disclose their physical address. The SAH Program may be contacted at 1-866-723-3035 with questions or to confirm a SAH applicant's participation in SAH.

Energy vendors must work with Service Providers to safeguard the identity and address of SAH participants. Additional information about SAH is found in *Chapter 4 - Applications & Application Processing* of the *EAP Policy Manual*.

SAH is governed by Minnesota Statutes Chapter 5B, and Minnesota Rules Chapter 8290.

Appendices

3A – *Agreement Between Energy Vendor and Service Provider*
3B – *Energy Vendor Monitoring Report Cover Letter*
3C – *Energy Vendor Monitoring Report*
3D – *Energy Vendor Monitoring Report SP Review Tool*
3E – *Crisis Fuel Post Delivery Verification*
3F – *Energy Vendor Price List*
3G – *Energy Vendor Registration for EAP Payments*