

Service Chapter: Low Income Home Energy Assistance 415

Effective Date: October 1, 2024

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Policy Section Updates

1. Definitions 415-05-05 – Change

Prudent Person Judgement - Reasonable judgment made by a worker, supervisor, specialist, administrator, or director based on experience and knowledge of the program and surrounding community. Documentation must support that judgment.

Statewide Estimated Cost of Heating (ECH) Table - Cost/Consumption reference table in the eligibility system that lists estimated costs of heating various types of housing/living units based on their size (number of bedrooms) and primary heat source.

~~The reference table is used by the eligibility system to determine benefits for eligible households by automatically applying an annual "estimate" of heating costs based on the household's primary heat source and the housing/living unit type and size.~~

Cost/consumption tables are based on actual cost and consumption data reported for LIHEAP recipients in the LIHEAP data system. Billing data reported directly from fuel suppliers, either electronically or on paper billing statements, is used to determine the cost of heating a dwelling/residence for the entire heating season. Billing data (i.e., total amount billed to client) is determined by several factors, including fuel consumption, cost of fuel, temperature/heating degree day data, the heating values of various fuels, and a furnace efficiency factor for various fuels. Billing data therefore accounts for these factors in a single number/value.

Data to establish a cost/consumption table for steam heat, kerosene, wood, and coal was not available and therefore the actual expenses incurred by the eligible household will be negotiated, or the rate for MDU natural gas will be used.

Housing or living units that are not obviously within any of the ~~following~~ definitions listed (see definition for "Housing Unit (Living Unit)" will be assigned to the most appropriate category by the State Program Administrator or designee based on the number of wall and other surfaces exposed to the outside weather and temperature.

~~Housing/Living Unit Types:~~

~~a. Single Detached Home~~

~~This term means a single building that includes only one home of complete living unit. **Mobile homes are included under this definition.**~~

~~b. Duplex or Condominium~~

~~This term means a single building that contains **two (2)** complete living units.~~

~~**NOTE:** A condominium with **three (3) or more** complete living units in included in all other living unites type (c) below.~~

~~c. All other livings units (apartment building—condominiums—row houses—townhouses—high rise)~~

~~This term means all other building types not described in 'a' or 'b' above and have **three (3) or more** complete living units.~~

~~This category includes condominiums with **three (3) or more** complete living units.~~

2. Purpose of the Program 415-05-10 - Change

At the time the Low Income Home Energy Assistance Program was initiated the United States Congress found:

1. Recent and projected increases in the cost of primary energy sources have and will continue to cause corresponding sharp increases in the cost of home energy.
2. Fixed income, lower income, and lower middle income households should be protected from disproportionately adverse effects on their incomes resulting from national energy policy and beyond their control.
3. Adequate home heating is a necessary aspect of shelter and the lack of home heating or home cooling for certain individuals poses a threat to life, health or safety.
4. Assistance to households in meeting the burden of rising energy costs is insufficient from existing State and Federal sources and credit is not available to low-income households.

Therefore, the purpose of this program is to provide assistance to eligible households to offset the rising costs of home energy that are excessive in relation to household income. Therefore, the benefits provided by the North Dakota Low

Income Home Energy Assistance Program are ~~not designed to pay the eligible household's total fuel costs, but rather~~ to protect the household against the rising costs of fuel. Further, benefit amounts are based on the individual household's fuel energy needs. ~~insofar as possible and require a fixed percent of household income be spent for fuel.~~

3. Electric Heating 415-20-05-05-02 - Change

~~Recipients who heat with electricity may or may not have their heating consumption sub-metered. To ensure that all eligible LIHEAP households retain responsibility for their electric "non-heating" costs, LIHEAP will have electric vendors submit the entire metered residential usage to the State computer, even if the heating is sub-metered. For households with electric heat, the LIHEAP system calculates a LIHEAP share percentage (LS%) that is 75% of what it would be for any other fuel. This is to adjust for the non-heating portions (lights, TV, etc.) of each electric bill that is submitted. By using this adjusted LS%, LIHEAP is paying benefits based upon a presumed heating cost that is 75% of the entire metered residential bill.~~

LIHEAP households who heat with electricity may also have installed devices such as demand control, off-peak, dual heating systems or sub-metering which offer reduced electric heating rates. When a household has off-peak electric heat, the electric vendor requires the household to have a whole-home back-up (supplemental) heating system therefore, **electricity is to be considered the primary heat source in this situation.**

4. Non-Residential Usage 415-20-05-05-15 - Change

When a household's **primary** heat source is also used to provide heat or electricity to other buildings, or power machinery or vehicles, (including electric-powered vehicles) and the usage cannot be separated, the household is identified as a Non-Residential Usage household and a cap is applied to the household's heating benefit.

Non-Residential Yearly Cap	
Fuel Type	Yearly Cap
Fuel Oil	\$4,300
Propane	\$3,500
Electricity	\$3,000
Natural Gas and Other	\$1,100

Clients whose usage includes non-residential purposes are required to specify this fact on the LIHEAP application, Form 529. These clients will be subject to a maximum benefit equal to the ~~estimated cost of heat multiplied by the calculated LIHEAP Share % of the household~~ established Non-Residential Benefit Cap will be determined by fuel type.

Examples of non-residential usage may include, but are not limited to:

1. A primary heat source that also supplies heat or electricity to another building, such as a detached garage, shop, or barn
2. A primary heat source that is also being used to power farm machinery or vehicles. (The heat source in this case is usually fuel oil, however, this may also apply to an electric-powered vehicle)
3. A living unit that is behind or above a store with a common heat source that cannot be separated
4. A rural living situation in which two homes are sharing a single heat source that cannot be separated (i.e., one meter, or shared tank)

The following examples of usage are NOT considered non-residential usage:

- Plugging in vehicles in the winter months
- Propane/Natural Gas usage for grilling
- Electricity used to power hand tools (trimmers, drills, saws, and such)
- Fuel usage for appliances, such as a natural gas stove or natural gas water heater

5. Unused Fuel Credits 415-20-05-05-20 - Change

~~If the customer dies or moves and the fuel purchased by LIHEAP can reasonably be pumped out, the refund must be returned to LIHEAP. The customer may NOT sell any fuel purchased by LIHEAP, nor receive a refund from the vendor for any fuel purchased by LIHEAP.~~

If the client dies, moves or case is closed (for non-fraudulent reasons), any unused fuel is the property of the client and can be disposed of as the client sees fit.

6. Furnace and/or Chimney Cleaning 415-20-05-10-05- Change

To prevent a heating crisis and promote safety and energy conservation, premium benefits can be paid to clean the furnace of an eligible household. Up to ~~\$250~~ \$500 per household ~~or up to \$275 per household for a fuel oil furnace~~ (exceptions must be approved by the State Administrator) may be used for travel, labor, furnace cleaning, maintenance, and service including the cost of replacement parts such as fuel nozzle, filter, etc., necessary for maintenance and service. An additional payment of up to \$150 per household may be allowed for chimney cleaning when necessary for safety. All households who were financially eligible for basic LIHEAP heating assistance in any prior month of the current fiscal year are also eligible for these services, except as noted in the following paragraph.

Exception for furnace cleaning for those now eligible: If a household had a furnace cleaning done prior to LIHEAP eligibility (but within the current heating season) and the vendor can fill out the furnace and chimney cleaning form with accuracy then the cost of furnace cleaning can be reimbursed to the client upon providing proof of full payment or to the vendor if furnace cleaning has not yet been paid for by the client.

One furnace cleaning per household per season is allowed. The household has the choice of a primary or secondary furnace being cleaned in a season.

When a furnace cleaning and/ or chimney cleaning is completed by a vendor, the household needs to sign the form. No payment will be made on the form unless there is a signature.

When the ~~county~~ Human Service Zone (HSZ) is responsible for emergency furnace repairs the ~~county~~ HSZ needs to take the following steps:

1. Insure that the furnace is not functional or poses a threat to the household's health and safety.
2. Have the household fill out an application for emergency assistance
3. Determine whether the household is eligible (income and asset)
4. Contact a vendor to repair the furnace (two bids are not needed for furnace repair)
5. When the furnace has been repaired, it should be determined that the household is satisfied with the repair and the vendor's costs are reasonable. Furnace breakdowns on a weekend may be reimbursed if

an eligible household reports to the county HSZ immediately on Monday. Households should contact the office in a timely manner to have emergency furnace repair bills paid or reimbursed. **Prudent judgment** by the eligibility worker is to be used to determine if payment or reimbursement is issued.

Furnace and/or chimney cleaning may be authorized for renters or homeowners who purchase fuel from a vendor, but not for a renter whose heat is included as an undesignated part of the rent. Furnace and/or chimney cleaning should not be authorized if the heating unit services more than one living unit and other households in the building are not LIHEAP recipients.

Requests for furnace/chimney cleanings may be made October 1 - July 31 of the current heating season.

Some LIHEAP eligible households have yearly maintenance contracts with fuel vendors. Vendors are responsible for repairing any appliance in the household including cleaning the furnace. The vendor must notify the county-office HSZ (unless the household had already requested a furnace cleaning from the vendor) they are going to do a furnace/chimney cleaning and request a furnace/chimney cleaning form from the county-office HSZ. The vendor then must verify the cleaning by supplying the county-office HSZ with the completed furnace/chimney cleaning form (at this time inform the county that the household has a vendor contract.) The county HSZ can reimburse the household when the bill and the completed furnace/chimney cleaning form are received. The charge for the furnace cleaning has to be in line with other furnace cleaning done to similar furnaces.

Prior authorization by the county social office HSZ is required. It is the responsibility of the client to choose a vendor who can perform the required services. The furnace/chimney cleaning authorization is generated in the LIHEAP integrated eligibility system by the county social service HSZ office. ~~(This is done by using Option 'Z' Notice of Action, then go to 'F' under "add" a record.)~~ The authorization is sent from the state office to the vendor. The vendor in turn calls the client and sets up an appointment for the furnace/chimney cleaning.

~~The payment is to be entered on the computer by the county social service office as a premium payment, on the "Miscellaneous and Emergency Payments" screen, Reason Code "N," service code "14."~~

7. 'Sleeping Room' Renters 415-20-10-05 - Change

A sleeping room is less than a complete living unit that may or may not have a private entrance.

- Sleeping room renters who share the use of other rooms (kitchen and bath facilities, living area) located in the same dwelling unit ARE NOT considered sleeping room renters and ARE NOT eligible for LIHEAP benefits as a separate household.
- Sleeping room renters who have their own kitchen and bath facilities in the dwelling unit ARE NOT considered "sleeping room" renters. These renters may be eligible for LIHEAP benefits as a separate household.

In determining basic eligibility for sleeping room renters, the household must meet income limitations. ~~The household's estimated cost of heating will be one-fourth of the one-bedroom column on the cost/consumption table, not to exceed 25% of annual rent costs.~~

Example: Ann pays \$250/month to rent a room in the home of an elderly couple. The area she rents is less than a complete living unit. It does NOT include a kitchen or living area. She shares those areas with the elderly couple. In this case, Ann would NOT be considered a sleeping room renter but would instead be considered a member of the elderly couple's household.

If Ann rents a room from the elderly couple but does NOT share the living areas (kitchen, living room, etc.) with them, then she would be considered a sleeping room renter.

If the area she rents is a complete living unit (kitchen, bath, etc.), then she would be considered a renter and may be eligible for LIHEAP benefits as a separate household.

8. Annualizing Income 415-25-05-15 - Change

To determine a household's benefit level, LIHEAP ~~compares a household's income to its estimated annual heat cost~~ uses the annual income to determine household State Median Income (SMI) group. This means that income must be converted to a yearly figure or "annualized." The LIHEAP Application (SFN 529) asks the client for information about his or her income in the current month, the previous month, and anticipated income for the following month. The difference in these figures will determine the method of annualization to be used. (References to the "current month" or the "month of application" will also apply to the month during which a reportable change requires a recalculation of the LIHEAP Share Percentage. [See [40-05](#).])

If the income between consecutive months is less than \$400 yet not exactly the same each month use the month of application and annualize.

1. If the difference between the current month's income and the previous month's income is less than \$400, the income would be annualized by the most appropriate of the following methods:

1. Regular income - This would include anyone on a fixed income, TANF recipients, wage earners who have not recently changed jobs, etc. Income in this category would **NOT** be averaged (See "#2," of this section), even though the payroll schedule results in an additional paycheck during every two weeks will sometimes receive three paychecks in one month.

Annualization is done by multiplying a monthly payment by 12; a weekly payment by 52; a biweekly payment by 26; and a semi-monthly payment by 24.

- b. Periodic income - Examples would include interest payments, land rent, farm payments, and some types of seasonal employment.

To annualize, multiply the amount received in a single payment by the number of times it is received in a 12-month period. Sometimes, payments for farm or other seasonal labor may fit into this category if the laborer is not paid regularly as the work is done.

- c. Annual employment contracts - These would typically, but not necessarily, apply to employees of a school district.

The total amount of income specified in the contract would be included, regardless of the amount received in the current month.

- d. Business/Farm Income - This would include most business and farm income, as reported on and verified by the most recent tax forms available.

To annualize, use the income from the most recent tax form that reduces gross income by the amount of necessary operating expenses. Use this amount regardless of the amount received in the current month. Each business/farm income is to be reported and computed separately. A reported income loss will be revised to zero income before adding to the income of another business or to other sources of annualized income.

2. If the difference between a household member's income (from a single source) in two consecutive months is \$400 or more, or if the household's income in the current month is at or near zero, that member's income (from that source) would be annualized using a three-month average as follows:
 1. The income from the month preceding the month of application,
 2. The income from the month of application, and
 3. A projection of income for the month following the month of application
 - If income for the following month is known and verifiable, that income will be used. ("Known and verifiable" can include TANF, Unemployment Compensation, salaries and the like. It can also include the receipt of one paycheck [in the application month] from a new job, provided that it can be determined that the paycheck is representative of wages and hours in the following month.) If there is terminated source income, include the income in the three-month average.

Example:

Application month is October. Household's job ends October. Use the regular earned income (from that source) for September. For October, use the actual amount received for that month. If there is no income predicted for November, then use 0.00. If there is income predicted for November, use the client's best estimate for income. Total the three months and multiple by 4, then you will have the annual income. The second example under 25-05-15-10 is a good example of how to handle terminated source income.

- If income for the following month is not known or cannot be verified, the income in the month of application will be used twice in determining the three-month average.

The earned income deduction will be applied to the sources of income to which it is appropriate. Then, the three monthly figures will be totaled, and the total multiplied by four to arrive at an annual figure.

NOTE ON AVERAGING: Averaging is one method of determining a household's benefit level. When using averaging to determine a benefit level, eligibility for month of application ongoing will be established based on the annual income test. Therefore, income ineligibility during the month of application DOES NOT automatically disqualify the

household for that month and future months. However, the household must still be income eligible during any prior month for which LIHEAP benefits are to be paid.

EXAMPLE:

Income Limit: \$1,600 monthly (\$19,200 annually)

Last Month's Income: \$1,200

Current Month's Income: \$ 1,800

Anticipated Income: \$ 1,200

Averaging would be used, resulting in an annual income of \$16,800, or an average of \$1,400 per month.

Even though the household's income is over the monthly income limit for the application month, the household's annual income falls within annual guidelines therefore, the household is eligible for month of application ongoing.

In addition, the household is also income eligible for the prior month because income for that month falls within the monthly guidelines.

Income ineligibility in the month before the month of application does not automatically disqualify the household, but benefits cannot be paid for that month. In other words, if averaging is called for, the prior month's income will be used in the averaging calculation, even if the household cannot receive a benefit for that month.

EXAMPLE:

Income Limit (monthly): \$1,000

Last Month's Income: \$1,200

Current Month's Income: \$ 600

Anticipated Income: \$ 600

Averaging would be used, resulting in an average of \$800 per month.

Averaging may also be appropriate if the household's income is at or near zero.

1. Whenever it can conclusively be demonstrated that the household income annualized in the manner described in "1" and "2" above is not the best indicator of the household's ability to pay their fuel costs, the State Program

Administrator may approve or promulgate an alternative method that is reasonable and equitable.

NOTE: A \$400 difference caused solely by an additional check from a regular source of income does not trigger averaging.

Example:

Joe's Income - he applied in December.

November \$350 - regular pay

December \$800 - regular pay because of extra paycheck

January \$350 - regular pay

This case is not averaged just because of the extra paycheck in December (since there are 5 pay periods).

9. Benefit Computation 415-30 - Change

The LIHEAP benefit level is expressed as a "LIHEAP Share Percentage" that will be paid on each authorized heating bill that falls within an eligible month. The LIHEAP Share Percentage subtracted from 100% is the "Co-payment Percentage" which the household will be expected to pay on each heating bill.

~~The LIHEAP benefit level is calculated by first determining an annual dollar amount that an eligible household could reasonably be expected to pay for heating. This household heat share is then subtracted from an annual estimated cost of heating to determine an estimated annual LIHEAP cost. The estimated LIHEAP cost divided by the total estimated cost of heating and rounded up to the nearest 5% is the actual percentage LIHEAP will pay on each authorized bill. (LIHEAP Share % for electrically heated homes is capped at 70%.) (See 30-05 for benefit minimum) determined by calculating the household income and the worker entering that income into the system. The system will then establish which SMI group 0%-9.9%, 10%-19.9%, 20%-29.9%, etc.) the household falls into. Based on the SMI group, the system determines what the LIHEAP Share Percentage is for the household.~~

~~Whenever an appropriate household benefit level cannot be determined within the provisions of this section, the State Program Administrator will assign a benefit level that is reasonably related to similarly situated households.~~

10. Benefit Minimum/Maximum 415-30-05 - Change

~~If the LIHEAP Share Percentage calculates between 6-10%, the minimum LIHEAP Share Percentage which will be paid for eligible households will be 10%. If the actual calculated percentage is between 0-5%, a one-time minimum benefit of \$50 will be paid directly to the applicant. No vendor will need to be notified.~~

If the household's heat is included in the rent (and there is no rent subsidy), a monthly renter check will be paid to the household. ~~If the monthly renter benefit is less than \$5.00 a month, the household will receive at least a \$50.00 lump sum for the season regardless of what the payment would have been monthly. See 415-30-30)~~

~~If the Renter/Heat Paid household's heat share equals or is greater than the estimated cost of heat, or the LIHEAP Share percentage equals 5%, a one-time lump sum payment of \$50.00 will automatically be issued to the household.~~

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~~When a one-time minimum benefit of \$50.00 is generated the case will close. The household may reapply if their circumstances change. If the new LIHEAP Share Percentage would also result in a minimum benefit of \$50.00, the system will recognize that this has already been paid, and will not generate a second minimum benefit. The case will close.~~

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~~The LIHEAP Share Percentage will be capped at 95% if the calculated LIHEAP Share Percentage is between 95-100%.~~

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~~NOTE: LIHEAP pays up to 70% LIHEAP Share for households that use electricity.~~

The LIHEAP minimum benefit for eligible households will be 45% LIHEAP Share Percentage and the maximum benefit will be 100%.

11. Household Poverty Level Percentages Table 415-30-10 – Change

The household poverty level percentage to be applied to each household's annual adjusted gross income will be calculated according to the level of their income and

the number of persons in the household at the time of application. ~~Therefore, it is essential to have accurate data in these two fields.~~

The Poverty Level Percentage Table used by the system:

LIHEAP Share Percentage Table		
SMI	Household Share	LIHEAP Share
0-10	0	100%
11-20	0	100%
21-30	5%	95%
21-40	15%	85%
41-50	35%	65%
51-60	55%	45%

-	-	-	-	-
-	Household Share 1%	Household Share 2%	Household Share 3%	
# of Persons	0-20% of Median Income	21-40% of Median Income	41-60% of Median Income	
-	-	-	Annual Eligibility Limit	Monthly Eligibility Limit
1	0—11,908	11,909—23,816	23,817—35,724	2,977
2	0—15,572	15,573—31,144	31,145—46,716	3,893
3	0—19,236	19,237—38,472	38,473—57,708	4,809
4	0—22,900	22,901—45,801	45,802—68,701	5,725
5	0—26,564	26,565—53,129	53,130—79,693	6,641

-	-	-	-	-
6	0—30,228	30,229—60,457	60,458—90,685	7,557
7	0—30,915	30,916—61,831	61,832—92,746	7,728
8	0—31,602	31,603—63,205	63,206—94,807	7,900
9	0—32,289	32,290—64,579	64,580—96,868	8,072
10	0—32,976	32,977—65,953	65,954—98,929	8,244
11	0—33,663	33,664—67,327	67,328—100,990	8,415
12	0—34,350	34,351—68,701	68,702—103,051	8,587

12. Monthly and Annual Eligibility Limits 415-30-10-01 - Change

Monthly and Annual Eligibility Income Limits		
Household Size	Monthly Amount	Annual Amount
1	\$2,977	\$35,724
2	\$3,893	\$46,716
3	\$4,809	\$57,708
4	\$5,725	\$68,700
5	\$6,641	\$79,692
6	\$7,557	\$90,684
7	\$7,729	\$92,748
8	\$7,900	\$94,800

Amounts shown are based on the upper limit of 60% SMI for the household size

<u>NUMBER OF PERSONS</u>	<u>MONTHLY ELIGIBILITY LIMIT</u>	<u>ANNUAL ELIGIBILITY LIMIT</u>
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1	2,977	\$35,724
2	3,893	\$46,716
3	4,809	\$57,708
4	5,725	\$68,701
5	6,641	\$79,693
6	7,557	\$90,685
7	7,728	\$92,746
8	7,900	\$94,807
9	8,072	\$96,868
10	8,244	\$98,929
11	8,415	\$100,990
12	8,587	\$103,051

13. Household Annual Heat Share 415-30-10-05– Repeal

~~The household's Poverty Level percentage will be multiplied times the household's adjusted annual gross income to calculate the annual household heat cost.~~

~~The annual heat share is calculated by the computer and is used only for the purpose of calculating the LIHEAP Share Percentage. It is not included in the Notice of Action that is sent to the household and the vendor.~~

14. Household's Estimated Cost of Heating Computation 415-30-15 - Change

The Statewide Estimated Cost of Heating Table (~~Statewide Benefit Matrix~~) is a table of the household's estimated cost of heating for the entire heating season based on the household's primary heat source, type of home in which the household lives, and number of bedrooms in the home.

The values in the table are updated annually based on data from the five most recent, complete fiscal years in the eligibility system.

The estimated cost of heating table is housed in the eligibility system and is used ~~by the eligibility system to establish a LIHEAP benefit (LIHEAP Share %).~~ for data collection and reporting purposes.

15. Cost of Heating – Wood, Coal, Etc. 415-30-15-01 - Change

~~If the household has a consumption record for the previous year, always use those records of actual consumption as the Cost of Heating. Use the Cost of Heating Tables only as a last resort when there is no usage history. On the "Household Data" screen, code the type of fuel as "07" (other) for kerosene.~~

If the household is using a fuel source that is not fuel oil, propane, electricity, or natural gas, then on the "Household Data" screen, code the type of fuel as "07" (other) for kerosene, wood, coal, etc

16. Cost of Heating – Secondary Heat Source 415-30-15-05 - Change

The same LIHEAP Share Percentage and household Co-payment Percentage that has been computed for the primary source of heat will be used to pay a secondary source of heat, ~~with exceptions for electric heating.~~

Payment on secondary heat sources can be paid throughout the heating season at the established LS percentage.

~~Secondary electric heat will be paid at 50% of the bill times the LS percentage. Example: Total bill divided by 2, times the LS percentage.~~

~~LIHEAP will not pay for non-installed appliances such as space heaters or electric fireplaces.~~

LIHEAP will not pay for a secondary heat source unless it is used in a primary living space, such as a bedroom that is in use, a kitchen, a living room, or family room.

NOTE: Payment of secondary heat in basement bedrooms is allowed even if the bedrooms in the basement are not counted.

NOTE: THERE ARE NO EMERGENCY PAYMENTS MADE FOR SECONDARY HEAT.

17. Cost of Heating – Counting Bedrooms 415-30-15-10 - Change

The purpose of counting bedrooms is to estimate the size of the area to be heated which has exterior walls exposed to cold outside air. This information is gathered on the application for data collection and reporting purposes. Since it is nearly impossible to completely 'close off' unused bedrooms and prevent heat loss into them, households will be allowed to count unused bedrooms.

The household will be allowed to count the number of rooms on the main and upper floors which were designed to be used as bedrooms. Bedrooms in a basement cannot be counted unless the entire living unit is contained within a basement, and/or the only bedrooms in the unit are in a basement. A household is not allowed to count as a bedroom any room which was structurally intended for another purpose. For example, if a member of the family sleeps in the living room, this could not be counted as a bedroom.

If a house is a split-level home where one or more walls of the lower level are fully exposed to the outside air, bedrooms on that floor can be counted. Similarly, "split foyer" or "raised ranch" style homes generally have 4-5 feet of the lower level above ground level and exposed to the outside air. Bedrooms on the lower level of these homes may be counted.

~~A household which rents out sleeping rooms on the main or upper floors of the house, may count only those bedrooms which are not rented, since the cost of heating the rented rooms should be covered by the rent received.~~

~~Do Not count any bedrooms used exclusively by any person not counted as a member of the household for LIHEAP eligibility purposes.~~

~~If a household reports more than five bedrooms, use the matrix column for five bedrooms to determine the Estimated Cost of Heat.~~

A single-detached house which has an apartment will be treated as a duplex, since the house contains two separate and complete living areas.

~~If you have a situation which does not fit any of the situations described, contact the State Office for an interpretation.~~

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~~If the household reports varying numbers of bedrooms for the same house from one season to the next, or the reported number of bedrooms is otherwise questionable, you have the right to question the count and/or to verify that the number of bedrooms reported is accurate. It may be that the household did not report all the bedrooms in previous years because they were previously used for some other purpose. In that case, it would be legitimate to allow the additional bedrooms. When trying to make a fair decision, the guideline should be to count the number of rooms structurally intended for bedrooms.~~

18. Cost of Heating – Different in Months Prior to Application 415-30-15-15 - Change

When the cost of heating for the month of application is different from previous months for any reason, the benefit will be calculated based upon the cost of heating at the time of application.

~~NOTE: See exception to this policy in 415-30-15-20.~~

When a household applies for fuel assistance and was eligible in a different county previously (in the early months of the same fuel season), the current county Human Service Zone (HSZ) will complete the eligibility process. The eligibility will be based on the cost of heating at the time of the application.

~~Example: Household lived in Burleigh County from October through December they did not apply for fuel assistance. The household moved to Morton County in January and applied for fuel assistance. The Morton County LIHEAP staff will determine eligibility that includes October through December. The LIHEAP Share percentage will be based on the household's current income.~~

19. Cost of Heating – High Fuel Consumption Due to Age, Disability, or Health – 415-30-15-20 – Repeal

~~Persons who must maintain a home temperature significantly higher than normal due to age, disability, or health which might predispose them to hypothermia may~~

~~need more fuel than the Estimated Cost of Heat indicates. Therefore, the household's actual co-payments may be more than the household is able to afford.~~

~~These households may receive additional LIHEAP payments for their heating costs if their actual heating costs (use previous year's records if necessary) exceed the LIHEAP Estimated Cost of Heating.~~

~~To assist these households, the goal is to reduce their Co-payment Percentage to a level that reflects their ability to pay in relation to their true heating costs:~~

- ~~1. Obtain the household record of actual heating costs, and compare it to the LIHEAP Estimated Cost of Heating table.~~
- ~~2. If the actual heating costs are higher, use the actual heating costs for the prior LIHEAP heating season in place of the estimated amount from the LIHEAP tables. In some cases, you may be aware of this situation when you are first calculating the case, and entering the actual heating costs in place of the LIHEAP Estimated Cost will result in the correct LIHEAP Share Percentage from the start. If the issue is raised after the case has already been established on the computer, entering this information as a change will cause the LIHEAP Share Percentage and the customer's Co-payment Percentage to be recomputed. The effective date of the revised LIHEAP Share Percentage will be 5 days from the date the change is entered.~~
- ~~3. If the household does not contact you until some bills have already been paid, you can use miscellaneous payments to increase the amount of the LIHEAP payment on prior bills.~~

20. Renter Benefits Computation 415-30-30 – Change

Establishing the LIHEAP benefit level for unsubsidized renters whose heating costs are included as an undesignated part of their rent will be similar to the procedures for establishing a LIHEAP benefit level for any other eligible LIHEAP applicant, with TWO ONE EXCEPTIONS:

- ~~1. An additional calculation for the estimated cost of heating is necessary. The estimated cost of heating will be the smaller of the amount taken from the appropriate cost of heating tables OR 25% of the annualized rent payment. (See lines 7a and 7b of SFN 530, "Eligibility and Benefit Worksheet.") The annual estimated cost of heating will be established for the renter based off fuel type and pulled from a data table. The annual estimated cost of heating will then be divided by 12 months to establish a monthly estimated cost of heating.~~
- ~~2. For renter/heat paid households using electricity as the primary heat source, the computer will NOT perform the calculation which reduces the LIHEAP Share Percentage by 25% to account for non-heating electricity. That is because the Estimated Heat Cost computed in #1 above is already based on a presumed~~

~~heating cost being 25% of the total rent. Applying the additional 25 % reduction to the LS percentage would be duplication.~~

Renter Benefit table				
SMI	Fuel Oil	Propane	Electricity	Natural Gas and Other
0-10	\$183	\$146	\$125	\$58
11-20	\$183	\$146	\$125	\$58
21-30	\$174	\$139	\$119	\$55
31-40	\$156	\$124	\$106	\$50
41-50	\$119	\$95	\$81	\$38
51-60	\$83	\$66	\$56	\$26

Renter LIHEAP Yearly Cap	
Fuel Type	Yearly Cap
Fuel Oil	\$2,200
Propane	\$1,750
Electricity	\$1,500
Natural Gas and Other	\$700

21. Renter Benefits – Computation of Monthly Payment 415-30-30-10 – Change

The monthly benefit will be calculated by the computer using the following formula:

~~The cost of heating will be multiplied by the LIHEAP Share Percentage and the result will be divided by 8 to establish a monthly benefit. The monthly benefit will always be rounded off to the nearest dollar: \$50.49 = \$50/Mo. and \$50.50 = \$51/Mo. If the monthly renter benefit is less than \$5.00 a month, the household will receive at least a \$50.00 lump sum for the season regardless of what the payment would have been monthly. The "lump sum" is paid in one check to the renter, and the case goes automatically to a status '10', which prevents any further payments.~~

The annual estimated cap will be determined by the primary fuel type and pulled from the table provided in the integrated eligibility sytem. That amount will be divided by 12 months to determine the monthly estimated cost of heating. The monthly estimated cost of heating will then be multiplied by the LIHEAP Share Percentage that will be provided from the SMI table (based off the clients income). That total will then be subtracted from the monthly estimated cost of heating to determine the monthly renter benefit.

22. Renter Payments 415-35-15 – Change

Renters whose heating costs are included as an undesignated portion of their rent payment will receive LIHEAP payments directly. Payments will generally be made once per month, on the third Tuesday, and will continue until the county social service board closes the case on the computer, the authorization period expires, or a "lump sum" renter case is closed by the computer (status 10). The authorization period (see 415-30-25-05) will be entered into the computer system on the "Household Data" screen, along with a Payment type code of "03." The monthly renter benefit will be computer calculated. If the household's heat is included in the rent (and there is no rent subsidy), a monthly renter check will be paid to the household. ~~if the monthly renter benefit amount is \$5.00 or more. If the monthly renter benefit is less than \$5.00 a month, the household will receive at least a \$50.00 lump sum for the season regardless of what the payment would have been monthly.~~

~~If the Renter/Heat Paid household's heat share equals or is greater than the estimated cost of heat, or the LIHEAP Share percentage equals 5%, a one-time lump sum payment of \$50.00 will automatically be issued to the household.~~

Renter payments can generally be set up until 5 p.m. (Central Time) on the day of the regular monthly run. However, if a payment is missed, the computer does NOT go back to pick it up. You need to issue a "catch-up" renter payment as described in 415-35-20-20-15.

23. Miscellaneous Payments – To a Secondary Vendor 415-35-20-15-15 - Change

~~A miscellaneous payment will always be used if a payment is to be made to a secondary vendor (See EXCEPTION below). This might occur if the household switched vendors during the heating season, or if the household uses more than one type of fuel to heat the home (secondary fuel), or pays a coal company and coal hauler separately. (Use service code for coal when paying a hauler.)~~

EXCEPTION: ~~If the designated primary vendor also supplies the household's secondary heating fuel AND the secondary fuel type is NOT electricity, the primary vendor can bill for the secondary heating fuel directly to the state via the "Request for Payment" as he would any other delivery made within the authorization period. The secondary fuel type must be coded on the Household Data Record.~~

~~All payments for secondary **electric heat** must be issued by the county via miscellaneous payment.~~

~~Miscellaneous payments to the secondary vendor are entered on Option F, "Miscellaneous or Emergency" screen. The primary vendor will use the computer printout, "Request for Payment" to make direct billings to the state. The code for Payment type (01) and the vendor ID of the primary vendor will be entered the same on the computer as already outlined in 415-35-10.~~

1. Generally, miscellaneous payments to the secondary vendor will be for payment of an unpaid back bill if the back bill did not fall within a month of "continuous eligibility" as described in 415-30-15-10-05.
Example: A household applies in February and was determined eligible from February 1 through May 31. Heating costs were also incurred between October and January, but eligibility existed only for October, December and January. The December and January bills can be billed by the primary vendor on the computer printout "Request for Payment." The October bill will be paid on the "Miscellaneous and Emergency Payment" screen.
2. Miscellaneous payments may be necessary to the primary vendor if a bill has been only partially paid for any reason. Since the delivery date has already been used, the computer will not accept another bill from the vendor for the same delivery date, with the same invoice number and type of fuel.
3. Miscellaneous payments may be necessary to a primary vendor if the energy bill is in the name of someone other than the applicant's. The county needs to exercise caution, since the bill may be in another name due to previous unpaid bills. The applicant must understand that the payment to the vendor will be listed under his name.

If this will cause a problem, the payment may need to be sent to the applicant. (See 415-35-20-20-05 or 415-35-20-20-20.)

24. Household Reporting Requirements 415-40-05 - Change

Households are required to report and verify changes on a **timely** basis. Changes are considered "timely" when they are reported and verified within 10 days from the date the change occurs. The following changes are mandatory changes to report:

1. Loss/addition of a household member. (Income of the new household member will need to be reported and verified.)
2. Household moves to different home.
3. Change in the type of heat.

4. Change in rent subsidy status.

The household will be informed of the change reporting requirements in the approval notice. They may contact the eligibility worker by telephone, letter, or other type of communication to report the changes.

When mandatory changes are reported, both income and deductions should be reviewed. A change in income may result in an adjustment to the LIHEAP share percentage.

~~NOTE: Although benefit levels will not be adjusted under the Heating Assistance Program if the client reports only an income change, a significant decrease in income may result in an Emergency Assistance application. (See 50-05.)~~

To prevent a reported change from being overlooked, the household should be instructed to attach a note requesting that the information reported for any of the other programs be shared with the LIHEAP eligibility worker. **All changes must have the required verifications attached.**

25. Benefit Levels – Adjustments 415-40-25

~~If the change in the family's circumstance only affects the estimated cost of heating but not the income, the re-computation of the benefits can begin on page two of SFN 530 "Eligibility and Benefit Worksheet."~~

If the change in circumstance affects the income of the household, you must re-compute ~~both pages~~ page one of SFN 530. NOTE: Be sure to include any allowable deductions in the calculations (lines 1-4).

NOTE: When mandatory changes are reported, income should be reviewed. A change in income may result in an adjustment to the LIHEAP share percentage (see 415-40-05).

26. Electric Utilities 415-50-05-25 – Change

Primary responsibility for emergency payment of electric utilities (lights only) will be assumed by Energy Share of North Dakota, a private non-profit corporation. All applications, processing, and eligibility determination will be done by Energy Share.

Homes heated by electricity (as a primary fuel source), including lights, will be assumed by the North Dakota LIHEAP.

Do not separate the "heating" from "non-heating" costs. Consider the entire bill, household resources, amount needed to resolve the crisis.

LIHEAP has maintained the computer capability of making payments for electric utilities.

Energy Share will accept applications, determine eligibility and benefits approved for utility payments for households who have emergency needs with electricity costs and electricity is NOT the household's primary fuel source. Energy Share will provide all information needed to make the approved payments and will submit a weekly payment file that is retrieved and processed for payment by the eligibility system.

LIHEAP cannot issue electric utility payments under any circumstance for applicants whose income does not meet LIHEAP Heating Assistance eligibility guidelines at the time of the application for utility payment, or at some point during the current fiscal year. ~~or for utility bills which would have no effect on the operation of the heating system.~~