

**State of Idaho**  
**Low-Income Home Energy Assistance Program**  
**Weatherization Waiver Request**

The State of Idaho Department of Health and Welfare (IDHW) is requesting the United States Department of Health and Human Services (HHS) to waive the maximum percentage limits placed on funds used for weatherization services within the Low-Income Home Energy Assistance Program (LIHEAP). Authority to request a waiver appears in the July 6, 1982 Federal Register 47 FR 29472 Part 96 of Title 45 of the Code of Federal Regulations as amended, with final rules published May 1, 1995 in 60 FR 21322.

The statute provides that, after reviewing a grantee's waiver request, HHS may grant a Standard Waiver if it determines that the grantee, in this case, IDHW:

1. Has met the three criteria required of 45 CFR 96.83(c)(2)(i – iii);
2. Provides all required information;
3. Shows adequate concern for timely and meaningful public review and comment; and
4. Proposes weatherization that meets all relevant requirements.

IDHW's request for a Standard Waiver addresses all four of these criteria and includes the following:

- A request to HHS to allocate up to 25% of available LIHEAP Energy Assistance Program funds to the Weatherization Assistance Program.
- A report of the number of households served and benefit dollars disbursed during program years (PY) 2016 and 2017 as well as documentation in support of a Standard Waiver.
- A report on weatherization services along with a summary of measureable savings in energy expenditures directly attributable to weatherization services in Idaho.
- A summary of additional factors that support our request for a Standard Waiver.

**Percent of Allocation Transferred to Weatherization**  
**45 CFR 96.83(c)(1)**

IDHW is requesting a waiver to transfer up to 25% of available FY2017 LIHEAP Energy Assistance Program funds to the Weatherization Assistance Program, which would be a

total of \$4,685,820. Approval of this waiver request will increase weatherization funding from 15% up to 25%.

HHS approval of the full 25% would bring all potential LIHEAP dollars to Idaho and provide opportunities for agencies to enhance their programs and existing LIHEAP funding options.

**Qualifying Criteria**

- 45 CFR 96.83(c)(2)(i) Households Served
- 45 CFR 96.83(c)(2)(ii) Energy Assistance Benefits Provided
- 45 CFR 96.83(c)(3)
- 45 CFR 96.83(c)(4)

**Table 1:  
Households Served and Energy Assistance Benefits Provided, FY2016 & FY2017**

<b>FY2016:</b>	
LIHEAP Regular + Contingency Grant Award	
Total Grant Award	\$19.03 million
Energy Assistance	\$11.27 million
Households Served	30,559
<i>Additional Energy Assistance Funds*</i>	<i>\$ 0.25 million</i>
<i>Grocery Tax Fund</i>	
Total Energy Assistance benefits provided	\$11.52 million

<b>FY2017 (estimated):</b>	
LIHEAP Regular + Contingency Grant Award	
Total Grant Award	\$18.93 million
Energy Assistance	\$12.50 million
Households Served	36,820 (estimated)
<i>Additional Energy Assistance Funds*</i>	<i>\$ 0.25 million</i>
<i>Grocery Tax Fund</i>	
Total Energy Assistance benefits provided	\$12.75 million

*\*Funding Note: Grocery Tax Fund  
In FY2016 we received \$250,200 from the Cooperative Welfare Grocery Tax Fund to use for Energy Assistance benefits in Idaho. With the added funding available from the Grocery Tax Fund, the total amount we spent for Energy Assistance in FY2016 was approximately \$11.52 million.*

*In FY2017 we received \$250,000 from the Cooperative Welfare Grocery Tax Fund to use for Energy Assistance benefits in Idaho. With the added funding available from the Grocery Tax Fund, the total amount we estimate spending for Energy Assistance in FY2017 is approximately \$12.75 million.*

## **Standard Waiver**

*45 CFR 96.83(c)(2)(i – iii)*

### **Households Served:**

We meet the criteria set forth in 45 CFR 96.83(c)(2)(i – iii). As noted in Table 1, during FY2016, 30,559 households received Energy Assistance in Idaho, and as of May 1, 2017, 36,820 households have received Energy Assistance. To date, this equates to an additional 6,261 households served.

### **Energy Assistance Funds:**

As noted in Table 1, during FY2016 we issued \$11.52 million in Energy Assistance benefits, and we estimate issuing approximately \$12.75 million in Energy Assistance benefits in FY2017. This equates to an increase of approximately \$1.23 million.

### **Measurable Savings in Energy Expenditures:**

Idaho's Weatherization Program installed weatherization measures in 245 units between April 2016 and March 2017. These installed measures produced energy savings of 7,179 Millions of British Thermal Units (MBTUs) per the WAP algorithm. These energy savings will accrue each year during the lifetimes of the energy measures.

The following documentation demonstrates why a waiver should be granted to allocate up to 25% of available LIHEAP Energy Assistance Program funds to the Weatherization Assistance Program.

## **Weatherization Measures, Cost Effectiveness, and Program Benefits**

*45 CFR 96.83(c)(2)(iii)*

*45 CFR 96.83(c)(5)*

Idaho's weatherization network provides cost-effective weatherization services that reduce the energy burden of our most vulnerable households. Using measurable and quantifiable data, Idaho can show that each weatherized dwelling meets a per job Savings-to-Investment Ratio of 1.0 or greater as required by program contracts and the Idaho Weatherization Operations Manual.

### **Idaho's Weatherization Program Benefits:**

Idaho's Weatherization Program installed weatherization measures in 245 units between April 2016 and March 2017. These installed measures produced energy savings of 7,179 Millions of British Thermal Units (MBTUs) per the WAP algorithm. These energy savings will accrue each year during the lifetimes of the energy measures.

The Weatherization Program provides "non-energy" benefits as well. Non-energy benefits accrue to utilities and ratepayers (mostly due to reductions in delinquent bills),

participants (improved comfort, health, property value, etc.), and society (benefits to the economy and emissions reductions).

### **Home Energy Audit:**

To be considered a complete weatherized unit, all homes must receive a comprehensive, on-site, home energy audit prior to receiving weatherization services. Staff who conduct the audits are trained and qualified according to DOE Weatherization requirements.

Idaho's "house-as-a-system" approach to comprehensive home energy audits consists of the following elements (as applicable per home):

- Completing visual assessment of existing conditions and insulation levels – noting any health and safety concerns.
- Noting fuel types, condition and size of space and water heating equipment – confirming primary and secondary heat sources.
- Measuring the residence for the volume of the living space and square footage of the building envelope.
- Surveying the occupant about building characteristics that may be helpful in developing a work plan (e.g. asking if there are any particularly drafty areas), and assessing lifestyle considerations.
- Performing a blower-door test.
- Conducting pressure diagnostic tests of HVAC system and building zones.
- Performing combustion safety tests if combustion appliances are present and used by tenant(s).
- Conducting client education, noting opportunities to provide low cost base load energy conservation measures. Auditors provide consumer conservation education to all weatherization participants.

Using this information as a basis, a customized scope of work is developed for each home based on IDHW procedures governing health and safety, air sealing, pressure diagnostics, and repairs, as well as information collected using the DOE-approved computerized energy audit EA5. Local agencies are required to review a weatherization-specific scope of work with all clients receiving weatherization services.

### **Air Sealing and Pressure Work:**

Applicable cost-effective air sealing is a high-priority service. EA5 may be used to determine air infiltration reduction cost benefits and is used in conjunction using Idaho's

Weatherization Operations Manual which provides detail on Blower Door and Air Sealing Procedures, and the Duct Pressure Test Procedures.

### **Additional Factors Supporting the Waiver Request**

The goal of the State's request is to reduce the long-term energy and heating bills of low-income families. LIHEAP heating and crisis assistance are critical services; however, the long-term benefits of LIHEAP weatherization assistance reduces the number of delinquent utility payments and the need for energy assistance applications, resulting in fewer service shut-offs and freeing up household income for other needs.

Weatherization-related measures and repairs, energy-related health and safety measures and repairs, as well as the delivery of consumer conservation education, are preventative and long-term in nature. Weatherization measures reduce energy burden through energy retrofits, eliminate structural hazards (thereby protecting building occupants), and preserve the efficacy of weatherization materials. Delivery of consumer conservation education provide opportunities for weatherization recipients to take a direct role in learning and implementing energy-efficiency measures, perform routine maintenance of their mechanical equipment, and take part in long-term behavior change.

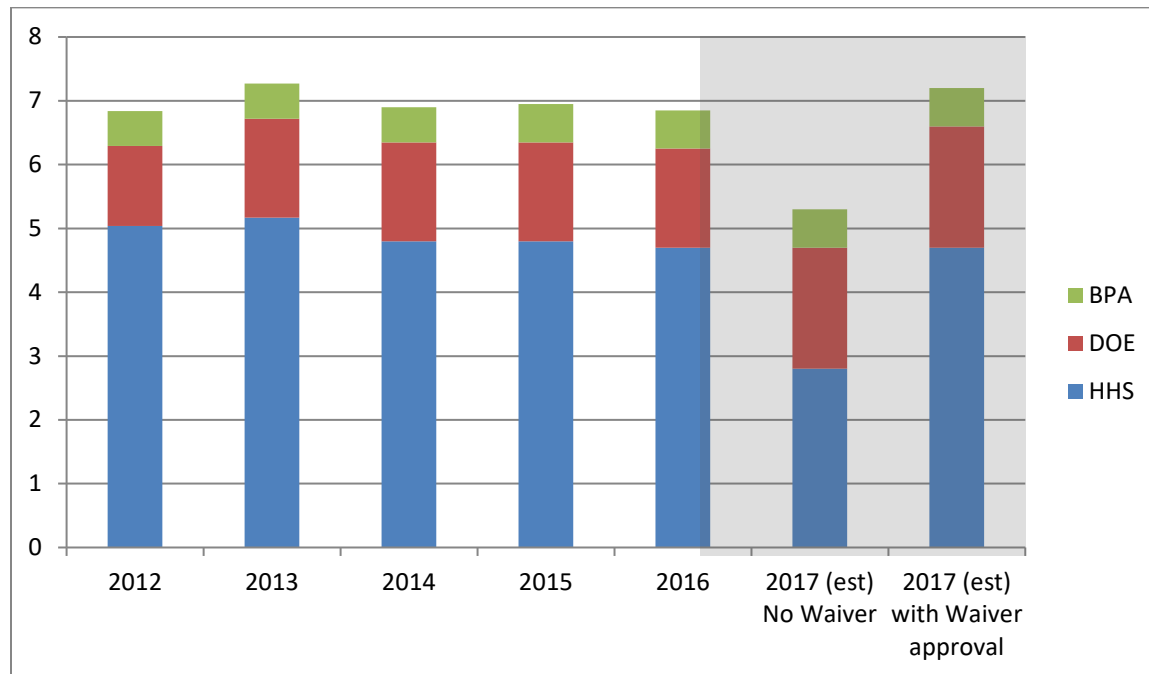
Idaho has consistently shown that we are able to use any weatherization funding that we receive in an effective and efficient manner. For example:

- In PY2015, Idaho received \$1.5 million in DOE funding and local agencies weatherized 299 units. During the same program year leveraging LIHEAP and other funding sources, Idaho was able to weatherize an additional 530 units.
- In PY2016, Idaho received \$1.86 million in DOE funding and local agencies weatherized 298 units. During the same program year leveraging LIHEAP and other funding sources, Idaho was able to weatherize an additional 443 units.

### **Weatherization Funding Trends**

The following chart shows funding trends from PY2012 to PY2017 for the Idaho Low-Income Weatherization Program.

**Chart 1: Idaho Low-Income Weatherization Program  
Annual Program Funding Expenditures by Funding Source in Millions**



The chart above shows that funding levels for Idaho’s weatherization activities have remained relatively stable from 2012 to 2017. This stability has been possible partly due to our request for and approval of a waiver to transfer additional HHS LIHEAP funds to weatherization services in 2012- 2017. This waiver to transfer up to 25% of LIHEAP funds to weatherization services for FY2017 is crucial in order to maintain stability in our delivery of weatherization services to eligible LIHEAP households.

**PUBLIC REVIEW AND COMMENT**

*45 CFR 96.83(b)*

*45 CFR 96.83(c)(6)*

*45 CFR 96.83(c)(8)*

The Department allowed 10 days (June 12-21, 2017) for public inspection and comment. A public hearing was held on June 13, 2017, from 9:00 AM to 11:00 AM at 450 W. State Street, Conference Room 2A, Boise, Idaho.

A news release announcing the waiver application and public hearing was sent to major newspapers in Idaho. An announcement was placed on the Department website. Copies of the waiver were sent to Community Action Agencies, other agencies serving low-income populations, utility companies, and other interested parties in Idaho.

The Department did not receive any public testimony or written comment during the public hearing.

## **Waiver Request**

*45 CFR 96.83(c)(7)*

The State of Idaho Department of Health and Welfare requests approval of a Standard Waiver from the United States Department of Health and Human Services to allow Idaho to exceed the 15% maximum transfer allowable for weatherization. Approval of the Waiver will allow Idaho to allocate up to 25% of its LIHEAP funds for weatherizing the homes of its most vulnerable households.