

Topics in this issue

Policies and Procedures: FFY2016 EAP Allocations; FFY15 EAP Closeout Package is Due November 2, 2015; Ownership of EAP Benefits

Notices: The following *A Spark*: News Release - MN Commerce Department receives \$102 million in initial federal funding for the Energy Assistance Program was sent to Service Providers on Monday, October 26, 2015

Policies & Procedures

FFY2016 EAP Allocations



The Minnesota Department of Commerce Office of Energy Assistance Programs received an award letter from the U.S. Department of Health and Human Services on Monday, October 26, 2015. Commerce is processing the award and will be issuing *Notices of Funds Available* for Administrative, Assurance 16, and Energy Related Repair (ERR) funds to EAP Service Providers. Current ERR requests will not be processed due funding increases in all cost categories. When funds are ready to distribute, Primary Heat and Crisis funds will be entered into eHEAT to allow benefit payments. Service Providers will receive instructions via *A Spark* on the payments process when it begins.

FFY15 EAP Closeout Package is Due November 2, 2015

EAP Service Providers must close out the program and submit final documents, called the *Closeout Package*, to the Department of Commerce at the end of the program year. The FFY2015 *Final Closeout Package* is due on November 2, 2015 for the FFY2015 program year ending September 30, 2015.

The *Final Closeout Package* for EAP must include:

- A **Final FSR**, showing cumulative expenditures of program funds for the program year, marked Yes under *Final* and submitted through eHEAT.
- A **printed Final FSR** must be signed by the Service Provider authorized representative and mailed to Commerce. A signature on a printed copy of the eHEAT final is acceptable.
- The **Final FSR's reported expenditures, column D, Total**, must report only the expenditure of Commerce funds as made available on the Service Providers last EAP NFA. The "Total" should not include the expenditure of local funds, interest received or program income.
- A **check for the all unspent and unobligated funds** drawn down by Service Provider. Make checks payable to: "Minnesota Department of Commerce." The check record must contain the Fund ID # and program name.
- A **list of any continuing liabilities** on the grant, or a statement declaring there are no liabilities. A liability is any grant obligation outstanding at the time of the report. This statement is typed into the "Service Provider Note" box on the *FSR*.
- A list of the **inventory of EAP-related equipment** over \$5,000 and sensitive equipment (as defined in Chapter 16 – *Program Fiscal Management*) purchased during the program year. If no inventory was purchased, type that statement into the "Service Provider Note" box on the *FSR*.
- An **Expenditure Detail Report**.

The Service Provider must be able to produce a reconciliation of cash draws and expenditures if requested by the Commerce. The reconciliation must identify each cash payment received, dates received, and the corresponding monthly total of *FSR* expenditures reported for the grant.

Call your Program Performance Auditor with questions about the closeout process. Submit the final *Closeout Packages* for the FFY2015 EAP contract to:

Minnesota Department of Commerce, Energy Division
Attn: EAP Closeout Package
85 7th Place East, Suite 500, St. Paul, MN 55101-2198

Ownership of EAP Benefits

Commerce EAP and fiscal staff are receiving questions regarding ownership of EAP benefits. The August 26, 2015, *The Energizer* No. 38, "Credit from EAP-paid deposits" is reprinted here to carry forward the policy and procedure from FFY2015 to FFY2016. Service Providers are also encouraged to review the *FFY16 EAP Policy Manual*, Chapter 10, pages 8 - 12, to assist energy vendors with questions related to closed EAP household accounts.

Credit from EAP-paid deposits

EAP funds used to pay a service deposit or a deposit for a fuel tank, etc. on behalf of a household may result in a credit back on the household's energy vendor account, if the household moves or changes energy vendors. Service Providers and energy vendors are to apply the following procedures to EAP-paid deposits that become credits some time later:

Same Program Year:

If EAP funds for a deposit become a credit during the same program year, the credit is returned to EAP and is redistributed or obligated following the Refund Policy until December 15 of the subsequent program year.

Prior Program Year:

If EAP funds were used in a prior program year to pay a deposit and a credit is received after December 15, then the Refund Policy no longer applies and the credit is given to the household.

Rationale: It is EAP policy to use EAP funds first to pay energy bills. In general, a household's payments to the vendor are presumed to have replaced EAP funds on the household's Energy Vendor account for a deposit in a prior year.

Notices

The following *A Spark*: News Release - MN Commerce Department receives \$102 million in initial federal funding for the Energy Assistance Program was sent to Service Providers on Monday, October 26, 2015:



The following "News Release" was sent by the Minnesota Department of Commerce's Communications Division on Friday, October 23, 2015:



- October 23, 2015

MN Commerce Department receives \$102 million in initial federal funding for the Energy Assistance Program
Low-income Minnesotans are encouraged to apply for heating assistance

For Immediate Release:

- SAINT PAUL - Minnesota Commerce Commissioner Mike Rothman announced today that the state's Energy Assistance Program (EAP) is receiving nearly \$102 million in initial federal funding to provide winter heating assistance for eligible Minnesotans.

- The funds from the Low-Income Home Energy Assistance Program (LIHEAP) will help low-income homeowners and renters pay for heating bills this winter through grant money paid directly to utility companies and heating fuel vendors on behalf of eligible households. Last year, the program served close to 140,000 Minnesota households.
- “Year after year, our Energy Assistance Program has helped needy Minnesota families with their heating bills during the winter,” said Rothman. “These federal funds provide an essential safety net to protect vulnerable Minnesotans from losing heat during the coldest months of the year.”
- The Commerce Department administers EAP in partnership with 31 local service providers throughout the state.
- The program helps homeowners and renters earning at or below 50 percent of the state’s median income (\$46,056 for a family of four) pay their heating bills. The average annual payment for a household last year was about \$500. Households with seniors, people with disabilities, veterans and children are especially encouraged to apply.
- Applications were recently sent to households that qualified for energy assistance last year. Others who may qualify are encouraged to apply by contacting the local service provider in their county by calling 800-657-3710. Information is also available at [the Commerce Department’s Energy Assistance Program webpage](#).
- **Seek Cold Weather Rule protection**
- In addition to applying for heating assistance, low-income Minnesotans are encouraged to contact their utility to apply for the Cold Weather Rule, which protects against having heat disconnected during the winter months.
- The Cold Weather Rule took effect on October 15 and continues through April 15, 2016.
- To prevent a heat shut-off, customers must first contact their utility to establish and maintain a monthly payment plan. All electric and natural gas companies are required to offer Cold Weather Rule protection.
- Under the rule, customers who have a combined household income at or below 50 percent of the state median income (\$46,056 for a family of four) are not required to pay more than 10 percent of their household income toward current and past heating bills. Others are also eligible to arrange a Cold Weather Rule payment plan.
- More information about the Cold Weather Rule is available at the [Minnesota Public Utilities Commission website](#) or by calling 651-296-0406 or 800-657-3782.
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The Minnesota Department of Commerce is here to help.

- For information about how to apply for heating assistance, call the Commerce Department’s Energy Information Center at 800-657-3710 or visit the department’s website (mn.gov/commerce).
- **Media Contact:**
Ross Corson
Director of Communications
[Minnesota Department of Commerce](#)
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