

# LIHEAP 101: The Basics and Beyond



# What is LIHEAP?



- Federal program enacted in 1981 to assist low-income households with energy needs.
- Grantees (states, tribes, territories) receive allotments of funds from the federal government.
- Grantees have quite a bit of discretion to determine:
  - How to use funds
  - Which households are eligible (while staying within federal guidelines)



# Block Grant = Flexibility



- **LIHEAP Statute Section 2605(b):**
  - “The Secretary may not prescribe the manner in which the State will comply with the provisions of this subsection.”
    - The subsection contains the 16 assurances
- **Block grant regulations at 45 CFR 96.50(e)**
  - Grantees are primarily responsible for interpreting statute
  - Individual grantees may reach different interpretations of the statute
  - HHS defers to grantee’s interpretation unless it is clearly erroneous

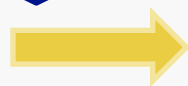


# Use of LIHEAP Funds



## Assurance One

- ✓ Conduct outreach and provide assistance to help low-income households meet their energy needs
- ✓ Intervene in energy crisis situations
- ✓ Provide low cost weatherization



Most grantees spend the majority of funding on heating and cooling expenses



# LIHEAP Program Components



- **Historically speaking:**

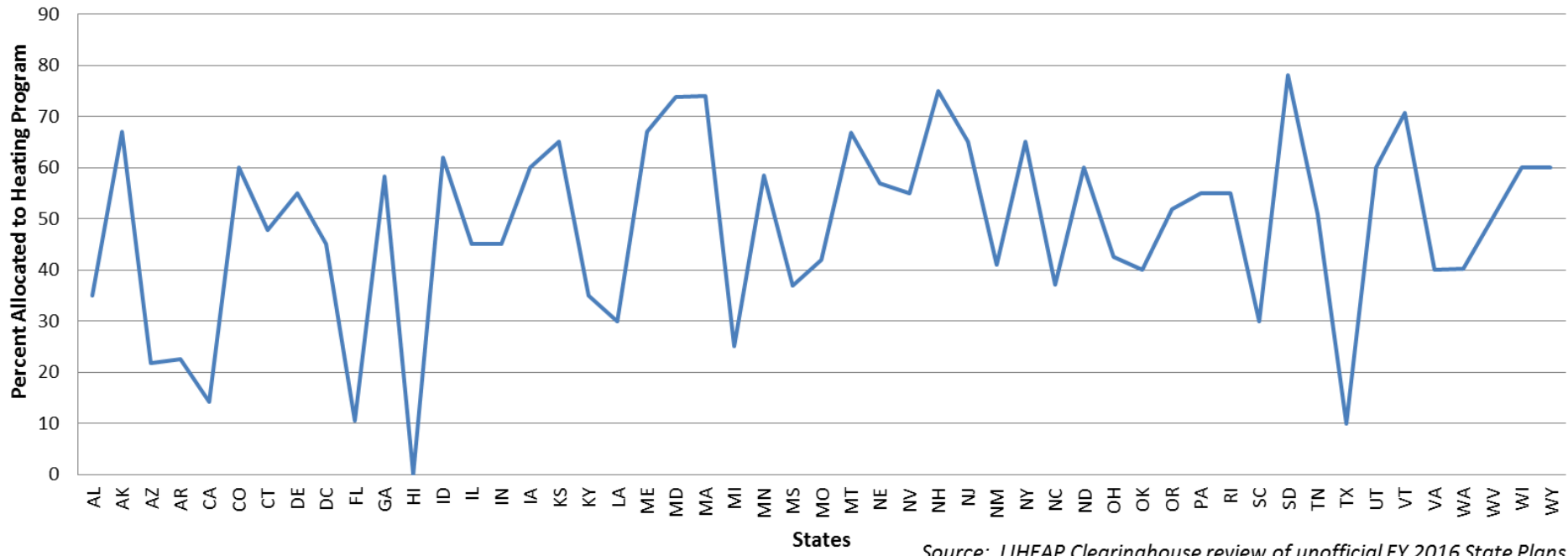
- Most state and tribal grantees provide heating assistance
- About half of state grantees provide cooling programs

<b>FY 2016: States and Washington DC</b>	
Component	Grantees Providing
Heating	50
Cooling	22
Crisis	51
Weatherization	47
Assurance 16	33

Source: LIHEAP Clearinghouse review of unofficial FY 2016 Plans

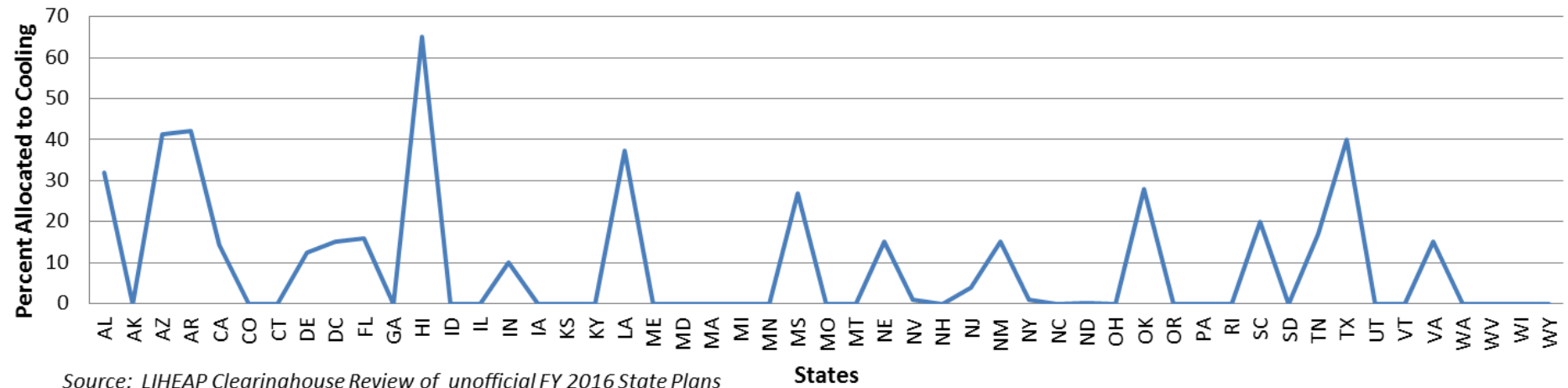


## FY 2016: State Grantee Percentage of Funds Allocated to Heating Program



Source: LIHEAP Clearinghouse review of unofficial FY 2016 State Plans

## FY 2016: State Grantee Percentage of Funds Allocated to Cooling Program



Source: LIHEAP Clearinghouse Review of unofficial FY 2016 State Plans



# Crisis Assistance



- **LIHEAP Statute Section 2603:**

- “The term ‘energy crisis’ means weather- related and supply shortage emergencies and other household energy-related emergencies.”

48 Hours: Intervene to resolve a crisis after eligible household applies

18 Hours: Intervene to resolve a crisis situation that is life threatening

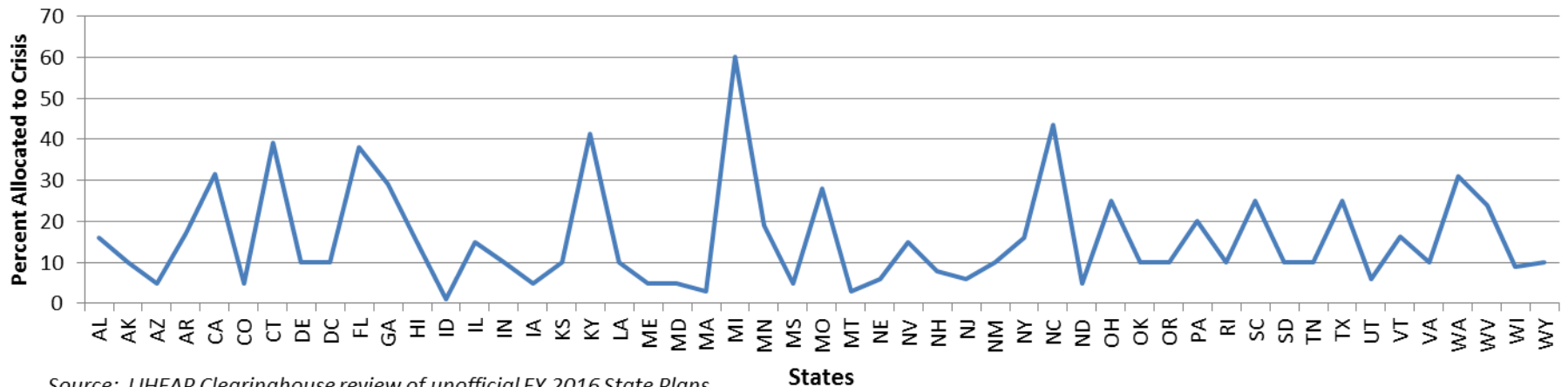
Grantees define crisis and set eligibility criteria




# Crisis Assistance



## FY 2016: State Grantee Percentage of Funds Allocated to Crisis Program



Source: LIHEAP Clearinghouse review of unofficial FY 2016 State Plans

For more on crisis programs, see this report: 



## Report

LIHEAP Crisis Components:  
*Requirements, Variations, Innovations*

MAY 2014  
Report #2





# Weatherization



- Optional: Up to 15% of funds or 25% with waiver
- Most state grantees provide weatherization.
- For many state grantees, same state agency administers the LIHEAP and DOE weatherization programs



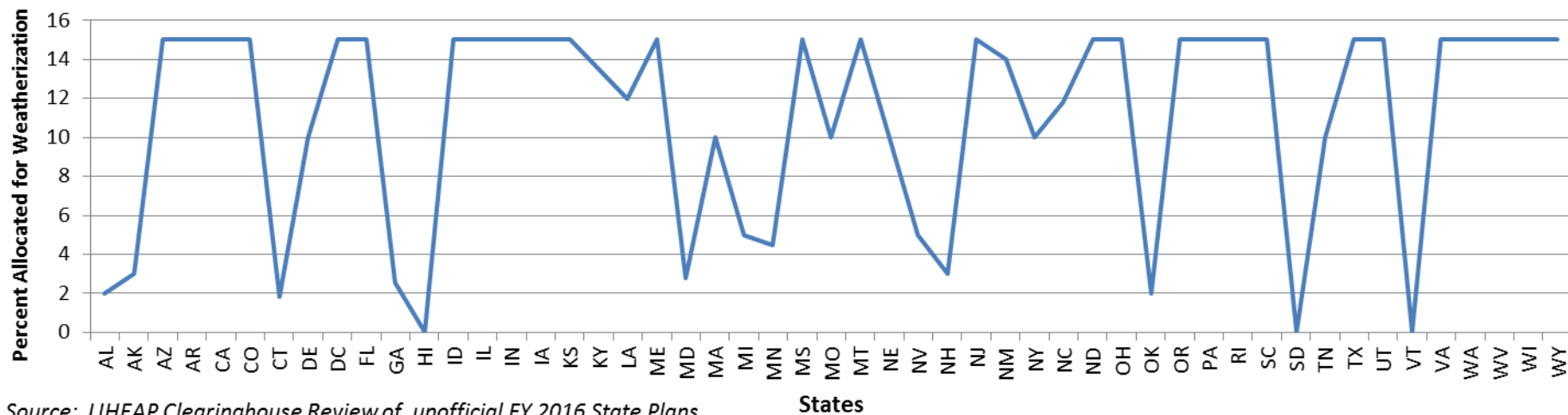
Photo courtesy of NCAT's Energy Corps Program



# Weatherization



**FY 2016: State Grantee Percentage of Funds Allocated to Weatherization**



Source: LIHEAP Clearinghouse Review of unofficial FY 2016 State Plans

For state and tribal plans, see  
<https://liheapch.acf.hhs.gov/stateplans.htm>

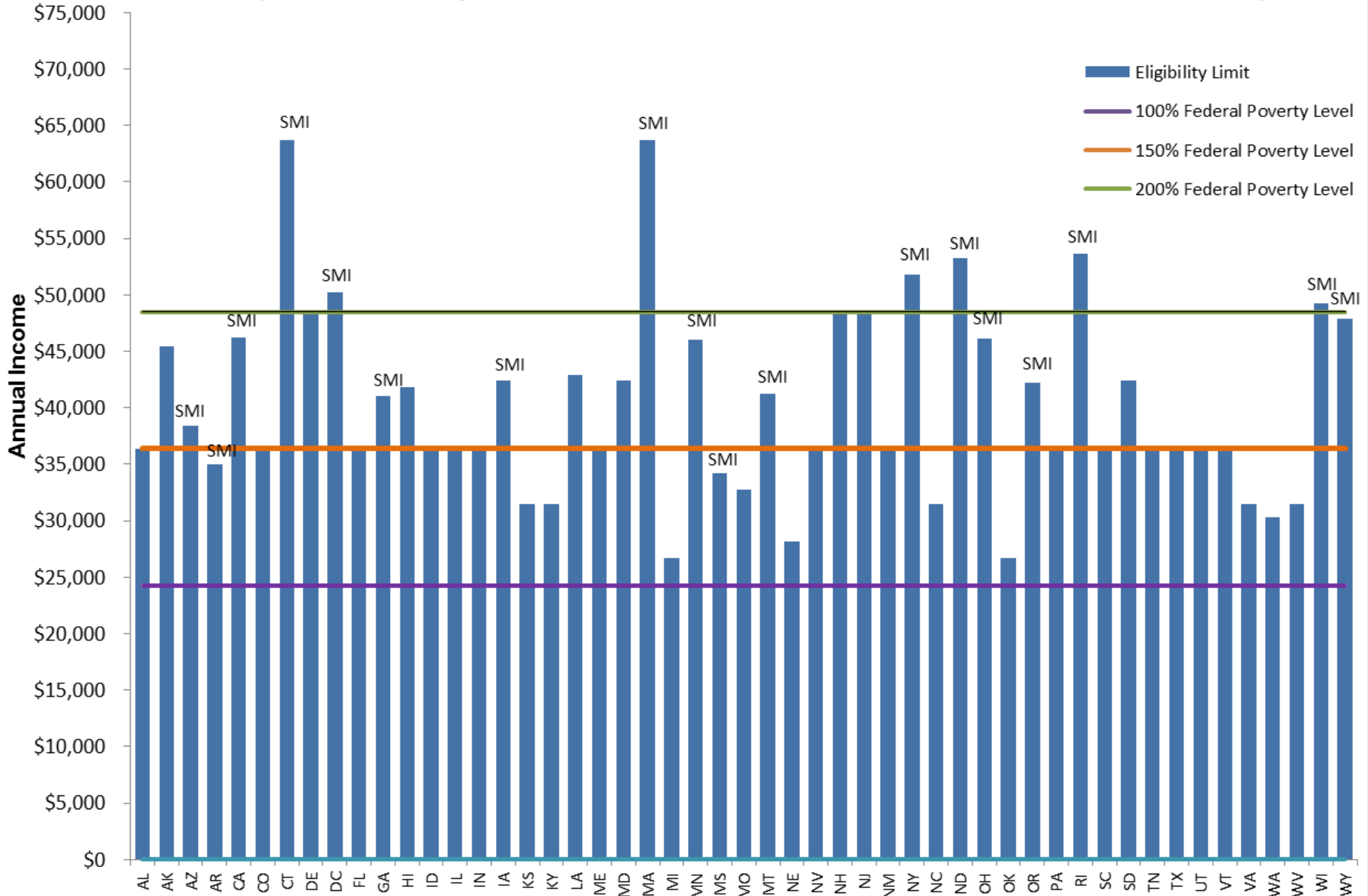
and

<https://liheapch.acf.hhs.gov/Tribes/trplans.htm>



# State LIHEAP Income Eligibility Limits - FFY 2016

(Federal Poverty Guidelines or State Median Income for a Household of Four)



Source: FFY 2016 State LIHEAP Plans

# Categorical Eligibility



Can decide some households are automatically eligible for LIHEAP if at least one member is enrolled in one of these programs:

- TANF
- SNAP
- Supplemental Security Income
- Means-Tested Veteran Programs



# LIHEAP Benefits



**Assurance 5:** Requires highest benefits go to:

Households with lowest incomes

Highest energy costs

Highest energy needs



Must take household size into account



# Payment Matrix and Benefits



Propane		\$2,417				Annual consumption					FY	2013
Vendor		1.79				per	1350 Gallons					
	\$ 0 -5999	6000 – 11999	12000-17999	18000-23999	24000-29999	30000-35999	36000-41999	42000-47999	48000-53999	54000-59999+		
1	40% 967	35% 846	30% 725	25% 604								
2	45% 1087	40% 967	35% 846	30% 725	25% 604							
3	50% 1208	45% 1087	40% 967	35% 846	30% 725	25% 604						
4	55% 1329	50% 1208	45% 1087	40% 967	35% 846	30% 725	25% 604					
5	60% 1450	55% 1329	50% 1208	45% 1087	40% 967	35% 846	30% 725	25% 604				
6	65% 1571	60% 1450	55% 1329	50% 1208	45% 1087	40% 967	35% 846	30% 725	25% 604			
7	70% 1692	65% 1571	60% 1450	55% 1329	50% 1208	45% 1087	40% 967	35% 846	30% 725			
8	75% 1812	70% 1692	65% 1571	60% 1450	55% 1329	50% 1208	45% 1087	40% 967	35% 846	30% 725		

Benefit levels are determined by taking a percentage of the average annual consumption and considering household size and income level.

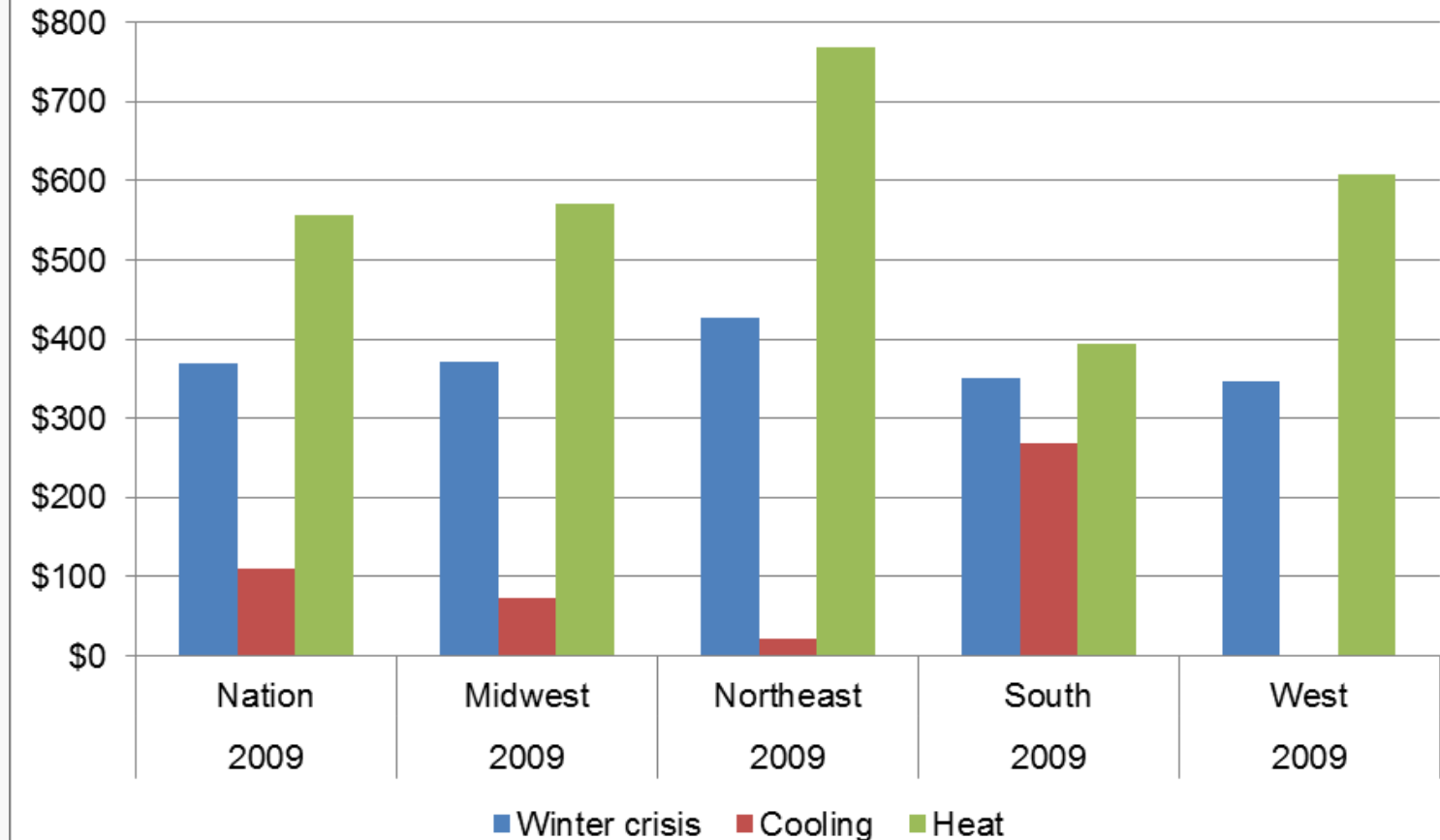




# Average Benefit by Region



## Grantee Benefit Level: Average by Region



# Who Administers LIHEAP?



**Assurance 6:** If grantees use local administrative agencies, they must give special consideration to community action agencies

<b>State Grantees' Use of Local Administering Agencies (2016)</b>	
Community Action Agencies	28
County Government/Welfare Offices	11
Local Non-Profits	11
Central State Office	14

Tribal and territorial grantees generally run their programs through a centralized office



# Measuring Impact



## Performance Measurement Data Collection (States Only)

- Data for three Performance Measures:
  - Benefit Targeting Index and Energy Burden Reduction Index
  - Preventing Loss of Home Energy Service
  - Restoring Home Energy Service
- Required reporting of FY 2016 data (current year) starting in January 2017
- Grantees have been building relationships with energy providers and getting procedures in place to gather and report.



# Example of LIHEAP Innovation



- **Assurance 16: New Hampshire**

- Track households in crisis for three years—move them to new level of security
- Early application, case management
- Results: 25% of these households applied early and 25% did not need to re-apply for LIHEAP.
- Overall crisis caseload has dropped by 10%

For more  
on A16  
programs,  
see this  
report:



**LIHEAP CLEARINGHOUSE** 

**Issue Brief**

---

**Promoting Self Sufficiency for Low-Income Clients**

*LIHEAP's Assurance 16*

**MARCH 2014**  
**Issue Brief #2**



# Example of LIHEAP Innovation



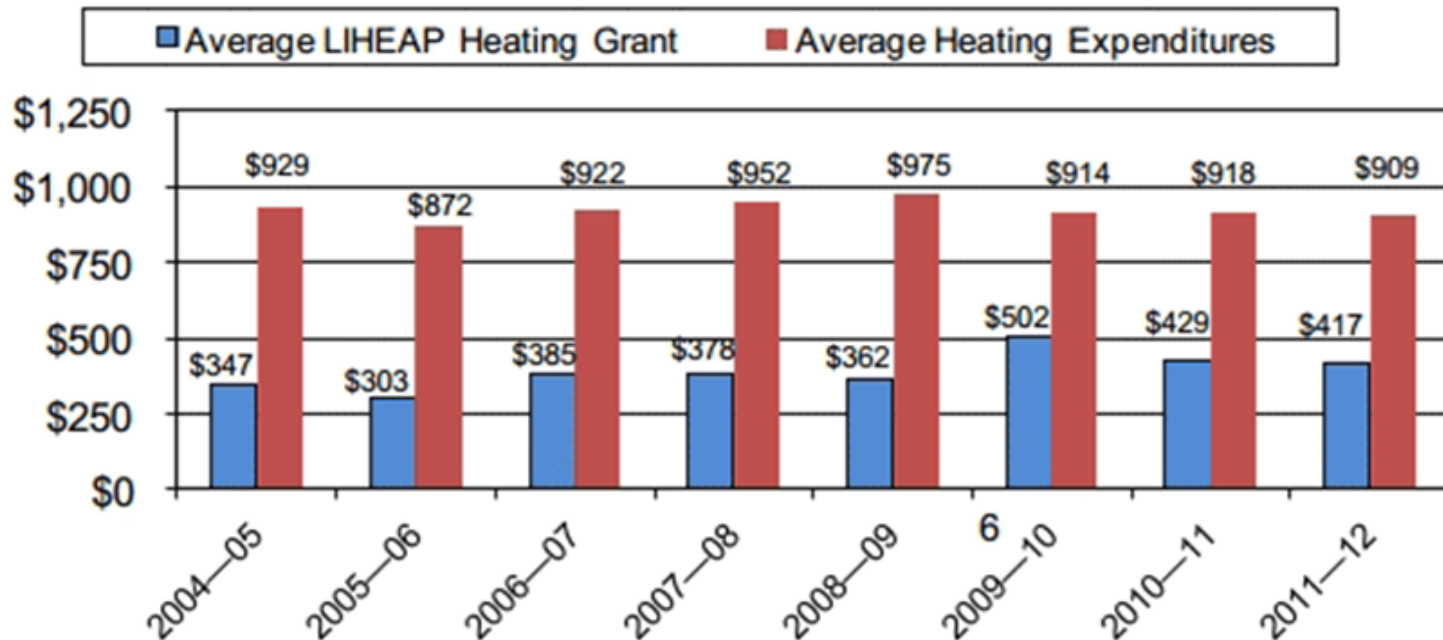
- **Leveraging Non-Federal Funds for Energy Assistance: Colorado**
  - Advocates successfully changed a state law
  - November 2012: PUC implemented Percentage of Income Payment Plans (PIPPs) for regulated utilities
    - Eligible households: Pay up to 4% of their income for gas and up to 6% for electric costs
    - Unaffordable portion of bill: LIHEAP and PIPP funds
  - All PIPP participants are LIHEAP recipients
  - Data sharing and communication between LIHEAP and utilities



# Additional Resources Needed



## Expenditures for Heating Fuels vs. Average LIHEAP Grants



Sources: Residential Energy Consumption Survey, 2005; *Short term Energy Outlook*, January 2013 (Table WF01); LIHEAP Home Energy Notebooks, 2005-2009; NEADA 2012 Energy Assistance Survey. Prepared by the AARP Public Policy Institute, January 2013.





# Non-Federal Leveraging

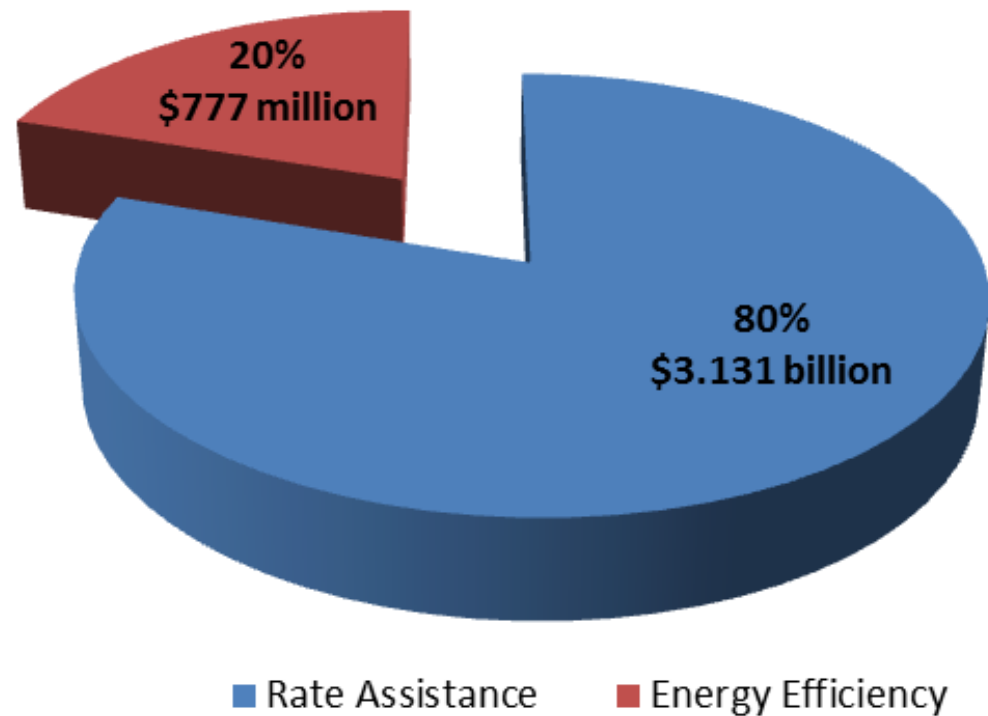


Most grantees continue major leveraging activities

Some non-federal sources pre-date LIHEAP itself.

For more, see profiles at:  
<https://liheapch.acf.hhs.gov/dereg.htm>

## 2013 Ratepayer Funded Low-Income Assistance



Source: LIHEAP Clearinghouse



# Contact the Clearinghouse



## LIHEAP Clearinghouse

<https://liheapch.acf.hhs.gov/>

Sherry Vogel, Project Director

[sherryv@ncat.org](mailto:sherryv@ncat.org)

Travis McAdam, Program Specialist

[travism@ncat.org](mailto:travism@ncat.org)

Marisa Larson, Program Specialist

[marisal@ncat.org](mailto:marisal@ncat.org)

 <b>LIHEAP</b> CLEARINGHOUSE	<b>Issue Brief</b> MARCH 2016
<b>Creating Efficiency, Maximizing Client Benefits Through Intake Coordination</b>	 <b>Resources for Intake Coordination</b>

 <b>LIHEAP</b> CLEARINGHOUSE	<b>Issue Brief</b> MARCH 2016
<b>Collaboration Between LIHEAPs and Public Utility Commissions</b>	 <b>LIHEAPs and PUCs: Resources for Collaboration</b>

## Creating a Benefit Matrix

A Step-by-Step Interactive Guide

